

Revised April 5, 2013

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Report of the Presiding Bishop

I have been thinking back to January 1, 1988, the beginning of the Evangelical Lutheran Church in America and what preceded that day. Three church bodies, none very old, had been engaged in prayer, conversation and negotiations, trying to imagine what God could do in creating a new church body out of their respective ministries, histories, strengths and limitations.

Each church body believed that for the sake of the gospel, for the sake of participating in God's expanding mission of reconciliation in the whole world, they could be better stewards and proclaimers of the Gospel together than apart.

There was a willingness to relinquish for the sake for what was being born—relinquish their attachment to the cultural identities of a particular immigrant people, relinquish the familiarity of relationships and patterns of decision making. It was not relinquishment for the sake of creating a hierarchical church with greater controls, or even for the sake of efficiencies, though greater efficiency was a concern.

It was the conviction that together—coordinating ministries, sharing and differentiating decision making, planting new congregations, sending missionaries, preparing leaders, serving our neighbors—together we will be more faithful stewards of the Gospel and more fruitful in our witness and in doing God's work in the world.

That premise is reflected in our polity of one church in three expressions. It is woven throughout our governing documents in which the principle of interdependence is affirmed again and again. It has come to be reflected in the metaphor that the ELCA is an ecology of interdependent ecosystems, set within the larger ecology of the one holy catholic and apostolic church.

Now 25 years later we ask, "Do the assumptions of our founders still hold? Is this way—not the only way—but is this way of being church together still our way? Is our driving question the question that I believe led to the new church, 'Why not? Why are we still separate?'" They asked, "What are we saying to the world about our understanding of the gospel when we remain separate? What keeps us apart?" Can we acknowledge the sense of loss that comes with change but accept change that moves to a place of discovering new possibilities for serving the gospel together?"

Think about the changes of the past 25 years and the even greater possibilities we have for being joined together in serving the Gospel. We have only begun to imagine the possibilities that technology and social media give us. Think about how members, congregations, synods and educational institutions are connected globally. Think of how we are joined ecumenically. What are the new possibilities for synods and the churchwide organization in convening and facilitating conversations and ministry in such an inter-committed world?

In this our 25th year, will we be in a season of evangelical imagination about new possibilities for serving the Gospel and God's mission in the world? Or will the losses of the past 25 years—losses in membership and resources for ministry—and the divisions and painful separations deplete our energies? Will we succumb to a culture of distrust in institutions and their leaders and disengagement from one another? Or will we renew our commitment to build a culture of trust throughout this church? Will those very real challenges cause us to turn inward, protective and possessive and preoccupied with the survival of the parts more than the vitality of the whole? I believe this 25th anniversary year is a time to both

recommit to being this church together in mission and to greater imagination about what that means for the Gospel's sake.

In this anniversary year, let us together renew our commitment to being a church that supports all the baptized as we live out our varied callings to be disciples of Jesus Christ and serve our neighbor in our daily lives.

When the constitution for the new ELCA was drafted, one of the many questions was who shall be the members of the ELCA? Shall it be the congregations? Shall it be the clergy? Or shall it be both? The answer is in the *Constitutions, Bylaws, and Continuing Resolutions of the Evangelical Lutheran Church in America* (6.01) "The members of this church shall be the baptized members of its congregations."

It is understandable that we, who are called into leadership, will focus our attention on the future of congregations, synods, the churchwide organization, institutions and agencies. But let not those energies be at the expense of the priority given to the more than four million baptized members of this church who are the ELCA wherever they are and whatever they are doing Monday mornings at 10:00, Wednesday evenings at 8:00, Saturday afternoons or Sunday mornings.

Worship is where we are nurtured, freed and formed for lives of discipleship. Let us renew our commitment to being a Book of Faith church. The language of Scripture is the mother tongue of our faith.

The story of God's promises to God's people and the Paschal Mystery of Jesus' suffering, death and resurrection is the narrative that frames our individual lives and the ministries of congregations. It is rehearsed in the liturgy and lived out in daily life. We can give no more precious gift to the members of this church who are living out their faith in a complex world of competing narratives than the assurance that God is faithful to the promises God made to you in baptism when God said, "You are my beloved child. I will love you steadfastly. I will forgive you mercifully for Jesus' sake. I raise you to new life in Christ and gather you into my living body." In the power of the Holy Spirit, God sends you into the world to share in word and deed the Good News of Jesus Christ and to serve our neighbors.

What an opportunity we have in this anniversary year to witness to that faith together by participating in an ELCA day of service. On Sunday, September 8, following worship, we are inviting all ELCA members to join with others in their congregations to go out into their communities to engage in a variety of service activities as ELCA members and congregations are doing all the time. But on this "God's work. Our hands. Sunday" and in this our 25th anniversary year, we have a great opportunity to say publicly this is who we are—freed in Christ to serve.

Together, we are a church committed to strong, vibrant congregational ministries that serve the Gospel and are responsive to our ever-changing communities. Every congregation is a mission field where opportunities to share the good news of Jesus and to serve our neighbors abound.

Every ELCA congregation has been called to be engaged in prayer, conversation and holy imagination about its future, how it is sharing God's love and forgiveness in Christ with those not present and how its ministry is responsive to the neighbor in the local community and across the globe. But that is easier said than done when the congregation is facing serious questions about its ability to continue to have a pastor, maintain its property and offer programs that nurture the faith of members and reach out to others.

No congregation should be facing questions about its future alone. That was made clear in the 2011 Churchwide Assembly adoption of the LIFT recommendations, with the first one being "To make support of the work of congregations one of the highest priorities of this church. To request congregations, in

collaboration with synods, to begin, develop, review or redefine their unique mission plans by the end of 2012, so that each congregation strengthens its capabilities and resources for witness and mission.” The second adopted LIFT recommendation was to support and strengthen synods so that they become catalysts for mission.

Add to those commitments the priority of the churchwide organization to accompany congregations as growing centers for evangelical mission and we have a church clearly committed to vibrant, new and renewed, congregational centers of evangelical mission. That commitment is reflected in the partnership between synods and the churchwide organization in the work of Directors for Evangelical Mission. It is carried out through local mission tables, mission tables that begin at and return to the Lord’s Table where the risen Christ meets us with the power and promise of his life, death and resurrection. The mission of the congregation is shaped by worship around the means of grace. We are sent with the mark of Jesus’ death on our foreheads and the promise of his resurrection on our lips. We have been fed and freed in Christ to be Christ’s body, given for the life of the world.

A challenge is to hold in tension the questions about the future of a congregation with the question of how the free course of the Gospel and the neighbor best served in changing communities? In other words, how does a congregation discern the gifts of the Holy Spirit and the strengths of its rootedness in mission and ministry in their context, as well as have the freedom and the courage to ask what must change? What must we relinquish for the sake of the Gospel of Jesus Christ and serving our neighbor?

It is encouraging to hear stories about what is happening as ELCA congregations engage in such evangelical imagination. A congregation in Texas made the commitment to have volunteers helping at a local elementary school, where the majority the students’ first language is Mandarin. As a result of those relationships, the congregation has now called a Mandarin-speaking pastor to start a new ministry within the context of their congregation’s ministry.

Throughout the ELCA, we are learning that often a different future is imagined and a greater level of energy emerges when the question moves from “How do we maintain our congregation?” to “How do we engage in God’s mission and serve the good news of Jesus Christ?” Yes, the questions are inextricably tied. Yet something changes when we agree on what question takes priority.

In the ELCA, we are adopting what our African churches are modeling, and that is the concept of a parish of congregations served by shared pastoral leadership: evangelists, catechists and a configuration of lay leaders.

We have only begun to discover the opportunities for ministry that are possible because of our full communion relationships. We will be trying more and more innovative models for planting the seeds of the Gospel in local neighborhoods and online communities. Some of those seeds will mature into congregations, some into a community organization of residents who gather for prayer, study and worship in homes. Some may not bear fruit. Yet like the parable of the sower, let us be a church which unabashedly, sometimes seemingly foolishly without regard to the soil, spreads the good news of God’s love in Christ for you and the whole creation.

With change there will always be both sadness and joy. The first congregation I served closed several years ago. It was in a public housing community in North Minneapolis. When the “projects”, as they were called, were torn down, the decision was made to close the congregation. Yes, as a former pastor I wondered about the wisdom of the decision. But now I give thanks to God for the vibrant ministry of the

ELCA congregation in the neighborhood where several Prince of Glory members joined, and where next year our daughter will be the congregation's president and our granddaughter will be in confirmation.

Trusting God's promise that in Christ we are always being made new is both consoling and liberating for individuals and congregations, especially in the midst of change.

Yes, let us continue together to be a global and ecumenical church. Just think about how much more connected we are with global companions and ecumenical partners now than 25 years ago.

In 1988, the companion synod program did not exist. Now our 65 synods have a total of 120 global companions with another 26 churches waiting for an ELCA synod to be their companion. In 1988, global mission was something the churchwide organization carried out on behalf of the whole church. Twenty-five years later, countless ELCA congregations have a global companion congregation. I wonder how many ELCA members have traveled on a global mission trip these past 25 years. Add to that the number of ELCA youth and advisors who have gone on mission trips in the U.S. and beyond.

As we celebrate and thank God for these marvelous relationships, we must continue to be in conversation about questions such as, "How do these growing congregational and synodical global relationships deepen and extend our church-to-church relationships and the communion we share as one of the 142 member churches in the Lutheran World Federation? And how do our church-to-church relationships serve the free course of the Gospel and God's mission for the life of the world? And how do we keep local and global mission in their ever-increasing intersections as we celebrate them in global events all over this church?"

For many reasons, the decision of the assembly of Evangelical Ethiopian Church Mekane Yesus, to sever all ties with the ELCA and the Church of Sweden is so troubling. It is not the outcome we desired when adopting a social statement on human sexuality that acknowledges we as the ELCA are not of one mind on homosexuality, and that ELCA members with bound consciences can be fully engaged in ministry in this church, holding diverse and even divergent positions.

The relationship between Lutherans in North America and Ethiopia go back a century. Together we have accompanied one another through times of political turmoil in our countries and conflicts and division in our churches. For ELCA companion synods, their relationships with sisters and brothers in the Mekane Yesus church have become some of the most treasured partners they have in ministry.

But finally, this is about more than companion synod relationships and even church-to-church relationships. It is about what it means to be a communion of churches as the Lutheran World Federation. I am grateful that the Mekane Yesus Church, the Church of Sweden and we have accepted the invitation of the Rev. Martin Junge, LWF General Secretary, to have the LWF facilitate conversations regarding the implications and implementation of the decisions of Mekane Yesus. The June 2013 meeting of the LWF Council will call for much prayer, attentive listening to the Holy Spirit and to one another.

It was very encouraging to meet with the leaders of the Malagasy Church in Madagascar, the Evangelical Lutheran Churches in Malawi, Zimbabwe and southern Africa on our recent trip. Because we have church-to-church relationships, we could speak publicly and honestly about our differences and challenges, but each of these leaders also talked openly of our unity in Christ and in God's mission that is greater than our differences. We were holding each other accountable, worshiping and praying together and witnessing to the unity that is God's gift through our baptism into Christ as together we engage in serving the Gospel and God's work of restoring community.

This is who we are as the ELCA—a church that together works faithfully, tirelessly, enthusiastically and humbly to steward and make visible the unity that is God’s gift in Christ, a unity in the rich diversity of Christ’s body, the Church. That commitment was firmly established when the 1991 Churchwide Assembly adopted the policy statement “Ecumenism: The Vision of the Evangelical Lutheran Church in America.” It has led to our now having six full communion partners with whom we have only begun to imagine new possibilities for witness and service. Because of our relationship in full communion, that early commitment by the ELCA has kept us active participants in the changing ecumenical landscape of the National Council of Churches in Christ and Christian Churches Together.

As we now are led into the next chapter of the ELCA’s life, I believe similar commitments must be given to interreligious relationships. As I travel throughout the ELCA, especially in the context of meeting with youth and young adults, the question I most often am asked is, “What does it mean to be a Christian in relationship to my roommate who is Buddhist, my neighbor who is Muslim, my sister who is married to a Jew and many of my friends who are among the ‘nones’ without no religious affiliation?”

No matter how great are the challenges we may face in the future as a denomination, let us resolve not to let them turn us inward pre-occupied only with ourselves. Let us always be a church turned by the Spirit—yes, a repentant church—turned toward our neighbor, turned toward the other, enriched by our diversity, witnessing to our faith, finding ways to work together building community, caring for creation, striving for justice and peace. This is who we are as a church together. Let us together be a church that embodies what Peter proclaimed, “I truly understand that God shows no partiality.” (NRSV Acts 10:28)

“No partiality.” Ponder what that promise means for the witness of every ELCA member and the ministry of every congregation. In a culture where so often the dominant religious voices are those that are polarizing and partisan, we are called to make a radically evangelical witness, “All are welcome into this community of faith.” God’s words of love and forgiveness in Christ will not be deterred by the barriers we erect, by our attitudes and actions, our policies and practices that too often exclude the many and privilege the few.

But to extend such hospitality takes more than words of welcome. It takes greater intentionality and attentive listening to the voices of those not present. Opening our doors and waiting for people to receive our hospitality is not adequate. It will take more soul searching than that; more willingness to lay down our lives for the sake of the Gospel and the neighbors.

How do the songs, language and rhythms of our liturgies reflect the diverse Pentecost church the Spirit calls and renews us to be?

How does the way we prepare, call and elect leaders create a path so that leadership in the ELCA is the face of people who believe in a God who knows no partiality, a God who in fact blesses the church with rich diversity?

In an increasingly and richly pluralistic culture, the Good News that “you are a beloved child of God for Jesus’ sake” is simply too good and too deserved of hearing for it to be trapped in the confines of a mono-cultural, monolingual church. Oh yes, even as other Christians and persons of other religions seek to sort, divide, categorize and exclude, let us be a church that goes with arms wide open to meet the neighbor—the one we so often think of as “other.” For that is how God, in loving arms of mercy, welcomes and embraces you and the “other,” joining us together.

To be such a welcoming church means we will be front and center in the current movement toward fair and just immigration reform. Let us support comprehensive immigration reform. That will provide an

earned pathway to lawful permanent residence and eventual citizenship for undocumented immigrants and their families. It will ensure humane and just enforcement of U.S. immigration laws, protect families from separation, and ensure protection for all workers in the United States.

Let us be a church renewed by the witness of Pope Francis, now in the early days of his papacy. Through his humility and words, where he has chosen to be present and whose feet he has washed, he has reminded us that to be the church is to be with those who live in poverty, with those who are migrants and sojourners, the imprisoned and the forgotten.

Let us be a church whose members advocate for public policies and priorities that reflect the commitments we have made in our social statement, *Sufficient, Sustainable Livelihood for All*. Let us continue to be a church whose members give generously so that no child will die from malaria, whose communities can rebuild after natural disasters and that the prayer “give us our daily bread” will be answered in every person’s life.

It is our global companion churches who teach us that God’s mission is holistic. Traveling over treacherous roads deep into rural Zimbabwe, we arrived at Burure, way out in what Africans call the “bush.” There Christ is present in and through the congregation that gathers for worship. There you are present through your support of the new medical clinic that is ready to open as soon as government permission is received. With a new clinic and three residences for medical staff, the people are in the season of Advent hopefulness. In Burure, we are present through power lines supported by the people of Ascension Lutheran in Thousand Oaks, California. Together with the Evangelical Lutheran Church in Zimbabwe, we are engaged in God’s holistic mission through an elementary school for a thousand students, a high school of 200 students and a new Info Hut, where students will learn computer skills and how to be an HIV- and AIDS-free generation. In that community with little access to water and where walking 2 to 3 hours to school, clinic and worship is the norm, it is so evident that the risen Christ is present and the Holy Spirit is at work.

It is so heartening to see how ELCA members, congregations, synods, students and the churchwide organization have together responded so generously and enthusiastically to the ELCA Malaria Campaign, and not at the expense of support for ELCA World Hunger or our mission support. Our baptismal commitment to serving and loving our neighbor, near and far, is planted deep within us and continues to bear much fruit.

Perhaps some of the most pressing questions that we must face together concern leadership for this church now and in the future. The commitment of the ELCA is to share leadership with differentiated roles and responsibilities, but in a church that is neither hierarchical nor congregationalist.

There are encouraging signs of growing collaboration and there are continuing questions. The work of the three leadership tables, which more accurately should be called one leadership table made up of the Executive Committee of the Church Council, the Executive Committee of the Conference of Bishops (COB) and the Administrative Team, is one very hopeful sign that when leadership is shared, we can be a stronger church engaged in God’s mission. The meetings of the COB Executive Committee and the Administrative Team have been a helpful forum for addressing tensions, clarifying issues and renewing the commitment to collaboration. The meeting of ELCA college and university presidents in February led to two working groups developing proposals for strengthening how there can be greater cooperation between schools and their leaders, including the development of a statement regarding what it means to be an ELCA college or university. Last week, I met with the ELCA seminary presidents and churchwide

colleagues on our annual retreat. It was a very open and honest conversation about the challenges each school is facing and new opportunities each is exploring. We spent considerable time getting their feedback on the proposal for a Theological Education Advisory Council that we will be considering.

Yet in a culture that I think often fosters distrust in leaders and institutions and encourages a hermeneutic of suspicion as our first response to leaders, we need to be working at how we build trust in one another as those called and elected to leadership in this church. If we do not trust one another, how do we expect others to trust us? Transparency in decision making, open and honest communication with, rather than about, each other are first steps in creating such a culture of trust. We also have marvelous opportunities to invite more of the church into conversation about our future and the decisions we must make. The capacity for lively conversation through various social media can be helpful, so too the recommendations of the Communal Discernment and Addressing Social Concerns Review Task Forces.

As connected as we are, there is also a great tendency for people to feel disconnected from decisions and decision makers. How shall the Church Council exercise its governance responsibility? This is a question we have only begun to explore. What is the advisory role of the Conference of Bishops and the role of churchwide officers and staff in decisions? How are they made and carried out?

The questions about how we will lead together should be held in tension with questions about who will be the future leaders of this church. There are lively conversations taking place regarding what the marks of missional leadership are and how we prepare evangelical leaders who will serve the Gospel and God's mission in a rapidly changing, increasingly connected and richly pluralistic context.

I believe we should develop a way of identifying, mentoring and praying for those with gifts for leadership in church and society. We should have as many people engaged in that process as are involved in the candidacy process and are involved in theological education with those who have discerned the call to ministry. We have much to build upon from Project Connect.

I am talking about beginning in junior and senior high. Let us be more intentional about naming those whose faith and service we witness at youth gatherings, outdoor ministries or in congregations, and the gifts we see in them. Then let us have a way to support them as they grow in service and discern their future callings. Let us give thanks to God for the creative, collaborative leadership being given by young adults in this church. I encourage you to get to know the 32 young adults serving in the churchwide organization. They are amazingly imaginative, insightful and collaborative. Get to know the Young Adults in Global Mission, those involved in campus ministry and the various Emergent Church ministries. I left the conversations we had with the six YAGMs serving in Madagascar with such hope because they embody accompaniment that is grounded in faith, a love for Jesus and a passion for justice.

How are we preparing leaders that reflect the face of the church we are committed to become. That takes intentionality, especially when it comes to diversity. It is as important for synodical, churchwide and institutional leadership as for congregations.

Today, I give thanks for the leadership of the class of 2013, who this summer, complete your service on the Church Council. You have led through difficult decisions, but always attentive to one another, to dwelling in the Word and to the unity and mission of this whole church and our ecumenical and global relationships.

One final question with which perhaps I should have begun. During the next 25 years, will it matter that we are Lutheran? Another way of framing the question: will 2017 mark the commemoration of 500 years of a reforming movement in the Church Catholic that is drawing to a close? Will we see an

intensified conflict over who are the true stewards of this Lutheran confessional movement? Or might this become the time when in everything we do, we are attentive to building upon, representing, re-learning or discovering for the first time, the strong theological foundation that undergirds and shapes our lives of faith, our ministry and our witness?

I believe as the ELCA we should be committed to the latter. People deserve to hear a faithful, evangelical Lutheran witness to the Gospel. I say that not out of arrogance, but confidence in what happens in people's lives when the Gospel has free course.

We have something to say to people weary from trying to prove their worth, whether that proving be to employers, creditors, teachers, administrators of government programs, their friends, themselves or to God. It is the Good News that you are a beloved child of God. You are forgiven. In Christ you are freed from the shackles of sin, death and the devil for a life of faith and service to your neighbor, a life that is a living daring confidence in God's grace.

When I ask gatherings the question that one reporter in Tennessee asked me, "So bishop, what is distinctive about being Lutheran?" The answer I hear most often and gave myself is "grace." No, grace is not our possession as Lutherans. It is the giftedness of life, the wonder of life, the promise that we stand before God only on account of Christ, through whom we are always being made new. It is at the heart of our faith and proclamation.

We have something to say to people who cannot figure out where God is in the midst of so much suffering. It is the story of a God, who on the cross took upon Godself our suffering, sin and death, and who is present in our suffering, laboring to bring forth life.

We have something to say to people who feel life has no purpose. It is the story of a God who calls each one through baptismal waters and words of promise, gathers us into the community of faith, the living body of Christ, and sends us forth in so many varied callings in daily life to love and serve the neighbor, to care for family and friends and God's creation, to strive for justice and peace and in word and deed to share the good news of Jesus Christ.

Douglas John Hall's latest book is entitled *Waiting for Gospel: An Appeal to the dispirited Remnants of Protestant Establishment*. In the introduction he writes, "And if I had not heard it (the gospel) and heard it again and again, I would certainly not have become – and remained – what I gladly confess I am – a Christian."¹

Oh, sisters and brothers in Christ, we are in the great 50 days of Easter. It is more than the tomb that is open. The risen Christ is opening your life, your daily work, our passions and imaginations. Christ is opening us into a community that can bear even suffering with confidence and service with hope. The risen Christ opens the scriptures, opens us to God's work of reconciliation and forgiveness. The risen Christ opens us to God's promised future. What a cause for thanksgiving. What a great reason for us to go into the next 25 years together as the Evangelical Lutheran Church in America. What is holding us back? The risen Christ has gone ahead of us to meet us. The power of the Holy Spirit is at work in us and through us. What are we waiting for?

¹ Douglas John Hall, *Waiting for Gospel: An Appeal to the Dispirited Remnants of Protestant "Establishment"* (Eugene, OR: Cascade Books 2012) xxvii.

Report of the Vice President

For I am convinced that neither death nor life, neither angels nor demons, neither the present nor the future, nor any powers, neither height nor depth, nor anything else in all creation, will be able to separate us from the love of God that is in Christ Jesus our Lord.

Romans 8: 38-39

Ever look around and wonder what has happened to the world? Ever wonder, “How did we get to this place?” Time seems to be speeding by and the world is hardly recognizable to me.

In March, I will be traveling to Africa along with other members of the ELCA National Malaria Leadership Team. In preparation for the trip, my doctor advised me to call the University of Texas Medical Branch Travel Clinic to see what shots and medications I would need. Keep in mind that this is a world-renowned health center, consisting of seven hospitals and including a Level One trauma center. It’s a big medical complex that houses the state’s oldest medical school, a one-of-a-kind BioLab 4 Center that deals with infectious diseases from all over the world and experimental labs responsible for all kinds of research. I’m in good hands, right?

I made my appointment at the specialty clinic and the doctor advised me of all the different immunizations and preventative medications. They could take care of the five shots except for the typhoid shot. They were out of the typhoid shot so I would need to go to the travel clinic at a local grocery store to get that. The big huge medical center doesn’t have the typhoid shot but the grocery store does. What next?

The next week, my list for the grocery store read milk, eggs, lettuce, apples, pan dulce, and typhoid shot. While waiting in line to get my shot, I read a sign advertising all the services the store offered. My eyes hit the line, “Pet Medications and Pet Healthcare Insurance Accepted.” Who in the world would get health insurance for their pet?

I should have never scoffed at that idea. The very next week I found myself in a 24-hour emergency animal clinic facing the teary faces of Diane and our daughter, Stephanie. Max is a 14-year-old Yorkie with all the health problems of a ninety-year-old human. Max spent the night in the emergency clinic, a sort of intensive care for animals, where tests were done, X-rays and ultrasounds taken, and IV medications given in an effort to stabilize him. The next morning, Diane and Stephanie transported the patient to our vet’s office where he spent several more days. When I got the bills I wished I had an insurance policy on the dog.

The world has changed. How do we deal with those changes? Do we put our heads in the sand, or do we face the world and deal with it? Do we dig in our heels and refuse to see what is happening? I think the strength of the ELCA, especially in these last years, has been the ability to acknowledge the world as it is and strive to find our place in it. Our strength is in listening to what God would have us do.

As uncomfortable as it is at times, I have come to accept the fact that change is not such a bad thing. Status quo is so predictable. Naturally, the status quo feels good because you are more in control when things are predictable. But change *can* be good; I just have to make myself slow down and accept it.

My family’s world is about to undergo another major change. Sometime in December, our daughter’s boyfriend showed me a ring he wanted to give to her. She’s my only daughter and I was actually getting the “May I have your permission?” speech from the boyfriend. Did I mention, she’s my only daughter? Satisfied that this young man was the best thing for my little girl, I gave him the go-ahead. We are now in full swing wedding plans. The date? December 21, 2013. Days before Christmas. Why not add one more major thing to an already hectic time of year? What good would it do to dig in my heels? We will embrace this change and make the most of it!

More changes are ahead for every one of us. It’s inevitable. The important thing is how we meet those changes. I think the ELCA is capable of meeting and welcoming changes in the world as long as we have

a strong leadership and the faith that God is with us and will guide us. After all, nothing can separate us from the love of God. He is with us all the way.

December 2012 ended with a meeting of the Three Leadership Tables. You will remember that this group (Executive Committee of the Church Council, Executive Committee of the Conference of Bishops, and the Administrative Team) also met in August. Both of these meetings involved discussion of and brainstorming on how these three groups can lead together better as we discern God's will for the future of the ELCA. You will hear more about this work as we begin to expand the tables to include more voices from our church.

From January 11-13, 2013 I traveled to Chicago for the Multicultural Summit 2013. What a gift to have such a distinguished, faithful group of people from a variety of cultures come together to share their thoughts on how the ELCA can better become a multicultural, multigenerational church witnessing to God's mission both locally and globally. Part of the agenda for this summit was to understand the roles of the ethnic associations, review the goals of the associations and find ways in which the whole church can assist them in carrying out their work. Key issues were identified and will be further refined by a sub-committee. You will hear more about this as their work progresses. In the 20 years that I have been involved in the lay leadership of the ELCA, this was the first time for me to participate in a summit of this nature. It was exciting to be part of this summit. Thanks to the Rev. Sherman Hicks and his staff for all their work.

On January 14th, Diane and I traveled to Christ the King Church in Houston to see the Rev. Robert Moore, our own church council member, bestowed the prestigious Order of Merit award. This award was presented by the Consul General of the Federal Republic of Germany, Klaus-Jochen Guhlcke. The certificate announcing the award came from Joachim Gauck, president of Germany. It is the highest tribute the Federal Republic can pay to an individual. Congratulations, Robert! Robert said if you ever get a speeding ticket traveling on the autobahn to let him know and he'll take care of it for you. It's nice to know people in high places.

On January 26th, I traveled to Seguin, Texas for the annual meeting of the Texas Lutheran University Corporate Board. The ELCA is indeed fortunate to be in partnership with its colleges and universities where matters of faith and learning are important. These schools of higher learning are preparing students for lives of purpose and service to the world. The world is facing challenges as never before. We know that our colleges and universities are preparing our graduates to face these challenges.

On January 29th, I traveled back to Houston for the Lutheran World Relief (LWR) annual board of directors meeting. As you know, LWR works on behalf of U.S. Lutherans and partners around the world to end poverty, injustice, and human suffering. Being that the meeting was in Houston, I was invited by the Rev. John Nunes, President and CEO of LWR, to bring greetings on behalf of the ELCA. The Rev. Rafael Malpica-Padilla, Executive Director of the ELCA Global Mission, and Bp. Jessica Crist, Montana Synod, also attended. Whether it's a typhoon in the Philippines, a food crisis in Niger, working with cocoa farmers in South America, or working with U.S. Lutherans to get involved through the Advent Giving Tree Project, the LWR is there working through us doing together what we could not do alone. It's a unique organization truly doing God's work through our hands.

As I mentioned in the beginning of my report, I will be traveling to Africa with ELCA staff and members of the National Malaria Team from March 16-24. I know that our companion churches are excited by our visit, and will welcome us into their communities to show us the malaria programming they are doing. This group is also planning to meet with Bishop Hanson in Johannesburg at the end of the trip and visit the church where he is preaching on March 24. I will have a full report of my trip when I return.

Until then, as long as the world continues to turn, changes will come about. Change is nothing to fear, though. Change can often mean progress. Trying to embrace change is far better than ignoring it. Besides, with the love of God through our Lord, Jesus Christ, we have the strength to face anything.

Report of the Secretary

2013 is here, which means that the ELCA has entered the year when it celebrates its 25th anniversary. In this significant year, the theme of the Churchwide Assembly—"Always Being Made New!"—informs our life together. This theme is based upon II Corinthians 5:17: "So if anyone is in Christ, there is a new creation; everything old has passed away; see everything has been made new!" This wonderful passage from St. Paul continues by pointing out that we are ambassadors for Christ, who has given us the ministry of reconciliation. Indeed, we are a church that is deeply rooted and always being made new!

As the calendar turned to spring in this anniversary year, the pace of work in the Office of the Secretary accelerated dramatically. The day-to-day responsibilities of meeting management, roster maintenance, archives, legal issues and risk management continue. Of course, a primary responsibility in the Office of the Secretary is being responsive to questions of bishops, synod staffs and other constituents. In this regard, I am delighted to report that Sue Rothmeyer has brought energy, enthusiasm and a profound knowledge of this church to her new position as executive for Office of the Secretary administration. She is a delight and a gift to the Office of the Secretary.

In this report, I want to bring you up-to-date on preparation for the Churchwide Assembly, as well as Synod Assemblies, particularly those that will have bishop elections. In addition, I want to provide you information on a number of other topics, including disaffiliation information, periodic updates on roster changes and Church Council calls.

I. Churchwide Assembly Preparation

Planning is proceeding on many fronts for the 2013 Churchwide Assembly. Jodi Slattery has stepped into the leadership of the Churchwide Assembly Planning Team with grace and diligence, and she has done an excellent job in coordinating the myriad aspects of assembly planning. As in past years, Mary Beth Nowak in the Office of the Secretary again brings amazing expertise and energy to coordinating the logistical arrangements for the assembly. Many others also are ramping up so that the assembly can be successful!

A number of important pre-assembly matters now are on the horizon. First, registration is beginning. The first persons who will register will be bishops and their spouses. The next group to register will be Church Council members, and that will take place shortly after this Church Council meeting. As in 2011, registration will be online, but there is an important difference this year. Because the registration system is now linked through Net Community at the churchwide organization, we strongly recommend that you register yourselves and not leave that responsibility to someone else because your Net Community profile contains some personal identifying information.

Second, we are experiencing remarkable success in having voting members opt to use the e-binder on iPads. Thus far, only a handful of voting members have requested to receive paper. (Thus, as part of our commitment to care for creation, we are close to being "Paperless in Pittsburgh!") The preliminary work on the form of the e-binder is encouraging, and the special app prepared by our vendor, *Guidebook*, for mobile and tablet devices will be a remarkable tool for voting members. Church Council members also will be provided iPads, if you do not have one. You will be asked how you want to receive assembly materials when you register.

Third, voting member orientation is moving along in other ways. I hope that all of you have seen the initial orientation video with Carlos Peña. A second orientation video is being posted. This one—also starring Carlos Peña—specifically addresses the officer election process at the Churchwide Assembly. Carlos explains the ecclesiastical ballot and how it will take place in the election of the presiding bishop and secretary. We believe that it is very important that voting members understand not just the mechanics of the balloting (although that is important) but the significance of these elections as call processes involving discernment by voting members and others in this church. We encourage you to join meetings of voting members in your synods and to call attention to these resources.

Fourth, the Office of the Secretary continues to monitor the composition of the assembly. As assembly time draws closer, we understand that synods will need to make substitutions for voting members elected by Synod Assemblies who are unable to attend. It is important to note the process for providing alternate voting members is prescribed in ELCA bylaw 12.41.12 as follows:

. . . . If a voting member elected by the Synod Assembly is unable to serve, the name of an eligible person chosen by the Synod Council shall be submitted by the secretary of the synod to the secretary of this church. If a vacancy occurs or exists within 30 days of the convening of the Churchwide Assembly or during the meeting of the Churchwide Assembly, the synodical bishop may submit the name of an eligible person to the secretary of this church. The individual whose name is submitted to the secretary of this church shall be registered and seated by the Credentials Committee as a voting member from the synod.

In choosing alternate voting members, we also need to ensure that they meet the representational principles in the ELCA governing documents. Even more important is to move this church to be the church that God is calling us to be!

At this time, the composition of the 2013 Churchwide Assembly is encouraging. Approximately 61 percent of the 952 voting members are lay persons. Of the ordained ministers, approximately 40 percent are women (in comparison with 23 percent of all rostered ordained ministers). Of the total number of voting members, approximately 13 percent are persons of color or whose primary language is other than English. Approximately 17 percent of voting members are age 30 or younger!

In addition to officer elections, there are a number of other important elections at the Churchwide Assembly. In accordance with the amendments to ELCA constitutional provision 14.31 and continuing resolution 12.31.A11 and the transition plan endorsed by the Church Council in November 2012, there will be 11-12 elections for the Church Council that will *not* be based on synodical nominations. These new positions were addressed in a memorandum that I prepared for the Church Council and that was endorsed at the November meeting. (A copy is attached to this report as Appendix 1 for your ready reference.) The Nominating Committee will meet in late April and will need to fill these positions. We continue to seek both a wide and deep pool of potential nominees, especially persons of color and young adults. If you have persons in mind (both lay and clergy), simply provide names and identifying information to nominations@elca.org, and the Office of the Secretary will follow-up and have the potential nominees complete the required biographical form. These new positions provide a unique opportunity to expand the leadership of this church. Please help us identify new, diverse and talented leaders!

Another aspect of Churchwide Assembly elections warrants further mention. Proposed bylaw amendments in Chapter 17 will authorize separately incorporated ministries to elect up to two trustees to their boards from full communion partners. In order to implement this proposal as soon as possible, consideration of amendments to the *Constitutions, Bylaws, and Continuing Resolutions* will be bifurcated so that election provisions will be addressed first. At this time, several of the separately incorporated ministries have identified prospective nominees from full communion partners. Addition of such persons to the boards of trustees not only will provide additional expertise in key areas, but these individuals will write a new chapter in living into our ecumenical agreements.

Finally, I do not anticipate any additional governing document amendments for consideration by the Church Council. There will be a few minor amendments relating to the proposed Rules of Organization and Procedure.

II. Synod Assemblies

A. Preparation for Synod Assemblies

As is the case each year, Synod Assemblies provide unique opportunities to gather congregational members to participate in worship, engage in fellowship, and to learn about the work of the Evangelical Lutheran Church in America. In the year of a Churchwide Assembly, Synod Assemblies also provide an opportunity to foster interdependence and a sense of the work of this church in all its expressions.

In the year of a Churchwide Assembly, Synod Assemblies generally consider a variety of memorials and resolutions. Because of our experience in past years, we distributed the memo on memorials and resolutions even earlier this year. (This memo was sent to bishops, synod vice presidents, and synod secretaries on January 31, 2013, and I enclose a copy as Appendix 2 to this report for your ready reference.) If you encounter a problematical memorial or resolution, please let us know. In addition, if you think that preparation of a template might be helpful, such as we did several years ago with respect to memorials related to pension issues at Portico and Augsburg Fortress, please advise us. As is always the case, we also encourage synods to make use of a pro-active Reference and Counsel Committee to vet and review proposals and to ensure that they are clearly drafted and appropriate. These committees should be encouraged to consult with bishops if there are questions as to whether or not a resolution is out-of-order.

In evaluating possible memorials, resolutions and proposed actions, it also is important to emphasize that they cannot contradict or be inconsistent with the governing documents of this church. Almost every year we see such proposals. Because this is an important issue, both from an ecclesial perspective and a legal perspective, it is useful to point out what *Robert's Rules of Order Newly Revised* (11th ed.) in Section 39, p. 332 on "Improper Motions" says: "Motions that conflict with the corporate charter, constitution or bylaws of a society, or with procedural rules prescribed by national, state, or local laws, are out of order, and if any motion of this kind is adopted, it is null and void." Similarly, we ask that synods discourage memorials and resolutions that add unfunded mandates to either the synod budget or the budget of the churchwide organization.

The memo on memorials and resolutions contains an exhibit on which synods report both memorials and resolutions as well as election results and other important information. Please remind

the synods where you are present to submit the form and attachments as soon as possible after the assembly to Frank.Imhoff@elca.org. (For ease of use, we provided this report form in Word format this year.) It is especially important that memorials are timely reported so that the Memorials Committee can be provided materials as soon as possible after Synod Assembly season.

B. Synod Bishop Elections

Following up on discussions about synod bishop elections that began more than a year ago, the Office of the Presiding Bishop and the Office of the Secretary have been pro-active in working with synods holding bishop elections in 2013. This has been a multi-faceted process.

Last fall, Walter May and I began conversations with synods about 2013 bishop elections. We held a series of telephone conferences to encourage synods to begin the process of preparation for bishop elections, even if their synods utilized the ecclesiastical ballot. Consistent with the “best practices” discussed at last year’s Conference of Bishops meetings, we recommended review of synod websites that addressed election issues and encouraged discernment among voting members and others in the synod. Late last summer, we prepared version 1.0 of a *Toolkit for Synod Bishop Elections*. Since then the *Toolkit*, including *Guidelines for Synod Bishop Elections*, has been revised and updated. Whether or not your synod is having an election in 2013, we encourage all synod leaders to review the *Toolkit* as part of the important process of identifying and nurturing leaders in this church. Here is the link for the *Toolkit*: <http://www.elca.org/Who-We-Are/Our-Three-Expressions/Churchwide-Organization/Office-of-the-Secretary/Synod-Administration/Toolkit-for-Synod-Bishop-Elections.aspx>.

By the time of the Church Council meeting, Walter May and I will have held telephone conferences with almost all of the 26 synods that are having bishop elections in 2013. These conferences are encouraging because they reflect the dedication of synod leaders to addressing important issues of leadership and discernment. They also reflect an increasing trend to begin to work on synod profiles and to address leadership issues long before the assembly at which an election will take place, even in synods utilizing the ecclesiastical ballot. Another aspect of our work is compiling an email group of all synod leaders who are working on bishop elections. We anticipate sending out updates and links to this group periodically, and we are encouraging them to identify and share good ideas and “best practices.” In order to give you an idea of the superb work being done by synods, take a look at the synod profile prepared by the Southwest California Synod:

<http://socalsynod.org/wp-content/uploads/2013/01/Synod-Profile.pdf>. Also, please look at the materials relating to the process for electing a bishop prepared by the Lower Susquehanna Synod: <http://www.lss-elca.org/>. These are only a few examples of the excellent work being done by synods regarding bishop election processes. When I reflect back on the information disseminated about bishop elections a decade ago, I see a remarkable improvement! Whatever Church Council members can do to inspire reflective conversation about synod ministries and desired leadership attributes is welcome.

One other comment regarding bishop elections warrants emphasis. The focus on discernment and preparation for bishop elections before Synod Assemblies provides an important opportunity to identify and nurture women and persons of color as potential nominees. Raising up and supporting faithful, wise and courageous leaders remains a pivotal priority of the Plan for Mission and an important aspect of leadership formation and development for this church.

III. Congregations Disaffiliating from the ELCA

Since the Churchwide Assembly in 2009, the Office of the Secretary has been tracking and analyzing the impact of congregations that have voted to disaffiliate from the ELCA. Beginning last fall, we ceased providing monthly updates, and I anticipate that this will be the last time that I provide a regular report on this subject, absent some unexpected development.

As of the end of 2012, here are the statistics regarding disaffiliations since the assembly in 2009:

- 947 congregations have taken a total of 1026 first votes to disaffiliate
- 713 first votes passed
- 313 first votes failed (33 percent)
- 689 second votes have been taken
- 654 second votes passed
- 35 second votes failed (5 percent)
- 643 congregations have been officially removed from the roster of congregations in the ELCA

In my oral comments, I will provide you an updated analysis of the impacts of the departure of these congregations.

IV. Roster Changes

At the spring Church Council meeting, the report of the Secretary customarily has included information regarding changes in the rosters of congregations and leaders. Attached as Appendix 3 to this report is a listing of congregations received and congregations consolidated, disbanded, merged, removed and withdrawn in 2012.

In 2012, 276 ordained ministers were added to the roster of the ELCA. (This figure includes those who were ordained, received and reinstated.) Last year, 372 ordained ministers retired, 53 were removed from the roster, 95 resigned and 280 died. The corresponding numbers from the roster of lay persons are as follows: 30 lay rostered leaders were added; 31 retired; 10 were removed; 3 resigned and 15 died.

Church Council action CC08.04.19 authorizes the secretary of this church to issue letters of call on behalf of the Church Council. The action provides as follows:

To authorize the secretary of the Evangelical Lutheran Church in America to issue letters of call on behalf of the Church Council for ordained ministers, associates in ministry, deaconesses, and diaconal ministers, in accordance with the Sources of Calls tables in Chapter 7 of the *Constitution, Bylaws, and Continuing Resolutions of the Evangelical Lutheran Church in America*;

To note that this action supersedes Church Council action CC87.06.03; and

To request that the secretary annually report letters of call issued under this authorization.

Attached as Appendix 4 to this report is the list of calls issued in 2011 and 2012 under this authority.

V. This and That

A. An Issue of Great Concern

Since the last meeting, a significant issue has arisen, and it is of importance to every synod. Although not directly related to a synod's mission and ministry, it has had a profound impact on a number of synods and has created an unexpected ripple effect throughout this church. It is the issue of embezzlement and the related subject of crime insurance. As the board of directors of this church, it is important for you to be aware of this situation.

By way of background, the churchwide organization, as part of its insurance program, historically has purchased crime insurance that has included synods. In recent times, the underlying crime policy has been obtained through Church Mutual Insurance Company with a limit of \$50,000. An umbrella crime policy has been obtained through Chubb Insurance Company covering losses from \$50,000 to \$1 million. Again, these policies obtained by the churchwide organization have covered all synods at no direct cost to them.

In the last five years, there have been six defalcation claims involving synods. The total of these claims is substantial, and fortunately much has been covered by these two insurance policies. However, the insurers now have given notice that they are re-assessing the situation, and the previous policies will no longer be available. With respect to the underlying crime policy, Church Mutual will no longer write a single policy. Each synod will need to obtain its own policy, from Church Mutual or another insurer. Church Mutual has indicated to us that it will consult with each synod and provide timely quotes. With respect to the umbrella policy, our broker is negotiating with Chubb, and we are hopeful that an umbrella policy can be obtained that would cover all synods. As part of our responsibility under +S.15.32 in the *Constitution for Synods*, we recommend that each synod obtain an underlying crime insurance policy of \$100,000.

The Office of the Secretary and the Office of the Treasurer have provided assurance to Church Mutual and Chubb that steps are being taken that address the important issue of financial controls. (Appendix 5 to this report is a letter that Linda Norman and I have sent to Chubb to emphasize our commitment to address issues involving financial controls.) It appears that most synods have been able to acquire their own underlying crime coverage. We will provide a more detailed report to the Legal and Constitutional Review Committee.

B. Update on Participation in the Endorsed Insurance Program

As in past years, I want to provide you a summary of synod participation in the ELCA endorsed insurance program:

- Synod's participation as of January 1, 2013 – 49
- Congregations in national program as of January 1, 2013 – 871
- Written premium in national program as of January 1, 2013 - \$6,569,618

When issues arise such as those involving crime insurance, the strength of the ELCA endorsed insurance program and our history with our broker, Willis, and our underlying insurer, Church Mutual,

provide us strong support and a measure of flexibility that would not otherwise be available. We also are fortunate to have Rob Thoma working as the ELCA Risk Manager. Rob is a vital resource, and he is available to consult with synods.

C. Congregational Reports

One of the byproducts of work on the *Toolkit for Synod Bishop Elections* is recognizing the importance of congregational reports in informing the synod profile and in providing foundational information for strategic planning. One of my goals for the Office of the Secretary was to increase the percentage of congregations who submit yearly reports to 85 percent. We suffered a setback after 2009, but the improvement over the past few years is encouraging. Now that we are close to 80 percent, I would like to see if we can achieve 85 percent participation before the end of my term!

In the context of discussing congregational reports, it is important to point out that provision +S8.12.I.12 in the *Constitution for Synods* requires appointment of a synod statistician by the bishop. The responsibility of the statistician is to obtain parochial reports from congregations.

D. Synodical Online Digital Archives (SODA)

One of the significant technological advancements in the past few years that promises to be a significant aid to synods is the development of the synodical online digital archives (SODA). As of February 2013, 46 synods have uploaded documents to SODA – a 70 percent participation rate. Since assembly season is around the corner, synods are reminded that when their 2013 pre-assembly books of reports are completed, they can be uploaded to SODA. In addition to Synod Assembly and Synod Council minutes, synod constitutions and policies and procedures documents adopted by Synod Councils can also be uploaded. If a synod uploads its updated constitution and synod assembly minutes and book of reports, they no longer need to provide paper copies of these documents to the Office of the Secretary.

E. Real Estate Transactions

Attached as Appendix 6 is the report of real estate transactions entered into by authorized persons, pursuant to Church Council action.

F. A Word About Goals

Each year I spend a portion of December working on goals for the upcoming year. These encompass both individual goals and goals for the Office of the Secretary. I share these with Bishop Hanson, the management team in the Office of the Secretary and members of the Church Council. I want to hold out several for you, so that you have an understanding of the focus of my work this year.

The first two of these goals have been at the top of my list every year. Providing accurate and timely assistance to synods and stakeholders is an indispensable and critical role of the secretary. In addition, facilitating the preparation for the Churchwide Assembly and Synod Assemblies represents a

commitment to the interdependence of the expressions of this church. I also want to leave office in the fall with policies and procedures updated so that my successor can hit the ground running! Here are a number of my key goals for 2013.

- Continue to set a positive tone for the Office of the Secretary and emphasize personal contact and approachability (ongoing).
- Continue to provide accurate and timely assistance to individuals, congregations, synods and the churchwide organization (ongoing).
- Provide assistance to synods as they prepare for Synod Assemblies in 2013, especially in those synods where bishop elections will take place.
- Hold a successful 2013 Churchwide Assembly.
- Evaluate and update policies and procedures that relate to Office of the Secretary and update memoranda and instructions from OS to synods.

If you have feedback or suggestions on any of these, please let me know!

VI. Conclusions

The turn of the calendar to 2013 has raised profound issues for me on a personal level. Whereas 2012 was the year of discernment, 2013 promises to be the year of transitions – on many levels. The prospect of a vocational change and a move is daunting for both Barbara and me. I surely will miss the collegiality of the Church Council and my friendships with you. I take great comfort and solace that we are in your prayers and that our friendships will endure vocational and geographical transitions. Before that all occurs, there are a few things remaining to be accomplished. That work reminds me that we are deeply rooted in the Gospel, but always being made new!



Office of the Secretary
Evangelical Lutheran Church in America
God's work. Our hands.

MEMORANDUM

To: Church Council
From: David Swartling
Date: November 1, 2012
Subject: Elections and the transition to a triennial Churchwide Assembly

BACKGROUND

In August 2011, the Churchwide Assembly adopted amendments to the *Constitutions, Bylaws, and Continuing Resolutions of the Evangelical Lutheran Church in America* to provide for triennial meetings of the Churchwide Assembly rather than biennial meetings. These amendments resulted from practical and philosophical considerations and were spurred by the recommendations of the report of the *Living Into the Future Together: Renewing the Ecology of the Evangelical Lutheran Church in America (LIFT) Task Force*. The Churchwide Assembly overwhelmingly voted in favor of the new approach, but it also recognized that the change would mean many adaptations in traditional practices and follow-up evaluation of many issues. One such complex issue involves the election of persons to serve on boards, councils, committees, and other governing bodies elected by the Churchwide Assembly. Historically, members of the Church Council, the boards of separately incorporated ministries, and churchwide boards and committees were elected to one, non-renewable six-year term, with approximately one-third of the group elected each biennium.¹ Recognizing the need for an alternative approach as well as transition plans, the Churchwide Assembly adopted continuing resolution 12.31.A11 to address the issue of elections. This continuing resolution provides as follows:

To implement the transition to a triennial cycle, the Church Council shall make recommendations to the 2013 Churchwide Assembly regarding elections to the Church Council, boards, and committees. This continuing resolution shall expire upon adjournment of the 2013 Churchwide Assembly.

This memorandum responds to continuing resolution 12.31.A11 and provides background and recommendations for elections to the Church Council and to the boards of trustees for separately incorporated ministries that have their trustees elected by the Churchwide Assembly. (This includes

¹ The 2011 Churchwide Assembly eliminated program committees for churchwide organization units, so they need not be addressed in this memorandum.

Portico Benefit Services (“Portico”), The Publishing House of the Evangelical Lutheran Church in America (Augsburg Fortress, Publishers or “AFP”), and the Mission Investment Fund of the Evangelical Lutheran Church in America (“MIF”).

CHURCH COUNCIL ELECTIONS

Currently, the composition of the Church Council, which is the board of directors and interim legislative authority of the ELCA, is provided for and described in Chapter 14 of the *Constitution, Bylaws, and Continuing Resolutions of the ELCA*. Constitutional provision 14.31 addresses the composition of the Church Council as follows:

The voting members of the Church Council shall consist of the four churchwide officers, the chair of the Conference of Bishops, and at least 33 and not more than 45 other persons, elected by the Churchwide Assembly.

Constitutional provision 14.32 specifies that “Church Council members shall be elected to one six-year term and shall not be eligible for consecutive reelection.”

Chapter 19 of the *Constitution, Bylaws, and Continuing Resolutions of the ELCA* provides nomination criteria and information. For example, continuing resolutions 19.21.B11 and 19.21.C05 prescribe a method of obtaining nominees for Church Council positions by Synod Assemblies on a rotating basis. Under these provisions, synods are paired and 11 synods each Churchwide Assembly cycle provide pairs of nominees in designated categories for election by the assembly. For the 2013 Churchwide Assembly, these pairs of nominees already have been provided or have been promised by the designated synods.

The Churchwide Assembly in 2011 also passed amendments to ELCA constitutional provision 19.02 addressing the nomination and election of persons to the Church Council other than those nominated by synods. The amendments, in pertinent part, provide as follows:

The members of the Church Council shall be elected by the Churchwide Assembly. In preparation for the Churchwide Assembly, the Church Council shall determine how this church’s commitment to inclusive representation will affect the next election to the Church Council. For 33 of the council members, the Nominating Committee shall invite each eligible synod to submit suggested nominees and shall then nominate persons who fulfill the categories assigned by the Church Council. With respect to the other nominees, the Church Council shall review its size and composition and take into consideration the experience and expertise of existing members and synodical nominees as well as the needs of the council in seeking to fulfill its duties and responsibilities. Based upon this analysis, the Church Council shall instruct the Nominating Committee to provide nominations to specific categories for the remaining positions. Excluding the churchwide officers, there shall not be more than two

members of the Church Council from a synod. The Church Council shall have at least two members from each region. . . .

The analysis of the composition of the Church Council is taking place, as well as evaluation of the ways to address the transition to the triennial assembly. In this analysis, a number of underlying assumptions have been made. First, the commitment to the representational principles in Chapters 5 and 6 of the *ELCA Constitution* will be maintained. Thus, the composition of the Church Council shall consist of at least 60 percent lay persons, of whom as nearly as possible 50 percent are male and 50 percent are female. Ten percent of the council will be persons of color or whose principal language is other than English (ELCA constitutional provision 5.01.f). In addition, a goal exists to have ten percent of the Church Council be youth and young adults (ELCA continuing resolution 6.02.A09).

The second underlying assumption is to minimize the creation of special governing document amendments to implement the transition to triennial Churchwide Assemblies. To the extent possible, existing terms will be recognized, existing procedures for vacancies will be followed, and no one-time governing document amendments will be proposed.

With this background, the following approach is recommended to implement the transition to triennial Churchwide Assemblies with regard to the Church Council.

A. 2013 Churchwide Assembly

In accordance with ELCA constitutional provision 14.31, the Office of the Secretary recommends the election of 22 or 23 persons at the Churchwide Assembly in 2013 for positions on the Church Council. These will consist of 11 synod positions, for which nominations already have been or are being submitted, and an additional 11 - 12 positions, for which persons will be nominated by the Nominating Committee. These will be for six-year terms, except a proposed bylaw amendment provides that youth members will be elected for three-year terms.

These elections would provide for a Church Council of 49 - 50 persons for the two year period from 2013, following the Churchwide Assembly, until August 31, 2015. At that time, the terms of the 11 members of the class of 2015 would expire, bringing the Church Council to 38 or 39 members (approximately the current size).

Based on allocations already provided to synods, the composition of the 11 - 12 members of the Church Council nominated by the Nominating Committee would be as follows:

- Youth at least 2 positions
- Young adults at least 1 position
- Clergy up to 4 positions
- Other up to 5 positions

This group will need to include at least four persons of color, including a clergy person of color and/or whose primary language is other than English and a lay male person of color and/or whose primary language is other than English.

In addition, a preliminary evaluation of expertise and experience reflects the need to nominate persons with the following areas of expertise/experience: legal; development/fund raising; program evaluation; global mission work; congregational development; financial. It is also recommended that at least one of the clergy positions be designed for someone under the age of 30.

Because there is not a Churchwide Assembly in 2015, members of the Church Council whose six-year terms are scheduled to end that year will end their service as of August 31, 2015, in accordance with a proposed amendment to ELCA constitutional provision 19.02.

It is recommended that the Church Council be asked to examine these issues and to bring further recommendations to the 2016 Churchwide Assembly regarding the size, composition, and election of members to the Church Council. These recommendations should include assessment of whether the size of the Church Council should be altered, whether the current method of allocating positions to synods should be continued, whether the terms of members of the class of 2017 should be allowed to expire in a manner similar to the end of terms of the class of 2015, and related issues.

VICE PRESIDENT

Vice President Carlos Pena was elected to a second six-year term by the Churchwide Assembly in 2009. His term is scheduled to end in 2015, a year when there will not be a Churchwide Assembly.

A recommended amendment to ELCA constitutional provision 13.32 will address the issue of the term of the vice president. The proposed amendment states: "The vice president shall be elected by the Churchwide Assembly to a six-year term and serve until a successor takes office."

The addition of the last clause to this provision means that Vice President Pena, if he is willing, would serve until the 2016 Churchwide Assembly, when he is either re-elected or until a successor is elected. The current term would end on October 31, 2016, under this provision.

SEPARATELY INCORPORATED MINISTRIES

Portico, AFP, and MIF are separately incorporated ministries governed by boards of trustees elected by the Churchwide Assembly. Provisions in the *ELCA Constitution* that address these separately incorporated ministries ("SIMs") are in Chapter 17.

Following the Churchwide Assembly in 2011, each of these separately incorporated ministries, in collaboration with the Office of the Secretary, undertook an evaluation of their governance in light of the change to a triennial Churchwide Assembly cycle. After substantial work and discussion, a similar set of proposed amendments to Chapter 17 were developed and approved by the boards of these organizations. Copies of the proposals are contained in the proposed amendments which will be considered at the meeting of the Church Council in November 2012. The significant aspects of these amendments are as follows:

- Trustees will be elected by the Churchwide Assembly for three-year terms with the possibility of two consecutive re-elections. This approach recognizes the desire of some of the separately incorporated ministries to have trustees serve for more than six years because of the steep learning curves required for trustees. Although not included in the amendments to the governing documents, these proposals also presuppose a process for trustee evaluations to be conducted by each SIM at least once every three years.
- Up to two trustees may be elected from churches with which the ELCA is in a relationship of full communion, provided that they are not from the same denomination. Several of the separately incorporated ministries advocated strongly for such an amendment, both as a way to strengthen the boards and as a way to build bridges to full communion partner churches.
- The amendments clarify that the composition of the board as a whole (including full communion partners) must comply with the representational principles in the *ELCA Constitution*.
- The amendments clarify that the terms of new trustees begin at the commencement of each board's meeting following the Churchwide Assembly.
- Proposed amendments also address issues of nomination designed to improve board governance and trustee recruitment. One proposed amendment provides for nomination "of at least one" person for each position to be elected by the Churchwide Assembly, instead of a requirement for two nominees, as currently exists. This eliminates a problem that sometimes occurs when only one nominee can be identified or when one nominee declines or becomes ineligible and there is insufficient time for the Nominating Committee to identify a second nominee. Another proposal provides that for full communion partner positions and for trustees who stand for re-election, only one nomination will customarily be provided. (Of course, there is the possibility of nominations from the floor.)

These proposed amendments also will necessitate transition provisions. The following process addresses trustee transition issues for separately incorporated ministries:

- Trustees whose terms expire in 2013 will complete their service. Each board will determine if any members of the class of 2013 will be allowed to stand for election to a three-year term.
- Trustees will be elected at the 2013 Churchwide Assembly for three-year terms. Given the anticipated sequencing of amendments to governing documents and elections, it is anticipated that the elections could include up to two persons who are members of full communion partner churches.
- At the expiration of the terms of trustees whose terms expire in 2015, vacancies will be created. The separately incorporated ministries may request the Church Council to fill these vacancies for one year, until elections can be held at the Churchwide Assembly in 2016. In this scenario, trustees whose terms expire in 2015 may be eligible for election by the Church Council to these one-year terms. Alternatively, the Church Council, at the request of the SIM board, could elect someone else to serve for that year. Such new trustee would be eligible for re-election to a three-year term at the Churchwide Assembly in 2016.
- Trustees whose terms are scheduled to expire in 2017 may be approached in 2016 and given the option to resign so that they may be eligible for election to a three-year term in 2016. Trustees who do not resign will have their terms expire in 2017, as scheduled, at which time the Church Council, at the request of the board, may elect someone to fill the position until the 2019 Churchwide Assembly.

- Elections will be held at the 2016 Churchwide Assembly for all trustee positions, except those positions held by trustees whose terms expire in 2017 and did not resign.

In evaluating these scenarios, it is important to point out that the ELCA governing document provisions for each of these separately incorporated ministries provide ranges for board sizes that were adopted in 2011. These provisions provide flexibility in determining whether to fill unexpired terms or to adjust their board size from time to time based on the needs of the organizations.

CONCLUSION

This memorandum provides the recommendations regarding elections called for in continuing resolution 12.31.A11, in order to implement the transition to a triennial Churchwide Assembly. Because these recommendations include proposed governing document amendments, the Legal and Constitutional Review Committee will bring a recommended action to the Church Council at this meeting to endorse the proposals, to recommend adoption by the Churchwide Assembly of the proposed amendments, and to instruct the Nominating Committee to nominate individuals to the Church Council and the boards of trustees of separately incorporated ministries as provided herein.



Office of the Secretary
Evangelical Lutheran Church in America
God's work. Our hands.

MEMORANDUM

To: Synod Bishops, Vice Presidents, and Secretaries
From: Secretary David Swartling
Date: January 31, 2013
Subject: Memorials and Resolutions

Epiphany season greetings!

Synod Assembly season once again is on the horizon! Just as in past years, it is important to process synodical resolutions and memorials carefully and in a timely manner, especially in the year of a Churchwide Assembly. This memorandum provides background information regarding memorials and resolutions to facilitate these processes. Please share its contents with your Synod Council and your synod's Reference and Counsel Committee or Resolutions Committee.

Please note that there are two significant revisions that were incorporated in this memorandum in recent years. More than ever, practical and financial issues are important stewardship considerations, both in synods and in the churchwide organization. For these reasons, the churchwide organization asks that your Synod Council consider and evaluate memorials or resolutions that contain funding mandates for the churchwide organization *before* their submission to the Synod Assembly. In addition, sometimes proposed resolutions and memorials ask for actions that are not consistent with the governing documents of this church. As explained in more detail below, such proposed actions are out-of-order and are null and void if adopted. As a matter of stewardship of time and resources and to avoid future disputes, please work proactively with those submitting resolutions and memorials so that proposed actions pass constitutional muster.

Enclosed at the conclusion of this memorandum as Exhibit A is a form for reporting the actions taken at your Synod Assembly. As indicated below, please submit this Report of 2013 Synod Assembly Actions as soon as possible after your Synod Assembly

I. What is the Difference between a Memorial and a Resolution?

In 1988, the Church Council voted that communications from synods to the churchwide organization and the Churchwide Assembly would be made pursuant to ELCA constitutional and bylaw provisions. Essentially, this action affirmed three avenues for communication: (1) Synod Assemblies may address the Churchwide Assembly through memorials; (2) Synod Councils may address the ELCA Church Council through resolutions; and (3) Synod Councils may address

churchwide units or offices through the ELCA Church Council's Executive Committee (including forwarding resolutions adopted by Synod Assemblies).

Although both memorials and resolutions are requests by a synod for action, they are intended to address different issues and are processed differently.

Memorials address broad policy issues and are passed by Synod Assemblies for consideration by the Churchwide Assembly. Synod Councils are not authorized to adopt memorials for submission to the Churchwide Assembly. One of the responsibilities of the Churchwide Assembly, in accordance with provision 12.21.c., in the *Constitution, Bylaws, and Continuing Resolutions of the Evangelical Lutheran Church in America*, is to "[r]eceive and consider proposals from synod assemblies." Once received by the churchwide organization, they are referred to the Memorials Committee, which is appointed by the Church Council to review and make recommendations to the Churchwide Assembly, in accordance with bylaw 12.51.21. The Memorials Committee meets after all Synod Assemblies are over, approximately six to eight weeks before the Churchwide Assembly.

Resolutions are requests from synods to the Church Council or units or offices of the churchwide organization. Either Synod Assemblies or Synod Councils may originate resolutions. Frequently, Synod Councils pass resolutions between meetings of the Synod Assemblies and forward them directly to the Church Council for consideration or to the Church Council Executive Committee if the desired action involves referral to a unit or office of the churchwide organization. As a practical matter, resolutions have a more narrow focus than memorials because they are requests for consideration or action by individual units or offices or the Church Council. Thus, for example, a request for the Church Council to recommend a parliamentary rule or action by a unit would be the subject of a resolution, but a request to change an ELCA policy should be a memorial.

A resolution and a memorial may *not* be combined in one action. In addition, a synod should not address both the Church Council and the Churchwide Assembly on the same subject. The Office of the Secretary, with the concurrence of the Executive Committee of the Church Council, may treat a proposal characterized as a memorial as a resolution or vice versa. In these circumstances, the synod will be notified promptly of the re-classification.

It also is important to point out that resolutions and memorials may *not* direct the churchwide organization to take action. They are proposals *requesting* the specified action.

Interdependence, as well as stewardship of resources, militates for care to avoid resolutions and memorials that impose unreasonable financial demands on synods and the churchwide organization. If a proposed resolution or memorial will impose an unfunded mandate if adopted, Synod Councils are requested to consider the proposed action *before* submission to Synod Assemblies. Synods also are requested to advise their Synod Councils and Synod Assemblies that the churchwide organization may not be able to support requested resolutions or memorials for budgetary reasons and that, if adopted, such proposed actions may have adverse consequences on existing programs or ministries. As interdependent partners, it is important for synods and the churchwide organizations to work collaboratively. If questions exist regarding the potential

implications of a proposed resolution or memorial, inquiries to the Office of the Secretary are encouraged.

II. Drafting Memorials and Resolutions

Provision S7.32. in the *Constitution for Synods* states: “*Robert’s Rules of Order*, latest edition, shall govern parliamentary procedure of the Synod Assembly, unless otherwise ordered by the assembly.” A comparable bylaw 12.31.09., is in the *Constitution, Bylaws, and Continuing Resolutions of the Evangelical Lutheran Church in America*.

Both memorials and resolutions are forms of main motions under *Robert’s Rules of Order, Newly Revised* (11th ed.), Section 10. A main motion is simply a motion that brings business before the assembly. It is the basic mechanism to present a matter to the assembly for possible action.

Resolutions and memorials frequently contain both “resolved” clauses and “whereas” clauses. “Resolved” clauses state the action to be taken by the assembly; “whereas” clauses constitute a preamble describing the reasons for the proposed action. “Whereas” clauses are *not* required; in fact, *Robert’s Rules of Order, Newly Revised* (11th ed.), Section 10, page 107, discourages their use:

In general, the use of a preamble should be limited to cases where it provides little-known information without which the point or the merits of a resolution are likely to be poorly understood, where unusual importance is attached to making certain reasons for an action a matter of record, or the like.

If “whereas” clauses are used, there should be as few as necessary. They should be succinct and factual. They should not be argumentative. The Reference and Counsel Committee or the Resolutions Committee should ensure that any “whereas” clauses comply with *Robert’s Rules of Order*.

“Resolved” clauses, if adopted, become the officially worded statement of an action taken by a legislative body and a request for further action by the churchwide organization or the Churchwide Assembly. This means that they should be concise, accurate, and complete. They also should be unambiguous and should state clearly the proposed action. Just as any main motion, “resolved” clauses should not employ offensive language that would be improper in debate, according to *Robert’s Rules of Order, Newly Revised* (11th ed.), Section 10, page 104.

Some resolutions and memorials should not be considered. Any resolution or memorial that conflicts with the governing documents of this church is an “improper motion.” As stated in *Robert’s Rules of Order, Newly Revised* (11th ed.), Section 39, page 343:

Motions that conflict with the corporate charter, constitution or bylaws of a society, or with the procedural rules prescribed by national, state, or local laws, are out of order, and if any motion of this kind is adopted, it is null and void.

Synod Councils are encouraged to work closely with the Reference and Counsel Committee or Resolutions Committee to craft resolutions and memorials that do not conflict with the governing documents and meet the required criteria.

Memorials must include a final “resolved” clause asking the Churchwide Assembly to act (or refrain from acting) in a particular way. Here is a sample final paragraph of a memorial from a Synod Assembly:

RESOLVED, that the _____ Synod Assembly memorialize the 2013 Churchwide Assembly of the Evangelical Lutheran Church in America to . . .
[clearly describe the proposed course of action].

The final “resolved” clause of **resolutions** will differ depending upon whether they are intended for the attention of the Church Council or a churchwide unit or office. Here are sample final paragraphs for resolutions:

RESOLVED, that the _____ Synod Assembly direct the Synod Council to forward this resolution to the Church Council for consideration and possible action.

Or

RESOLVED, that the _____ Synod Assembly direct the Synod Council to forward this resolution to the Church Council’s Executive Committee for referral and disposition to the appropriate unit or office of the churchwide organization in accordance with the bylaws and continuing resolutions of this church.

Or

RESOLVED, that the _____ Synod Council request the Church Council to . . .
[clearly describe the proposed course of action].

Or

RESOLVED, that the _____ Synod Council request the Church Council’s Executive Committee to . . . [clearly describe the proposed course of action].

III. Review and Processing of Draft Memorials and Resolutions

Synods generally provide that memorials and resolutions (as well as other main motions) be referred to a Resolutions Committee, which frequently is called a Reference and Counsel Committee. Regardless of its name, a conscientious and well-trained Reference and Counsel Committee can screen proposed actions and thereby facilitate discussion of important issues and save valuable time at Synod Assemblies.

The scope of authority of the Reference and Counsel Committee varies, depending on the governing documents and rules of organization and procedure of the synod. In the simplest

arrangement, the Reference and Counsel Committee only has the power to put resolutions in the proper form, eliminate duplication where similar resolutions are offered, and ensure that all resolutions relating to a specific subject will be offered in logical sequence (see *Robert's Rules of Order, Newly Revised* (11th ed.), pp. 633-640). In other cases, the synod's rules may authorize the Reference and Counsel Committee to make substantive edits and alterations in resolutions. In all cases, the committee must report all resolutions referred to it, although the committee can report resolutions without a recommendation.

If a synod so desires, its rules of organization and procedure or a continuing resolution can provide additional authority for the Reference and Counsel Committee. For example, they could provide that in reviewing proposed resolutions and main motions, the Reference and Counsel Committee may edit, prepare an alternative resolution or motion, or consolidate into a single proposed action multiple resolutions or main motions on the same or similar subjects. In these circumstances, the Reference and Counsel Committee should confer with the makers of the original memorial or resolution. In addition, whenever the Reference and Counsel Committee recommends an edited or alternative resolution or motion, the report to the assembly should contain the original maker's text.

Here is a sample provision authorizing editing by the Reference and Counsel Committee:

In reviewing proposed memorials, resolutions, and main motions, the Reference and Counsel Committee may edit, prepare an alternative memorial, resolution, or motion, or consolidate into a single proposed action multiple memorials, resolutions, or main motions on the same or similar subjects. Whenever the Reference and Counsel Committee recommends an edited or alternative memorial, resolution, or motion, the report to the assembly also shall contain the original maker's text.

Regardless of the scope of editorial authority, a Reference and Counsel Committee should consider at least the following factors in evaluating memorials and resolutions:

- (1) Is the proposed memorial or resolution timely (i.e., was it submitted before the deadline)?
- (2) Is the proposed memorial or resolution consistent with the governing documents of this church?
- (3) Is the proposed memorial or resolution germane to issues on the agenda?
- (4) Does the proposed memorial or resolution address a priority, ministry, or concern of this synod and this church?
- (5) Does the proposed memorial or resolution have budgetary implications, and, if so, how will they be addressed?
- (6) Is the proposed memorial or resolution clearly drafted?
- (7) Do the "resolved" clauses clearly define the proposed course of action?
- (8) If the proposed memorial or resolution contains "whereas" clauses, do they explain the proposed action and are they accurate and non-argumentative?
- (9) Are the proposed actions feasible and appropriate for the Synod Assembly, Church Council, Churchwide Assembly, or the unit or office that will be addressed?

(10) Are there other memorials or resolutions that address the same or similar issues?¹

The synod's rules of organization and procedure also should address how the Reference and Counsel Committee reports to the assembly and the status of its recommendations. Here is a sample of a provision, based on the Rules of Organization and Procedure for the Churchwide Assembly, which addresses the status of recommendations of the Reference and Counsel Committee:

The Reference and Counsel Committee shall report its recommendations on memorials, resolutions, and main motions to the Synod Assembly. Such recommendations do not require a second. When the Reference and Counsel Committee recommends approval, the committee's recommendation shall be the main motion before the assembly. When the Reference and Counsel Committee recommends the adoption of a substitute or alternative motion, the committee's recommendation shall be the main motion before the assembly. When the Reference and Counsel Committee recommends referral, the committee's recommendation shall become the main motion before the assembly. When the Reference and Counsel Committee recommends that the assembly decline a proposed memorial, resolution, or main motion, the recommendation shall be reported to the assembly. If the author or another voting member wishes to bring the declined proposed memorial, resolution, or main motion to the floor, he or she may move the matter, and it shall become the main motion before the assembly, and the committee's recommendation shall be received for information.

IV. Submission of Resolutions and Memorials to the Churchwide Organization

For proper recording and disposition, synods must submit all resolutions and memorials in a timely manner to the secretary of this church (and not directly to churchwide units or offices). A standard form on which each synod reports memorials and resolutions, as well as the names and contact information for newly elected synod officers, the text of amendments to governing documents, and other important information is attached as Exhibit A. Please respond electronically by sending the completed form and the text of memorials and resolutions to the attention of Frank Imhoff, manager for official documentation (Frank.Imhoff@elca.org).² An acknowledgment will be sent upon receipt. Given the need to process memorials before the meeting of the Memorials Committee in June, it is important to transmit them as soon as possible.

The Office of the Secretary is available to respond to questions regarding memorials and resolutions and to assist in addressing parliamentary and other issues that may arise at Synod Assemblies. Let us know how we can help!

¹ When memorials and resolutions or other main motions have financial impact on the synod, care must be taken to review and evaluate the implications in an appropriate and timely manner. For example, when certain motions that call for appropriations come before the Churchwide Assembly, they are referred to the Reference and Counsel Committee, which transmits them to the Budget and Finance Committee of the Church Council. See the proposed Rules of Organization and Procedure for the 2013 Churchwide Assembly at www.elca.org/assembly.

² The Appendix to this document is in PDF format, but a version in Word format is being provided with this memorandum. A copy of the report form in Word format also may be obtained by contacting the Office of the Secretary.

Exhibit A

Report of 2013 Synod Assembly Actions

Date: _____

Synod: _____

From: _____

A. Memorials for the Churchwide Assembly

1. Subject: _____
2. Subject: _____

B. Resolutions referred through the Synod Council to the Church Council

1. Subject: _____
2. Subject: _____
3. Subject: _____
4. Subject: _____

C. Resolutions submitted through the Synod Council for referral to a churchwide unit or office through the Church Council's Executive Committee

1. Subject: _____
2. Subject: _____
3. Subject: _____
4. Subject: _____

D. Names, addresses (home and office as well as email), and telephone numbers (home and office) of newly elected synodical officers, and the effective date they will take office. (Please attach a list.)

E. Text of constitutional amendments adopted in accord with †S18.12. and †S18.13. (Please identify under which provision each amendment was adopted.)

F. Text of bylaw amendments adopted in accord with †S18.21.

G. Text of continuing resolutions adopted in accord with †S18.31.

H. Other significant actions.

Submit electronically to Frank.Imhoff@elca.org

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Congregations Received, 1-1-2012 to 12-31-2012

Name	Congregation ID	City	State
First United Lutheran Church	05161	San Francisco	California
Good Shepherd Lutheran Church	30993	Gilroy	California
Miracles of Faith Lutheran Church	13903	Oakland	California
Oromo Christ Evangelical Lutheran Church	30788	San Lorenzo	California
Peace in Christ	90101	Elizabeth	Colorado
Faith Lutheran Church	31004	Middletown	Connecticut
Spirit of Peace Lutheran Church	30600	Richmond Hill	Georgia
Lord of Love Lutheran Church	30879	Galena	Illinois
Shekinah Chapel	90129	Riverdale	Illinois
St James Evangelical Lutheran Church	10103	Garden City	Kansas
Emmanuel Trinity Lutheran Church	30981	Adamstown	Maryland
Journey of Faith Church	30970	Baltimore	Maryland
New Light Lutheran Church	31005	Baltimore	Maryland
Oromo Resurrection Evangelical Church	30594	Kensington	Maryland
Living Grace Lutheran Church	30807	Omaha	Nebraska
Arise In Christ Evangelical Lutheran Church	30992	Donnelsville	Ohio
Salem Grace United Evangelical Lutheran Church	30976	Luckey	Ohio
Faith Immanuel Lutheran Church	30854	East Lansdowne	Pennsylvania
Epiphany Lutheran Church	30696	Collierville	Tennessee
Resurrection Church	30618	Keller	Texas
Peace Lutheran of Pigeon Falls	31012	Pigeon Falls	Wisconsin

Congs consolidated disbanded merged removed withdrawn

State	City	Name	Cong ID	Synod	Status	Date	Merged/Consolidated From Lookup ID	Merged/Consolidated From Name
Arizona	Tempe	King of Glory	14013	2D	Removed	9/8/2012		
California	Carlsbad	La Costa Community HomeFellowship Church	30228	2C	Disbanded	4/4/2012	07794	Hope Lutheran Church
	Oakhurst	Oakhurst	20011	2A	Withdrawn	6/23/2012		
	Pacific Palisades	Palisades	13914	2B	Withdrawn	4/3/2012		
Colorado	Colorado Springs	Korean	30212	2E	Disbanded	4/29/2012		
Connecticut	Middletown	Christ Evangelical	03490	7B	Consolidated	9/22/2012	31004	Faith Lutheran Church
	Middletown	St Paul	03491	7B	Consolidated	9/22/2012	31004	Faith Lutheran Church
Illinois	Alton	Trinity	20305	5C	Disbanded	5/29/2012		
	Chicago	Mayfair	10606	5A	Disbanded	5/20/2012		
	Cicero	Iglesia Luterana San Jose	30165	5A	Disbanded	12/30/2012		
	Metropolis	St John	10721	5C	Withdrawn	4/15/2012		
	Northlake	Northlake	01910	5A	Disbanded	4/15/2012		
Indiana	Batesville	Adams	02304	6C	Withdrawn	4/14/2012		
	Noblesville	Bethel	02205	6C	Withdrawn	2/7/2012		
Iowa	Clear Lake	Zion United	10881	5F	Removed	3/17/2012		
	Eldorado	First	11091	5F	Disbanded	11/4/2012		
	Lake Mills	Sion	11023	5F	Withdrawn	9/18/2012		
	Leland	West Prairie	11033	5F	Withdrawn	11/19/2012		
	Manchester	First	11043	5F	Withdrawn	6/5/2012		
	Marion	St Mark	02409	5D	Withdrawn	4/21/2012		
	Palmer	St John	11096	5E	Withdrawn	10/1/2012		
	Royal	Bethlehem	11127	5E	Withdrawn	10/1/2012		
Kansas	Wichita	Lord of Life	30112	4B	Disbanded	6/3/2012		
Maryland	Adamstown	St Mark	02596	8F	Consolidated	3/1/2012	30981	Emmanuel Trinity Lutheran Church
	Baltimore	First-Gray Manor	10272	8F	Withdrawn	7/20/2012		
	Baltimore	St James	10494	8F	Consolidated	1/15/2012	30970	Journey of Faith Church

Congs consolidated disbanded merged removed withdrawn

	Baltimore	St Paul	02681	8F	Consolidated	1/15/2012	30970	Journey of Faith Church
	Dundalk	Good Shepherd	10346	8F	Consolidated	9/16/2012	31005	New Light Lutheran Church
	Dundalk	Luther Memorial	02699	8F	Consolidated	9/16/2012	31005	New Light Lutheran Church
	Frederick	St Matthew	02597	8F	Consolidated	3/1/2012	30981	Emmanuel Trinity Lutheran Church
	Point of Rocks	St Luke	02595	8F	Consolidated	3/1/2012	30981	Emmanuel Trinity Lutheran Church
	Timonium	St Timothy	10527	8F	Consolidated	9/16/2012	31005	New Light Lutheran Church
Michigan	Mass City	Wainola	06851	5G	Withdrawn	5/31/2012		
	Trufant	St Thomas	11398	6B	Withdrawn	1/8/2012		
Minnesota	Cokato	Redeemer	03205	3F	Disbanded	6/10/2012		
	Emmons	Emmons	11752	3I	Withdrawn	1/12/2012		
	Fosston	Zion	11521	3D	Disbanded	3/1/2012		
	Gary	St Olaf	11673	3D	Disbanded	2/12/2012		
	Hines	First	05305	3D	Disbanded	10/7/2012		
	Hope	First	11779	3I	Withdrawn	11/28/2012		
	Lucan	Trinity	12128	3F	Disbanded	6/10/2012		
	Wadena	Messiah	05371	3D	Disbanded	9/9/2012		
	White Bear Lake	First Evangelical	03104	3H	Removed	9/1/2012		
Missouri	Saint Louis	Immanuel	20159	4B	Disbanded	3/25/2012		
New Jersey	Camden	Grace	03744	7A	Disbanded	1/1/2012		
	West Collingswood	St Luke	03768	7A	Disbanded	7/1/2012		
New York	Bronx	St Thomas Evangelical	03848	7C	Disbanded	9/16/2012		
North Carolina	Charlotte	Christ the King	30209	9B	Withdrawn	3/10/2012		
	Lincolnton	St Luke	04235	9B	Withdrawn	9/8/2012		
North Dakota	Fingal	Zion	12467	3B	Disbanded	6/24/2012		
	Hannaford	Eidfjord	12365	3B	Disbanded	6/17/2012		
	Leeds	St Petri	12546	3B	Disbanded	6/3/2012		

Congs consolidated disbanded merged removed withdrawn

Ohio	Portland	Aal	12382	3B	Disbanded	8/11/2012		
	Portland	Aurdal	12493	3B	Withdrawn	8/12/2012		
	Portland	Norway	12290	3B	Disbanded	6/16/2012		
	Amelia	Friendship	30118	6F	Disbanded	5/12/2012		
	Carroll	Zion	13232	6F	Disbanded	1/15/2012		
	Donnelsville	First	04691	6F	Consolidated	5/20/2012	30992	Arise In Christ Evangelical Lutheran Church
	Lucas	Mount Zion	04564	6E	Withdrawn	8/4/2012		
	Luckey	Grace	11306	6D	Consolidated	1/29/2012	30976	Salem Grace United Evangelical Lutheran Church
	New Carlisle	St Mark	04695	6F	Consolidated	5/20/2012	30992	Arise In Christ Evangelical Lutheran Church
	Pemberville	Salem	11342	6D	Consolidated	1/29/2012	30976	Salem Grace United Evangelical Lutheran Church
Pennsylvania	Youngstown	Good Hope	13337	6E	Withdrawn	10/1/2012		
	Altoona	Christ Second	00932	8C	Disbanded	12/31/2012		
	Apollo	Faith First	30885	8B	Disbanded	4/8/2012		
	Arona	St Mark	06491	8B	Withdrawn	6/14/2012		
	Camp Hill	St Timothy	01554	8D	Withdrawn	4/28/2012		
	Harrisburg	Zion	01113	8D	Withdrawn	10/11/2012		
	Levittown	Evangelical	00642	7F	Merged	9/13/2012		
	Levittown	Evangelical	00642	7F	Merged	9/13/2012	30804	Emmaus Road Lutheran Church
	Montgomery	Christ	01450	8E	Disbanded	2/19/2012		
	Muncy	St Mark	01505	8E	Withdrawn	1/15/2012		
	Nazareth	Holy Cross Evangelical	00889	7E	Withdrawn	1/18/2012		
	New Stanton	St Paul	06522	8B	Withdrawn	6/14/2012		
	Saxonburg	St Luke Evangelical	06455	8B	Withdrawn	6/30/2012		
	Vandergrift	Reformation	06420	8B	Merged	6/1/2012		
	Vandergrift	Reformation	06420	8B	Merged	6/1/2012	06422	St Paul's Highfield

Congs consolidated disbanded merged removed withdrawn

								Lutheran Church
	Vandergrift	St Paul	06421	8B	Merged	6/1/2012		
	Vandergrift	St Paul	06421	8B	Merged	6/1/2012	06422	St Paul's Highfield Lutheran Church
South Carolina	Little Mountain	Holy Trinity	05624	9C	Withdrawn	4/16/2012		
	North Charleston	Advent	05675	9C	Withdrawn	9/17/2012		
South Dakota	Freeman	Hope	16233	3C	Withdrawn	2/23/2012		
	Leola	St James	13627	3C	Withdrawn	6/15/2012		
	Vale	Vale	13718	3C	Withdrawn	7/18/2012		
Texas	Eagle Lake	Grace	14115	4F	Disbanded	2/12/2012		
	Ennis	Grace	30222	4D	Withdrawn	4/26/2012		
	Georgetown	St Peter	14290	4E	Withdrawn	9/20/2012		
	Knippa	Emmanuel	14168	4E	Withdrawn	1/25/2012		
	Tyler	Our Saviour's	05946	4D	Withdrawn	4/26/2012		
	Victoria	First English	14286	4E	Removed	9/8/2012		
	Waco	Christ	14288	4D	Withdrawn	3/13/2012		
Virginia	Manassas	Christus Victor	07832	8G	Disbanded	2/26/2012		
Washington	Rollingbay	Port Madison	13048	1C	Withdrawn	3/21/2012		
	Seattle	St Mark	04949	1B	Withdrawn	1/21/2012		
	Spokane Valley	Holy Trinity	04824	1D	Withdrawn	4/27/2012		
Wisconsin	Marshfield	Grace	14467	5H	Withdrawn	12/13/2012		
	Mondovi	Meridean	14537	5H	Disbanded	5/20/2012		
	Oshkosh	St John	14509	5I	Withdrawn	3/25/2012		
	Pigeon Falls	Evangelical	14519	5H	Consolidated	9/16/2012	31012	Peace Lutheran of Pigeon Falls
	Pigeon Falls	Pigeon Creek	14520	5H	Consolidated	9/16/2012	31012	Peace Lutheran of Pigeon Falls
	Waukesha	Good Shepherd	14838	5J	Disbanded	9/23/2012		

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Calls Issued in 2011

Name	Start Date	End Date	Job Title	Name of Organization	
Paul N. Hanson	1/1/2011		Philanthropic Advisor	Luther Seminary	
Stanley N. Olson	1/1/2011		President	Wartburg Theological Seminary	
John G. Teitman	1/23/2011		Military Chaplain		
Sue E. Rothmeyer	2/1/2011	9/16/2012	Program Director for Campus Ministry/Youth and Young Adult Ministries	ELCA	
Catherine A. Malotky	3/7/2011		Philanthropic Advisor	Luther Seminary	
George E. Meister	3/9/2011	1/31/2013	Chaplain	US Air Force	
Bradley J. Thom	3/17/2011	2/7/2012	Military Chaplain	US Navy	
Robert L. Crabb	4/5/2011		Chaplain	US Navy	
Leonard A. Hoffmann	4/18/2011		Vice President of Mission Support	Wartburg Theological Seminary	
Karl N. Redelsheimer	5/22/2011		Chaplain	US Army	
Joanna M. Grimshaw	5/22/2011		Military Chaplain		
Leonard M. Hummel	6/1/2011		Professor of Pastoral Theology and Care	Lutheran Theological Seminary at Gettysburg	
Jessicah L. Duckworth	7/1/2011		Assistant Professor	Luther Seminary	
Thomas O. Miller	7/1/2011		Chaplain		
Nancy A. Nyland	7/5/2011		Director for Evangelical Mission - 6C	Evangelical Outreach and Congregational Mission, ELCA	
Jose D. Rodriguez	7/10/2011		Administrator		
Peter J. Harrits	7/10/2011		YAGM Coordinator - Malaysia	Global Mission Unit, ELCA	
Mark D. Allred	7/10/2011	1/8/2013	Director for Evangelical Mission - 1A	ELCA	
Amy E. Walter-Peterson	7/16/2011		Coordinator - Area Ministry Strategies - 7D	Evangelical Outreach and Congregational Mission, ELCA	
Pedro M. Suarez	8/1/2011		Director for Evangelical Mission - 4F	ELCA	
Peter J. Perella	8/1/2011		Director for Worship Formation and Liturgical Resources	ELCA	
Katherine A. Shaner	8/15/2011		Assistant Professor New Testament	General Theological Seminary	
Ronald M. Rentner	8/15/2011		Global Mission Associate	Global Mission - ELCA	
Randall A. Mundt	8/15/2011		Interim Pastor	Tokyo Union Church	
Jeremie A. Vore	9/1/2011		Chaplain	US Army	
Bradn K. Buerkle	9/1/2011		Missionary		
Linda O. Norman	9/1/2011		Treasurer	ELCA Office of the Treasurer	
Jeffrey D. Thiemann	10/1/2011		CEO	Portico Benefit Services	
Jennifer L. Casey	10/3/2011		Associate Director for Enrollment Mgmt	Lutheran Theological Southern Seminary	
Kathryn M. Haueisen	11/1/2011		Program Director, Stewardship Key Leader Program	ELCA	
F. Eric Wester	11/9/2011		Director for Federal Chaplaincy	ELCA	
Richard J. Bruesehoff	12/1/2011		Outreach Coordinator	Portico Benefit Services	
D. Jensen Seyenkulo	12/1/2011		Program Director for Disability Ministries	ELCA	
Stephen W. Martin	12/11/2011	11/11/2012	Military Chaplain	US Army National Guard	
Michelle J. Huth	12/15/2011		Director of Theological Education with Youth	Gettysburg Lutheran Seminary	

Calls Issued in 2012

Name	Start Date	End Date	Job Title	Name of Organization
Miriam A. Schmidt	1/3/2012		Pastor	Slovakia
John A. Propst	1/4/2012		Country Coordinator - Madagascar	Global Mission
David H. Assmus	1/9/2012		Gift Consultant	Wartburg Theological Seminary
Julie M. Stecker	2/18/2012		Associate Director of Admissions	Lutheran Theological Seminary at Gettysburg
Rebecca H. Kolowe	2/23/2012		Director for Evangelical Mission - 9D	ELCA
Joseph M. Bocko	3/9/2012		Program Director for African National Ministries	ELCA
Jesse D. Hill	3/21/2012	8/28/2012	Director for American Indian & Alaska Native Ministries	ELCA
Gordon J. Straw	4/18/2012		Program Director, Lay Missional Leadership Centers	ELCA
Tessa R. Leiseth	5/7/2012		YAGM Director in South Africa	Global Mission
Judith A. VanOsdol	5/10/2012		Director for Evangelical Mission - 7D	ELCA
James K. Echols	5/14/2012		Director for Theological Resources and Networks	ELCA
Michael R. Stadie	6/4/2012		Program Director	Lutheran Disaster Response
Daniel B. Carlson	6/11/2012		Regional Manager	ELCA Mission Investment Fund
Nan H. Aalborg	7/1/2012		Director of Contextual Education	Pacific Lutheran Theological Seminary
Stephen J. Hultgren	7/1/2012		Lecturer in New Testament	Australian Lutheran College
Michael G. Fonner	7/1/2012		Missionary	Kenya
Eric J. Trozzo	7/1/2012		Professor	
Wendolyn E. Trozzo	7/1/2012		Teacher	
Erik C. Roth	7/8/2012		Missionary	Japan
Elisabeth A. Johnson	7/8/2012		Seminary Professor	Cameroon
Ann M. Klavano	7/8/2012		Seminary Teacher and Librarian	
Chad M. Rimmer	7/8/2012		Theological Advisor for Leadership Development	Senegal
Anna L. Ballan	7/16/2012		Missionary Pastor	Sweden
James R. Nieman	8/1/2012		President	Lutheran School of Theology at Chicago
Richard E. Jorgensen	8/22/2012		Director for Evangelical Mission - 8D	ELCA
David M. Bennethum	9/1/2012		Director for Evangelical Mission - 7E	ELCA
Roger A. Willer	9/1/2012		Director, Theological Ethics	ELCA
Clayton J. Schmit	9/1/2012		Provost	Lutheran Theological Southern Seminary
Kathryn Franzenburg	9/4/2012		Gift Consultant	Wartburg Theological Seminary
Joseph K. Chu	9/10/2012		Associate Program Director	Lutheran Disaster Response
Terrance A. Jacob	9/12/2012		Director for Evangelical Mission - 2A	ELCA
Sue E. Rothmeyer	9/17/2012		Executive for Administration, Office of the Secretary	ELCA
Mark J. Nelson	9/24/2012		Region 1 Coordinator	
Stephen M. Larson	10/1/2012		Interim Pastor	Evangelical Lutheran Church of Geneva
Cherlyne V. Beck	10/1/2012		Program Director for Disability and Support of Lay Rostered Leaders	ELCA
Stephen W. Martin	11/12/2012		Prison Chaplain	Federal Correctional Complex
Juliet S. Hampton	12/1/2012		Director for Evangelical Mission - 4A	ELCA



Office of the Secretary
Evangelical Lutheran Church in America
God's work. Our hands.

February 20, 2013

Underwriters, Chubb Insurance Company
C/O Gary E. Baltusis
Senior Vice President, Religious Practice Group Leader
Willis of Illinois
425 N. Martingale Road, Suite 1100
Schaumburg, IL 60173

Re: Crime insurance for ELCA churchwide organization and synods

Dear underwriters:

In anticipation of the upcoming crime insurance renewal for the ELCA churchwide organization and ELCA synods, we thought that it would be helpful to provide an update about what the churchwide organization is doing and planning to do in order to encourage improved financial controls in synods. It is timely to provide this information now because all synod bishops will be meeting next week here in Chicago, at which time we will remind them of the resources that are available to assist them in reducing the risk of embezzlement and other financial losses, as well as discussing with them our plans to provide even better assistance. We also intend to invite them into further conversation – in a number of ways – regarding best practices for financial controls and management.

Here is what has been done and what is under consideration:

- *Synod Guidelines: Internal Controls Best Practices* and other financial “best practices” resources are posted on the ELCA website for synods.
- All synod bylaws require an Audit Committee, and a template Audit Committee charter is posted on the ELCA website for synods.
- All synod bylaws require annual completion of synod audited financial reports by a certified public accounting firm and submission of that audit to the ELCA churchwide organization. The format of the audit is to be approved by the churchwide organization.
- Background checks are conducted on synod treasurers.
- Periodic suggestions and best practices regarding financial issues are provided in e-newsletter *Administration Matters*.
- The ELCA is undertaking enterprise risk management assessment and implementation.
- A survey was conducted in 2012 on synod practices regarding financial controls and practices, and the ELCA Office of the Treasurer is in the process of reviewing the results in order to provide recommendations to synod bishops.

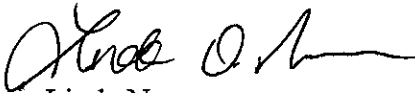
Underwriters, Chubb Insurance Company
February 20, 2013
Page two

- Presentations are planned by the ELCA Secretary and Treasurer at the Conference of Bishop's meeting next week on risk management and financial controls.
- Discussion of audit and financial control issues is under evaluation for inclusion in the orientation for newly elected bishops.
- A listserv for treasurers and those handling synod finances is under consideration.
- Opportunities for training sessions (either in person or by webinar) for treasurers and those handling synod finances are being explored in order to address implementing best practices in local synod contexts.
- Staff at the ELCA churchwide organization is available to provide assistance and answer questions on risk management and financial control issues.

As you can see, the churchwide organization is committed to assisting synods in establishing and maintaining effective financial controls.

Please contact us if you have any questions.

Sincerely,



Linda Norman,
ELCA Treasurer



David Swartling
ELCA Secretary

APPROVALS ON REAL ESTATE / SECURITIES TRANSACTIONS

The following is a report of resolutions that have been approved, pursuant to Church Council authorization, by special committees acting on behalf of the Council. Photocopies of the signed original minutes for each of these approvals is attached to the protocol copy of the minutes of this meeting. The signed original minutes are maintained in the corporate files in the Office of the Secretary.

<u>Authorization</u>	<u>Date</u>	<u>Approved By</u>	<u>Subject of Approval</u>
CC90.4.31	4/19/2011	Christina Jackson-Skelton	3-year oil and gas lease for Transcontinent Oil Co, Divide County, ND
CC90.4.30	4/27/2011	Swartling/Jackson-Skelton	Liquidation of Securities M&T Bank/Wisler Trust
CC90.4.31	6/9/2011	David D. Swartling	Waive reversionary interest in property Town of Wittenberg, Shawano County, WI
CC90.4.31	6/14/2011	David D. Swartling	Option to Purchase Oil and Gas Lease, Township 137 North, Range 100 West, County of Billings, State of North Dakota, Sections 26-27
CC90.4.31	6/14/2011	David D. Swartling	Option to Purchase Oil and Gas Lease, Township 137 North, Range 100 West, County of Billings, State of North Dakota, Sections 28-29
CC90.4.31	6/14/2011	David D. Swartling	Option to Purchase Oil and Gas Lease, Township 137 North, Range 100 West, County of Billings, State of North Dakota, Sections 30-31
CC90.4.31	6/14/2011	David D. Swartling	Option to Purchase Oil and Gas Lease, Township 137 North, Range 100 West, County of Billings, State of North Dakota, Sections 32-33
CC90.4.31	6/14/2011	David D. Swartling	Option to Purchase Oil and Gas Lease, Township 137 North, Range 100 West, County of Billings, State of North Dakota, Sections 34-35

CC90.4.31	7/30/2011	Christina Jackson Skelton David D. Swartling	Sale of Real Estate Lot 1 NE & Lot 1 SE Quarter Section 15 Township 104 N, Minnehaha County SD to Next State Farm LLP
CC90.4.31	8/9/2011	Christina Jackson Skelton David D. Swartling	Sale of Real Estate - 8402 Reilly Dr., Huntington Beach, CA to Daniel & Patricia Birmingham
CC90.4.31	10/4/2011	David D. Swartling Linda O. Norman	Authorized Quitclaim deed to Shishmaref Lutheran Church, Lots 1 and 2, Lutheran Church Subdivision Plat No 98-8, Nome Recording Dist. Second Judicial Dist of State of Alaska
CC90.4.31	10/6/2011	Linda O. Norman David D. Swartling	Sale of Real Estate - 539 McDill Dr, Port Charlotte, FL to Land Investors Corp.
CC90.4.31	12/27/2011	Mark S. Hanson David D. Swartling	Sale of Real Estate SW Section Three, Township Twelve North Range 8, Merrick County, Nebraska to Michael & Kelly Stopkotte
CC90.4.31	2/8/2012	Linda O. Norman David D. Swartling	Sale of Real Estate - NW 1/4, SW 1/4 Section 36, Township 29 North Range 8, Dakota County, Nebraska to James & Christina Nelson
CC90.4.31	2/8/2012	Linda O. Norman David D. Swartling	SW Quarter of Section 18, Township 27 North Range 1, Pierce County, Nebraska to Aschoff Brothers Entities
CC90.4.31	4/16/2012	Linda O. Norman David D. Swartling	Waive reversionary interest in property of Madison Lutheran Home, 900 Second Ave., Madison, Minn.
CC90.4.31	6/19/2012	David D. Swartling Linda O. Norman	Quitclaim deed re: Lutheran Theological Southern Seminary property transfer in Richland County.
CC90.4.31	6/25/2012	David D. Swartling Linda O. Norman	Agreement on closing trust being the Jenny Farms Trust

CC90.4.31	6/29/2012	David D. Swartling Linda O. Norman	Sale of Real Estate - 531 El Medio Ave, Pacific Palisades, CA 90272 to Tom Beaver
CC90.4.31	11/19/2012	David D. Swartling Linda O. Norman	Sale of Real Estate - 2705 Lake Court Circle #108, Moundsview, MN 55112 to Yvon & Mark Phan
CC90.4.31	12/19/2012	Mark S. Hanson Linda O. Norman	Subordination Agreement regarding the financing to be obtained by Lutheran Social Services of Wisconsin and Upper Michigan, Inc.

Prior Reports of Approvals

Prior reports of approval of Real Estate/Securities Transactions were included in the Report of the Secretary, Agenda Exhibit A, Part 3, pages 7-8 of the November 18-22, 1990, meeting of the Church Council; the Report of the Secretary, Agenda Exhibit G, pages 2-4 of the August 27-28, 1991, meeting of the Church Council; the Report of the Secretary, Agenda Exhibit D, Part 8, pages 1-4 of the December 3-5, 1993, meeting of the Church Council; the Report of the Secretary, Agenda Exhibit A, Part 3, pages 4-5 of the November 17-20, 1995, meeting of the Church Council; the Report of the Secretary, Agenda Exhibit A, Part 3, pages 8-9 of the November 14-16, 1997, meeting of the Church Council, the Report of the Secretary, Agenda Exhibit A, Part 3, pages 8-10 of the November 13-16, 1998, meeting of the Church Council, the Report of the Secretary, Agenda Exhibit A, Part 3, pages 15-17 of the April 8-9, 2000, meeting of the Church Council, the Report of the Secretary, Agenda Exhibit A, Part 3, page 7 of the April 6-8, 2001, meeting of the Church Council, the Report of the Secretary, Agenda Exhibit A, Part 3, page 13-14 of the April 6-8, 2002, meeting of the Church Council, the Report of the Secretary, Agenda Exhibit A, Part 3, page 10 of the April 5-7, 2003, meeting of the Church Council, the Report of the Secretary, Agenda Exhibit A, Part 3a, pages 9-11 of the April 16-18, 2004, meeting of the Church Council, the Report of the Secretary, Agenda Exhibit A, Part 3, pages 14-15 of the April 8-11, 2005, meeting of the Church Council, the Report of the Secretary, Agenda Exhibit A, Part 3, page 6 of the March 31-April 1, 2006, meeting of the Church Council, the Report of the Secretary, Agenda Exhibit A, Part 3, pages 11-12 of the April 13-16, 2007, meeting of the Church Council, the Report of the Secretary, Agenda Exhibit A, Part 3, pages 15-17 of the April 11-13, 2008, the Report of the Secretary, Agenda Exhibit A, Part 3 pages 13-14 of the March 27-28, 2009, the Report of the Secretary, Agenda Exhibit A, Part 3, pages 19-20, of the April 9-11, 2010 meeting of the Church Council, the Report of the Secretary, Agenda Exhibit A, Part 3, pages 8-9 of the April 8-11, 2011 meeting of the Church Council.

The original signed minutes of each of these approvals are maintained in the corporate files in the Office of the Secretary. Photocopies of the original minutes have been included in the protocol copy of the minutes of the November 1990, August 1991, December 1993, November 1995, November 1997, November 1998, April 2000, April 2001, April 2002, April 2003, April 2004, April 2005, March/April 2006, April 2007, April 2008, March 2009, April 2010, and April 2011 meetings of the Church Council.

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Report of the Treasurer

The Office of the Treasurer (OT) manages the financial, business, information technology, and building management affairs of the churchwide organization. This Office serves to support the mission of ELCA congregations, synods and the churchwide organization. The governing description of this office appears in constitutional provision 15.14 and continuing resolutions 15.14.A10, 15.14.B10.

OPERATIONAL PLAN UPDATES

Goal 3

The churchwide organization is connecting with ELCA members through coordinated messaging and engaging in communication that increases their understanding and involvement with God's mission through this church.

Stay abreast of and more effectively utilize new communication technologies and tools

The Information Technology (IT) team has been empowering staff to leverage mobile technology in their work. The team has deployed over 40 iPads and has securely connected over 200 smart phones to the churchwide organization's email and calendaring system. The team also provided technical support to the Women of the ELCA as they deployed a refreshed version of their Daily Grace application, now available in iPhone and iPad versions. Finally, OT Finance and IT staff worked closely together to enable the capability for accepting credit cards at events via mobile application, a measure that helps to reduce risk and increase efficiency.

A new internal website for employee communication, collaboration, workflow and information management was deployed using Microsoft SharePoint technology. This platform replaces the 14-year-old static site. The new technology promotes greater collaboration and frequent updates across the organization, while enhancing the consistency in information management within the organization.

Working with the Office of the Secretary, we are eliminating most of the paper binders previously used by voting members at the Churchwide Assembly. An e-binder powered by Guidebook, a company that specializes in mobile event management software, will provide a customized experience using rented iPads. Ninety-eight percent of voting members have selected to use the e-binder technology instead of paper binders.

The churchwide organization had been using a custom developed system for the management of event registrations. Starting with the October 2012 Conference of Bishops and the November 2012 Church Council meetings, all event registration and tracking are being migrated to ECIS. The new registration protocol will be used for the 2013 Churchwide Assembly. In addition to increased efficiency throughout the registration management process, attendee data will now be stored in ECIS to provide a more thorough profile of individuals attending each event.

Goal 4

The churchwide organization is achieving a growing and sustainable revenue base through strengthening mission funding and planned giving.

Mission support

The OT Finance team continues to work closely with synods and churchwide efforts such as the Macedonia project to strengthen mission support. In 2012, thirty-five synods increased mission support and only two decreased by greater than ten percent. Comparative prior results were: 2011 - ten synods showing increases and nine with decreases greater than ten percent; 2010 – one synod showing an increase and thirty-seven showing decreases greater than ten percent. The rate of decline in mission

support has abated significantly. A number of synods are starting to experience comparatively favorable mission support results. Assisting the Mission Investment Fund in their consideration of piloting a mission support system, we are also providing strategic input and technical support for this initiative.

ELCA World Hunger and planned giving, major gifts and appeals

In our first year of utilizing bank keying services for faster processing during the year-end giving season, we successfully automated gifts that were processed through certain lockboxes. Utilizing a combination of outsourced services and internal receipts processing staff, we were able to reduce processing time for several giving areas. Many new reports have been developed within ECIS, such as weekly appeal collection and receipts processing dashboards that provide management with information regarding volume of gifts, processing timeframes and error rates.

Serving on the cross-unit World Hunger Planning Team (WHPT), several staff members have been integral to the planning and implementation steps following a full review of ELCA World Hunger. Jon Beyer, Executive for IT, is providing leadership for the WHPT's fundraising sub-committee and facilitating the integration of the sub-committee's work with initiatives in other areas of the organization. One of these initiatives includes the assessment of the churchwide organization's gift management operations. This assessment is being conducted to provide recommendations for improving efficiency and effectiveness for all functions associated with gift management.

Goal 6

The churchwide organization is characterized by strong and inclusive leadership, a competent and well-supported staff team, efficient and effective systems and processes and a culture of continuous improvement and learning.

Systems and processes improvement

In partnership with Mission Advancement, IT is playing an integral role in developing a redesigned www.elca.org website. Some of the major enhancements being made include an integrated search engine that will search all content across the site and related sites, interactive maps to display the breadth of the ELCA and its ministries, elimination of Formatta forms, digital marketing functionality for planned gifts and a mobile version of the site. In order to assist congregations with decisions about online giving technology, a resource page has already been created by IT staff with input from other stakeholders throughout the organization, www.elca.org/egiving.

A Financial Systems Steering Committee has been convened and tasked with monitoring system functionality as well as reporting and integration of the deferred giving, endowment, general ledger and ECIS systems. In addition to the delivery of system reports and process enhancements, two new tools were launched: a general ledger maintenance workflow and a reconciliation tool. The workflow process automates the addition and modification of various parts of our chart of accounts, maintaining an audit trail of the process. The reconciliation tool provides new management reports, automatic balance updates and an audit trail. During 2013, additional automated workflow processes are scheduled for implementation.

Developing an implementation plan for the churchwide organization's data management strategy has been a focus over the last several months to bring more security and accessibility to the vast amount of information that the organization creates, retains or deletes. Project and work stream planning are underway to deliver core technology. We are also integrating more security into records management and archiving processes that are currently being revised by the Office of the Secretary.

In addition to the security focus of the data management initiative, an updated security awareness presentation was developed and given to over forty staff. The presentation will be kept up-to-date and delivered on an annual basis. There also will be a summary version in new employee orientation. Business continuity and emergency contact information is being migrated to the UltiPro human resource

information system. The senior leaders of the organization participated in a Business Continuity Planning (BCP) tabletop exercise to better prepare the organization in the event of a business disruption.

Reduce energy consumption

With an eleven percent energy reduction in 2012, we exceeded the energy reduction goal of five percent over the two-year period. In addition, the Lutheran Center received an Energy Star rating, placing the Lutheran Center in a class of buildings that use thirty-five percent less energy than peer facilities.

We have started a year-long project to modernize the Lutheran Center's elevators. In addition to improving the operation and appearance of the elevators, energy usage is expected to be reduced by thirty-eight percent, further contributing to the energy savings operational goal.

Operational Plan work emphasis for 2013

As part of unit planning for 2013, OT identified the following areas of emphasis in support of the operational plan:

- Technology upgrades (goals 3, 6)
- Web enhancements (goals 3, 6)
- Campaign readiness, if campaign adopted (goals 3, 4)
- Integration and systems automation (goals 3, 4, 6)
- Service excellence (goal 6, critical success factors – relationships/internal collaboration and trust)
- Information security and management (goal 6)
- Synod support (goals 4, 6)
- Churchwide Assembly planning and support (goal 5)

Progress and results in these areas will be reported in future reports to the Church Council.

ADDITIONAL UPDATES

In February 2013, the ELCA joined in thankfulness and remembrance for the life of our dear colleague and friend, Wynonia Venson. For 25 years, since the beginning of the ELCA, Wynonia served as the churchwide organization's Accounts Payable Supervisor. After an extended illness, she died on February 23. We miss her and continue to hold Wynonia's family in prayer.

In November 2012, we welcomed a new Director for Internal Audit, Tom Wattley. This shared position between the churchwide organization and the Mission Investment Fund is accountable to the ELCA Church Council Audit Committee.

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Report of the Executive for Administration

As the ELCA, we will be known as a church that proclaims the good news of Jesus Christ. We will be a church in which congregations, synods, the churchwide organization and other institutions and partners join together in witness and service. We will be known for building capacity to help end hunger, responding to disasters and confronting poverty and injustice. And we will be recognized throughout the world as a church that is deeply committed to our global and ecumenical partners. (ELCA Churchwide Organization Operational Plan 2011-2013)

I am writing this report during Holy Week. As we anticipate the fulfillment of God's promise in Jesus' death, burial and resurrection, we continue to walk with Jesus to Jerusalem. I am reminded that God's presence and activity in our lives is often hidden from us. I pray that the partnership we share in Christ's church may be strengthened so that God's love for the world may be made manifest through us.

Budget

We continue to be thankful for the generosity of the members of this church that enables us to build capacity for ministry. We closed fiscal year 2012 in a good place financially. Our expenses were under budget and total income exceeded budget. As we move into 2013, we will continue to monitor mission support and other income. The 2013 income estimates have been revised by \$1,725,370. Details are in [Exhibit F, Part 2a](#). The largest revenue change is in the "other income" category. These funds are primarily charges for services provided to separately incorporated and self-supporting ministries. We have been working with these ministries for more than two years to arrive at these charges. Changes on the expense side of the budget are primarily increased insurance premiums and compensation and benefit adjustments. The balance of income in excess of the expense adjustments is shown in the Strategic Initiative Fund.

The Thrivent churchwide block grant comes to an end in 2013. We received the following information from Thrivent. "This (2013) will be the final year of the Churchwide Grant Program, but we are hard at work exploring and developing new and exciting options for the foundation to continue to strengthen Christian communities by helping people be wise with money and inspiring even greater levels of generosity. Stay tuned as the year progresses for updates on future programs." In addition, "As a result of this change, national churchbodies are now eligible to enroll as a recipient organization in the Thrivent Choice Program. This had not been available in the past due to the unique, specialized nature of the Churchwide Grant program." Since 2004 the ELCA has been awarded over \$15 million by Thrivent Financial for Lutherans Foundation. We have directed the majority of the grant funding to the new congregations start program. The ELCA Macedonia Project is one of the most recent grant recipients. We are grateful for the partnership we shared with Thrivent over the years through the block grant and their generosity to this church.

Strategic Planning

The Churchwide Operational Plan has six strategic goals. These goals are designed to move us toward becoming the church described in the above vision for this church. The goals are:

1. The ELCA is an evangelizing, multicultural, multigenerational church growing in faith, and witnessing to God's mission locally and globally, with more people worshipping in new and renewed congregations and living out their faith in the world.

2. The ELCA is contributing to the alleviation of poverty and hunger globally and within the United States, and to achieving just, peaceful and sustainable livelihoods for impoverished and vulnerable people and communities.
3. The churchwide organization is connecting with ELCA members through coordinated messaging and engaging communication that increases their understanding and involvement with God's mission through this church.
4. The churchwide organization is achieving a growing and sustainable revenue base through strengthening mission funding and planned giving.
5. Governance of the ELCA is strengthened in ways that ensure the future vitality, sustainability and effectiveness of this church and the churchwide organization.
6. The churchwide organization is characterized by strong and inclusive leadership, a competent and well-supported staff team, efficient and effective systems and processes and a culture of continuous improvement and learning.

The work of the Office of the Presiding Bishop supports all six goals in the Operational Plan; however much of the daily work falls under Goals 5 and 6. See Exhibit A, Part 5, Appendix 1 for an abbreviated progress report on all six goals.

The Planning and Evaluation Committee will begin its review of the Mission Advancement Unit at this meeting of the Church Council. The Mission Advancement Unit's work is primarily in support of Goals 3 and 4 of the Operational Plan. For a full report of Mission Advancement's work see Exhibit K, Part 3.

Operational Plan – Cross-cutting Commitments

There are six areas of cross-cutting commitments in the Operational Plan. These are:

- Theological discernment and formation
- Poverty and wealth
- Leadership development
- Gender Justice
- Racial Justice and ethnic diversity
- Young adults

In pursuit of the young adult commitment, a "Young Adults and Administrative Team Strategic Engagement Table" has been created. The members include four young professionals from the churchwide staff, Stephanie Berkas, Michael Nevergall, Joseph Villalon, and Natalie Young, and the ELCA Treasurer and the Executive for Administration. The purpose of the group is "To advise the organization as it fulfills its commitment to embrace and integrate young professionals as a vital part of its mission and future." Key items that have emerged to-date include a regular convening of the 30 or more young professionals in the Lutheran Center, a formal mentoring program and engagement with and influence in the organization's leadership development program. In addition, the Young Adult staff position in Congregational and Synodical Mission has now been filled by Rozella White. Ms. White will also become a member of the table.

Lutheran World Relief

The Churchwide Organization renewed a Memorandum of Relationship with the Lutheran World Relief organization on February 21, 2013. The renewal is for two years with a built in mid-term review. We continue to be grateful for this long-standing partnership that deepens and extends our reach in relief and development work.

General Administration

As we live into the 25th Anniversary theme, “Always Being Made New,” churchwide staff experience the reality of ongoing change in the life of the organization. Leadership author, John Kotter, says, “Leadership is about coping with change.” He further states, “Leaders don’t solve problems or organize people, what they really do is prepare organizations for change and help them cope as they struggle through it.” (Leading Change and What Leaders Really Do) Authors, Chip and Dan Heath state that “Change is hard because people wear themselves out...and what looks like laziness is often exhaustion...and what looks like resistance is often a lack of clarity.” (Switch)

Like most denominational offices, the churchwide organization has gone through extensive change over the past two years. While units respond to plans and opportunities with partners, they also work at deepening internal collaboration and building efficiency and effectiveness in how the work gets done. This double pull of energy is always at play. The Operational Plan has helped us focus our energy both internally and externally. We continue to bring greater clarity and specificity around our work, as we cope with change. One bright spot in our organization life and coping together was over the Christmas holidays. Else Thompson, Executive for Human Resources, along with others planned a week of events that lifted the spirits and morale of staff to a positive spirit that was refreshing.

We ask for your prayers for staff as we seek to balance several major projects across the organization. From programmatic initiatives like the ELCA Malaria Campaign, the Good Gifts Catalog Launch, readiness for the 25th Anniversary Campaign (should it be approved), and the enhancements to the ELCA World Hunger Program; to technology projects like the ELCA.org Redesign; and major events like the 2013 ELCA Churchwide Assembly; to infrastructure projects like, Wi-Fi upgrades, telephone system replacement, laptop refresh, and information management; staff are called upon to engage in multiple major initiatives during the next 6-18 months.

I encourage you to read the unit reports in [Exhibit K](#), along with the reports of the separately incorporated units in [Exhibit P](#) to get a fuller picture of the ministry being carried out with and on-behalf of this church. I continue to be thankful for the staff and their contributions to the work of the churchwide organization.

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**The ELCA Churchwide Organization
 Operational Plan 2011-2013
 Progress Update – Jan. 2013
 (most recent updated text is shaded)**

Goal one The ELCA is an evangelizing, multicultural, multigenerational church growing in faith, and witnessing to God's mission locally and globally, with more people worshipping in new and renewed congregations and living out their faith in the world.		
Objectives	Key result indicators	Lead responsibility
A growing church 1. Actively support the establishment of new congregations or communities of worship and help them become sustainable. 2. Work with synods in our shared commitments in congregational renewal and development to expand existing congregations. 3. Work with the Conference of Bishops and other partners to take the lead on new approaches to involving congregations in community renewal and to be advocates for such approaches. 4. Work with congregations toward a deeper understanding of the connections of worship and mission.	70 new starts per year, involving at least 40 synods and 9 regions <ul style="list-style-type: none"> • 38 total sites have started in 2012, located in 22 synods and 9 regions. • Six ministry sites have been started in the Asian and Pacific Islander community along with the identification of leaders for these ministries. • 56 NEW STARTS IN 2012, INVOLVING 29 SYNODS AND 9 REGIONS. 150-200 renewing congregations funded per year <ul style="list-style-type: none"> • 163 renewing congregation grants were approved for funding at the CSM Renewal Review Table in July. • 170 RENEWING CONGREGATION GRANTS WERE FUNDED IN 2012. Increased use of the Partners in Worship network and resultant increase in worship attendance in congregations served <ul style="list-style-type: none"> • Last spring we gathered information from the bishops about the partners in their synods. With this information we made the decision to work on revisioning the network. We surveyed the partners this summer and with that information we are working on developing a clearer understanding of the expectations of this network. We are also beginning the development of resources that address the needs expressed by the partners in 	Congregational & Synodical Mission (CSM)

	<p>the survey.</p> <ul style="list-style-type: none"> • The Conference of Bishops was presented with an updated report at their meeting in October. The Directors of Evangelical Mission were also given updated information at their meeting this fall. After these meetings, the partners were sent a mailing with new resources and were encouraged to contact their bishops to being (or continue) their work. • Our next steps are to look into ways to proceed with meetings and events, as well as more resources and communication with the partners. The hope of this network is to cultivate more conversation about the worship life of this church and continue the work of seeing worship and mission as one ministry in this church. • WE CONTINUE THE WORK PREVIOUSLY REPORTED ON. 	
<p>Accompanying congregations in mission planning</p> <ol style="list-style-type: none"> 5. Through the Directors for Evangelical Mission, help synods establish and develop mission tables for the purposes of mission planning. 6. Make mission planning a vehicle for growing this church in its many diverse contexts – new starts, renewed congregations and congregations engaged in their communities and connected globally. 7. Provide education to synodical and congregational leaders on developing mission plans – what they are and the processes and tools that can be used. 8. Encourage all seminaries to include mission planning in their preparation of rostered leaders. 	<p>100 percent of synods have functioning mission tables by end of 2012</p> <ul style="list-style-type: none"> • AS OF APRIL 2013, 52 synods have functioning new/renewal and/or mission support and stewardship education synod mission tables. <p>80 percent of congregations have or are developing mission plans by end of 2013</p> <ul style="list-style-type: none"> • A question on Congregational Mission Plans will be added to the 2012 Parochial Report – Form C to determine the level of participation by congregations reporting. • Have initiated an inter-unit Implementation Team (includes bishops, DEM, churchwide staff) to coordinate implementation efforts. • Developed and introduced www.elca.org/missionplanning website that shares resources (from synods & churchwide) to congregations and synods to engage in mission planning. • Developed and introduced the mission planning Guiding Principles to assist congregational leaders to engage in mission planning. • CSM Relator conversations for July/August with all DEMs focused on synod strategies for mission planning. • The Book of Faith Initiative and the Faith Practices Initiative have 	CSM

	<p>partnered and have developed a resource titled, "Story Matters" that challenges congregations to connect Scripture, faith practices and mission and arrive at a Biblical story or passage that identifies them as a missional congregation.</p> <ul style="list-style-type: none"> • THE 2012 ANNUAL PAROCHIAL REPORT WILL INCLUDE A QUESTION FOR CONGREGATIONS THAT WILL PROVIDE A RESPONSE TO THIS QUESTION. CSM WILL PARTNER WITH RE AND OS TO GENERATE AND PROVIDE A REPORT ON THE STATISTICS OF CONGREGATIONAL RESPONSES IN 2013. 	
<p>Becoming a multicultural church</p> <ol style="list-style-type: none"> 9. Continue to encourage and support ethnic-specific new starts and building more multicultural congregations. 10. Incorporate immigration and ethnic diversity as a specific theme in mission plans. 11. Connect synodical and congregational leaders who are achieving success in this area with others wanting to make change. 12. Disseminate success stories and examples of good practice to synods, congregations and educational institutions. 13. Model becoming a more multicultural church in churchwide organization staff recruitment, including deployed staff. 	<p>Increase in the number of people from ethnic specific backgrounds participating in and leading this church</p> <ul style="list-style-type: none"> • 120 people (rostered, lay and guests) attended the 11th Assembly of the Association of Asians and Pacific Islanders. • 250 people attended the Hmong Caucus meeting. • 50 people attended the Laotian Caucus meeting. • 80 people attended the Liberian Lutherans in America meeting. • THE 2012 ASSEMBLY OF THE ARAB & MIDDLE EASTERN LUTHERAN ASSOCIATION WAS HELD IN OCTOBER. 47 PEOPLE PARTICIPATED IN LEADERSHIP DEVELOPMENT, FELLOWSHIP AND WORSHIP. • THE 2012 ASSEMBLY OF AMERICAN INDIAN & ALASKA NATIVE LUTHERAN ASSOCIATION WAS HELD IN OCTOBER. THIS ASSEMBLY HAD SOME JOINT SESSIONS WITH THE EUROPEAN AMERICAN LUTHERAN ASSOCIATION. 50 PEOPLE PARTICIPATED IN BIBLE STUDY, STEWARDSHIP TRAINING AND LEADERSHIP DEVELOPMENT. • A NATIONAL MULTICULTURAL GATHERING (THE SUMMIT) WAS HELD IN JANUARY 2013. 119 PEOPLE ATTENDED. THE SUMMIT FOCUSED ON DEVELOPING A JOINT AGENDA FOR ALL THE ASSOCIATIONS, UNDERSTANDING THE ROLES OF THE ASSOCIATION, LEADERSHIP DEVELOPMENT, UNDERSTANDING THE SYSTEM OF RACIAL INEQUITY AND MULTICULTURAL COMPETENCY. • 9 YOUNG PEOPLE FROM THE ELCA (OUT OF 40 TOTAL) ATTENDED THE 7TH ASIAN LUTHERAN INTERNATIONAL CONFERENCE HELD ON JANUARY 25-29, IN CHAING MAI, THAILAND. <p>50 percent of new starts and renewals are in ethnic-specific</p>	<p>CSM Cross-Unit Team Sherman Hicks, convener</p>

	<p>or multicultural settings.</p> <p>57% of new start ministries are in ethnic-specific or multicultural settings.</p> <ul style="list-style-type: none"> • African American/Black - 1 • African National - 1 • American Indian/Alaska Native - 1 • Asian/Pacific Islander - 2 • Latino/Hispanic - 6 • Multicultural - 7 <p>46% of renewing congregation grants are in ethnic-specific settings.</p> <p>66% OF NEW STARTS IN 2012 ARE IN ETHNIC-SPECIFIC OR MULTICULTURAL SETTINGS.</p> <ul style="list-style-type: none"> • AFRICAN AMERICAN/BLACK – 2 • AFRICAN NATIONAL – 3 • AMERICAN INDIAN/ALASKA NATIVE – 2 • ASIAN/PACIFIC ISLANDER – 3 • LATINO/HISPANIC – 10 • MULTICULTURAL – 9 <p>45% OF RENEWING CONGREGATIONS IN 2012 ARE IN ETHNIC-SPECIFIC SETTINGS.</p> <ul style="list-style-type: none"> • AFRICAN AMERICAN/BLACK – 23 • AFRICAN NATIONAL – 5 • AMERICAN INDIAN/ALASKA NATIVE – 17 • ARAB/MIDDLE EASTERN – 1 • ASIAN/PACIFIC ISLANDER – 10 • LATINO/HISPANIC – 21 <p>Content of mission plans focuses on immigration issues and multicultural ministry.</p> <ul style="list-style-type: none"> • The Multicultural Cross-Unit Team is currently obtaining from synods whether they have an immigration task force/committee. So far, out of 25 responses, six have an immigration task force/committees. • Concerning multicultural task forces/committees, out of the 	
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	<p>responses so far, 14 out of 25 synods have such task forces/committees.</p> <ul style="list-style-type: none"> Regions 9 and 3 have begun a process to incorporate cross-cultural dialogue into their development of synod mission planning strategies. 	
<p>Leadership support and development</p> <p>14. Work with educational partners and synods to increase the number of trained mission leaders in congregations.</p> <p>15. Develop leadership among women, youth, young adults and people of diverse ethnic backgrounds as a way to enrich worship life, grow communities of worship and achieve diversity throughout the ELCA.</p> <p>16. Identify and support people of different ethnic and cultural backgrounds to become lay and rostered leaders.</p> <p>17. Encourage church networks and other initiatives that help youth and young adult leaders emerge and take up leadership roles, including in governance.</p> <p>18. Convene discussions between the churchwide organization, seminaries and candidacy committees to reach agreement on the characteristics of mission leadership needed for the future and to identify best practices.</p> <p>19. In collaboration with the Board of Pensions and synods, implement strategies to develop healthy leaders.</p> <p>20. Provide emerging leaders, pastors and lay leaders access to training in advocacy and community mobilization.</p>	<p>150-200 new leaders per year participating in Missional Leadership Centers</p> <ul style="list-style-type: none"> 65 Latino and Latina leaders are participating in our lay formation centers. 15 new Latino and Latina leaders are participating in our new M.Div track in the new consortium of seminaries that includes ISEDET in Argentina, Mexico, and the seminary in Puerto Rico. <p>Evidence of change in the health and profile of leaders in this church (youth, gender and ethnic background)</p> <p>Evidence of increased youth participation in education and formal church networks.</p> <ul style="list-style-type: none"> The HIV/AIDS Strategy Team sponsored 5 young adults from ELCA congregations to participate at the Interfaith Pre-Conference and the International AIDS conference in Washington, DC. (see also pages 5 and 6 – Expanding Global Engagement) SPECIAL EFFORTS WERE MADE TO RECRUIT YOUTH/YOUNG ADULTS TO ATTEND THE MULTICULTURAL GATHERING (THE SUMMIT), HELD IN JANUARY 2013. OUT OF 119 ATTENDEES, 20 WERE YOUTH/YOUNG ADULTS. <p>The content of leadership training focuses on desired leadership capacities and supports priority themes (a growing, multicultural and multigenerational church, healthy leaders, advocacy and community mobilization)</p>	CSM
<p>Ecumenical relationships and other partnerships</p> <p>21. Accompany congregations and synods to develop and facilitate networking and coordinated ministry with</p>	<p>20 synods involved in cooperative mission planning with full communion partners</p> <ul style="list-style-type: none"> The Ecumenical and Inter-religious Relations staff are working 	Office of the Presiding Bishop (OPB)

<p>ecumenical partners.</p> <p>22. Ensure that networking and collaboration through ecumenical and other partnerships is a focus of mission plans and in education of lay and rostered leaders.</p>	<p>with R&E to identify synod activities. They have described the work to be tracked as places where there is a common commitment to evangelism, witness, and service; and a means of common decision making on critical common issues of faith and life. To date, we have identified 20 synods.</p> <ul style="list-style-type: none"> • 34 SYNODS ARE INVOLVED IN ECUMENICAL MINISTRY AND MISSION. • 21 SYNODS HAVE LONG-TERM ECUMENICAL SHARING AND MINISTRY. • RESEARCH & EVALUATION (R&E) IS DEVELOPING A QUESTIONNAIRE FOR EARLY 2013 TO INVOLVE BISHOPS, DIRECTORS OF EVANGELICAL MISSION (DEMs), AND LUTHERAN ECUMENICAL REPRESENTATIVES NETWORK (LERN). • ECUMENICAL & INTER-RELIGIOUS RELATIONS (EIR) AND R&E ARE EXPLORING OTHER WAYS TO IMPROVE MEASUREMENTS OF ECUMENICAL COOPERATION, INCLUDING LONGITUDINAL STUDIES. • COORDINATED MINISTRY WITH FULL COMMUNION PARTNERS IS PROGRESSING WITH THE EPISCOPAL CHURCH AND THE UNITED METHODIST CHURCH. <p>Content of congregation mission plans includes relationships and ministry with ecumenical partners</p> <ul style="list-style-type: none"> • Working with staff in CSM and their focus on mission tables. 	
<p>Expanding global engagement of this church</p> <p>23. Through the practice of mutual accompaniment, deepen companion relationships of ELCA synods and churches/dioceses in other countries and coordinate church-to-church engagements.</p> <p>24. Facilitate global connections that enrich worship and congregational life, build capacity for witness in congregations and companion churches and enable congregations to more fully engage the “global” that is already in their community (e.g., immigrant communities).</p> <p>25. Become globally formed and globally informed</p>	<p>Increase in the number of new contacts through glocal events, especially young adults and persons of color.</p> <ul style="list-style-type: none"> • ELCA Advocacy staff have facilitated Glocal event workshops in support of CSM Unit coverage effort with Poverty and Justice Ministries. <p><u>Musicians training event-January 2012</u> 46 participants Young adult: 28/ People of color: 25</p> <p><u>Ecumenical Advocacy days -March 2012</u> Event as a whole: 813 participants Young adults thru invitation: 44 / People of color: 19</p> <p><u>No. Texas No. Louisiana Synod assembly -April 2012</u></p>	<p>CSM and Global Mission (GM)</p>

<p>through mission events, service opportunities, advocacy and awareness of the global systems in which we participate.</p>	<p>Participants: 500 Non assembly members solely registered for the Glocal section of the assembly: 36</p> <p><u>Canadian Forum- May 2012</u> Participants: 22 Young adults: 7 / People of color: 6</p> <p><u>Minneapolis Minnesota GMG May 2012</u> Registered participants: 113</p> <p><u>Cincinnati Ohio -June 2012</u> Registered participants: 87</p> <p><u>Indiana Kentucky Synod Assembly- June 2012</u> Participants: 435</p> <p><u>New England Synod assembly- June 2012</u> Numbers will be available as of September 24th 2012.</p> <p><u>Sioux Falls, South Dakota - June 2012</u> Registered participants: 113</p> <p><u>Int'l Companion Program to Nat'l Youth Gathering -July 2012</u> International Participants: 32 Male: 18 / Female: 14 Countries- 18 / Local companions and participants: 21</p> <p><u>Milwaukee Wisconsin GMG – August 2012</u> Registered participants: 157</p> <p><u>Story Based Strategy meeting- September 2012</u> Participants: 33 / NEW LEADERSHIP: 13 YOUNG ADULTS: 19 / PEOPLE OF COLOR: 12</p> <p><u>Chicago Illinois GMG- September 2012</u> Participants: 116 / NEW LEADERSHIP: 20 YOUNG ADULTS: 40 / PEOPLE OF COLOR: 60</p> <p><u>CLIVE, IOWA GMG – SEPTEMBER 2012</u> PARTICIPANTS: 110 / NEW LEADERSHIP: 10 YOUNG ADULTS: 40 / PEOPLE OF COLOR: 22</p>	
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	<p><u>SAN BERNARDINO, L.A. GMG 2012</u> LUTHERAN MISSION PARTICIPANTS: 150 PARTICIPANTS: 50 / NEW LEADERSHIP: 12 YOUNG ADULTS: 40 / PEOPLE OF COLOR: 100</p> <p><u>NUMBERS FOR MISSIONARY SPONSORSHIP 2012 GLOCALS</u> CARY, NC – 71 IRVING, TX – 126 (NT-NLA) MINNEAPOLIS, MN – 74 CINCINNATI, OH – 62 SIOUX FALLS, SD – 101 MILWAUKEE, WI – 201 CHICAGO, IL - 64</p> <p>Increase in missionary sponsorship.</p> <ul style="list-style-type: none"> • As of September 30, \$1,775,630. This amount is \$259,779 below budget. • ONE MISSIONARY ALWAYS CONTACTS CONGREGATIONS IN HER SYNOD WHO DO NOT SPONSOR MISSIONARIES, SENDING POSTCARDS, AND MAKING VISITS WHEN SHE'S HOME. • MISSIONARY SPONSORSHIP FOR 2012 WAS \$2,907,059. THIS AMOUNT IS \$242,941 BELOW BUDGET. • IN 2013, MISSIONARY SPONSORSHIP WILL INCLUDE THE YOUNG ADULTS IN GLOBAL MISSION (YAGM) PROGRAM. <p>Increase multi-ethnic participation at glocal events by end of 2013.</p> <ul style="list-style-type: none"> • (see above, pages 5 and 6) <p>20 percent increase in short-term international service opportunities, especially health professionals</p> <ul style="list-style-type: none"> • In 2011, we had 141 short-term personnel. For 2012, we have 152. • Planning for a Lutheran Health Volunteers program continues with a proposed launch in early 2013. • Global Mission in collaboration with Luther Seminary is sending an ELCA mission personnel to Mekane Yesus Seminary in 	
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	<p>Ethiopia through the ELCA Sabbatical Program.</p> <ul style="list-style-type: none"> • Global Mission in collaboration with the Minneapolis Area Synod and Zion Lutheran Church, Anoka, MN in sending an ELCA volunteer to explore evangelism and mission outreach in Southern Sudan. • The ELCA has recently sent a short-term missionary to Jerusalem to serve as Interim Communications Director for the ELCJHL. • A short-term ESL and spirituality teacher (a deaconess) has been sent to work with the deaconess school in Indonesia. She teaches among deaconesses who will be serving in health care settings. • A joint appointment between Southeastern Synod and Global Mission placed a short-term volunteer in Guatemala to assist the Lutheran Augustinian Church in developing disaster preparedness. • PLANNING FOR A LUTHERAN HEALTH VOLUNTEERS PROGRAM CONTINUES WITH A PROPOSED LAUNCH IN EARLY 2013. MISSIONARY STAFF PERSON RELOCATED IN JAN. 2013 TO IMPLEMENT LUTHERAN HEALTH VOLUNTEER CORPS. • GM AND MINNEAPOLIS AREA SYNOD AND ZION LUTHERAN CHURCH, ANOKA, MN, ARE SENDING AN ELCA VOLUNTEER TO SOUTHERN SUDAN FOR EVANGELISM AND OUTREACH. • THE ELCA RECENTLY SENT A SHORT-TERM MISSIONARY TO JERUSALEM TO SERVE AS INTERIM COMM. DIR. FOR THE ELCJHL. • A SHORT-TERM ESL AND SPIRITUALITY TEACHER IS WORKING AT A SCHOOL IN INDONESIA WITH DEACONESSSES WHO WILL SERVE IN HEALTH CARE SETTINGS. • GM AND SE SYNOD PLACED A SHORT-TERM VOLUNTEER IN GUATEMALA TO ASSIST THE LUTHERAN AUGUSTINIAN CHURCH WITH DISASTER PREPAREDNESS. <p>Mission plans include global engagement strategies</p> <ul style="list-style-type: none"> • Glocal Gatherings for 2013 events will include a workshop on congregational mission planning development with an emphasis on the connection of global engagement with mission plans. Global engagement strategies involve listening to our 	
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	<p>companions.</p> <ul style="list-style-type: none">• STAFF IN MENA REGION ENGAGED IN MOST RECENT CRISIS AND ADDRESSING TENSIONS BETWEEN WESTERN AND ISLAMIC WORLDS.• LUTHERAN IDENTITY IS CONSTANT THEME WITHIN THE ASIA SPHERE, AS ACTIVITY INCREASES VIA MISSIONARIES, GRANTS, TEACHERS, AND SEMINARS.• MEMBERS OF THE CENTRAL STATES SYNOD VISITED THEIR COMPANION SYNOD, THE EVANGELICAL LUTHERAN CHURCH OF THE URALS, SIBERIA AND THE FAR EAST IN SEPT. 2012.• MEMBERS OF THE NE IOWA SYNOD WILL VISIT THE ELC IN HUNGARY IN MAY 2013 FOR THE FIRST TIME, STRENGTHENING THEIR NEW RELATIONSHIP.• A PASTOR IN WI IS INVOLVED WITH A LATVIAN YOUTH EXCHANGE THAT IS BENEFITTING WORSHIP, MUSIC AND YOUTH ON BOTH SIDES.• THE ELCA IS RAISING THE PROFILE TO CONGREGATIONS, SYNODS AND INSTITUTIONS ABOUT “THE LUTHER DECADE,” THE YEARS BEFORE THE 500TH ANNIVERSARY OF THE REFORMATION IN 2017, THROUGH ARTICLES, WORSHIP AND EDUCATION RESOURCES.	
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Goal two The ELCA is contributing to the alleviation of poverty and hunger globally and within the United States, and to achieving just, peaceful and sustainable livelihoods for impoverished and vulnerable people and communities.		
Objectives	Key result indicators	Lead responsibility
International development 1. Improve program planning, monitoring and evaluation processes to promote outcome-based action and build capacity of partners to assess long-term impact to ensure effective use for ELCA World Hunger funds with priority to long-term sustainable development projects with global partners. 2. In response to the changing landscape of Lutheran development agencies, identify key strategic partners for the ELCA's work in sustainable livelihoods, food security, water, health care, and education and ensure that these partnerships give expression to the ELCA's commitment to engage in development as a church with churches. 3. Sustain and expand programs with companion churches and other partners to prevent and contain malaria. 4. Build the capacity of companion churches and other partners to engage local networks in responding to malaria in their communities. 5. Sustain and expand programs with companion churches and other partners to prevent the spread and improve the lives of people affected by HIV and AIDS. 6. Contribute to global advocacy campaigns with and through global alliances and networks such as The Lutheran World Federation, ACT Alliance and World Council of Churches, with priority to poverty-focused development, global health, US foreign policy and human rights. 7. In line with goals to grow the ELCA World Hunger Appeal,	Program monitoring demonstrates funding is in line with priorities, mutual accountability with partners and positive impacts <ul style="list-style-type: none"> New planning tools emphasizing desired social change, were introduced in 2009 and have been altered and improved leading up to the publishing of a new grants planning process for the 2013 budget planning period. This planning process has defined an approach to collecting data on desired social change and establishing a monitoring system by companions for their ministries to help them and the ELCA measure change and demonstrate impact. After reviewing the volume of grants managed by Global Mission and the staffing constraints, a small grants process for requests under \$6,000 has been developed to expedite the planning and review process while maintaining the collection of necessary relevant information. In July, a two-day training was provided to Global Mission program staff, Global Mission Regional Representatives, World Hunger Appeal World Hunger Education and World Hunger Constituents Engagement colleagues to introduce the new planning, monitoring, evaluation, and capacity assessment tools. Training was centralized around a theme of outcome-based planning and mission alignment, stressing the relevance of stewardship demonstrated by the allocation of resources (human and financial) which result in positive social change. Full implementation of effective malaria intervention programs by five companion churches in Southern Africa and expansion of malaria programming in West and East Africa	GM (with CSM in global advocacy) Cross-Unit Team Planning, Monitoring and Evaluation (Grant Making)

<p>review and plan for the capacity and technical expertise that will be required to manage funded programs and further build effective partnerships.</p>	<ul style="list-style-type: none"> • In the Southern Africa region, programs in Angola, Malawi, Mozambique, Zambia and Zimbabwe piloted programs as part of a regional program under the guidance and technical support of LUCSA. Baselines have been conducted in all but Angola. INDICATORS FOR TRACKING FINALIZED WITH EXPLANATORY INSTRUCTIONS ON MEANS OF VERIFICATION AND A MONITORING AND EVALUATION HANDBOOK COMPLETE. • IN 2012, SOME PROGRAMS ARE EMERGING BETTER POSITIONED TO SCALE AND, THEREFORE, ARE DEMONSTRATING STRONGER RESULTS. <p>1) In Zimbabwe:</p> <ul style="list-style-type: none"> • 3,107 people were reached through training programs training on signs and symptoms, prevention methods, environmental management, and treatment. • 692 community members were trained in malaria treatment methods including Rapid Diagnostic Testing, Intermittent Preventative Treatment and early treatment- seeking behaviors. • FOCAL PERSONS AND VILLAGE HEALTH WORKERS RAISED AWARENESS ON MALARIA TO APPROX. 5, 537 PEOPLE. • 25 BICYCLES GIVEN TO VILLAGE HEALTH WORKERS TRAINED AS MALARIA ACTIVISTS. • 94 LEADERS FROM DIFFERENT CHURCHES WERE MADE AWARE OF THE ROLE OF THE CHURCH IN MALARIA PREVENTION. • 5 SELF-HELP GROUPS SUPPORTED BY A TOTAL OF \$5,500 FOR SUSTAINABLE LIVELIHOOD PROJECTS. <p>2) In Malawi:</p> <ul style="list-style-type: none"> • 16 health talks on prevention, control and environmental sanitation were conducted to sensitize and influence community members and malaria services in their areas. • 159 loans have been disbursed over five communities as part of the “sustainable livelihoods” part of the program increasing household income in order to increase access to health services. 	
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	<ul style="list-style-type: none"> • 20 HOME VISITS ON LLN/ITN, ACT, IPTp, IRS AND ENVIRONMENTAL SANITATION WERE CONDUCTED TO INFLUENCE PEOPLE TO DEMAND MALARIA SERVICES IN THEIR AREAS. • THE DISTRICT HEALTH OFFICE HAS DISTRIBUTED MEDS FOR PROPHYLACTIC TREATMENT DURING PREGNANCY TO VILLAGE HEALTH CLINICS FOR MALARIA TREATMENT. <p>3) In Zambia:</p> <ul style="list-style-type: none"> • 1,099 church, community and traditional leaders were trained and 6,300 information, education and campaign materials were distributed on behavior change. • 4 open clinics were conducted and 2,031 people with malarial symptoms were tested resulting in the treatment of 1,484 cases of malaria (after testing positive) • OPEN CLINICS PROVIDED 872 DOSES OF ANTI-MALARIAL DRUGS FOR PEOPLE WHO TESTED POSITIVE. • JAN. – SEPT. 2012, MALARIA LIVELIHOOD PROGRAM REACHED 508 PEOPLE IN 12 VILLAGES. • ECUMENICAL CHURCH LEADERS FORUM IS A GROUP OF CHURCH LEADERS IN ZIMBABWE WHO CAME TOGETHER FOR A 5-DAY WORKSHOP TO BUILD PEACE AND RECONCILIATION IN THEIR NATION, ESPECIALLY FOCUSING ON THE HARARE CENTRAL PRISON. • ELLCA GLOBAL MISSION PROVIDES FINANCIAL ASSISTANCE TO HELP CONDUCT PEACE AND RECONCILIATION WORKSHOPS. <p>4) In Mozambique:</p> <ul style="list-style-type: none"> • 330 people trained on mosquito nets, sanitation and hygiene in the first quarter • In the past six months, a decrease in malaria cases by 57% • 92 MALARIA ACTIVISTS IN NAMPULA HAVE BEEN TRAINED IN THE USE AND DISTRIBUTION OF LONG-LASTING INSECTICIDE • 5 AWARENESS TRAINING SESSIONS WERE CONDUCTED IN 5 CONGREGATIONS FOR 384 PEOPLE. • IN NAMINA, 408 PREGNANT WOMEN RECEIVED AT LEAST THE FIRST DOSAGE OF IPT. 	
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	<ul style="list-style-type: none"> • 3 ANIMAL REARING PROJECTS AND 1 POTTERY PROJECT HAVE BEGUN AS PART OF THE SUSTAINABLE LIVELIHOOD COMPONENT. <p>5) IN ANGOLA:</p> <ul style="list-style-type: none"> • AWARENESS TRAINING PROGRAMS BY MALARIA FOCAL PERSONS WERE CONDUCTED IN COMMUNITIES IN 3 PROVINCES. • ELC OF ANGOLA PURCHASED AND DISTRIBUTED NET TO 300 PREGNANT MOTHERS AND CHILDREN UNDER 5. • Planning has taken place in Central African Republic, Liberia, South Sudan and Uganda to establish the foundation for strategy development with these partners and work continues in Angola to build our partner's capacity. • A NEW COORDINATOR FOR HEALTH PROGRAMS IS IN PLACE TO CONTINUE EXPANSION OF PROGRAMMING. <p>Evidence that ELCA's international development (staff capacity, internal processes and operational engagement with partners) reflects the commitment to engage as a <i>church with churches</i>.</p> <ul style="list-style-type: none"> • In terms of actual expenditure demonstrating a growing commitment to church companion bilateral support, analyzing actual expenditure from 2010 and 2011 with planned expenditure for 2012 demonstrates growth in bilateral church support. In 2010, the total Global Mission World Hunger budget was \$12.9 million, \$3.6 million (28%) of which was directed to church companions in bilateral program support. In 2011, the total Global Mission World Hunger budget was \$13.2 million, \$4.5 of which (34%) was directed to church companions in bilateral program support. For current year (2012), Global Mission has received an allocation of \$14.1 million from World Hunger, \$4.1 million (29%) was regularly budgeted for bilateral church program support; however, it is forecasted that this number will increase by year-end due to projects planning with church companions. • IN SYRIA, WE STRUGGLE TO SHARE RESOURCES WITH CHURCHES IN 	
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	<p>VULNERABLE CHRISTIAN POPULATIONS, WHO ARE NOT ABLE TO ACCESS AID THROUGH “NORMAL” CHANNELS. CHURCHES ARE OFTEN NOT ABLE TO RECEIVE AID, DUE TO POLITICAL AND/OR ECUMENICAL ISSUES, BUT WE CONTINUE TO WORK ON THIS DIFFICULT ISSUE.</p> <p>Increased capacity of companion churches and other partners for outcome-based planning and evaluation</p> <ul style="list-style-type: none"> • A new regional representative for Diakonia in the Asia-Pacific region has begun work with our companions on outcome-based planning and evaluation, increasing awareness among some companions (e.g. India, Thailand, Indonesia) as they implement the Planning, Monitoring & Evaluation process. • Also in 2012, Global Mission has directly supported the strategic planning processes of ELCA companions in Liberia and the Central African Republic through financial and personnel support. In Liberia, Lutheran Development Service conducted a thorough evaluation in 2011 of their development program followed by a strategic planning process early this year to restate the strategic direction of the program. In CAR, the Evangelical Lutheran Church in Central African Republic (EEL-RCA) conducted a strategic planning process for their health services and preparing malaria interventions. <p>Evidence of more effective networks for global advocacy having influence on priority issues</p> <ul style="list-style-type: none"> • The Washington Office is compiling and reaching out to a list of key synod leaders who facilitate companion synod relationships for their priorities and suggestions for building and engaging networks in their synods. • The Lutheran Office for World Community has begun collaborating with “Beyond 2015”, a global campaign aiming to influence the creation of a post-2015 development framework that succeeds the current UN Millennium Development Goals. • Staff in the Middle East & Northern Africa region are working 	
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	<p>as part of the North American Steering Committee for EAPPI, the Ecumenical Accompaniment Program in Palestine and Israel, a ministry of the World Council of Churches. EAPPI-US is in the process of restructuring its work, including its advocacy function. This group has the potential to deeply inform US-based advocacy on Israel/Palestine-related matters, reflecting a ruggedly on-the-ground perspective.</p> <ul style="list-style-type: none"> • One of the ELCA's most significant networks for global advocacy is through the Ecumenical Advocacy Alliance (EAA.) During its third term, the EAA has focused on two particular issues: <ol style="list-style-type: none"> 1) HIV through the "Live the Promise" campaign, and 2) food through the "Food for Life" campaign. • While the ELCA supports both of these issues through EAA, 2012 funding from the ELCA contributed to successfully bringing together 400 people for the International Aid's Pre-Conference and 150 religious leaders at a White House meeting during the International Aids Conference. ELCA funds also leveraged additional support from the PEPFAR program of the United States government in the amount of \$100,000. • ILS, EL SALVADOR FIRST LATINO PASTORAL MINISTRY CONFERENCE, GATHERING A COMPANION CHURCH WITH THREE OF ITS COMPANION SYNODS. A FOLLOW-UP PLAN TO IMPLEMENT AN INITIATIVE THAT FOCUSES ON PASTORAL MINISTRY WITH IMMIGRANTS WILL BE DESIGNED TOGETHER BY ALL PARTIES. • ELCA WORLD HUNGER, GM'S LATIN AMERICA AND CARIBBEAN DESK, AND THE ELCA D.C. OFFICE ARE COLLABORATING ON A FOOD SECURITY IMMERSION EXPERIENCE IN MEXICO, ORGANIZED BY AMEXTRA, WHICH MAY ALLOW FOR THE CREATION ON A SYNOD GLOBAL TABLES BRINGING TOGETHER ALL SYNOD GLOBAL MISSION TABLE. 	
<p>Capacity development of the churchwide organization, synods and congregations for international development</p> <p>8. Raise awareness of the benefits of church to church</p>	<p>Proposed pilot programs with synods and the churchwide organization result in new and creative patterns of mutual capacity building and cooperation in international</p>	<p>GM</p>

<p>relationships as central to the ELCA's ministry of relief and development and build capacity for this approach.</p> <p>9. Strengthen alignment and coordination among different expressions of the ELCA and ecumenical partners in the way they support this church's mission activity and development work in other countries.</p> <p>10. Develop stronger ties and better alignment between the ELCA's international development and poverty ministries based in the United States.</p> <p>11. Make public advocacy a priority in leadership development, especially engaging synodical leaders and youth and young adult leaders.</p>	<p>development (also see Goal 1)</p> <ul style="list-style-type: none"> • In May, ELCA Global Mission partnered with Advent Lutheran in Olathe, KS in support of a water and sanitation project in the Dominican Republic. Global Mission is also in conversation with the Western Iowa Synod exploring ways to continue cooperation in their agriculture education project in Tanzania. Both of these partnerships have been successful and have provided learning opportunities that will help strengthen this area of cooperation in the future. • SINCE SEPT., GLOBAL DIAKONIA AND GLOBAL COMMUNITY STAFF HAVE BEEN IN DISCUSSION WITH TWO SYNODS TO HELP THEM ACCOMPANY TWO COMPANION DIOCESES IN TANZANIA WITH WATER DEVELOPMENT PROJECTS. 	
<p>Disaster preparedness and response to domestic and international disasters and other humanitarian crises</p> <p>12. Implement a holistic domestic disaster response protocol that includes development of a mission strategy, attention to affected congregations, and disaster response to the whole community.</p> <p>13. Create new systems with global companion churches to engage in disaster preparedness and response.</p> <p>14. Develop a plan to cooperate with ELCA disaster affiliates and ecumenical partners to increase capacity for volunteer engagement and mobilization of materials.</p> <p>15. Explore expansion and positioning of the Lutheran Disaster Response brand on a domestic-global continuum and develop and implement a plan for branding.</p> <p>16. Support The Lutheran World Federation to enhance its capacity for disaster preparedness and in pre-positioning disaster response supplies and materials in high risk parts of the world.</p>	<p>Evidence that ELCA members and congregations better understand and participate in the ELCA's disaster response</p> <ul style="list-style-type: none"> • INFORMATION ABOUT THE RESPONSE EFFORTS BY LDR FOR SUPER STORM SANDY AND THE SANDY HOOK SHOOTING HAVE BEEN POSTED IN THE DISASTER LISTSERV, THE DISASTER BLOG, AND THE LDR FACEBOOK PAGE; THERE HAVE BEEN SEVERAL RESPONSES TO THESE POSTINGS. THERE HAVE ALSO BEEN MANY EMAIL REQUESTS AND PHONE CALLS REQUESTING HOW ELCA MEMBERS AND CONGREGATIONS CAN HELP WITH THE LONG TERM RECOVERY EFFORTS WITH SUPER STORM SANDY. OVER 13,000 GIFTS HAVE BEEN GIVEN TO THE APPEAL FOR HURRICANE SANDY RESPONSE. • RE-BRANDING HAS BEEN APPROVED. A PROPOSAL WAS PUT FORWARD ON PROGRAM STRENGTHENING. • BEFORE 2013, THE INTERNATIONAL AND DOMESTIC DISASTER RESPONSE WORK OF THE ELCA WAS KNOWN AS ELCA DISASTER RESPONSE. THE ELCA WAS ENGAGED IN A COOPERATIVE DOMESTIC DISASTER MINISTRY WITH THE LUTHERAN CHURCH-MISSOURI SYNOD (LCMS); THIS JOINT MINISTRY WAS KNOWN AS LUTHERAN DISASTER RESPONSE (LDR). WHEN THE LCMS DECIDED TO END ITS PARTICIPATION IN THIS WORK, LDR BECAME A MINISTRY SOLELY OF THE ELCA. BECAUSE OF THIS CHANGE, ALL 	<p>CSM and GM</p>

	<p>OF THE ELCA’S DISASTER WORK, BOTH IN THE UNITED STATES AND AROUND THE WORLD, WILL NOW BE KNOWN AS LUTHERAN DISASTER RESPONSE.</p> <p>Three to five companion churches strengthen their emergency preparedness capabilities with The Lutheran World Federation and the ELCA</p> <ul style="list-style-type: none">• The Evangelical Lutheran Church in Tanzania Executive Committee met in August 2011 and identified a need to reduce the impact of food insecurity in its area of operation through training on emergency management, food security and strategic planning to enable each diocese of the ELCT to establish a sustainable livelihoods strategic plan to reduce vulnerabilities to natural disasters and more effectively manage emergencies. In 2012, a strategy was finalized and the ELCA was approached to partner in the training of 60 individuals (20 women leaders, 20 youth leaders and 20 diocesan planning officers).• The ELCA is continuing similar capacity building with companions in India, Madagascar and Central• America with the hope to not only build our companions capacity for managing emergencies, but strategically working to reduce vulnerabilities brought on by climate change or reoccurring disasters. <p>Disaster preparedness hubs are up and running in three regions (Asia, Latin America and East Africa) and planned for two other regions</p> <ul style="list-style-type: none">• In January 2012 LWF-Department for World Service started the implementation of its global emergency response strategy, putting emphasis on better preparedness, better coordinated and decisive action, strategic partnerships and better equipped staff. One of the major elements of the new strategy was the creation of three Regional Emergency Hubs, located in San Salvador, Nairobi and Kathmandu. The team leaders and key staff positions in the hubs have been filled. Since May, the hubs have begun work to establish their	
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	<p>operational systems and review emergency response protocol in each country.</p> <ul style="list-style-type: none"> • Also, a global Emergency Training Workshop for members of the Regional Emergency Hubs, members of the Emergency Roster and selected LWF and ACT related agencies, and LWF members Churches from Kenya, Tanzania, Ethiopia and Madagascar took place from May 7-11 2012 in Nairobi. ELCA Global Mission staff participated in the Emergency Training Workshop to support the formation of this new structure. LWF has also created an advisory team to the system, to which the ELCA participates as an advisor by invitation in addition to financial support received from the ELCA (through ELCA Disaster Response) for the initiative. • THE LWF REGIONAL EMERGENCY HUB IN NAIROBI SUCCESSFULLY RESPONDED TO FLOODING IN SOUTH SUDAN IN MAY 2012 AND WAS RECOGNIZED FOR THEIR WORK BY OCHA. WE SUPPORTED THE LWF REGIONAL EMERGENCY RESPONSE HUB IN SAN SALVADOR TO SEND 5 TECHNICIANS TO HELP THE CUBAN COUNCIL OF CHURCHES TO ASSESS HURRICANE SANDY DAMAGE AND HELP THE ACT FORUM IN CUBA TO WRITE THE ACT APPEAL. 	
<p>Alleviating poverty and injustice in the United States</p> <p>17. Develop new ways to equip and build the capacity of congregations to be aware of and oriented to the needs of marginalized people in their communities, particularly those who are hungry and poor, new migrants and refugees and people living with HIV and AIDS.</p> <p>18. Extrapolate from the current HIV and AIDS strategy the priorities and focus for HIV and AIDS action in the United States and link funding.</p> <p>19. Engage in public advocacy that challenges church, civil society and government institutions and society-at-large to stand up against poverty and injustice. Domestic advocacy priorities will be: hunger and poverty alleviation, care for creation, job creation, immigration, rural development, adequacy of federal programs to protect vulnerable</p>	<p>Congregational mission plans include commitments to serve the needs of marginalized people in their community</p> <ul style="list-style-type: none"> • The Guiding Principles for mission planning include and foster intentional listening to context in communities in order to be attentive to the needs of the neighbors (including marginalized people). <p>25 percent increase in number of new and renewed congregations in impoverished or distressed areas</p> <ul style="list-style-type: none"> • 2011 new starts in this category totaled 16; to increase by 25% would mean having 20 in 2012. To date, we have 13, with 6 in the planning stage. • 17 renewing congregation grants (11% of total) are in communities of poverty. • 39% OF NEW START MINISTRIES IN 2012 ARE IN IMPOVERISHED OR DISTRESSED AREAS. 	<p>CSM and Mission Advancement (MA)</p>

people and invest in communities.	<p>Increase by 5 percent the ELCA Advocacy Network and number of congregations able to connect their ministry projects with public advocacy</p> <ul style="list-style-type: none"> • As of November 2012, the ELCA e-Advocacy Network has grown by 2.74%, or 956 individuals. The Facebook audience has grown by 157 individuals, or 21.5%. • Six Lutheran groups visited Capitol Hill in 2012, and approximately 100 Lutherans attended the Ecumenical Advocacy Days last March. 	
<p>Learning and continuous improvement</p> <p>20. Identify best practices in accompaniment, program delivery and approaches to development including rights-based and empowerment approaches, asset-based community development and reconciliation and peace building.</p> <p>21. Enhance information management and learning systems to promote knowledge transfer and sharing of successes and good practice.</p>	<p>Evidence of increased effectiveness of development engagements by companion churches, synods, and ELCA churchwide Global Mission Unit</p> <ul style="list-style-type: none"> • Progress for this Key Result Indicator is contingent upon implementation of the new system for program Planning, Monitoring and Evaluation and utilization of aggregated information/knowledge collected through this system. • PROGRESS IS CONTINGENT UPON IMPLEMENTATION OF THE NEW SYSTEM FOR PROGRAM PLANNING, MONITORING AND EVALUATION AND UTILIZATION OF AGGREGATED INFORMATION COLLECTED. 	GM and CSM

Goal three The churchwide organization is connecting with ELCA members through coordinated messaging and engaging communication that increases their understanding and involvement with God's mission through this church.		
Objectives	Key result indicators	Lead responsibility
Common messaging 1. Further develop and implement a unified messaging strategy for ELCA's diverse constituencies and audiences. 2. Deliver a consistent message regarding ELCA's identity and mission across offices and units of the churchwide organization and in all external communications. 3. Improve the functionality of the website and written information in supporting clear messaging to members, congregations, synods, church agencies and partners. 4. Utilize all leadership forums and meetings convened by the churchwide organization as opportunities to share our key messages on identity and mission. 5. Develop a plan to directly involve the Presiding Bishop in promoting the ELCA's messages in cultivating relationships.	Increase in member connection and alignment with ELCA identity as measured by an annual survey <ul style="list-style-type: none"> • The Presiding Bishop continues to work with the MA staff on messaging. All staff are incorporating the eight key messages when appropriate in presentations, resources, and interactions, as well as in the Presiding Bishop's statements and messages. • The current ELCA.org website is moving into Phase II redevelopment. • R&E TO DEVELOP A SURVEY TO ESTABLISH BASELINE. NOT DONE AS OF JANUARY 8, 2013. • THROUGH THE PUBLIC POLICY PROCEDURES GROUP (PPPG), ECUMENICAL & INTER-RELIGIOUS RELATIONS HAS WORKED TO BE MORE STRATEGIC IN OUR MESSAGES AND TO COMMUNICATE THAT THROUGH ELCA NEWS STORIES AND SOCIAL MEDIA. A NEW VIDEO BY BP. HANSON CALLED "NOW WHAT? A POST-ELECTION PASTORAL MESSAGE" RECEIVED OVER 20,100 VIEWS AS OF DEC. 20, 2012. 	MA OPB
Improving communication methods and systems 6. Stay abreast of and more effectively utilize new communication technologies and tools. 7. Improve communication associated with major campaigns and appeals so that the ELCA is first in the mind of members wanting to contribute to world hunger, disaster response and reduction of malaria. 8. Conduct a review of formal and informal networks to determine how they might be harnessed and better utilized in support of communication, advocacy, information and knowledge sharing and member	Evidence that the churchwide organization is using technology in new and effective ways This can be measured by: <ol style="list-style-type: none"> 1) Increase the number of users who are effectively using ECIS. 2) Eliminate all manual processes and reports that can be managed in ECIS. 3) The use of WebEx and other internet technologies for training. <ul style="list-style-type: none"> • 40 ORGANIZATION-OWNED IPADS DEPLOYED • 205 TOTAL PERSONAL SMART PHONES AND TABLETS CONNECTED TO NEW EMAIL SYSTEM • Research underway for potential use of mobile giving technology (text-to-give) 	

engagement.

9. Improve the utility of ECIS in capturing and managing member contact information.
10. Enhance churchwide communication concerning the impact of major appeals, as part of accountability to members and donors, and to further build support.

- New intranet site to be rolled out Q3/Q4 2012
- SOCIAL MEDIA HAS SEEN TREMENDOUS GROWTH. THE FACEBOOK AUDIENCE HAS GROWN TO 34,276 INDIVIDUALS .
- OUR TWITTER ACCOUNT --@ELCAADVOCACY --NEARLY DOUBLED ITS FOLLOWERS IN THE PAST YEAR, GROWING TO 1,395 TOTAL.
- THE LISTSERV HAS GROWN BY 956 INDIVIDUALS, OR 2.75%.

15 percent increase in visits to ELCA homepage and underlying page links

- This is pending the website redesign and identification of key underlying pages. Visits to ELCA homepage will be measured at 2013 year end compared with 2012.

	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12
ELCA.ORG Use						
<i>Unique Visitors</i>	177,119	193,933	177,576	170,034	162,515	141,271
<i># of Visits</i>	299,688	332,180	301,171	284,508	278,321	255,427
<i>Page Views</i>	996,556	1,065,904	916,760	887,777	908,194	870,758

	JUL-12	AUG-12	SEP-12	OCT-12	NOV-12	DEC-12
ELCA.ORG Use						
<i>Unique Visitors</i>	195,294	142,339	151,303	167,066	168,891	161,853
<i># of Visits</i>	384,042	244,726	247,323	274,086	267,947	252,961
<i>Page Views</i>	1,369,831	723,802	701,999	770,050	744,438	677,289

By end 2012 ECIS utilized as only database of constituent records

- More than 10 external databases/files have been integrated into ECIS since the beginning of 2012. Constituent Care is working closely with IT to integrate more databases into ECIS. One of our goals for 2013 is to capture all Church- wide assembly delegates' data in ECIS.
- Project officially opened to integrate any remaining lists

	<p>currently outside of ECIS into the system. Work already underway to clean-up Listservs and develop an approach to integrate.</p> <ul style="list-style-type: none"> • WE ARE CURRENTLY WORKING ON USING ECIS AS THE ONLY DATABASE FOR THE 2013 CHURCHWIDE ASSEMBLY. • PROJECT OFFICIALLY OPENED TO INTEGRATE ANY REMAINING LISTS CURRENTLY OUTSIDE OF ECIS INTO THE SYSTEM. WORK ALREADY UNDERWAY TO CLEAN-UP LISTSERVS AND DEVELOP AN APPROACH TO INTEGRATE. <p>Significant increase in constituent records that have up-to-date email addresses and digital contact information</p> <ul style="list-style-type: none"> • We started 2012 with just over 87,000 valid email addresses in ECIS, we have been actively working to increase this number. We should more than double this number by the end of the year. • Ran email validation service against 23,524 addresses marked invalid. 3,748 validated and remaining addresses removed from our mailing lists. • WE NOW HAVE MORE THAN 177,000 EMAIL ADDRESSES FOR 142,000 ACTIVE CONSTITUENTS. 	
<p>Engaging and listening to members and to ELCA's expressions, institutions and partners</p> <p>11. Strengthen capacity of the churchwide organization to tap and listen to the diversity of voices and opinions among members and in the ecology of this church.</p>	<p>The Office of the Bishop is working with the Administrative Team and the LIFT Advisory Committee to explore ways to increase receiving feedback from members as well as sharing the work we are doing. LEAD BY MARCUS KUNZ.</p>	<p>OPB MA With CSM and GM</p>

Goal four The churchwide organization is achieving a growing and sustainable revenue base through strengthening mission funding and planned giving.		
Objectives	Key result indicators	Lead responsibility
Mission Support income 1. Support synods of the ELCA to maintain or increase mission support received for synodical and churchwide ministries. 2. Encourage each synod to appoint a leadership team that develops and tracks a plan for growing mission support. 3. With the Conference of Bishops and Church Council, establish a system of mutual accountability for mission support that provides for clear expectations and shared responsibility for results.	Maintain or increase in the level of Mission Support income and percent shared between synods and the churchwide organization <ul style="list-style-type: none"> Mission Support income has continued to decrease since the beginning of 2012, although at a slower pace. We will not have a measurement of how the percentage sharing has performed until first quarter 2013. Synod plans call for a percentage increase. Current 2012 budget is \$48.75 million. 	MA with OPB, CSM and OT
ELCA World Hunger 4. Maintain levels of funding for ELCA World Hunger over 2012-13 fiscal years. 5. Increase giving to the appeal in 2014-15 as a result of strategies adopted during 2012-13. 6. Increase funding commitments for the ELCA Malaria Campaign. 7. Use disaster response as a means for increasing awareness and support for ELCA World Hunger. 8. Conduct a full review of ELCA World Hunger, with the goal of strengthening its profile, positioning and impact. 9. Assess the comparative advantages and opportunities of the appeal, in the light of current challenges in raising funds and the proliferation of relief and community development organizations appealing to congregations and members. 10. Build awareness of the breadth of activities supported by	ELCA World Hunger funds retained at current levels to 2013 <ul style="list-style-type: none"> World Hunger is ahead of 2011 results and budget as of NOVEMBER 2012. WE ENDED THE YEAR WITH \$18.6 MILLION INCOME. \$10 million in commitments to ELCA Malaria Campaign by end 2013 <ul style="list-style-type: none"> Malaria income is ahead of projections as of September 2012. Budget for 2012 is \$4 million. WE ENDED THE YEAR WITH \$4.2 MILLION INCOME. Increase in the percentage of ELCA congregations participating in ELCA World Hunger <ul style="list-style-type: none"> To be updated at year-end 2012 as compared to 2011. Increased direct engagement in ELCA World Hunger by church members <ul style="list-style-type: none"> Measurement Indicator needed. Consulting with R&E. 	MA

<p>the appeal (program, education and advocacy) among congregations, synods and partners, including the interrelatedness of disaster response and rehabilitation.</p>		
<p>Planned giving, major gifts and appeals</p> <p>11. Develop and implement a comprehensive plan to increase planned giving, major gifts and support for churchwide appeals, including infrastructure and system enhancements.</p> <p>12. Improve the processes for stewarding donors by leveraging data held in the Constituent Information System, designing tools to improve donor recognition and support the donor relationship, and utilizing other available research for identifying constituents with major gift capacity.</p> <p>13. Seek new funding partnerships and opportunities.</p> <p>14. Develop relationship and structure within the Conference of Bishops for collaboration on mission-funding initiatives, including any potential changes to governance documents and processes.</p> <p>15. Conduct a review of current appeals to assess how well they are aligned with strategic priorities and propose and implement modifications to increase income and impact.</p>	<p>5 percent increase in the number of non-disaster gifts over \$5,000</p> <ul style="list-style-type: none"> • Baseline in 2011 was 12 per month. So far in 2012, we have 16 per month. • BASELINE = 1,867 IN 2011 (225 DIRECTLY FROM INDIVIDUALS). MEASURE AT YEAR-END 2012. <p>100 percent increase in number of Kalos Legacy Society memberships</p> <ul style="list-style-type: none"> • We began 2012 with 312 memberships. Work is in process for this increase. • BASELINE = 290. MEASURE AT YEAR-END 2012. 	<p>MA</p>

Goal five Governance of the ELCA is strengthened in ways that support the future vitality, sustainability and effectiveness of this church and the churchwide organization.		
Objectives	Key result indicators	Lead responsibility
Governance development to 2013 <ol style="list-style-type: none"> 1. Implement governance-related actions decided at the 2011 Churchwide Assembly (from LIFT task force) and monitor their impact. 2. Provide member orientation and development opportunities for the Church Council to strengthen its capacity for effective governance and leadership. 3. Review the processes used to support and conduct council business, including committee processes, and engage members in determining ways to be more strategic and efficient in governance. 4. Develop the use of technology to improve the quality and efficiency of communication, information sharing and decision making by the council and its committees. 5. Convene discussions with the Conference of Bishops to develop proposals for strengthening their input to ELCA governance, including in the relationship with the council. 6. Create two-way dialogue with ecumenical partners concerning governance matters and provide opportunities for them to have more input to ELCA's governance. 7. Research and explore more dynamic ways to draw on and use the knowledge dispersed throughout the ELCA and implement changes that improve governance and allow new voices to be heard. 	<p>Timely reporting and advice from the churchwide organization to the Church Council</p> <ul style="list-style-type: none"> • The Office of the Bishop works with the Church Council Vice President and Executive Committee to set the agenda and plan for the meetings. Reports are posted on NetCommunity. • FEEDBACK FROM EVALUATIONS AFFIRMS THE ADEQUACY OF THE INFORMATION PROVIDED TO CHURCH COUNCIL MEETINGS. NONETHELESS, EFFORTS WILL CONTINUE TO PROVIDE MORE SUCCINCT INFORMATION IN A MORE TIMELY WAY TO CHURCH COUNCIL MEMBERS IN ANTICIPATION OF MEETINGS. • PRIOR TO THE APRIL 2013 COUNCIL MEETING, OB WORKED WITH THE CC VP AND EXEC. COMM. TO SET THE AGENDA AND PLAN THE MEETING. REPORTS ARE POSTED ON NETCOMMUNITY. <p>Decisions of the assembly and council are fully implemented</p> <ul style="list-style-type: none"> • Staff in the OPB work with units to prepare progress reports on actions related to churchwide assembly actions. Staff also work with task forces appointed by the Church Council. These task forces facilitate the ongoing work and implementation of assembly and council actions. Regular reports are given at Church Council meetings. • SPECIFIC ACTIONS OF THE CHURCHWIDE ASSEMBLY (SUCH AS GOVERNING DOCUMENT AMENDMENTS, AUTHORIZATIONS TO PROCEED WITH THE ELCA MALARIA CAMPAIGN, ADOPTION OF SOCIAL STATEMENTS, ETC.) ARE IMPLEMENTED EFFICIENTLY AND IN A TIMELY MANNER. LESS SPECIFIC RECOMMENDATIONS (SUCH AS SOME OF THE LIFT RECOMMENDATIONS) CREATE A CHALLENGE FOR THE CHURCHWIDE ORGANIZATION BECAUSE OF THEIR BREADTH, BECAUSE THEY TEND TO BE ASSIGNED FOR ACTION TO THE OFFICE OF 	Office of the Secretary (OS) OPB

	<p>THE PRESIDING BISHOP, AND BECAUSE THEY SOMETIMES INVOLVE UNFUNDED REQUIREMENTS.</p> <ul style="list-style-type: none"> • OB STAFF CONTINUE TO MEET WITH OTHER UNITS TO DISCUSS ACTION ITEMS AND PROVIDE REPORTING TO THE CC. REPORTS FROM THE CWO REGARDING ASSEMBLY AND COUNCIL ACTIONS WERE RECEIVED AT THE NOV. 2012 AND APRIL 2013 COUNCIL MEETINGS. <p>A performance evaluation system is introduced and shows improvements in council functioning and member contributions</p> <ul style="list-style-type: none"> • The OPB provides for evaluation of Church Council meetings and the committee meetings. There is also support for the council's process observation. Staff of OPB work with the council's Board Development Committee on these matters. • EVALUATIONS EXIST FOR BOTH THE CHURCHWIDE ASSEMBLY AND CHURCH COUNCIL MEETINGS. WITH RESPECT TO THE CWA, COMPARISONS SHOW A HIGH LEVEL OF SATISFACTION AND INVOLVEMENT ON THE PART OF MEMBERS. WITH RESPECT TO THE CHURCH COUNCIL, THERE IS A HIGH LEVEL OF SATISFACTION AND INVOLVEMENT EXISTS, BUT COMPARISONS OVER TIME HAVE NOT YET BEEN MADE. • IN CONSULTATION WITH THE EXEC. COMM. AND THE BOARD DEVELOPMENT COMM., OB STAFF REVIEWS THE EVALUATIONS OF THE CC AND COMMITTEE MEETINGS. RECOMMENDATIONS TO IMPROVE THE PERFORMANCE EVALUATION SYSTEM ARE SHARED WITH R&E. 	
<p>Governance beyond 2013</p> <p>8. Conduct a major review of the roles, decisions and processes associated with ELCA's governing structures, in view of tri-annual assembly meetings, the size of the assembly and the needs of this church for timely and efficient governance.</p>	<p>Review in process during 2012</p> <ul style="list-style-type: none"> • REVIEW HAS BEEN UNDERTAKEN TO THE EXTENT THAT AMENDMENTS WILL BE BROUGHT TO THE CHURCHWIDE ASSEMBLY 2013. A COMPREHENSIVE REVIEW NEEDS TO BE UNDERTAKEN. <p>Proposed constitutional changes are well-supported and managed smoothly at the 2013 Churchwide Assembly</p>	<p>OS OPB</p>

<p>9. As part of this review, explore future options for:</p> <ul style="list-style-type: none">- requirements for congregational membership and rostered leadership,- representation of full communion partners, and- composition of the Church Council and how to balance geographical representation with the skills and expertise needed for effective governance. <p>10. Develop and consult on options for change and associated constitutional amendments and present proposals to the Church Council and the 2013 Churchwide Assembly.</p>	<ul style="list-style-type: none">• This November Church Council meeting will receive constitution changes prepared for 2013 churchwide assembly action. These changes are processed through the Legal & Constitutional Review Committee prior to the Church Council actions.• PROPOSED GOVERNING DOCUMENT AMENDMENTS WERE APPROPRIATELY REVIEWED BY THE CONFERENCE OF BISHOPS AND THE CHURCH COUNCIL. THEY WILL BE SENT TO VOTING MEMBERS AND POSTED ONLINE IN LATE JANUARY.	
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Goal six The churchwide organization is characterized by strong and inclusive leadership, a competent and well-supported staff team, efficient and effective systems and processes and a culture of continuous improvement and learning.		
Objectives	Key result indicators	Lead responsibility
Leadership development 1. Building on the organizational redesign, further clarify the expectations and decision-making authority of individual leadership positions and leadership tables. 2. Ensure leaders are exercising their responsibilities in line with the goals and priorities outlined in this plan and are mutually accountable for use of resources and progress. 3. Provide opportunities for leaders to work collaboratively on strategic challenges facing the ELCA and the churchwide organization and grow into their roles within the new structure.	Unit plans and decisions align with the churchwide organization's operational plan <ul style="list-style-type: none"> Staff are using the Operational Plan as a guide and benchmark for planning. Feedback from leaders and staff shows evidence of improvements in: <ol style="list-style-type: none"> Timely decision making Inclusive and efficient meetings Collaboration across units <ul style="list-style-type: none"> The Senior Leaders and Administrative Team continue to work on these items. Training workshops on collaboration were held in December and January. 	Admin Team OPB Cross-Unit Team Else Thompson, convener
Human resources and staff development 4. Institute a more strategic approach to workforce planning in line with competencies and attributes needed by the churchwide organization in the future. 5. Ensure the staff profile of the churchwide organization models the ELCA's goals for inclusion and diversity (gender, age and ethnicity). 6. Develop a plan for staff development aligned with organizational goals with priority in the next two years to: common messaging, improved use of technology, management skills and mentoring new leaders. 7. Implement the proposed staff learning and development process associated with the staff alliances – poverty and wealth, multicultural, young adult ministry and justice for	Staff development plan in place and aligned with churchwide organization priorities and goals <ul style="list-style-type: none"> Human Resource developed a proposal for staff development and succession planning. It has been approved by the Ad Team and is being implemented with the units. Staff satisfaction with access to and quality of training <ul style="list-style-type: none"> Evaluations will be conducted by year-end. Performance appraisal process supports accountability and development of staff <ul style="list-style-type: none"> A new process in our Ultipro system will begin in 2013. 	OPB

<p>women.</p> <p>8. Link commitment to the leadership covenant and responsibility for the operational plan to staff performance evaluation process.</p>		
<p>Systems and process improvement</p> <p>9. Continue to improve the efficiency and integration of organizational systems with priority to data management, grant management, program planning, monitoring and evaluation of services, products and events involving congregations and synods.</p> <p>10. Continue the redesign and improve the functionality of ELCA.org with attention to its organization, content, navigation and maintenance.</p> <p>11. Continue to review and monitor internal processes for communication, meetings and travel to achieve further efficiencies in use of resources.</p> <p>12. Enhance internal processes for sharing experience and learning across the churchwide organization.</p> <p>13. Take steps to reduce energy consumption and to be a model within this church for efficient energy use.</p>	<p>Budget reflects organizational priorities and goals</p> <ul style="list-style-type: none"> • 2011 year-end spending decisions for allocating underspending to budget were based on organizational priorities and goals. • The Executive for Administration worked with the Administrative Team and the Office of the Treasurer on this matter. The ELCA Church Council at its April 2012 meeting approved a revised 2012 spending authorization that continues to reflect the organization's goals. • Quarterly budget reviews are including unit reporting of impact results and progress towards operational plan goals. <p>Monitoring demonstrates improvements in efficiency and effectiveness of systems</p> <ul style="list-style-type: none"> • Working with OT and MA, Harris bank being leveraged to decrease time to process certain gifts. Began with Malaria campaign and being extended to others as appeals are standardized. • 6/22 to 8/16: 2340 Gifts Entered through Harris Bank • Report development: ECIS - 96 custom reports complete, 36 identified as no longer needed or merged with other reports, 14 have not received back from report requestor; Ultipro – change reports and budget reports underway; Deferred gift system – 95% of reports completed; Endowment system – 50% of reports completed • Financial Systems Steering Committee established to coordinate development and enhancement efforts for CWO financial systems • Currently developing performance measurements and reporting mechanisms for system and service delivery; to be completed Q3 2012 	<p>OPB OT OS</p>

	<ul style="list-style-type: none">• WORKING WITH OT AND MA, HARRIS BANK BEING LEVERAGED TO DECREASE TIME TO PROCESS CERTAIN GIFTS: 9,755 GIFTS ENTERED THROUGH HARRIS BANK (6/22 TO 12/31); AVERAGE TIME TO PROCESS THESE GIFTS IS 3 DAYS. <p>5 percent reduction in energy usage</p> <ul style="list-style-type: none">• Average kilowatt hours usage (KwH) at the combined facilities for Jan-Jun 2012 was 13.6% below the average for the same period last year and is on a trend to be 8.9% less for the entire year.• THE AVERAGE KILOWATT HOURS USAGE (KWH) AT THE COMBINED FACILITIES FOR JAN. THROUGH OCT. 2012, WAS 12.36% BELOW THE AVERAGE FOR THE SAME PERIOD FOR LAST YEAR AND IS ON TREND TO BE 10.97% LESS FOR THE ENTIRE YEAR.	
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Report of the Conference of Bishops

Submitted by Jessica Crist

The Conference of Bishops met February 27-March 5, 2013. The bishops heard reports from Conference Committees, from representatives to task forces considering issues of vital importance to the church and from churchwide officers and staff. An offering of \$2,832.00 went to the ELCA Malaria Campaign.

The bishops spent significant time considering a Pastoral Letter on Violence, prompted in part by the December 2012 shootings in Newtown, Connecticut. What resulted (included in this report) addresses violence more broadly and points to resources available in our church. Bishops agreed to disseminate the letter through social media and synodical avenues, as an experiment in communication. In the lead-up to the letter, the writing group learned about previously-established criteria for pastoral letters and making statements.

Theological education and the future of seminaries engaged the bishops throughout the meeting. For the first time, bishops who serve on ELCA seminary boards met as a whole group and shared information on the challenges and innovations of each seminary. The Conference of Bishops also discussed a proposal on a task force to address theological education, as well as seminary matters.

The bishops had been given opportunity to read and discuss the Word and Service Task Force report, and were appreciative of the hard work done by the group. Remaining questions include the following:

- what to call the roster;
- whether it should be ordained or something else; and
- what to do about integrating the existing rosters with a new one.

In response to the LIFT challenge to examine the vitality and purpose of synods, the bishops were configured in non-geographical groupings intended to reflect similarities in synodical experiences. Bishops were generally enthusiastic at this exercise, in which they were asked to describe their synod's gifts to the wider church, and what their synod might need from the wider church.

The bishops responded favorably to the proposed Criminal Justice social statement, discussing it at tables and suggesting ways that it might be used in various contexts.

The bishops continued their discussion of a 25th Anniversary Campaign, begun at the October 2012 meeting and continued online. While the Bishops wish to be team players and fervently support the whole ELCA, there is sentiment to make the campaign flexible enough to allow synods to use their own photos, stories and emphases to customize it.

The bishops look forward to the Churchwide Assembly, when leadership will be determined for Secretary and Presiding Bishop. Significant changes will be coming soon to the Conference of Bishops, with at least 11 Bishops not returning to office, and 14 other incumbents facing elections. As is the custom, the bishops said thank you and farewell to the departing Bishops.

- Chris Boerger of Northwest Washington
- Rob Hofstad of Southwestern Washington
- Dean Nelson of Southwest California
- Huck Usgaard of Southeastern Minnesota
- Duane Pederson of Northwest Synod of Wisconsin
- Michael Last of Western Iowa
- John Schleicher of Northwest/Lower Michigan
- Roy Riley of New Jersey
- Pen Hoover of Lower Susquehanna
- Ed Benoway of Florida-Bahamas
- Cal Holloway of Southern Ohio (We learned of Cal's upcoming retirement after the meeting.)

In preparation for the Church Council meeting, Liaison Bishops are meeting in conference calls to discuss upcoming issues.

A Pastoral Letter on Violence
Adopted by the ELCA Conference of Bishops, March 4, 2013

“A voice is heard in Ramah, weeping and great mourning, Rachel weeping for her children and refusing to be comforted, because they are no more.” Jeremiah 31.15 and Matthew 2: 18

Dear brothers and sisters in Christ:

Every faithful caregiver who sits with victims of violence knows what we know – as God’s church, we are called to reduce violence and should, in most cases, restrain ourselves from using violence. Whether or not statistics show that overall violence has declined in recent years, every person wounded or killed is a precious child of God.

As bishops of the Evangelical Lutheran Church in America, we lament the tragedy of gun violence in our country. We are grieved by the way violence threatens and destroys life. We affirm the current soul searching and shared striving to find a way to a better future.

While the church grapples with this call to reduce violence and make our communities safer, we recognize that before God we are neither more righteous because we have guns nor are we more righteous when we favor significant restrictions. Brokenness and sin are not somehow outside of us. Even the best of us are capable of great evil. As people of God we begin by confessing our own brokenness – revealed in both our actions and our failure to act. We trust that God will set us free and renew us in our life’s work to love our neighbors.

In this time of public attention to gun violence, local communities of faith have a unique opportunity to engage this work. As bishops, we were thankful to recognize the many resources our church has already developed (see below). We begin by listening: listening to God, to Scripture, and to each other. Providing a safe place for people to share their own stories, together we discern courses of action. Together we act. And together we return to listening - to assess the effectiveness of our efforts to reduce violence.

In the Large Catechism Luther says, “We must not kill, either by hand, heart, or word, by signs or gestures, or by aiding and abetting.” Violence begins in the human heart. Words can harm or heal. To focus only on guns is to miss the depth of our vocation. Yet, guns and access are keys to the challenges we face.

We recognize that we serve in different contexts and have different perspectives regarding what can and should be done. But as we live out our common vocations, knowing that the work will take many forms, we are committed to the work of reducing and restraining violence. This shared work is a sign of our unity in Christ.

We invite you, our sisters and brothers, to join us in this work:

- **The work of lament** – creating safe space for naming, praying, grieving, caring for one another, and sharing the hope in God’s promise of faithfulness
- **The work of moral formation and discernment** – listening to scripture, repenting, modeling conflict resolution in daily life, addressing bullying, conducting respectful conversations, and discerning constructive strategies to reduce violence
- **The work of advocacy** – acting to address the causes and effects of violence

Knowing that we are not saved by this work, we undertake it trusting in Christ Jesus, who laid down his life for the world and who calls us to be peacemakers, to pursue justice, and to protect the vulnerable. In this, as in all things, Christ is with us. Thanks be to God.

Important Resources:

- Video: “We have Work to Do” by Presiding Bishop Mark Hanson <http://www.elca.org/Who-We-Are/Our-Three-Expressions/Churchwide-Organization/Communication-Services/News/Releases.aspx?a=5271>
- “Community Violence” a social message, <http://www.elca.org/socialissues>
- “The Body of Christ and Mental Illness” a social message, <http://www.elca.org/socialissues>
- “Hearing the Cries: Faith and Criminal Justice,” a proposed social statement
- “Peace: God’s Gift, Our Calling,” a 1995 social statement.
- “Ban of Military-Style Semi-Automatic Weapons,” 1989 social policy resolution, <http://www.elca.org/What-We-Believe/Social-Issues/Resolutions/Search-by-Topic.aspx#guncontrol> (both social policy resolutions are at address)
- “Community Violence – Gun Control,” 1993 social policy resolution

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Proposed Responses to Synodical Resolutions

Previously referred to units by Church Council or Executive Committee

1. Food - Fuel

Eastern Washington-Idaho Synod (1D)

WHEREAS, food insecurity is rising both in the United States and abroad; and

WHEREAS, using 40 percent of the 2011 corn crop for ethanol production has put pressure on food prices in general; and

WHEREAS, the surplus stock of food in the United States has dwindled in the past decade and food prices have gone up some, limiting our ability to be of help to countries that face hunger; and

WHEREAS, disruptive events in food prices used to be driven only by unusual weather; therefore, be it

RESOLVED, that the Eastern Washington-Idaho Synod Council request the advocacy office of the ELCA to solicit the federal administration to lift the requirement that ethanol be a part of all motor fuel; and be it further

RESOLVED, that the Eastern Washington-Idaho Synod Council request the advocacy office of the ELCA to solicit Congress to phase out subsidies that fund research into the conversion of food crops into fuel and the manufacture of these fuels.

Executive Committee Action (EC12.06.19a)

To receive the resolution from the Eastern Washington-Idaho Synod concerning the conversion of food crops into fuel;

To refer the resolution to the Congregational and Synodical Mission unit with a request that a report be brought to the April 2013 meeting of the ELCA Church Council; and

To request that the secretary of this church inform the synod of this action.

*Response from the Congregational and Synodical Mission unit with the Office of the Presiding Bishop**

The use and development of corn-based ethanol has been encouraged and even mandated by government programs and policies since the 1970s. In recent years its use has exploded for a number of reasons: steady increases in the supply of corn; the increasing number of cars and trucks that can run on a higher percentage ethanol blend; and the rising cost of oil, which makes ethanol a cost-effective way to extend the supply of gasoline. However, the most significant factor in the increasing use of ethanol is the federal Renewable Fuel Standard (RFS). Passed in a 2007 energy bill and administered by the Environmental Protection Agency (EPA), this mandate requires refiners to blend 15 billion gallons of conventional biofuels (i.e. corn ethanol) into the U.S. fuel supply by 2015.

The use of a food crop to make fuel for transportation has long been controversial. The United Nations Food and Agriculture Organization in 2008 hosted a meeting to discuss the growing food crisis and concluded that the rising cost of corn and other commodities is due to a number of factors: 1) the rising use of corn for ethanol in the U.S.; 2) the rising cost of oil used to fertilize, harvest and transport commodity crops; and 3) multi-year droughts in some key growing regions. A 2009 report from the United Nations Environmental Program (UNEP) also noted that while the rise of food-based biofuels has an impact on the global food supply, there are numerous factors that contribute to food supply issues and rising food prices on the global market. The UNEP report predicted that the food crisis will grow worse in the future unless specific environmental factors are addressed, including climate change, water stress, invasive pests and land degradation.

* This response from the Congregational and Synodical Mission unit with the Office of the Presiding Bishop is the same response for Motion G: Ethanol and World Hunger. Since Motion G is a Churchwide Assembly Action, it is in Exhibit B, Part 2b.

The drought this past summer in the Midwest had a significant impact on the supply of corn on U.S. markets and led to dramatic increases in the price of corn. Many livestock and dairy farmers that use corn as feed were forced to reduce their herds and flocks substantially because they could not afford to feed their animals. As a result, U.S. consumers will see significant increases in the prices of milk, beef, chicken and pork this year. The drop in the available supply of corn due to the drought led to calls in the fall of 2012 for the EPA to waive the biofuel requirements under the RFS; however, the agency has declined to do so.

In addition, a loose coalition of groups, ranging from environmental organizations to fiscally conservative think tanks and taxpayer organizations, are calling for Congress to end the ethanol mandate. Reasons for opposition to the mandate range from the impact that rising demand for corn has had on land use in farm communities as millions of acres of wetlands and grasslands have been converted to growing corn, to fiscal concerns over the use of taxpayer funds to subsidize ethanol production. Although there have been discussions of this issue in Congress, to date it has not acted to abandon the RFS.

Although the advocacy office of the ELCA has continued to call for research into non-food crop-based biofuels as a better alternative to those based in corn or soy, we have not taken a position on the Renewable Fuel Standard, nor have we advocated against the use of corn for biofuels in general.

There are many communities served by ELCA congregations where ethanol production is a centerpiece of livelihood for farmers. In addition, corn-based ethanol has contributed to a revival of economic life in many rural communities throughout the Midwest: communities that have suffered from economic loss and negative population growth for decades are experiencing new vitality that can, at least in part, be attributed to the growing market for ethanol. As the national advocacy office of the ELCA, we need to weigh carefully the benefits of ethanol to many rural communities served by our church against the very real concerns about hunger and the global food supply expressed in the resolutions passed by the East-Central Synod of Wisconsin and the Eastern Washington-Idaho Synod, together with a resolution brought by the Upstate New York Synod in 2009.

Given the complexity of the issues raised by corn-based ethanol, including a number of environmental and economic factors, and the variety of important and valid perspectives held by ELCA members and communities on this issue, we think a wider informal discussion or even a formal dialog would be constructive and helpful for this church.

We recommend that interested parties and stakeholders find ways to be in contact with each other about their perspectives in some form of on-going conversation to which they could invite the involvement of advocates and issue experts as might be helpful. Such a dialog might underscore the difficulty in finding agreement on corn-based ethanol, in particular, or it could lead to new understandings about our church's commitments to ending hunger, supporting rural communities and caring for God's creation. In any case, it would serve as an expression of Christian discourse, mutual good faith and concern for neighbors.

We thank the synod for raising an important issue and for their continued partnership as we work to address global hunger.

CC ACTION *[EN BLOC]*

Recommended:

To receive the response from the Congregational and Synodical Mission unit on the resolution of the Eastern Washington-Idaho Synod related to the conversion of food crops for motor fuel;

To recognize the wide spectrum of perspectives throughout this church on the use and development of a food crop for motor fuel;

To affirm the recommendation of the Congregational and Synodical Mission unit to encourage conversation among all expressions of this church and with other appropriate stakeholders and to

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share perspectives and insights regarding this church's commitment to supporting rural communities, ending hunger and caring for God's creation;

To request the ELCA Washington Office to continue its monitoring of this issue and supporting of policies that assist in the development of non-food-based biofuels and minimize the impact of biofuels on the food supply; and

To request the secretary of this church to inform the synod of this action.

2. Counseling Services for Rostered Leaders Delaware-Maryland Synod Assembly (8F)

WHEREAS, rostered leaders are called to high-profile, high-stress jobs with demands placed on them all hours of the day and all days of the week, and often face very high expectations that can lead to frustration, self doubt, feelings of failure and hopelessness, that can potentially lead to depression; and

WHEREAS, statistics indicate that as many as one in four (25 percent) of all pastors suffer depression at some time, with pressure and anxiety markedly higher in recent years as the result of cultural and economic changes which have negatively affected both worship attendance and congregational budgets; and

WHEREAS, most depression can be successfully addressed and does not lead to suicide, but about two-thirds of all suicides begin with depression; and

WHEREAS, rostered leaders may be particularly inhibited in even discussing their own depression because of career fears, social stigma, and spiritual taboo, and nearly two out of three depressed people do not even seek treatment, increasing the risk that depression may lead to suicide (which may be compounded when counseling services are not easily accessible or available); and

WHEREAS, as loving Christians, this synod and its rostered leaders and congregations can and should do much better at caring for ourselves and those around us to minimize stress, lessen the likelihood of depression, and undertake timely and proper care of those in need; and

WHEREAS, we are called by Christ to care for one another with compassion and love; therefore, be it

RESOLVED, that the Delaware-Maryland Synod Assembly call on the rostered leaders of this synod to encourage one another to (i) take better care of their spiritual, emotional, and physical health, (ii) seek professional help, (iii) share concerns and problems with colleagues and congregational leaders, and (iv) support and look after each other; and be it further

RESOLVED, that all congregations of the Delaware-Maryland Synod be encouraged to (i) examine their pastoral expectations and ensure they are not unreasonable (such as placing inappropriate burdens on pastors to balance budgets and increase worship attendance), (ii) work with and fully support pastors in all aspects of the life of the church; and (iii) honor pastors' need for self care; and be it further

RESOLVED, that all congregations of the Delaware-Maryland Synod be encouraged to initiate Suicide Awareness and Prevention training (classes, newsletter articles, and informational brochures) at the conference and congregational levels in the year of our Lord 2013 with resource help from the synod staff and Synod Council; and be it further

RESOLVED, that the ministry of the Delaware-Maryland Synod staff be designed to support struggling pastors (who may be reticent to seek care from synod staff for reasons articulated above) who need confidential, wise counsel, and/or referral, and that the Council initiate such a program at the earliest possible time; and be it further

RESOLVED, that, since the Office of the Bishop may receive initial reports of mental health issues, synod staff and the Synod Council work together to implement policies and procedures to assure that staff members are equipped and prepared to immediately respond to such situations with spiritual intervention and medical referral; and be it further

RESOLVED, that key resources that exist within this synod, such as nationally recognized experts, be identified and shared with all the congregations of this synod; and be it further

RESOLVED, that the Delaware-Maryland Synod Council forward this resolution to the Church Council's Executive Committee for proper referral and disposition under the bylaws and continuing resolutions of the ELCA, petitioning this church to reinstitute, through the ELCA Board of Pensions (Portico Benefit Services), the Church Renewal Center for the care and health of rostered leaders of this and other church bodies; and be it further

RESOLVED, that the Delaware-Maryland Synod Council forward this resolution to the Church Council for its consideration that this church (i) be more aware of and draw attention to the serious nature of depression and suicide among its clergy, (ii) take steps to ensure that all synods are aware of this problem, and (iii) strongly urge all synods to have adequate pastoral counseling services in place as soon as possible, that all clergy are made aware of and encouraged to make use of such services.

Executive Committee Action (EC.12.06.19b)

To thank the Delaware-Maryland Synod for their resolution related to counseling services for rostered leaders;

To refer the resolution to the Congregational and Synodical Mission unit, in consultation with the Office of the Secretary and Portico Benefit Services, with a request that a report and possible recommendations be brought to the April 2013 meeting of the ELCA Church Council; and

To request that the secretary of this church inform the synod of this action.

Response from the Congregational and Synodical Mission unit with Office of the Secretary and Portico Benefit Services

Portico Benefit Services recognizes that rostered leaders and churchworkers are called to high-profile, high-stress jobs with demands placed on them all hours of the day and all days of the week. They often face very high expectations that can lead to frustration, self-doubt, feelings of failure and hopelessness, and depression. As a ministry of the Evangelical Lutheran Church in America (ELCA), Portico Benefit Services' mission is to provide retirement, health, (including mental health benefits and an Employee Assistance Program), and related benefits and services to enhance the well-being of those who serve. Portico designs and manages benefit plans to help rostered leaders and churchworkers live well emotionally, physically and financially.

The ELCA plan includes Employee Assistance Program (EAP) counseling, support, and referral services for health plan members and their covered family members. They can call—24 hours a day, seven days a week—to talk to an EAP professional about stress, relationships, family issues, work issues or any other personal concern. The EAP provides up to six in-person sessions per issue per year, at no cost to the member. The EAP is a confidential resource to:

- Help members with personal and work concerns
- Refer members and family members for EAP counseling sessions
- Find support and information resources in your community

If an EAP counselor does not feel an issue can be resolved within the covered six sessions or feels the member's condition requires more specialized or intensive services, he or she may refer the member to a mental health counselor, which is covered by the plan's medical and mental health benefit.

The medical and mental health benefit of the ELCA health plan covers medically necessary mental health and substance abuse services—evaluation/assessment, individual and group counseling, marital counseling, medication management, psychological testing, detoxification, facility-based treatment and addiction treatment—at the same benefit (deductible, then coinsurance up to the out-of-pocket limit) as medically necessary medical services. Outpatient mental health services can be provided by state-licensed psychiatrists, psychologists, and therapists. Services can also be provided by a pastoral counselor who is a licensed doctoral-level psychologist holding a Ph.D, Ed.D or Psy.D

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degree or a master's-prepared therapist holding a degree from an accredited institution in a licensable mental health discipline. These professionals must be licensed by the state in which they perform services, and offer services within the scope of their license.

While Portico Benefit Services does not and has not managed a renewal center, we offer comprehensive benefits to support emotional well-being. Portico Benefit Services receives aggregate EAP, medical and mental health benefit utilization information from Blue Cross Blue Shield of Minnesota, indicating that depression and bipolar disorder account for 40% of mental health claims dollars spent by the ELCA health plan. Reports also show that the ELCA health plan pays more per member for mental health services. In addition, members (and covered family members) seek mental health care and visit their mental health providers more often than members of other employer-provided plans administered by Blue Cross. Members are tending their emotional well-being by using the ELCA health plan's benefits.

The Evangelical Lutheran Church in America also has worked to address the issues of the mental health of rostered leaders through a new message adopted by the Church Council on November 10, 2012. The message is titled: "[The Body of Christ and Mental Illness](#)." While the message addresses the mental health of all people, at the end it does encourage clergy to "treat your own mental health as essentially important in your life of baptismal vocation." It also asks congregations to "encourage their pastors to take the time to tend their mental health."

In support of the recommendations in the new mental illness message, resources are being prepared to help encourage clergy and other rostered leaders to do those things which can strengthen their mental health. Resources are also being prepared to encourage congregations to help in this process by working with their leaders to make sure there are reasonable expectations and time for vacations and sabbaticals. Through these resources, attention can be given to the serious nature of depression and suicide among the leaders of the church.

A workshop is also being developed as an additional resource that could be used throughout the synods to help raise awareness regarding the social message on mental illness.

CC ACTION [EN BLOC]

Recommended:

To receive the response from the Congregational and Synodical Mission unit, in consultation with the Office of the Secretary and Portico Benefit Services, on the resolution from the Delaware-Maryland Synod Assembly regarding counseling services for rostered leaders;

To encourage this church to use the social message on "The Body of Christ and Mental Illness" as appropriate for discussion and action;

To recognize with appreciation the comprehensive benefits that Portico Benefit Services has to support emotional well-being;

To commend the Congregational and Synodical Mission unit and Portico Benefit Services for developing resources that will encourage clergy and other rostered lay leaders to strengthen their mental health and to encourage congregations to work with their leaders in creating reasonable expectations and time for vacations and sabbaticals;

To encourage the consideration of a workshop that could raise awareness regarding the social message on "The Body of Christ and Mental Illness" for use across this church; and

To request the secretary of this church to inform the synod of this action.

**3. Witnessing against Capital Punishment
Sierra Pacific Synod (2A)**

RESOLVED that the Sierra Pacific Synod in Assembly urge both California and Nevada to replace the death penalty with a sentence of life in prison without possibility of parole; and be it further

RESOLVED that congregations and members of the ELCA within the territory of the Sierra Pacific Synod be urged to advocate for the replacement of the death penalty by life in prison without the possibility of parole in the states of California and Nevada; and be it further

RESOLVED that the Sierra Pacific Synod memorialize the 2013 Churchwide Assembly to advocate for replacement of the death penalty by life in prison without the possibility of parole in those 32 states that currently have the death penalty.

[The Office of the Secretary has determined that the Sierra Pacific Synod Assembly memorial, "Witnessing against Capital Punishment," is a resolution that more properly should have been forwarded to the Synod Council. This resolution will be transmitted to the Church Council through its Executive Committee.]

Executive Committee Action (EC12.06.19c)

To receive the recommendation from the Sierra Pacific Synod concerning the resolution on capital punishment;

To refer the resolution to the Congregational and Synodical Mission unit with a request that a report and possible recommendations be brought to the April 2013 meeting of the ELCA Church Council; and

To request that the secretary of this church inform the synod of this action.

Response from Congregation and Synodical Mission (April 2013)

The ELCA Social Statement on the [Death Penalty](#) (adopted in 1991) sums up the ELCA's opposition to capital punishment: "The practice of the death penalty undermines any possible moral message we might want to 'send.' It is not fair and fails to make society better or safer. The message conveyed by an execution, reflected in the attention it receives from the public, is one of brutality and violence."

Three thousand one hundred seventy people in the United States currently are under a death sentence. Since the death penalty was reinstated in 1976, 1314 men, women, children, and mentally ill people have been shot, hanged, asphyxiated, lethally injected, and electrocuted by the states and the federal government. Mounting evidence shows that innocent people have been sentenced to death and that serious legal errors infect the administration of capital punishment. For every eight people executed in this country, one innocent person on death row has been identified and exonerated. In response to growing concerns about reliability, many states have suspended executions or experienced a decline in the use of capital punishment but most southern states have continued to condemn and execute large numbers of people who disproportionately are low income and/or people of color.

According to a 2008 report, together African American and Latinos make up 58% of all prison populations but are approximately one quarter of the U.S. population.¹ In a 1990 report, the non-partisan U.S. General Accounting Office found "a pattern of evidence indicating racial disparities in

¹ <http://www.naacp.org/pages/criminal-justice-fact-sheet>

the charging, sentencing, and imposition of the death penalty. The study concluded that a defendant was several times more likely to be sentenced to death if the murder victim was white. Critics have accused some studies of failing to consider the defendant's criminal history and/or the heinousness of the crime. However, in the studies the GAO considered most reliable, cases were not deemed similar if the nature of the crime or the background of the defendant were materially different. This has been confirmed by the findings of many other studies that, holding all other factors constant, the single most reliable predictor of whether someone will be sentenced to death is the race of the victim.

From initial charging decisions to plea bargaining to jury sentencing, African-Americans are treated more harshly when they are defendants, and their lives are accorded less value when they are victims. All-white or virtually all-white juries are still commonplace in many localities.

- A 2007 study of death sentences in Connecticut conducted by Yale University School of Law revealed that African-American defendants receive the death penalty at three times the rate of white defendants in cases where the victims are white. In addition, killers of white victims are treated more severely than people who kill minorities when it comes to deciding what charges to bring.
- The typical juvenile offender on death row is a 17-year-old African American or Latino male whose victim is a white adult. Additionally, two-thirds of the victims of juvenile offenders on death row are white.

Prosecutorial discretion

In states such as New York and California, the death penalty can be sought for any intentional murder committed during the course of a felony, and the "intent" to commit murder can be formed instantaneously before the killing, without premeditation.

In California each year there are from 600 to 800 willful homicides that involve felonies. Prosecutors and juries have significant say in which of those 600-800 homicides will lead to death sentences. About 25 of them usually result in death sentences.

Ineffective counsel and procedural bars

Cases of poor representation from court-appointed defense lawyers have recently brought attention to the lack of adequate counsel for many criminal defendants—a problem which particularly plagues people of color. Poor people charged with serious crimes have been entitled to legal assistance since *Gideon v. Wainwright* (1963). Such assistance varies among states, and federal funding for legal assistance involving capital punishment resource cases was cut in 1996. But studies show that state-appointed lawyers in capital cases are typically under-qualified, underpaid, overworked and unable to provide adequate representation.

Venue and jury selection

The manner and location in which juries are selected also leads to racial disparities in capital sentencing. For example, changes of venue can result in all-white juries for black defendants. In addition, problems arise when prospective jurors are not questioned outside the presence of others. Jurors who denied being racist when questioned in group settings have later revealed racist beliefs during sequestered, individualized questioning.

Capital Punishment

Supporters and opponents of the death penalty agree that its application is racially discriminatory. Studies which examine the relationship between race and the death penalty have now been conducted

in every active death penalty state. In 96 percent of these reviews, there was a pattern of either race-of-victim or race-of-defendant discrimination or both.²

The Congregation and Synodical Mission unit (CSM) on behalf of the ELCA thanks the Sierra Pacific Synod for their advocacy for replacement of the death penalty by life in prison. The ELCA has been involved in advocacy at the state level based upon the 1991 Social Statement on the Death Penalty. We have supported the National Coalition to Abolish the Death Penalty (NCADP) in its efforts. Therefore we recommend that the ELCA continue its advocacy through the State Public Policy Offices and in conjunction with the NCADP.

CC ACTION [EN BLOC]

Recommended:

- To receive the response and report from Congregational and Synodical Mission unit;**
- To express appreciation to the Sierra Pacific Synod for sharing the concern about the elimination of the death penalty; and**
- To affirm the recommendation of the Congregational and Synodical Mission unit that the ELCA continue its advocacy based upon the 1991 Social Statement on the Death Penalty; and**
- To request that the secretary of this church inform the synod of this action.**

4. Immigration Reform Southeastern Synod (9D)

WHEREAS, current national legislation prevents undocumented persons—especially high school aged graduates—from benefitting from any federally funded student financial aid, *i.e.* loans, grants, scholarships, and work-study programs, effectively curtailing their ability to further their education and thereby obtain jobs with steady incomes and benefits (see U.S. Supreme Court decisions in *Toll vs. Moreno* 1982 and in *Plyer vs. Doe* 1982); and

WHEREAS, the process for naturalization is a long and formidable one, often made more difficult by lack of funds and a sturdy educational foundation; and

WHEREAS, more than 56,000 documented immigrants to the United States in 2011 were refugees of political and religious violence, civil war, genocide, human trafficking, famine, and other social, economic, and political ills (U.S. Department of Health and Human Services, Office of Refugee Resettlement, “Fiscal Year 2011 Refugee Arrivals,” www.acf.hhs.gov/programs/orr/data/fy2011RA.htm); and

WHEREAS, the body of Christ is called to feed, clothe, and welcome strangers (Matthew 25:35) and told that “Any immigrant who lives with you must be treated as if they were one of your citizens. You must love them as yourself, because you were immigrants in the land of Egypt; I am the LORD your God (Leviticus 19:34 CEB); and

WHEREAS, Jesus tells us to love our neighbor as ourselves; therefore, be it

RESOLVED, that the Southeastern Synod of the ELCA encourage the ELCA Washington Office and Lutheran Immigration and Refugee Services to continue their strong work with the United States Congress and the Administration to encourage just, humane, and comprehensive immigration reform and the adoption of the DREAM Act; and be it further

RESOLVED, that the Southeastern Synod Assembly encourage the rostered leaders, congregations, and youth of the Southeastern Synod to be involved actively in conversations about immigration with their congregations and communities and to advocate for the rights and humane treatment of all people no matter their race, gender, age, or citizenship status.

² http://www.prisonpolicy.org/scans/aclu_dp_factsheet4.pdf.

Executive Committee Action (EC.12.06.19d)

To receive the recommendation from the Southeastern Synod concerning the resolution on immigration reform;

To refer the resolution to the Congregational and Synodical Mission unit, in consultation with Lutheran Immigration and Refugee Service, with a request that a report be brought to the April 2013 meeting of the ELCA Church Council; and

To request that the secretary of this church inform the synod of this action.

Response from the Congregational and Synodical Mission unit with Lutheran Immigration Service

The following provides a summary of related activities of the ELCA, in partnership with Lutheran Immigration and Refugee Service (LIRS), in support of fair and humane immigration reform and the DREAM Act.

Advocacy for Comprehensive Immigration Reform (CIR) and National Solutions

Post-election, the landscape for comprehensive immigration reform (CIR) has changed rather dramatically. While there are no guarantees, there is hope that a reform package will be introduced in the Senate as early as June 2013.

Bishop Hanson's continued leadership on keeping CIR at the forefront of his sermons and statements is not only appreciated, but necessary in keeping Lutherans engaged and ensuring that a good reform packages makes their way through Congress.

The ELCA office of Worship produced worship materials to help pastors lead a *Stand for Welcome Sunday* in their parishes. *Stand for Welcome Sundays* focus on the ministry of welcome as shared by the ELCA and LIRS and encourage worshipers to not only pray for and help newcomers, but to advocate for reforms, most especially CIR, that welcome immigrants and refugees to our communities. <http://www.elca.org/Growing-In-Faith/Worship.aspx>

In an effort to further encourage members of Congress to endorse CIR, ELCA advocacy staff along with LIRS, will host a lobby day in Washington D.C. April 15-16, 2013. The focus of the visit will be one of encouraging the bishops of the Immigration Ready Bench to urge legislators and the White House to act in support of LIRS's advocacy priorities for fair and humane immigration reform with targeted "asks" that will be timely and relevant.

Principles for a compassionate comprehensive package and recent LIRS statements on both the White House and Senate CIR proposals released in late January can be found on the LIRS website: <http://lirs.org/act/issues/cir/>

Although the focus of LIRS's advocacy work is and will be on CIR, LIRS also continues to lift up the voices of Lutheran leaders on a number of advocacy efforts to protect migrant populations.

- Advocating for the inclusion of protections for vulnerable populations such as refugees and migrant children within the context of CIR.
- Protecting funding for the Office of Refugee Resettlement, which provides integration and self-sufficiency services to refugees, asylees, victims of torture and human trafficking, and unaccompanied refugee and migrant children. The prospect of sequestration and the climate of fiscal austerity makes these prospects particularly dire. LIRS will be working to engage key leaders and partners to join us in advocacy for all of the vulnerable migrant populations the United States has pledged to serve and protect.
- Protecting immigration provisions in the Violence Against Women Act (VAWA) that protect migrant survivors of domestic violence and victims of serious crimes. The Senate passed modest improvements to these protections on February 11, 2013.

At the invitation of Bishop Claire Burkat (Southeastern Pennsylvania Synod), LIRS participated in a late January/early February ecumenical gathering, Churches Coming Together (CCT) which was focused on immigration reform. Bishop Hanson also participated in this convening of the historical Protestant, Orthodox, Catholic, Evangelical/Pentecostal and historically Black denominations that produced an ecumenical statement on the need for a fair and just immigration reform package to be passed this Congressional session.

LIRS also helped lead a national interfaith call-in day in partnership with the Interfaith Immigration Coalition on January 22, 2013. The intent was to encourage people of faith from across the country to call their senators to urge the passage of CIR. Over 1,000 faith leaders across the country made phone calls, including Bishop Michael Rinehart (Texas-Louisiana Gulf Coast Synod), who was quoted in a [press release](#) about the event.

LIRS helped lead a national prayer vigil on Capitol Hill in support of immigration reform prior to a hearing of the Senate Judiciary Committee February 13, drawing attention to the coincidence of the hearing's date with Ash Wednesday. The event garnered media coverage in the Washington Post the same day: "[Group prays on Capitol Hill in support of immigration reform.](#)"

Bishop Julian Gordy (Southeastern Synod), chair of the ELCA Immigration Ready Bench, wrote an op-ed entitled, "Laws Causing Latino Exodus," which was published on September 28, 2012 in the *Montgomery Advertiser*, the newspaper of record in Alabama's capital. His piece was part of an op-ed campaign that grew out of this summer's [Lutheran Immigration Leadership Summit \(LILS\)](#) in the Twin Cities. Bishop Gordy's commentary was followed by Rev. Paul L. Lubold's October 19, 2012 op-ed in the *Pittsburgh Post-Gazette*, "[Stop Jailing So Many Immigrants.](#)"

The DREAM Act and Protection for DREAMers

In November 2012, ELCA Bishops, pastors and congregants in Maryland joined Lutheran Immigration and Refugee Service (LIRS) in a push to ensure that the Maryland version of the DREAM Act was approved as a referendum measure on the November ballot. In concert with MD DREAMers and Casa de Maryland, Lutherans, led by LIRS, were encouraged to vote "for" on measure 4. In part because of the support and leadership of Lutheran leaders, the measure passed and young people in Maryland who were brought to the U.S. as children are now eligible for in-state college tuition benefits.

CC ACTION [EN BLOC]

Recommended:

**To receive the response of the Congregational and Synodical Mission unit, in partnership with Lutheran Immigration and Refugee Service, and express appreciation for the many ways the ELCA is working in support of fair and humane immigration reform and the DREAM act; and
To request that the secretary of this church inform the synod of this action.**

5. In Support of the Montagnard People of Vietnam North Carolina Synod (9B)

WHEREAS, it is incumbent of every Christian to support their fellow Christians throughout the world who face repression and persecution; and

WHEREAS, the Vietnam Communist Government seeks closer ties with the United States in the form of a Multilateral Free Trade Agreement; and

WHEREAS, the Vietnam Communist Government continues to monitor, harass, threaten, arrest, torture, and kill its citizens who participate or display religious activity that is not registered or sanctioned by the Vietnam Communist Government; and

WHEREAS, one of the Vietnam Communist Government's objectives in monitoring, harassing, threatening, arresting, and torturing its citizens is to pressure such persons to broadcast or otherwise publically renounce their Christianity; therefore, be it

RESOLVED that the North Carolina Synod Assembly direct the Synod Council to introduce to the Church Council a resolution asking the ELCA Washington Office and the Lutheran Office for World Community to support the United States government in the creation and implementation of any economic or diplomatic policies, regulations, orders, or non-violent operations designed to, or having the effect of, assuring religious freedom for the Montagnard people in Vietnam.

Executive Committee Action (EC.12.07.22a)

To receive the resolution from the North Carolina Synod supporting the Montagnard People of Vietnam;

To refer the resolution to the Congregational and Synodical Mission unit with a request that a report be brought to the April 2013 meeting of the ELCA Church Council; and

To request that the secretary of this church inform the synod of this action.

History of this topic from the Congregational and Synodical Mission unit (April 2013)

Religious Persecution (CA97.06.48)

The following was adopted by the 1997 Churchwide Assembly in Philadelphia, Pennsylvania.

RESOLVED To respond to the memorials of the New Jersey Synod and New England Synod by calling upon members of the Evangelical Lutheran Church in America to pray for all victims of religious persecution, both Christians and non-Christians, and for their oppressors;

To direct the Division for Church in Society to continue its work with other appropriate churchwide units to study the matter of religious persecution and religious freedom and assist this church to respond effectively and sensitively to violations of the human right of freedom of thought, conscience, and religion;

To call on members of the Evangelical Lutheran Church in America to continue to foster respect, tolerance, and understanding of other faiths, including an examination of the causes and manifestations of religious extremism in a variety of religious contexts; and

To call on members of the Evangelical Lutheran Church in America to communicate to the President of the United States, the Department of State, and both Houses of Congress, their concern for all victims of religious persecution in other parts of the world, conveying their conviction that such human rights violations are contrary to the international community's standards for freedom of conscience and religion.

Persecution of Christians (CA99.03.07)

The following was adopted by the 1999 Churchwide Assembly in Denver, Colorado.

RESOLVED To respond to the memorial of the Texas-Louisiana Gulf Coast Synod by calling upon members of the Evangelical Lutheran Church in America to pray for all victims of religious persecution, both Christians and non-Christians, and for their oppressors;

To direct the Division for Church in Society to continue its work with other appropriate churchwide units to study the matter of religious persecution and religious freedom and assist this church to respond effectively and sensitively to violations of the human right of freedom of thought, conscience, and religion;

To call upon members of the Evangelical Lutheran Church in America to continue to foster respect, tolerance, and understanding of other faiths, including an examination of the causes and manifestations of religious extremism in a variety of religious contexts; and

To call upon members of the Evangelical Lutheran Church in America to communicate to the President of the United States, the Department of State, and both Houses of Congress, their concern for all victims of religious persecution in other parts of the world, conveying their conviction that such human rights violations are contrary to the international community's standards for freedom of conscience and religion.

Response from the Congregational and Synodical Mission unit (April 2013)

The Evangelical Lutheran Church in America, at its Churchwide Assemblies in 1997 and 1999, has expressed its concern for the victims of religious persecution and asked its members to pray for those who have suffered under such oppression. The ELCA also calls on its members to communicate this concern to their elected national officials, noting that such human rights violations are contrary to the international community's standards for freedom of conscience and religion. In addition, staff of the churchwide organization have expressed this church's pastoral concern and solidarity with the churches facing such persecution and raised these issues with federal officials. The staff will continue these efforts to respond effectively and sensitively to violations of the human rights of freedom of thought, conscience, and religion in situations where churches are being denied these rights.

CC ACTION [EN BLOC]

Recommended:

To receive the response of the Congregational and Synodical Mission unit;

To express appreciation for this church's continued advocacy in responding to violations of the human rights of freedom of thought, conscience, and religion in situations where churches are being denied these rights; and

To request that the secretary of this church inform the synod of this action.

Proposed Responses to Churchwide Assembly Actions

1. Motion J: Native Americans and Alaska Natives

CA11.04.18

Submitted by Vance Blackfox, Metropolitan Chicago Synod

WHEREAS, the historic relationship between predecessor/partner Lutheran church bodies and American Indian and Alaska Native peoples was so significant during the struggle for American Indian and Alaska Native civil rights, known as the American Indian Movement; and

WHEREAS, support of American Indian and Alaska Native peoples has declined significantly since the constituting of the ELCA in 1988; and

WHEREAS, all ELCA Churchwide Organization's events and participants are hosted in and participants enter into various sovereign American Indian and Alaska Native nations, geographically, and/or historic tribal lands that have systematically been taken from American Indian and Alaska Native peoples by extinction/termination or by the removal of the original tribal inhabitants; and

WHEREAS, the general population of the United States and the general membership of the ELCA is largely uneducated about American Indian and Alaska Native cultures and histories, as well as uninformed about American Indian and Alaska Native sovereignty, their nations, and present challenges; and

WHEREAS, American Indian and Alaska Native people are under-represented in our church usually under-represented at churchwide and synodical events; and

WHEREAS, this church's purpose, in part, is to "Serve in response to God's love to meet human needs, caring for the sick and the aged, advocating dignity and justice for all people, working for peace and reconciliation among the nations, and standing with the poor and powerless and committing itself to their needs;" [ELCA Constitution 4.02.C] and

WHEREAS, contrary to popular belief, American Indian and Alaska Native people continue to statistically be the poorest populations in the countries in the "western hemisphere" with, reportedly, the greatest needs related to poverty, e.g. disease, lacking clean water, addiction, length of life expectancy, education, unemployment, and access to nutrient rich foods; and

WHEREAS, organizations that are working to make a difference and honoring the lands and original peoples of the "western hemisphere," such as the International Olympic Committee when they partnered with and honored as dignitaries the leaders of the First Nations peoples in and around the region near Vancouver, British Columbia, during the 2010 Winter Olympics;

RESOLVED, that the ELCA Churchwide Organization be committed to inviting the tribal leader or a representative of the sovereign tribal or region wherein any and at every ELCA Churchwide Organization sponsored event held—e.g. Churchwide Assemblies, Global Mission Events, ELCA Youth Gatherings, smaller or regional events, etc.—with costs incurred to be supported by each event's budget, to bring a word of welcome/greetings from their nations or peoples; and that consultation with the ELCA Director for American Indian and Alaska Native Ministries be done so as to ensure the invitation is extended appropriately; and be it further

RESOLVED, that the ELCA Churchwide Organization be committed to ensuring at least one educational component is developed and offered to participants at every Churchwide Organization sponsored event—e.g. Churchwide Assemblies, Global Mission Events, ELCA Youth Gatherings, smaller or regional events, etc.—regarding American Indian and Alaska Native tribal peoples of the nation or region wherein the Churchwide Organization sponsored event is being held, with costs incurred to be supported by each event's budget; and that consultation with the ELCA's Director for American Indian and Alaska Native Ministries be done so as to ensure such an educational experience is developed and presented appropriately.

Rationale of the Reference and Counsel Committee

The proposed actions calls for the Churchwide Organization to invite to every event sponsored by the CWO, a native tribal leader or representative from the region within which the event is to take place, and to budget for the same. It also calls on the CWO to develop educational programs regarding the local indigenous peoples for each such event. Such an undertaking would necessarily require an appropriate of funds.

Part 14 of the Rules of Organization and Procedure for the 2011 CWA states in pertinent part: "When a motion calling for an appropriation comes before the CWA from any source other than the Church Council or a memorial from a synod, it shall be referred at once to the Reference and Counsel Committee. The Reference and Counsel Committee shall refer the proposed appropriation to the Budget and Finance committee of the Church Council. The Budget and Finance Committee may consult with the Churchwide unit(s) affected by the proposed appropriation. The Budget and Finance Committee may conclude that it cannot evaluate adequately the proposed appropriation prior to assembly adjournment and may request that the Church council be designated to receive the evaluation later and to determine whether or not the proposed appropriation shall be authorized. The findings of the Budget and Finance Committee shall be forwarded to the Reference and Counsel committee, which shall than make its recommendation to the Churchwide Assembly."

Recommendation of the Reference and Counsel Committee

The Reference and Counsel Committee has referred the proposed action to the Budget and Finance Committee of the Church Council, which shall report back to the Reference and Counsel committee in accordance with the Assembly rules.

Churchwide Assembly Action (CA11.04.18)

To refer Motion J to the Congregational and Synodical Mission unit for consultation with the American Indian and Alaska Native Ministries to identify ways to address the intent of the motion.

Church Council Action (CC.11.11.83p)

To request that the Congregational and Synodical Mission unit bring a report and possible recommendations on Motion J: Native Americans and Alaska Natives to the November 2012 meeting of the Church Council.

Response from the Congregational and Synodical Mission Unit (November 2012)

The Congregational & Synodical Mission unit is requesting an extension to our response to this Church Council motion until April 2013. This is due to the unexpected vacancy with our Program Director for American Indian/Native Alaska position in the CSM unit. We feel that the unit response would benefit from the leadership of the primary staff person who would be facilitating our response efforts as well as providing implementation and follow up. We are hoping that we would have staffing in place by the end of 2012.

Church Council Action (CC.12.11.34n)

To receive the response from the Congregational and Synodical Mission unit; and

To postpone the Congregational and Synodical Mission unit report with possible recommendations to the April 2013 meeting of the ELCA Church Council.

Response from the Congregational and Synodical Mission Unit (April 2013)

We recognize and appreciate the past efforts of congregations and synods, particularly the Montana Synod and Grand Canyon Synod, in making apologies to tribal councils and illustrating support of American Indians and Alaska Natives. We also welcome the recent action taken by the ELCA Church Council at its November 2012 meeting to “join synods and congregations in greeting the tribes who originally inhabited the North American Continent, apologizing for injustices rendered in the past, and pledging to work together in the future.” (CC12.11.42)

Therefore, it is a welcomed opportunity to provide a report and recommendations to the Church Council in responding to the Churchwide Assembly action “to address the intent of the motion.” (CA11.04.18)

The new program director for American Indian and Alaska Native Ministries convened a teleconference to discuss recommendations for a response to Motion J on February 8, 2013. Present at the meeting were the following people: The Rev. Mark Allred (Inupiat Eskimo), Program Director for the ELCA American Indian and Alaska Native Ministries program (AIANMP); Elizabeth Gaskins (Muscogee-Creek), President of the American Indian Alaska Native Lutheran Association (AIAN); The Rev. Marlene “White Rabbit” Helgemo (Ho-Chunk), Executive Director for the Council for American Indian Ministry (United Church of Christ) and Sr. Pastor at All Nations Indian Church in Minneapolis, Minnesota.

All participants at the meeting stated that Motion J is a wonderful and respectful acknowledgement of American Indian and Alaska Native ancestral lands and further that Motion J affirms our people. We offer the following recommendations to the Church Council as to the intent of Motion J.

As to the first resolve in seeking to provide invitations to “the tribal leader or a representative of the sovereign tribal or region”, we recommend that a working group of the AIANMP be created. The working group will recommend guidelines for this church on ways to approach and offer invitation to Indian Nations. For example, who is the proper person to invite from a region? What do you do if multiple Indian Nations are within the region where your meeting is being held?

These and other questions including the types and sizes of events that might be appropriate will be recommended by the group to the Congregational and Synodical Mission Unit. The working group would also recommend guidelines to the American Indian and Alaska Native community on acceptable ways to provide greetings at ELCA events like synod assemblies. In addition, the considerations will include cost estimates for participation in such events and consideration of how they will be funded.

As to the second resolve in seeking to provide an “educational component” at appropriate events, we offer the following recommendations. A series of six 5-minute professionally produced educational videos would be planned and used at appropriate events introducing participants to the Lutheran historical commitment to accompany American Indian and Alaska Native Christian peoples of North America throughout the past century and to lift up the current concerns in Indian Country. The AIANMP and the AIAN association will serve as consultants to the production of the videos. While we understand that this would require funding, the AIANMP, in consultation with the AIAN association, commits to making every effort at finding partners and advocates who are sensitive to the plight of the American Indian people to provide joint funds for the proposed recommendation.

This step is a welcome one in lifting up and honoring America’s First people.

CC ACTION [EN BLOC]

Recommended:

To receive the report of the Congregational and Synodical Mission unit in response to Motion J: Native Americans and Alaska Natives;

To thank the Rev. Mark Allred (Inupiat Eskimo), Program Director for the ELCA American Indian and Alaska Native Ministries program (AIANMP); Elizabeth Gaskins (Muscogee-Creek), President of the American Indian Alaska Native Lutheran Association (AIAN); the Rev. Marlene “White Rabbit” Helgemo (Ho-Chunk), Executive Director for the Council for American Indian Ministry (United Church of Christ) and Sr. Pastor at All Nations Indian Church in Minneapolis, Minnesota, for their attentive recommendations to raise awareness and honor America’s First people;

To recommend the establishment of a working group of the ELCA American Indian and Alaska Native Ministries Program for the purpose of recommending guidelines for this church on ways to approach and offer invitations to the American Indian and Alaska Native community, guidelines for the American Indian and Alaska Native community on acceptable ways to provide greetings at ELCA events, suggestions for which events or opportunities might be most appropriate for greetings, a possible educational experience, and consideration of the costs and monies of funding such participation; and

To request that a report of the findings from the working group be brought to the Congregational and Synodical Mission (CSM) unit and a report from CSM be made to the ELCA Church Council at its November 2013 meeting.

2. Energy Stewardship: Memorials Category A4

CA11.03.06a

Churchwide Assembly Action (CA22.03.6a)

To receive with gratitude the memorials of the Sierra Pacific, Rocky Mountain, Northeastern Minnesota, Texas-Louisiana Gulf Coast, Metropolitan Chicago, Northern Illinois, Northeastern Iowa, South-Central Synod of Wisconsin, North/West Lower Michigan, New Jersey, New England, Metropolitan New York, Southeastern Pennsylvania, and Metropolitan Washington, D.C. synods related to energy stewardship;

To thank the Lutheran Climate Change Coalition and Lutherans Restoring Creation for their work and to commend their strategies to this church;

To encourage all expressions and agencies of this church to improve their stewardship of energy resources and promote care for God’s creation; and

To request that, as financial and staff resources permit, the churchwide organization establish processes to track, assess, and share these efforts to improve our care of God’s creation.

Church Council Action (CC11.11.83d)

To refer Memorials Category A4: Energy Stewardship to the Congregational and Synodical Mission unit, in consultation with the Office of the Treasurer and the Theological Discernment team in the Office of the Presiding Bishop; and

To request that a report and possible recommendations be presented to the April 2013 Church Council meeting.

Response from the Congregational and Synodical Mission unit with Office of the Treasurer and Office of the Presiding Bishop (April 2013)

The budget for encouraging and tracking energy conservation in the ELCA continues to be minimal and precludes us from actually quantifying how much energy is being saved throughout our church. We also cannot measure the amount of greenhouse gas emissions our energy conservation efforts have avoided. However, a number of things of note have occurred since 2011 that indicate a steadily growing interest in energy conservation and the reduction of our carbon footprint throughout the church.

In the fall of 2012, the Lutheran Center on Higgins Road in Chicago was certified as an Energy Star building by the U.S. Environmental Protection Agency. Energy Star is a program that recognizes significant energy saving measures. In order to qualify, an applicant must show energy savings over a set period of time and must receive a score of 75 or higher. The Lutheran Center achieved a score of 92, which means that the building uses 35 percent less energy and generates 35 percent fewer greenhouse gas emissions than similar buildings across the nation.

According to the Environmental Protection Agency, the ELCA is only the second US denomination to receive Energy Star certification for its headquarters building (the other is the Presbyterian Church, USA headquarters building in Louisville, Kentucky). Lutheran Center management achieved the energy savings through measures such as installing more energy efficient lighting during a building remodel several years ago and adding motion sensors for lighting in conference rooms, copy rooms and bathrooms. Building managers also have added variable speed drives to the building's HVAC system so that it can be run at a lower speed. In addition, an efficient LED sign was installed on the outside of the building and more energy efficient materials were used in the roof replacement.

The Lutheran Center is only the most recent ELCA structure honored with Energy Star status. In September, the White House honored the first twenty-eight congregations to achieve Energy Star certification for their church buildings. Of the twenty-eight congregations honored, four were part of the ELCA: Elim Lutheran Church in Duluth, Minnesota; First English Lutheran in Columbus, Ohio; First Lutheran Church in Bothell, Washington; and Reformation Lutheran Church in Media, Pennsylvania.

The Energy Star program for congregations notes that if our country's houses of worship cut energy use by only 20 percent, they could save more than \$600 million each year on their utility bills and cut their use of electricity by more than 3.6 billion kilowatt hours. At the event in September, the Environmental Protection Agency and the White House issued a challenge to congregations to increase their energy efficiency and offered public recognition to congregations who are interested in engaging in this work. The ELCA Washington office, working together with Lutherans Restoring Creation, has passed this challenge along to our growing network of ELCA members concerned about care for creation.

In 2011, Lutherans Restoring Creation (LRC) launched a two-year pilot Energy Stewards Project designed to assist congregations in lowering their energy use and lessening their energy costs, thereby freeing up money for ministry. For a fee of \$10 a month, the program offers a step-by-step process with other congregations, a training program with regular conference calls and webinars and an online platform to track history and changes in energy use. The project has received support to offset the costs not covered by the modest fee for participants from the ELCA—through the budget for Environmental Education and Advocacy—and from the Lutheran Community Foundation and the Tithing Foundation.

There were eleven congregations enrolled in the first "class" of Energy Stewards. Now in their second year in the program, most have seen substantial reductions in their energy use and several now

qualify for Energy Star certification. LRC is now enrolling a second class of participants in the program; each congregation will commit to participating for two years, with significant support from LRC trainers in reducing their energy use.

CC ACTION *[EN BLOC]*

Recommended:

To receive the report of the Congregational and Synodical Mission unit in response to the memorial on Energy Stewardship and in recognizing the efforts throughout this church to improve our care of God's creation;

To extend deep appreciation to all expressions and agencies of this church for the significant and diverse ways they improve their stewardship of energy resources and improve our care of God's creation;

To acknowledge the diminished financial resources to establish processes to track and assess the amount of energy saved and greenhouse gas emissions energy conservation efforts have avoided throughout our church;

To encourage all expressions and agencies of this church to continue to find ways to increase their energy efficiency and to share their efforts in caring for God's creation; and

To request that the secretary of this church inform the synods of this action.

3. Motion G: Effect of U.S. Ethanol Policy on World Hunger

CA11.05.35

Submitted by: Mr. Lowell Klessig, East-Central Synod of Wisconsin (5I)

WHEREAS, World Hunger has been a long-standing social concern of the ELCA; and

WHEREAS, World Hunger has been intensified by dramatic increases in the price of corn; and

WHEREAS, the high price of corn has been primarily caused by exponential growth in demand for corn from ethanol plants that now utilize nearly 40% of the U.S. corn crop; and

WHEREAS, no law mandates escalating amounts of ethanol be blended with gasoline, thus further shrinking world food supplies; therefore be it

RESOLVED, that the ELCA, meeting in its 2011 Churchwide Assembly, urge the president and the Congress of the United States to recognize and address the unintended consequences of U.S. ethanol policy on world hunger.

Rationale of the Reference and Counsel Committee

To recommend to the Assembly that this motion be referred to the Congregational and Synodical Mission unit and the Office of the Presiding Bishop.

Churchwide Assembly Action (CA11.05.35)

To refer Motion G to the Congregational and Synodical Mission unit and the Office of the Presiding Bishop.

Church Council Action (CC11.11.83n)

To request that the Congregational and Synodical Mission unit, in collaboration with the Office of the Presiding Bishop, present a report and possible recommendations on Motion G: Effect of U.S. Ethanol Policy on World Hunger to the April 2013 meeting of the Church Council.

*Response from the Congregational and Synodical Mission unit with the Office of the Presiding Bishop (April 2013)**

The use and development of corn-based ethanol has been encouraged and even mandated by government programs and policies since the 1970s. In recent years its use has exploded for a number of reasons: steady increases in the supply of corn; the increasing number of cars and trucks that can run on a higher percentage ethanol blend; and the rising cost of oil, which makes ethanol a cost-effective way to extend the supply of gasoline. However, the most significant factor in the increasing use of ethanol is the federal Renewable Fuel Standard (RFS). Passed in a 2007 energy bill and administered by the Environmental Protection Agency (EPA), this mandate requires refiners to blend 15 billion gallons of conventional biofuels (i.e. corn ethanol) into the U.S. fuel supply by 2015.

The use of a food crop to make fuel for transportation has long been controversial. The United Nations Food and Agriculture Organization in 2008 hosted a meeting to discuss the growing food crisis and concluded that the rising cost of corn and other commodities is due to a number of factors: 1) the rising use of corn for ethanol in the U.S.; 2) the rising cost of oil used to fertilize, harvest and transport commodity crops; and 3) multi-year droughts in some key growing regions. A 2009 report from the United Nations Environmental Program (UNEP) also noted that while the rise of food-based biofuels has an impact on the global food supply, there are numerous factors that contribute to food supply issues and rising food prices on the global market. The UNEP report predicted that the food crisis will grow worse in the future unless specific environmental factors are addressed, including climate change, water stress, invasive pests and land degradation.

The drought this past summer in the Midwest had a significant impact on the supply of corn on U.S. markets and led to dramatic increases in the price of corn. Many livestock and dairy farmers that use corn as feed were forced to reduce their herds and flocks substantially because they could not afford to feed their animals. As a result, U.S. consumers will see significant increases in the prices of milk, beef, chicken and pork this year. The drop in the available supply of corn due to the drought led to calls in the fall of 2012 for the EPA to waive the biofuel requirements under the RFS; however, the agency has declined to do so.

In addition, a loose coalition of groups, ranging from environmental organizations to fiscally conservative think tanks and taxpayer organizations, are calling for Congress to end the ethanol mandate. Reasons for opposition to the mandate range from the impact that rising demand for corn has had on land use in farm communities as millions of acres of wetlands and grasslands have been converted to growing corn, to fiscal concerns over the use of taxpayer funds to subsidize ethanol production. Although there have been discussions of this issue in Congress, to date it has not acted to abandon the RFS.

Although the ELCA Washington office has continued to call for research into non-food crop-based biofuels as a better alternative to those based in corn or soy, we have not taken a position on the Renewable Fuel Standard, nor have we advocated against the use of corn for biofuels in general.

There are many communities served by ELCA congregations where ethanol production is a centerpiece of livelihood for farmers. In addition, corn-based ethanol has contributed to a revival of economic life in many rural communities throughout the Midwest: communities that have suffered from economic loss and negative population growth for decades are experiencing new vitality that can, at least in part, be attributed to the growing market for ethanol. As the national advocacy office of the ELCA, we need to weigh carefully the benefits of ethanol to many rural communities served by

* This response from the Congregational and Synodical Mission unit with the Office of the Presiding Bishop is the same response for Food and Fuel from the Eastern Washington-Idaho Synod. Since it is a synodical resolution, it is in Exhibit B, Part 1b.

our church against the very real concerns about hunger and the global food supply expressed in the resolutions passed by the East-Central Synod of Wisconsin and the Eastern Washington-Idaho Synod, together with a resolution brought by the Upstate New York Synod in 2009.

Given the complexity of the issues raised by corn-based ethanol, including a number of environmental and economic factors, and the variety of important and valid perspectives held by ELCA members and communities on this issue, we think a wider informal discussion or even a formal dialog would be constructive and helpful for this church.

We recommend that interested parties and stakeholders find ways to be in contact with each other about their perspectives in some form of on-going conversation to which they could invite the involvement of advocates and issue experts as might be helpful. Such a dialog might underscore the difficulty in finding agreement on corn-based ethanol, in particular, or it could lead to new understandings about our church's commitments to ending hunger, supporting rural communities and caring for God's creation. In any case, it would serve as an expression of Christian discourse, mutual good faith and concern for neighbors.

CC ACTION *[EN BLOC]*

Recommended:

To receive the Congregational and Synodical Mission unit report on Motion G: Effect of U.S. Ethanol Policy on World Hunger;

To recognize the wide spectrum of perspectives throughout this church on the use and development of a food crop for transportation fuel; and

To affirm the recommendation of the Congregational and Synodical Mission unit to encourage conversation among all expressions of this church and with other appropriate stakeholders and to share perspectives and insights regarding this church's commitment to supporting rural communities, ending hunger and caring for God's creation.

4. Sacramental Obedience in Holy Communion (Memorials Category D2) Upper Susquehanna Synod (8E)

Whereas, our Lord said, "You are my friends if you do what I command you" (John 15:14); and

Whereas, St. Paul indicated an enduring tradition when he repeated the Lord's command: "For I received from the Lord what I also handed on to you, that the Lord Jesus on the night when he was betrayed took a loaf of bread, [gave] thanks...broke it and said 'This is my body that is for you. Do this in remembrance of me'" (1 Corinthians 11:23-24); and

Whereas, Christ established a covenantal relationship in this sacrament when he said, "... for this is the blood of the covenant, which is poured out for many . . ." (Matthew 26:28), and as children of God we have a duty and delight to obey his will: "Take, eat; this is my body. . . . Drink from it, all of you" (Matthew 26:26-27); and

Whereas, our Lord warned us, "Very truly, I tell you, unless you eat the flesh of the Son of Man and drink his blood, you have no life in you" (John 6:53); and

Whereas, the Augsburg Confession claimed, "Our churches are falsely accused of abolishing the Mass. In fact, the Mass is retained among us and is celebrated with the greatest reverence" (CA XXIV, 1); and "... one common Mass is held on every holy day, and it is administered on other days if there are those who desire it. . . . Chrysostom says that the priest stands daily at the altar, inviting some to Communion and keeping others away" (CA XXIV, 34, 36); and

Whereas, Martin Luther in the Large Catechism observed, "... we go to the sacrament because there we receive a great treasure . . . as a daily food and sustenance so that our faith may be refreshed and strengthened" (LC V, 22, 24), "... those who want to be Christians should prepare themselves to receive this blessed sacrament frequently" (LC V, 39), "... no one under any circumstances should be forced or coerced. . . . Nevertheless, it must be understood that such people who abstain and absent themselves from the sacrament

over a long period of time are not to be considered Christians” (LC V, 42), “As in other matters . . . there must also be daily exhortation, so that on this subject we must be persistent in preaching” (LC V, 44), “What should move and induce you is that he [Christ] desires it, and it pleases him” (LC V, 52), “For if you wait until you are rid of your burden in order to come to the sacrament purely and worthily, you will have to stay away from it forever” (LC V, 73); and

Whereas, our congregational constitutions call the Augsburg Confession “a true witness to the Gospel” (*C2.05.), accept the other confessional writings including the Large Catechism as “further valid interpretations of the faith of the Church” (*C2.06.), and state that the congregation “accepts the canonical Scriptures of Old and New Testaments as the inspired Word of God and the authoritative source and norm of its proclamation, faith, and life” (*C2.03.); and

Whereas, the Apology of the Augsburg Confession professed, “Among us the Mass is celebrated every Lord’s day and on other festivals” (Ap XXIV, 1), and all Evangelical Lutheran Church in America (ELCA) congregations by ratifying the ELCA model constitution for congregations have already accepted their responsibility to defend and implement the practice of celebrating the Eucharist weekly; therefore, be it

RESOLVED, that, in obedience to the unquestionable command of Christ and in concord with this church’s Confessions and constitutions, the Upper Susquehanna Synod in annual assembly memorialize the Evangelical Lutheran Church in America (ELCA) in its next biennial assembly to embrace this Gospel treasure with joy; and be it further

RESOLVED, that the Upper Susquehanna Synod in annual assembly memorialize the ELCA in its next biennial assembly to recognize that this is a divine mandate and not a human agenda, and is already firmly established in Scripture, confessional documents, and constitutions of this church; and be it further

RESOLVED, that the Upper Susquehanna Synod in annual assembly memorialize the ELCA in its next biennial assembly to devise and implement a plan to encourage all of the congregations of the ELCA to exhort one another to obedience to Christ’s command to the desirable end that all congregations share in the Holy Communion weekly by Reformation Sunday in 2012.

Background and response from the Office of the Presiding Bishop Theological Discernment Team

The Use of the Means of Grace: A Statement on the Practice of Word and Sacrament, adopted by the 1997 ELCA Churchwide Assembly, affirms the Scriptures and Lutheran confessional writings, which teach that Holy Communion is a great treasure, a gift of grace from God to be received by Christians joyfully, thankfully and frequently. “At the table of our Lord Jesus Christ, God nourishes faith, forgives sin, and calls us to be witnesses to the Gospel” (Principle 31; p. 36). “According to the Apology of the Augsburg Confession, Lutheran congregations celebrate the Holy Communion every Sunday and festival. This confession remains the norm for our practice” (Principle 35; p. 39). The encouragement to celebrate the Lord’s Supper weekly (Principle 35B) is rooted in “Christ’s command, his promise, and our deep need” (Principle 35A, quoting *A Statement on Communion Practices*, adopted by the 1989 ELCA Churchwide Assembly).

Nonetheless, weekly observance of the Lord’s Table as the primary worship service of the congregation or local assembly has not been a uniform practice throughout the ELCA. In some remote locations or in places where there is no resident ordained minister, a Sunday service of Holy Communion every week is not yet or no longer feasible. Moreover, while circumstances have changed for other Lutheran worshipping communities, the community’s practice of less frequent observance was established already and has become the tradition in that community. Some congregations have a living memory of changing from *quarterly* celebration of Holy Communion to their current practice of monthly celebration.

For these reasons and others, weekly observance of Holy Communion, including both Word and Sacrament, as the central worship service in all congregations remains a goal that calls for renewed

attention throughout the ELCA. Gracious invitation and encouragement to individuals and congregations to make full use of means of grace is one part of the needed attention. Policies and procedures that promote the availability of ordained ministers and lay presiders in all locations are another factor that may affect the feasibility of weekly observance in some congregations. Toward this end, an arbitrary deadline is less likely to be helpful than clear authorization and support for the actions needed to make weekly observance both feasible and graciously inviting for all in every place.

Churchwide Assembly Action (CA11.03.06f)

To receive with gratitude the memorial of the Upper Susquehanna Synod concerning Holy Communion and to affirm its commendation of faithful and joyful reception of this sacrament; and

To refer the memorial to the Congregational and Synodical Mission unit in consultation with the Conference of Bishops for consideration of actions that will promote more frequent reception of Holy Communion by ELCA members and weekly observance of Holy Communion as the primary worship service of each ELCA congregation.

Church Council Action (CC.11.11.83h)

To request that the Congregational and Synodical Mission unit, in consultation with the Conference of Bishops, present to the spring 2013 Church Council meeting a report and possible recommendations concerning its activities related to Memorial Category D2: Holy Communion.

Background from the Congregational and Synodical Mission unit (April 2013)

The Congregational & Synodical Mission unit is requesting an extension to our response to this Church Council motion until November 2013. This extension would offer time to facilitate discussion about the proposal in the memorial with the Office of the Presiding Bishop and the Conference of Bishops.

CC ACTION [EN BLOC]

Recommended:

To receive the response from the Congregational and Synodical Mission unit;

To authorize a delay in the response of the Congregational and Synodical Mission unit to the memorial on Sacramental Obedience in Holy Communion;

To request that a report and possible recommendations be brought to the November 2013 meeting of the ELCA Church Council; and

To request that the secretary of this church inform the synod of this action.

5. Perpetual Prayer Vigil (Motion B)

Submitted by: Philip K. Van Dam, Southern Ohio Synod

Whereas the Apology to the Augsburg Confession Ch. V 71 Article XIII says that we can consider prayer a sacrament, and

Whereas we seek to be moved by the Holy Spirit, and

Whereas prayer helps this to happen, and

Whereas prayer vigils help to motivate people to pray, and

Whereas the Moravians had an international prayer vigil for over 100 years, be therefore

Resolved that the synods of the ELCA hold prayer vigils for the entirety of Lent in 2012 and be it further

Resolved that by Lent 2013 the ELCA have a plan in place for a perpetual prayer vigil.

Rationale of the Reference and Counsel Committee

We receive with appreciation and acknowledge the need for more study and review of the dynamics of such a sweeping proposal, specifically inclusion of synod directives, and refer the motion to the Office of the Presiding Bishop in consultation with the Conference of Bishops.

Churchwide Assembly Action (CA11.05.30)

To refer Motion B to the Office of the Presiding Bishop in consultation with the Conference of Bishops.

Church Council Action (CC11.11.83j)

To request that the Office of the Presiding Bishop, in consultation with the Conference of Bishops, present a report and possible recommendations on Motion B: Perpetual Prayer Vigil to the April 2013 meeting of the Church Council.

Response from Office of the Presiding Bishop (April 2013)

The Office of the Presiding Bishop is requesting an extension to our response to this motion until November 2013. The proposal's request is broad and thus requires further conversation and study. This extension would offer time to facilitate additional discussion about the proposal's request with the Conference of Bishops and for a possible recommendation in sufficient time for Lent 2014.

CC ACTION [EN BLOC]

Recommended:

To receive the response from the Office of the Presiding Bishop;

To authorize a delay in the response of the Office of the Presiding Bishop to Motion B: Perpetual Prayer Vigil; and

To request that a report and possible recommendations be brought to the November 2013 meeting of the ELCA Church Council.

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**This Exhibit included
personal information
provided solely to the
Church Council for its
deliberations.**

Revised April 2, 2013

En Bloc Items

I. Board Development Committee

II. Executive Committee

A. Confirmation Resources

Southeastern Minnesota (3I)

Whereas members of the Southeastern Minnesota Synod have engaged in ongoing conversation about confirmation ministry and what it means in this time and place;

Whereas the most recent study of confirmation ministry in the ELCA is from 1993;

Whereas 56% youth in the Evangelical Lutheran Church in America ages 13-17 make a personal commitment to living life with and for God (Portraits of Protestant Teens: A Report on Teenagers in Major US Denominations, Phil Schwadel and Christian Smith, 2005);

Whereas one third of adults under 30 are religiously unaffiliated (Pew Forum on Religion and Public Life, October 2012); and

Whereas if confirmation is only centered in youth ministry we miss opportunities for lifelong faith formation; and

Whereas some in our Lutheran faith community are struggling with Biblical literacy, faith articulation and Christian identity;

Therefore be it resolved that the Southeastern Minnesota Synod will continue innovative exploration of Confirmation ministry;

Be it further resolved that the Southeastern Minnesota Synod will share with other expressions of the church any resources that are discovered in this exploration;

Be it further resolved that synods and congregations of the Evangelical Lutheran Church in America be invited to reimagine Confirmation ministry in the 21st century;

Be it further resolved that the Evangelical Lutheran Church in America be a network for the adaptations that are already and will take place in the three expressions of the church; and

Be it further resolved that the Southeastern Minnesota Synod Council requests that the Church Council direct the appropriate unit of the churchwide expression to update the resources available on the churchwide web site to reflect the changes in faith formation ministry that are taking place within all expressions of the Evangelical Lutheran Church in America.

CC ACTION [EN BLOC]

Recommended:

To thank the Southeastern Minnesota Synod for its resolution related to confirmation ministry;

To acknowledge that the churchwide organization is in the process of a complete redesign of the entire ELCA.org website;

To request the Congregational and Synodical Mission unit, in consultation with the Mission Advancement unit and the Office of the Presiding Bishop, to update the resources on the new ELCA.org website to reflect the changes in faith formation ministry taking place within all expressions of the Evangelical Lutheran Church in America; and

To request that the secretary of this church inform the synod of this action.

III. Legal and Constitutional Review Committee

IV. Planning and Evaluation

V. Program and Services

A. 500th Anniversary Proposal

At the November 2012 meeting of Church Council, a formal proposal was presented to the Program and Services Committee for the Evangelical Lutheran Church in America to observe the 500th Anniversary of the Evangelical (Lutheran) Reformation of Christian teaching and practice in sixteenth-century Europe. The Church Council voted at the November meeting (CC12.11.37):

To receive with appreciation the proposal from the staff of the churchwide organization to observe the 500th anniversary of the evangelical (Lutheran) Reformation;

To endorse the proposal detailed in Exhibit J, Part 8, and to authorize the Executive Committee to appoint a steering committee, in consultation with the Conference of Bishops, to continue planning; and

To request that a progress report be brought to the Conference of Bishops at its March 2013 meeting and to the Church Council at its April 2013 meeting, in order for a report to be forwarded to the ELCA Churchwide Assembly in August 2013.

Due to limited staff resources, there is no progress report available.

CC ACTION [EN BLOC]

Recommended:

To request that a progress report be brought to the Conference of Bishops and the Church Council at its August 2013 meeting.

VI. Budget and Finance

A. Resolution regarding use of restricted funds for Grace Matters/Lutheran Vespers

In support of the development of media ministries, the Church Council of The American Lutheran Church in 1981 took action (CC81.6.58) to create the endowment that continues to be known as The Lutheran Vespers Endowment Fund.

WHEREAS, The South Pacific District of The American Lutheran Church has urged the Office of Communication and Mission Support to immediately develop a television ministry for prime time or fringe prime time, on a regular basis, that is consistent with our biblical and theological traditions; and

WHEREAS, The proposed focus of the development of such a television ministry will be Lutheran Vespers TV; therefore be it

Resolved, That the Church Council establish The Lutheran Vespers Endowment Fund to be funded by gifts and legacies designated for this endowment fund, the earnings of which shall be used for the development and maintenance of a Lutheran Vespers radio and television ministry; and be it further

Resolved, That the gathering of funds and gifts in kind be limited to those listeners who are on the Lutheran Vespers mailing list . . .

At its March 2013 meeting, the Board of Trustees of the Endowment Fund of the ELCA (the Board) passed this resolution, recommending that the Council broaden the use of gifts designated to former ministries of Grace Matters/Lutheran Vespers:

WHEREAS, the ELCA holds various donor-restricted assets to support radio ministries of the ELCA, including “Grace Matters”, and its predecessor, “Lutheran Vespers”; and

WHEREAS, due to the financial challenges of sustaining radio ministries within the ELCA churchwide budget, and the desire to use other forms of communication to share the Gospel, most of the ELCA radio ministries were suspended; and

WHEREAS, based upon available funding from endowments and other restricted funding sources, including the expected levels of use-restricted annual gifts, as compared to the financial support needed to conduct traditional radio ministries, reinstituting these ELCA radio ministries is not currently feasible or sustainable; and

WHEREAS, while the ELCA may in the future consider radio ministries, the ELCA churchwide organization desires to broaden the use of these donor-restricted funds to include other similar and complementary “digital media” communication strategies in support of the ministry goals of these gifts; and

WHEREAS, “digital media” communications can be defined as the process of electronically transferring information via a variety of means and devices. Such means would include: ELCA and associated websites, Internet blogs, information-sharing, social networking sites, Internet and satellite-based radio, and email. Associated devices would include and may not be limited to: computers, netbooks, wireless tablets, cellular phones, and other handheld and embedded devices. These emerging technologies can be efficiently and effectively used to reach intended groups with more timely messages, as compared to traditional radio broadcasting; therefore

BE IT RESOLVED, that the Board of Trustees of the Endowment Fund of the ELCA (the Board), on the behalf of the Church Council (the Council), express their appreciation for the expenditure and use restricted gifts received from donors in support of the traditional radio ministries of the ELCA, and recommend that the Council at their next meeting, pass a resolution to allow, where possible and appropriate, to broaden the use of these expenditure and use restricted gifts to support similar and complimentary communications utilizing current and future forms of digital media, including but not limited to preserving existing radio ministries, making available existing radio ministries in digital format, and other formats that reach out to share Christ’s word and ministry for all; and

BE IT FURTHER RESOLVED, in the case of restricted gifts to ELCA radio ministries, where the gift agreement does not give the Board authority to modify the gift agreement, the Board recommends that the Council at its next meeting, pass a resolution to direct management to use reasonable interpretations of the gifts to support ministries similar to the radio ministries, employing digital means of communication, in addition to traditional radio broadcasting. This may include consultations with donors, when possible, and, appropriate consultations with internal and external legal resources.

CC ACTION [EN BLOC]

Recommended:

To allow, where possible and appropriate, broader use of expenditures from The Lutheran Vespers Endowment Fund to support similar and complimentary communications utilizing current and future forms of digital media, including but not limited to preserving existing radio or television ministries, making available existing ministries in digital format, and other formats that reach out to share Christ's word and ministry for all; to extend this broader use concept to other, non-endowment, gifts restricted to Grace Matters or Lutheran Vespers; and

To request, in the case of restricted gifts to ELCA radio ministries where the gift agreement may be unclear regarding donee authority to interpret or modify the gift agreement, that the Mission Advancement unit, in consultation with the Office of the Secretary and the Office of the Treasurer, use reasonable interpretations of the gifts to support ministries similar to the radio and television ministries, supporting digital means of communication, in addition to traditional radio or television broadcasting, which may include consultations with donors, when possible, and appropriate consultations with internal and external legal resources to fulfill the spirit of the ministry.

VII. Other Items

A. Church Council Nominations and Elections

The Church Council has the responsibility of electing people to fill terms on boards of Separately Incorporated Ministries, social ministry organizations, and seminaries. The relationship of the ELCA to certain affiliated social ministry organizations is expressed through the Congregational and Synodical Mission unit. The Congregational and Synodical Mission unit has forwarded the nominations for social ministry organizations to Church Council. Bylaw 8.31.03. outlines basic parameters for the election of members to the boards of ELCA seminaries. Biographical information is provided in Exhibit C.

CC ACTION [EN BLOC]

Recommended:

To elect to the board of directors of The Lutheran School of Theology at Chicago to three-year terms expiring in 2016: Mr. Clarence J. Atwood, The Rev. Gordon A. Braatz, Jr., Ms. Tina Glusenkamp Gould, Ms. Sarah M. Stegemoeller and The Rev. Harvard W. Stephens, Jr.;

To elect to the board of directors of Pacific Lutheran Theological Seminary to a six-year term expiring in 2019: The Rev. Frank Espergren;

To elect to the board of directors of Trinity Lutheran Seminary to a four-year term expiring in 2017: Ms. Melissa Peper Firestone; and

To elect to the advisory council of Lutheran Theological Southern Seminary as part of Lenoir-Rhyne University to three-year terms expiring in 2016: Bp. Edward R. Benoway, The Rev. Bobbie Blackburn, The Rev. Susan Briehl, Mr. Kenneth L. Childs, The Rev. Sheila Elliott, Ms. Cinde Rinn and Mr. Roy T. Wise.

**ELCA CHURCHWIDE ORGANIZATION
2012 OPERATING RESULTS SUMMARY
FOR THE FISCAL YEAR ENDED 1/31/2013**

The churchwide organization of the Evangelical Lutheran Church in America had income in excess of expense of \$5.3 million in current operating funds for the fiscal year ended January 31, 2013, a favorable variance of \$1.0 million from the fiscal year 2011.

Receipts totaled \$70.3 million for the year compared with \$67.1 million the previous year, an increase of \$3.2 million or 4.8 percent. Expenses related to the current operating fund amounted to \$63.3 million, an increase of \$1.0 million or 1.6 percent from the fiscal year 2011. Revenue was favorable to the budget by \$4.8 million or 7.4 percent. Direct expenses were below the authorized unit spending plans by \$2.2 million or 3.3 percent.

Income from congregations through synods in the form of mission support income for the fiscal year 2012 decreased to \$49.9 million, a decrease of \$0.6 million or 1.1 percent, but was favorable to the budget by \$1.1 million or 2.3 percent. For the third consecutive year, there has been growth in the number of synods reporting increases in mission support. In 2012, thirty-five synods remitted mission support in excess of the previous year. Consequently, the rates of decline in the rolling 12-month total of mission support have continued to lessen over the last three years.

Other income received for the budgeted operations of the church amounted to \$20.5 million compared with \$16.7 million in the fiscal year 2011. A major favorable variance was generated from \$5.6 million in bequests and trust income, an increase of \$2.3 million from the fiscal year 2011. According to policy previously approved by the ELCA Church Council, the amount of unrestricted bequests and trusts in excess of budget in years when current operating revenue exceeds expenses may be transferred to the Mission Development Fund. For 2012, a transfer of \$1.7 million was made. Another favorable variance was created by investment income of \$2.4 million, an increase of \$0.2 million from 2011 and a \$0.4 million positive budget variance.

The 'Other' unrestricted revenue category of \$1.4 million includes revenue from certain separately incorporated ministries for services provided by the churchwide organization. Other significant sources of income included: Missionary Sponsorship, \$2.9 million; endowment income, \$2.3 million; grants from the Mission Investment Fund and Thrivent Financial for Lutherans for support of new congregations, \$2.5 million; Vision for Mission, \$1.4 million; and rental income of \$1.6 million.

Total contributions to ELCA World Hunger in fiscal 2012 were \$18.6 million. Results were favorable to budget by \$0.1 but unfavorable to fiscal 2011 by \$0.6 million. Expenses for the year were \$19.2 million, favorable to budget by \$0.7 million and lower than 2011 by \$0.7 million. ELCA Malaria Campaign receipts for the year were \$4.2 million, bringing campaign-to-date results to \$6.4M towards the goal of \$15M by the end of 2015.

ELCA members contributed \$7.7 million for ELCA Disaster Response. Of that total, \$3.7 million were received for domestic and international response to Hurricane Sandy.

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2nd Close Revised April 2, 2013

EVANGELICAL LUTHERAN CHURCH IN AMERICA
CURRENT OPERATING FUNDS
SUMMARY OF REVENUE AND EXPENSES
(In Thousands)
For the Fiscal Year Ending January 31, 2013

	2012 ACTUAL	2012 BUDGET	2011 ACTUAL	Year-to-Date Variance	
				ACTUAL vs BUDGET Favorable/(Unfav)	CURRENT YEAR vs PRIOR YEAR Favorable/(Unfav)
REVENUE					
UNRESTRICTED					
Mission Support	\$ 49,872	\$ 48,750	\$ 50,423	\$ 1,122	\$ (551)
Other	10,271	7,811	7,477	2,460	2,794
Total Unrestricted	60,143	56,561	57,900	3,582	2,243
TEMPORARILY RESTRICTED					
Designated Gifts	4,835	5,000	4,926	(165)	(91)
Other	5,369	3,937	4,301	1,432	1,068
Total Restricted	10,204	8,937	9,227	1,267	977
TOTAL REVENUE	\$ 70,346	\$ 65,498	\$ 67,127	\$ 4,848	\$ 3,219
LESS TOTAL EXPENSES	63,337	65,498	62,345	2,161	(992)
TOTAL REVENUE LESS TOTAL EXPENSES	7,009	-	4,782	7,009	2,227
LESS:					
MISSION DEVELOPMENT FUND TRANSFER	\$ (1,737)	\$ -	(541)	(1,737)	1,196
NET REVENUE OVER (UNDER) EXPENSES	\$ 5,272	\$ -	\$ 4,241	\$ 5,272	\$ 1,031

PRELIMINARY AND UNAUDITED

EVANGELICAL LUTHERAN CHURCH IN AMERICA
CURRENT OPERATING FUNDS
REVENUE SUMMARY
For the Fiscal Year Ending January 31, 2013

				Year-To-Date Variance	
	2012	2012	2011	ACTUAL vs.	CURRENT YEAR
	ACTUAL	BUDGET	ACTUAL	BUDGET	vs. PRIOR YEAR
				ACTUAL vs.	CURRENT YEAR
UNRESTRICTED					
Mission Support	\$ 49,871,823	\$ 48,750,000	\$ 50,423,160	\$ 1,121,823	\$ (551,337)
Vision for Mission	1,387,697	1,300,000	1,381,131	87,697	6,566
Investment Income	2,351,199	1,950,835	2,140,318	400,364	210,881
Bequests and Trusts	2,837,296	1,100,000	1,641,161	1,737,296	1,196,135
Endowment	745,540	716,130	732,329	29,410	13,211
Rent	1,566,811	1,643,930	1,062,285	(77,119)	504,526
Other	1,382,519	1,099,990	519,967	282,529	862,552
Total Unrestricted	60,142,885	56,560,885	57,900,351	3,582,000	2,242,534
TEMPORARILY RESTRICTED					
Missionary Sponsorship	2,907,059	3,150,000	3,066,305	(242,941)	(159,246)
Bequests and Trusts	2,789,137	1,400,000	1,649,286	1,389,137	1,139,851
Endowment	1,579,366	1,537,250	1,650,565	42,116	(71,199)
Unit-Designated Gifts	427,970	350,000	359,996	77,970	67,974
Mission Investment Fund	1,500,000	1,500,000	1,500,000	-	-
Grants	1,000,000	1,000,000	1,000,000	-	-
Total Restricted	10,203,532	8,937,250	9,226,152	1,266,282	977,380
TOTAL REVENUE	\$ 70,346,417	\$ 65,498,135	\$ 67,126,503	\$ 4,848,282	\$ 3,219,914

PRELIMINARY AND UNAUDITED

EVANGELICAL LUTHERAN CHURCH IN AMERICA
CURRENT OPERATING FUNDS
ACTUAL EXPENSES VS. SPENDING AUTHORIZATION
For the Fiscal Year Ending January 31, 2013

	2012 ACTUAL EXPENSES	2012 SPENDING AUTHORIZATION	Variance Favorable (Unfavorable)	Percent of Actual to Budget
UNITS				
Congregational and Synodical Mission	25,602,131	25,630,770	28,639	99.89%
Global Mission	11,786,533	12,074,525	287,992	97.61%
Mission Advancement	4,440,042	5,320,315	880,273	83.45%
OFFICES				
Presiding Bishop	5,186,757	5,285,655	98,898	98.13%
Treasurer	7,256,338	7,536,890	280,552	96.28%
Secretary	4,001,104	3,863,000	(138,104)	103.58%
OTHER				
General Treasury	150,483	151,200	717	99.53%
Retiree Minimum Health Obligation	2,500,000	2,500,000	-	100.00%
Depreciation	2,332,217	2,342,135	9,918	99.58%
Strategic Initiatives	81,868	793,645	711,777	10.32%
TOTAL EXPENSES	\$ 63,337,473	\$ 65,498,135	\$ 2,160,662	96.70%

Evangelical Lutheran Church in America
 SYNODICAL REMITTANCES
 for the period ending
 January 31, 2013

MISSION SUPPORT										OTHER REMITTANCES THROUGH SYNODS *					
	2011	2012	%	CURRENT MONTH		YEAR-TO-DATE			\$ VARIANCE		World	Missionary	Malaria		
	MS%	MS%	REC'D	2012	2011	2012	2011	% Vary	Monthly	Y-T-D	Hunger	Sponsorship	Campaign	Other	
Alaska	1A	39.50%	39.50%	96.7%	\$ 25,383	\$ 20,811	\$ 155,132	\$ 163,377	(5.0%)	4,572	(8,245)	\$ 24,458	\$ 200	\$ 135	\$ 10,789
N.W. Wash	1B	45.50%	45.50%	102.0%	69,896	86,510	580,050	578,855	0.2%	(16,614)	1,195	157,939	7,945	10,950	39,710
S.W. Wash	1C	39.00%	39.50%	98.9%	41,161	37,042	355,530	339,873	4.6%	4,120	15,658	71,197	15,685	8,615	29,152
E. Wash / Id	1D	31.00%	33.00%	93.2%	30,770	30,481	247,631	247,053	0.2%	288	578	25,876	5,294	5,149	12,495
Oregon	1E	39.00%	36.50%	101.8%	74,797	67,997	362,283	361,817	0.1%	6,800	466	74,388	10,001	578	49,313
Montana	1F	39.50%	40.00%	106.3%	50,698	42,113	405,933	373,578	8.7%	8,585	32,355	75,107	24,511	18,433	34,882
Total Region 1		39.58%	39.47%	100.7%	292,705	284,954	2,106,560	2,064,553	2.0%	7,751	42,007	428,965	63,636	43,860	176,341
Sierra Pacific	2A	51.50%	52.00%	97.7%	124,080	146,428	889,226	921,487	(3.5%)	(22,348)	(32,261)	94,577	13,295	4,053	109,049
SW California	2B	49.00%	49.00%	103.0%	33,920	30,750	542,348	495,474	9.5%	3,170	46,874	68,458	30,715	12,847	86,395
Pacifica	2C	51.00%	51.00%	97.4%	81,381	77,808	720,385	720,189	0.0%	3,573	196	120,849	18,832	26,438	65,475
Grand Canyon	2D	50.00%	50.00%	105.7%	79,480	79,148	924,549	876,501	5.5%	332	48,048	112,865	24,544	12,081	64,680
Rocky Mtn.	2E	50.00%	50.00%	95.6%	122,311	120,622	1,183,275	1,240,827	(4.6%)	1,689	(57,552)	194,993	77,050	27,181	162,263
Total Region 2		50.36%	50.46%	99.3%	441,171	454,755	4,259,783	4,254,477	0.1%	(13,584)	5,306	591,743	164,436	82,601	487,862
W. No. Dak	3A	43.00%	43.50%	110.7%	74,246	45,255	435,305	384,420	13.2%	28,991	50,885	23,278	22,203	6,509	4,266
E. No. Dak	3B	40.00%	40.00%	96.8%	50,399	53,203	414,239	393,228	5.3%	(2,804)	21,011	26,814	21,469	922	4,871
South Dak	3C	44.00%	44.50%	95.9%	57,297	50,044	701,246	679,481	3.2%	7,252	21,765	107,172	42,595	6,730	254,322
N.W. Minn	3D	51.00%	51.00%	107.0%	135,910	70,181	701,412	677,897	3.5%	65,729	23,515	112,604	69,901	31,410	32,195
N.E. Minn	3E	49.00%	49.00%	95.1%	69,555	73,335	561,577	583,253	(3.7%)	(3,780)	(21,676)	121,441	27,205	2,215	36,053
S.W. Minn	3F	52.50%	52.50%	99.5%	212,239	127,621	1,059,471	1,054,345	0.5%	84,617	5,126	106,302	119,457	8,440	122,986
Mpls Area	3G	55.00%	55.00%	89.6%	126,000	342,057	1,551,653	1,722,647	(9.9%)	(216,057)	(170,994)	70,635	67,052	9,950	68,355
St. Paul Area	3H	50.00%	50.00%	98.8%	123,922	96,009	1,037,511	982,489	5.6%	27,912	55,023	55,040	47,230	6,390	37,264
S.E. Minn	3I	52.50%	52.50%	99.7%	127,713	105,338	976,925	977,919	(0.1%)	22,375	(994)	142,016	84,322	9,316	44,322
Total Region 3		50.01%	50.00%	97.6%	977,279	963,044	7,439,340	7,455,678	(0.2%)	14,235	(16,338)	765,300	501,435	81,883	604,634

Evangelical Lutheran Church in America
SYNODICAL REMITTANCES
 for the period ending
 January 31, 2013

		MISSION SUPPORT									OTHER REMITTANCES THROUGH SYNODS *				
		2011	2012	%	CURRENT MONTH		YEAR-TO-DATE			\$ VARIANCE		World	Missionary	Malaria	
		MS%	MS%	REC'D	2012	2011	2012	2011	% Vary	Monthly	Y-T-D	Hunger	Sponsorship	Campaign	Other
Nebraska	4A	57.00%	54.50%	97.5%	217,241	201,343	1,860,615	1,988,922	(6.5%)	15,899	(128,306)	248,619	12,874	12,813	258,620
Central States	4B	50.00%	50.00%	101.6%	64,149	66,827	916,718	886,407	3.4%	(2,678)	30,311	65,302	17,274	1,103	100,849
Ark/Ok	4C	40.50%	41.00%	96.5%	19,804	18,392	212,368	190,173	11.7%	1,413	22,194	20,983	3,977	402	4,783
N Tx / N La	4D	47.00%	47.50%	95.8%	80,163	70,958	552,282	560,320	(1.4%)	9,205	(8,038)	43,803	8,314	5,424	14,340
S.W. Tex	4E	50.00%	50.00%	93.2%	38,310	39,853	737,880	665,787	10.8%	(1,544)	72,093	89,067	2,676	485	27,830
Tx.-La. Gulf Co	4F	50.00%	50.00%	98.4%	68,239	54,541	656,818	623,397	5.4%	13,698	33,422	109,656	21,475	22,651	35,364
Total Region 4		51.58%	50.79%	97.4%	487,906	451,914	4,936,681	4,915,005	0.4%	35,992	21,676	577,430	66,590	42,877	441,786
Metro Chicago	5A	54.00%	53.00%	98.4%	197,722	207,207	1,643,706	1,698,450	(3.2%)	(9,485)	(54,744)	163,773	50,778	9,988	61,778
No. Illinois	5B	55.00%	55.00%	98.2%	192,078	141,081	1,291,345	1,269,984	1.7%	50,997	21,361	120,145	37,411	9,502	77,653
Cen. So. Ill	5C	56.00%	56.00%	100.6%	87,578	67,172	800,284	794,453	0.7%	20,406	5,831	79,354	11,502	989	33,776
S.E. Iowa	5D	53.50%	53.50%	100.9%	145,143	171,506	1,397,014	1,385,061	0.9%	(26,363)	11,953	181,108	13,744	6,603	33,240
West Iowa	5E	36.10%	37.10%	112.2%	101,682	110,909	366,682	335,909	9.2%	(9,226)	30,774	69,869	22,795	5,887	44,353
N.E. Iowa	5F	40.00%	40.00%	104.4%	230,100	187,986	595,103	544,081	9.4%	42,114	51,022	127,824	58,750	77,641	115,732
N. Great Lakes	5G	50.00%	50.00%	97.2%	28,594	30,017	413,191	407,663	1.4%	(1,423)	5,528	91,120	5,592	8,385	7,853
NW of Wisc	5H	55.00%	55.00%	94.9%	123,458	119,317	735,761	731,749	0.5%	4,141	4,012	61,100	40,635	33,391	39,077
E.C. Wisc	5I	55.00%	55.00%	101.5%	118,868	91,839	921,406	867,380	6.2%	27,029	54,026	292,086	52,446	19,214	80,592
Grtr Milwaukee	5J	55.00%	55.00%	101.5%	159,500	187,859	1,200,775	1,250,348	(4.0%)	(28,359)	(49,573)	139,023	22,738	4,800	22,988
SC of Wisc	5K	55.00%	55.00%	98.9%	42,753	52,266	830,516	815,917	1.8%	(9,513)	14,599	131,415	12,976	6,718	36,228
LaCrosse (W)	5L	55.00%	55.00%	97.0%	4,396	4,618	428,575	424,808	0.9%	(221)	3,767	41,090	4,505	11,812	24,010
Total Region 5		52.63%	52.52%	99.9%	1,431,873	1,371,776	10,624,358	10,525,801	0.9%	60,096	98,557	1,497,906	333,874	194,929	577,280
SE Mich	6A	43.00%	42.00%	92.8%	63,774	65,826	506,692	532,973	(4.9%)	(2,053)	(26,281)	29,347	4,717		6,860
NW Lower Mict	6B	50.00%	50.00%	97.5%	87,747	69,268	700,471	702,935	(0.4%)	18,480	(2,463)	90,644	4,530	2,455	76,743
Ind / Ky	6C	51.50%	52.00%	94.3%	104,373	128,139	907,026	919,126	(1.3%)	(23,766)	(12,101)	143,742	16,463	26,415	40,617
N.W. Ohio	6D	51.00%	51.00%	97.8%	118,582	123,857	856,284	911,314	(6.0%)	(5,275)	(55,030)	85,058	48,294	1,739	50,063
N.E. Ohio	6E	49.00%	49.00%	95.8%	105,575	82,120	792,745	811,692	(2.3%)	23,455	(18,947)	59,379	5,813	17,155	44,218
S. Ohio	6F	39.27%	37.17%	114.4%	184,790	103,695	674,658	723,067	(6.7%)	81,095	(48,409)	74,567	12,324	2,130	62,721
Total Region 6		47.41%	47.18%	98.2%	664,841	572,905	4,437,876	4,601,107	(3.5%)	91,937	(163,231)	482,737	92,141	49,895	281,221

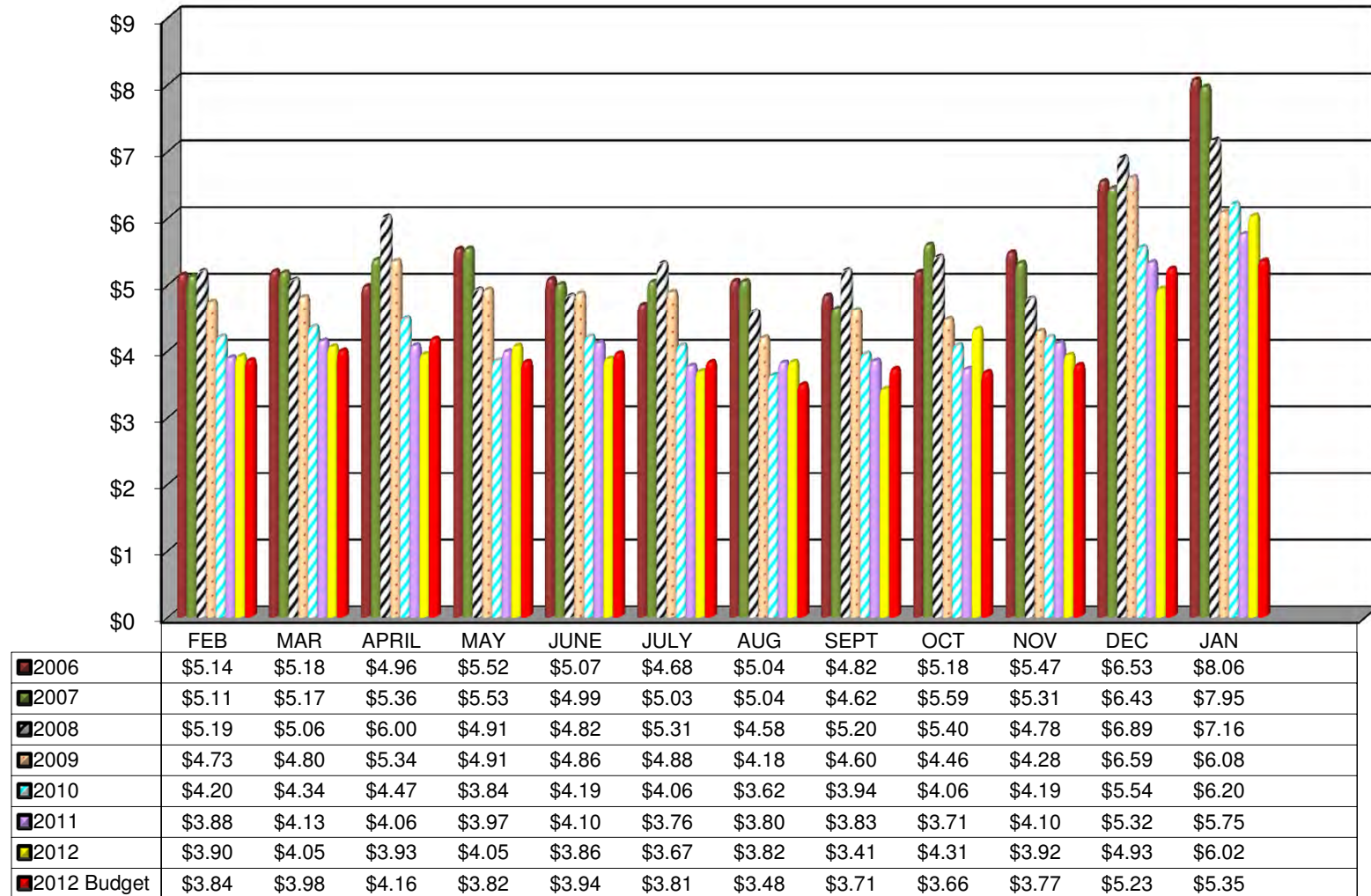
Evangelical Lutheran Church in America
SYNODICAL REMITTANCES
 for the period ending
 January 31, 2013

MISSION SUPPORT											OTHER REMITTANCES THROUGH SYNODS *				
		2011	2012	%	CURRENT MONTH		YEAR-TO-DATE			\$ VARIANCE		World	Missionary	Malaria	
		MS%	MS%	REC'D	2012	2011	2012	2011	% Vary	Monthly	Y-T-D	Hunger	Sponsorship	Campaign	Other
New Jersey	7A	50.00%	50.00%	99.2%	165,857	195,463	1,091,138	1,109,027	(1.6%)	(29,607)	(17,888)	101,175	4,255	3,285	22,337
New England	7B	54.00%	54.20%	99.4%	120,518	113,779	1,062,188	1,059,528	0.3%	6,739	2,660	30,018	4,477	3,371	13,846
Metro NY	7C	48.50%	49.00%	96.4%	76,224	76,835	590,571	572,404	3.2%	(611)	18,166	30,201	3,524	4,404	10,764
Upstate NY	7D	47.20%	39.90%	99.7%	59,604	60,276	491,070	567,461	(13.5%)	(672)	(76,390)	46,418	4,582	3,797	22,986
N.E. Penn	7E	53.00%	46.00%	111.3%	270,779	171,509	1,229,082	1,341,235	(8.4%)	99,270	(112,152)	227,033	20,945	1,159	43,392
S.E. Penn	7F	53.50%	48.39%	90.5%	127,225	152,145	1,088,811	1,236,550	(11.9%)	(24,920)	(147,739)	71,034	13,859	1,126	94,472
Slovak Zion	7G	30.00%	30.00%	91.2%	5,208	3,029	19,162	18,324	4.6%	2,179	838	4,094	500	10	1,464
Total Region 7		51.35%	48.24%	99.5%	825,415	773,036	5,572,023	5,904,529	(5.6%)	52,379	(332,505)	509,972	52,142	17,151	209,260
N.W. Penn	8A	50.00%	50.00%	102.2%	52,023	48,581	427,873	429,488	(0.4%)	3,442	(1,614)	56,438	6,504	6,456	33,472
S.W. Penn	8B	50.00%	50.00%	101.5%	94,255	75,731	812,055	836,575	(2.9%)	18,524	(24,521)	87,190	18,652	17,639	69,894
Allegheny	8C	50.00%	43.84%	87.7%	43,968	33,270	355,064	371,172	(4.3%)	10,697	(16,108)	62,923	33,669	2,139	53,153
Lower Susq	8D	46.00%	46.50%	82.6%	32,222	40,661	1,344,545	1,407,389	(4.5%)	(8,439)	(62,844)	294,186	70,867	33,277	140,065
Upper Susq	8E	50.00%	50.00%	91.7%	15,712	22,867	481,333	521,590	(7.7%)	(7,155)	(40,256)	22,257	12,665	2,440	50,340
Del / Md	8F	53.00%	53.50%	94.9%	143,972	126,943	1,092,029	1,122,860	(2.7%)	17,030	(30,831)	65,598	8,415	4,577	39,370
Metro DC	8G	50.00%	50.00%	98.2%	71,004	91,225	883,755	889,428	(0.6%)	(20,220)	(5,672)	29,470	9,543	12,657	207,060
W Virg-W Mlyd	8H	45.00%	45.00%	88.5%	10,128	12,744	203,185	209,380	(3.0%)	(2,617)	(6,195)	16,752	1,008	3,150	3,686
Total Region 8		49.32%	48.95%	92.5%	463,283	452,022	5,599,840	5,787,882	(3.2%)	11,261	(188,042)	634,813	161,322	82,335	597,040
Virginia	9A	37.34%	38.00%	93.2%	50,930	53,617	616,070	600,866	2.5%	(2,687)	15,204	112,457	3,832	7,893	26,367
N. Carolina	9B	42.06%	38.69%	99.9%	93,301	101,534	1,122,047	1,218,582	(7.9%)	(8,233)	(96,535)	80,851	8,166	2,111	13,855
S. Carolina	9C	41.00%	41.50%	97.6%	86,439	76,943	1,025,743	1,049,898	(2.3%)	9,496	(24,155)	128,863	39,706	3,912	47,646
Southeastern	9D	50.00%	50.00%	101.0%	97,237	112,041	1,086,811	1,066,767	1.9%	(14,803)	20,044	51,229	17,284	11,896	8,664
Florida-Baham:	9E	44.00%	46.00%	101.4%	103,173	75,077	1,009,691	948,015	6.5%	28,096	61,676	121,742	18,215	14,071	136,151
Caribbean	9F	12.79%	17.22%	87.5%	2,920	2,500	35,000	30,000	16.7%	420	5,000				
Total Region 9		42.30%	42.20%	99.0%	434,000	421,712	4,895,362	4,914,128	(0.4%)	12,289	(18,766)	495,141	87,203	39,883	232,682
Total		49.14%	48.61%	98.1%	\$ 6,018,473	\$ 5,746,117	\$ 49,871,823	\$ 50,423,160	(1.1%)	\$272,355	\$ (551,337)	\$ 5,984,008	\$ 1,522,779	\$ 635,413	\$ 3,608,107

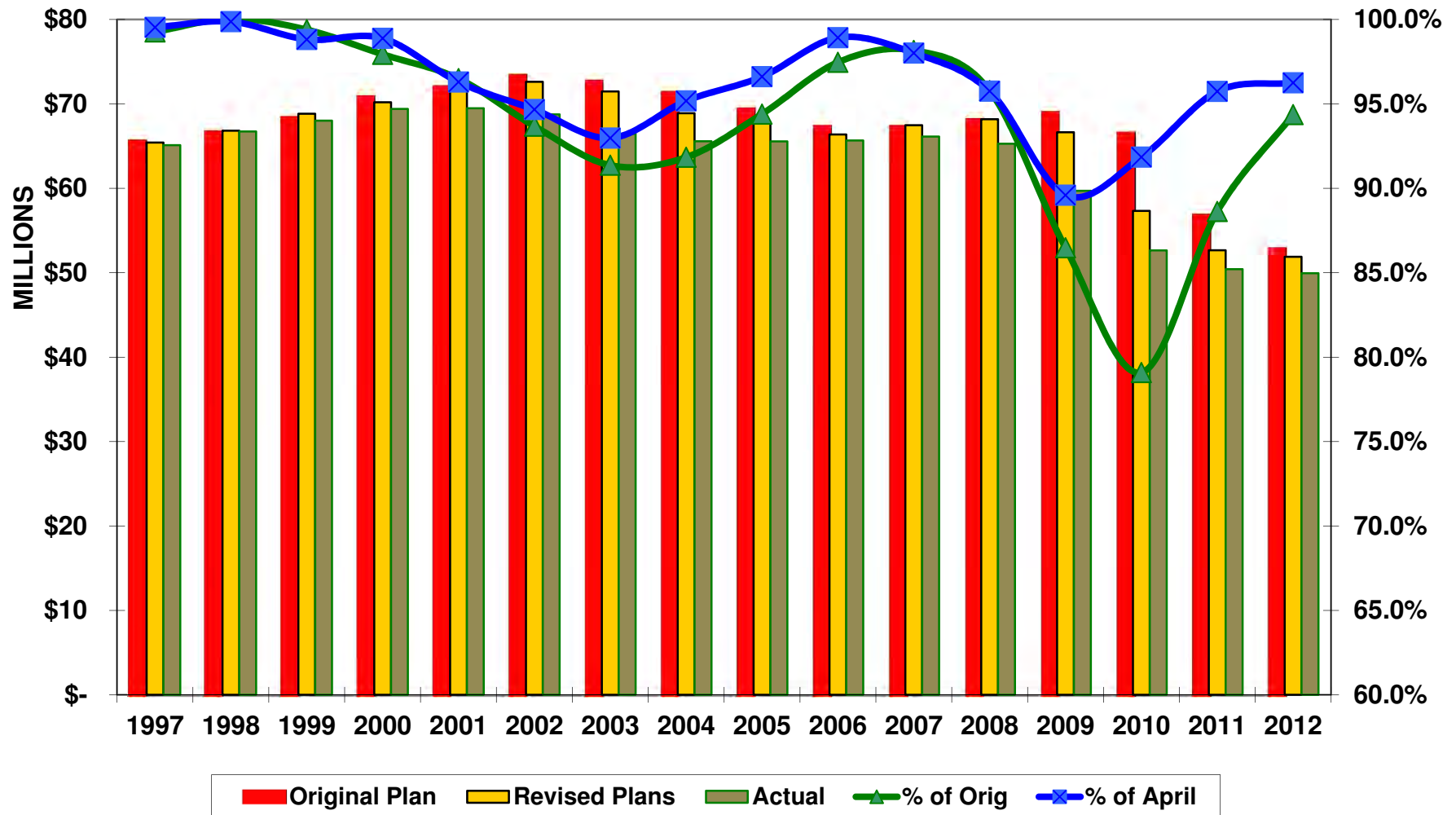
* Does not reconcile with IFAS or ECIS.

Evangelical Lutheran Church in America Synodical Mission Support By Month 2005 - 2012

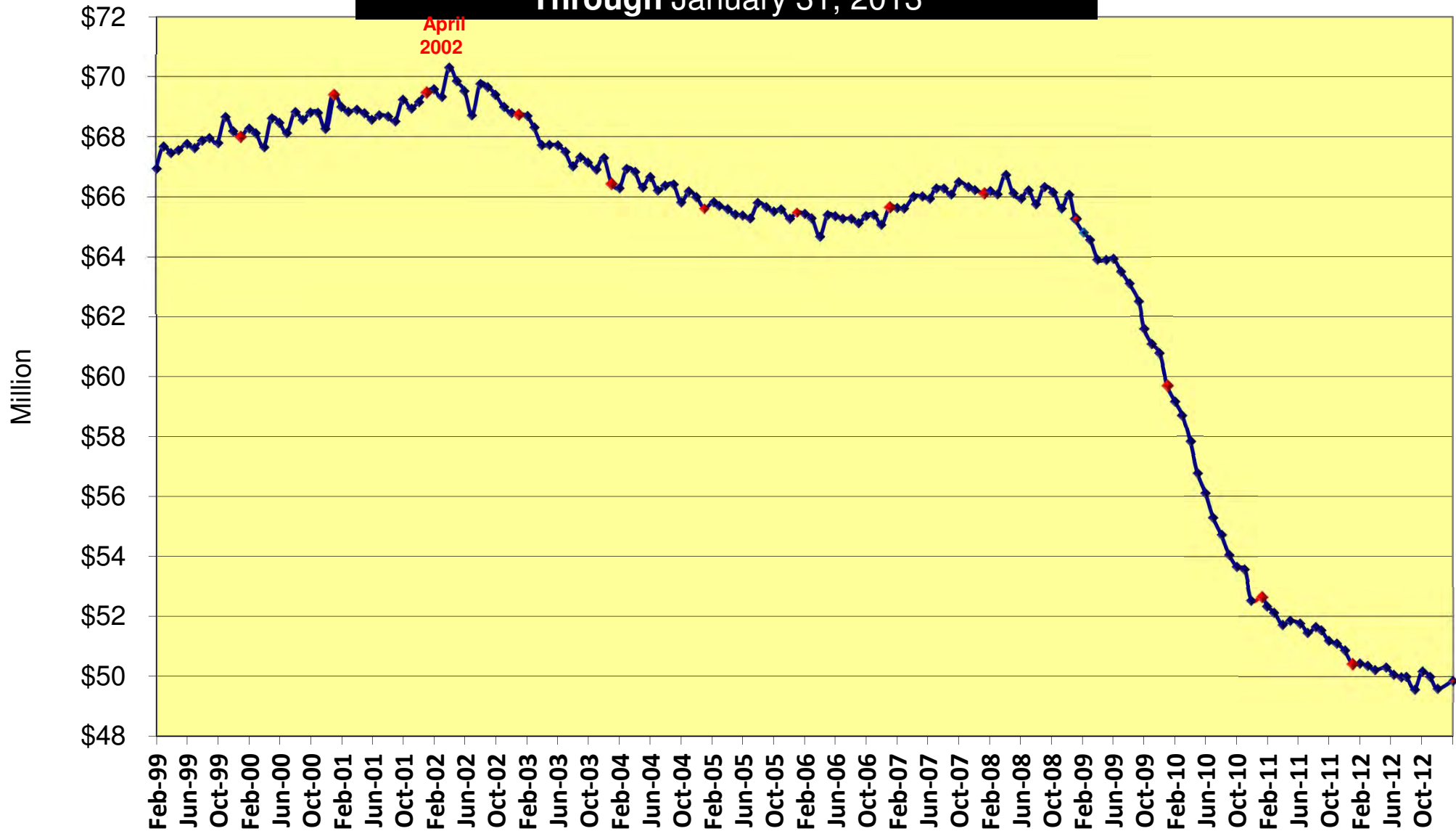
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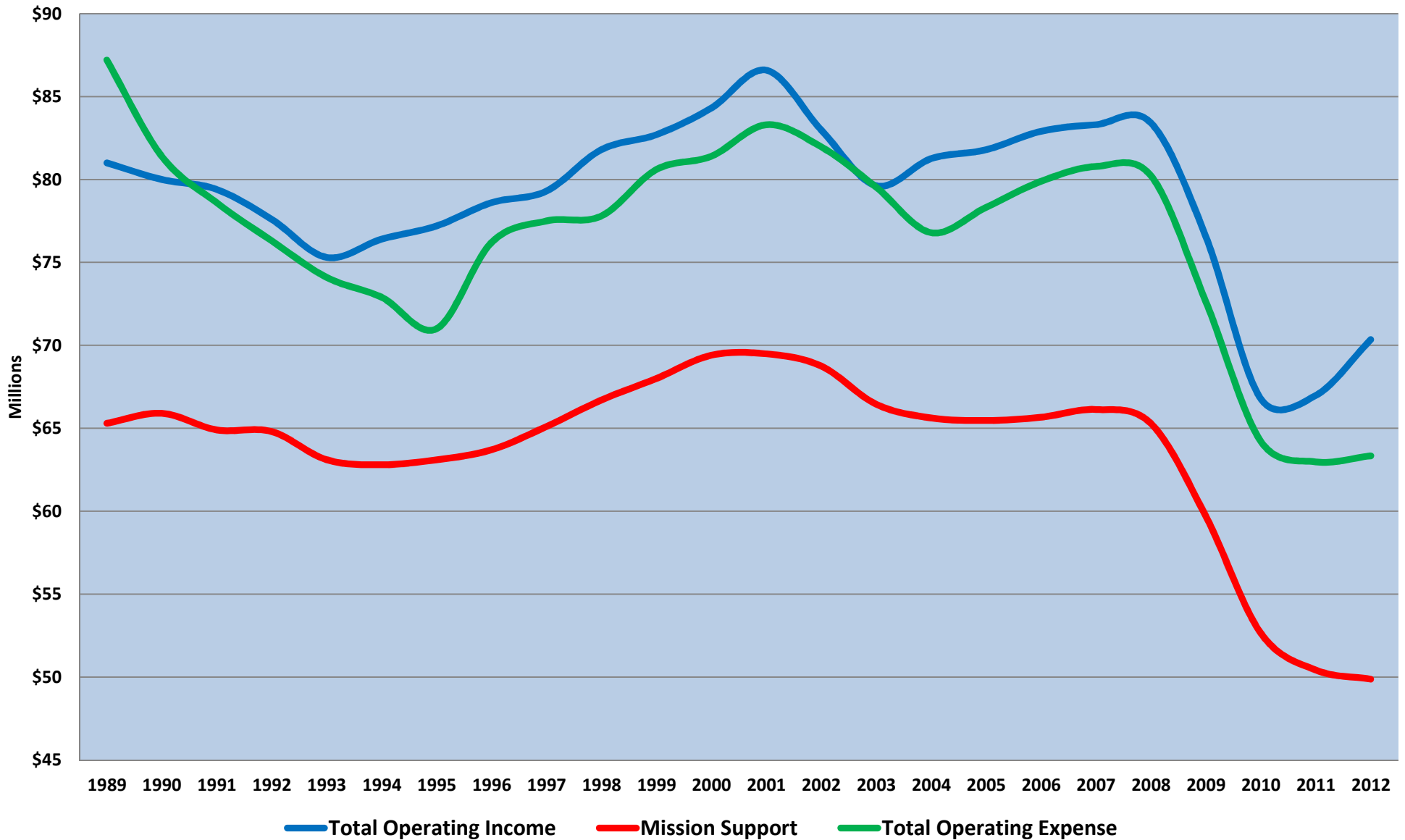
Mission Support Income
Original and Revised Plans vs. Actual
With Actual as Percentage of Original and Revised Plans



**Mission Support Received In Preceding 12 Months
Through January 31, 2013**

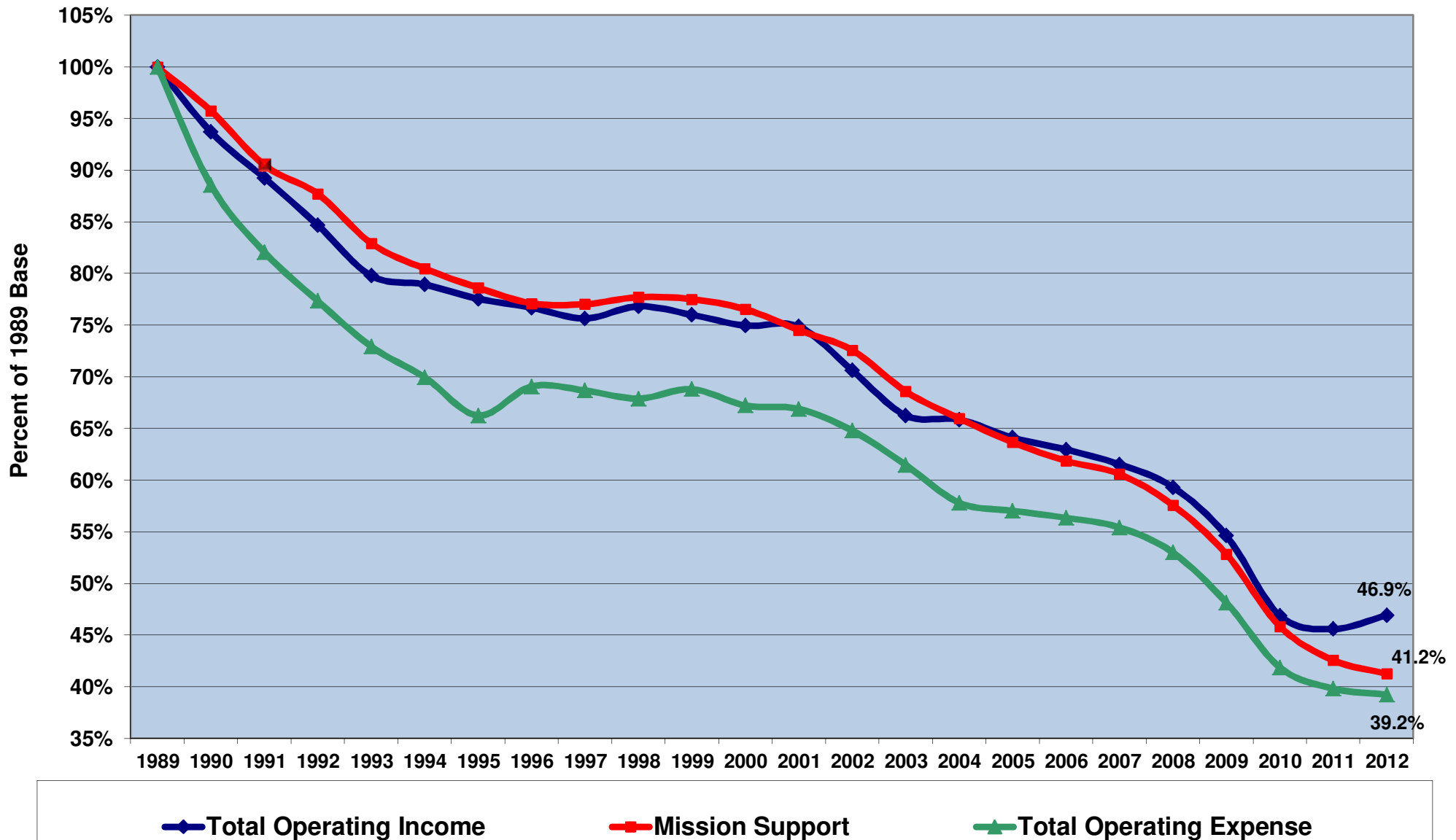


Operating Income Versus Operating Expense 1989 - 2012



ELCA Churchwide Operating Income Versus Operating Expense 1989 - 2012

Using Inflation Adjusted Figures*



*With 1989 as the base.

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2nd Close

**EVANGELICAL LUTHERAN CHURCH IN AMERICA
 ELCA WORLD HUNGER
 SUMMARY OF REVENUE AND EXPENSE
 For the Fiscal Year Ending January 31, 2013**

	Actual	Budget	Income and Expense Variances Favorable (Unfavorable)	
			Actual Vs. Budget	Current Vs. Previous Year
Beginning Balance	\$ 3,333,634			
Income:				
Through Synods	\$ 8,305,283	\$ 9,050,000	\$ (744,717)	\$ (363,309)
Direct Giving - Individual and Others	6,712,363	6,275,000	437,363	(56,639)
Direct Giving - Congregations	2,286,323	2,000,000	286,323	N/A
Endowments and Donor Requested Payments	514,706	575,000	(60,294)	(93,180)
Bequests, Miscellaneous	783,557	600,000	183,557	(113,452)
Total Income	18,602,232	18,500,000	102,232	(626,580)
Expense:				
Global Mission	14,096,545	14,148,445	51,900	(883,397)
Congregational and Synodical Mission	2,974,634	3,060,715	86,081	107,430
Mission Advancement	2,161,104	2,690,480	529,376	57,818
Total Expense	19,232,283	19,899,640	667,357	(718,149)
Net	\$ (630,051)	\$ (1,399,640)	\$ 769,589	\$ (1,344,729)
Ending Balance	\$ 2,703,583			

2nd Close

**EVANGELICAL LUTHERAN CHURCH IN AMERICA
ELCA MALARIA CAMPAIGN
SUMMARY OF REVENUE AND EXPENSE
For the Fiscal Year Ending January 31, 2013**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Campaign To Date</u>
Beginning Balance	\$ 1,869,205			
Income				
Through Synods	1,566,259	1,750,000	(183,741)	2,545,877
Direct Giving - Individual and Others	1,731,502	1,675,000	56,502	2,948,235
Direct Giving - Congregations	930,087	575,000	355,087	930,087
Total Income	<u>\$ 4,227,848</u>	<u>\$ 4,000,000</u>	<u>\$ 227,848</u>	<u>\$ 6,424,199</u>
Expense				
<i>Global Mission</i>				
Program Grants	2,009,287	2,379,166	369,879	2,710,453
Capacity Building	249,300	283,955	34,655	249,300
Program Coordination	227,527	-	(227,527)	279,826
<i>Mission Advancement</i>				
Interpretation/Coordination	125,602	90,575	(35,027)	410,508
Fundraising	302,490	399,381	96,891	637,819
Total Expense	<u>\$ 2,914,206</u>	<u>\$ 3,153,077</u>	<u>\$ 238,871</u>	<u>\$ 4,287,906</u>
Net	<u>\$ 1,313,642</u>	<u>\$ 846,923</u>	<u>\$ 466,719</u>	
Ending Balance	<u>\$ 3,182,847</u>			

EVANGELICAL LUTHERAN CHURCH IN AMERICA
Consolidating Statement of Financial Position

	Churchwide Operations	*Endowment Funds	*Deferred Gift Funds	Total January 31 2013	Total January 31 2012
ASSETS					
Cash and Cash Equivalents	\$ 32,290,045	\$ 5,721,539	\$ 7,210,232	\$ 45,221,816	\$ 36,057,257
Cash and Securities Held as Collateral For Securites Loaned	-	-	-	-	19,813,061
Payable Under Securities Loan Agreements	-	-	-	-	(19,813,061)
Investments	38,622,404	446,371,658	164,632,052	649,626,114	593,063,261
Accounts Receivable	3,315,031	-	202,231	3,517,262	9,140,856
Notes Receivable	4,074,086	-	1,088,502	5,162,588	5,500,501
Due from Affiliates	566,778	-	-	566,778	498,523
Interest Receivable	186,735	-	742,201	928,936	1,084,709
Prepaid Expenses, Advances and Other Assets	4,261,459	3,685,408	1,086,965	9,033,832	8,348,332
Beneficial Interest in Outside Trusts	-	14,507,152	1,210,076	15,717,228	15,710,528
Cash Surrender Value of Life Insurance	1,554,389	-	-	1,554,389	1,454,764
Property, Plant & Equipment	52,696,949	-	-	52,696,949	51,535,909
Accumulated Depreciation/ Amortization	(23,493,478)	-	-	(23,493,478)	(21,450,378)
Other Non-Current Assets	846,389	-	-	846,389	869,886
Total Assets	\$ 114,920,787	\$ 470,285,757	\$ 176,172,259	\$ 761,378,803	\$ 701,814,148
LIABILITIES					
Accounts Payable	\$ 3,519,857	\$ 183,944	\$ 52,941	\$ 3,756,742	\$ 4,995,532
Notes Payable	117,339	-	-	117,339	213,062
Accrued Liabilities	2,305,905	-	100	2,306,005	2,707,656
Deferred Revenue	2,065,411	365,786	975,721	3,406,918	9,277,680
Due to Affiliates	-	1,024,244	421,015	1,445,259	1,278,050
Annuities Payable	-	-	95,829,320	95,829,320	98,186,486
Funds Held for Others	38,007	182,896,208	50,138,541	233,072,756	211,004,831
Funds Held for Others In Perpetuity	-	55,638,655	-	55,638,655	45,321,990
Total Liabilities	\$ 8,046,519	\$ 240,108,837	\$ 147,417,638	\$ 395,572,994	\$ 372,985,287
NET ASSETS					
Unrestricted	\$ 52,670,058	\$ 19,457,146	\$ 653,758	\$ 72,780,962	\$ 60,158,634
Designated	17,902,572	-	-	17,902,572	11,874,469
Temporarily Restricted	36,301,638	64,781,427	13,435,324	114,518,389	104,547,307
Permanently Restricted	-	145,938,347	14,665,539	160,603,886	152,248,451
Total Net Assets	\$ 106,874,268	\$ 230,176,920	\$ 28,754,621	\$ 365,805,809	\$ 328,828,861
Total Liabilities and Net Assets	\$ 114,920,787	\$ 470,285,757	\$ 176,172,259	\$ 761,378,803	\$ 701,814,148

*As of December 31, 2012

EVANGELICAL LUTHERAN CHURCH IN AMERICA
Statement of Financial Position
Churchwide Operations

	January 2013	January 2012
ASSETS		
Cash and Cash Equivalents	32,290,045	26,905,384
Investments	38,622,404	37,920,535
Accounts Receivable	3,315,031	8,777,462
Interest/Dividend Receivable	186,735	236,691
Notes Receivable	4,074,086	4,392,033
Due from Related Organizations	566,778	498,523
Advances and Other Assets	4,261,459	3,678,496
Cash Surrender Value of Life Insurance	1,554,389	1,454,764
Property, Plant & Equipment	52,696,949	51,535,909
Accumulated Depreciation/Amortization	(23,493,478)	(21,450,378)
Other Non-Current Assets	846,389	869,886
TOTAL ASSETS	\$ 114,920,787	\$ 114,819,305
LIABILITIES		
Accounts Payable	3,519,857	4,738,038
Deferred Revenue	2,065,411	7,984,598
Funds Held For Others	38,007	78,129
Mortgage and Notes Payable	117,339	213,062
Other Liabilities	2,305,905	2,707,556
Total Liabilities	8,046,519	15,721,383
NET ASSETS		
Unrestricted	52,670,058	47,411,147
Designated	17,902,572	11,874,469
Temporarily Restricted	36,301,638	39,812,306
Total Net Assets	106,874,268	99,097,922
TOTAL LIABILITIES AND NET ASSETS	\$ 114,920,787	\$ 114,819,305

EVANGELICAL LUTHERAN CHURCH IN AMERICA
Statement of Financial Position
Endowment Funds

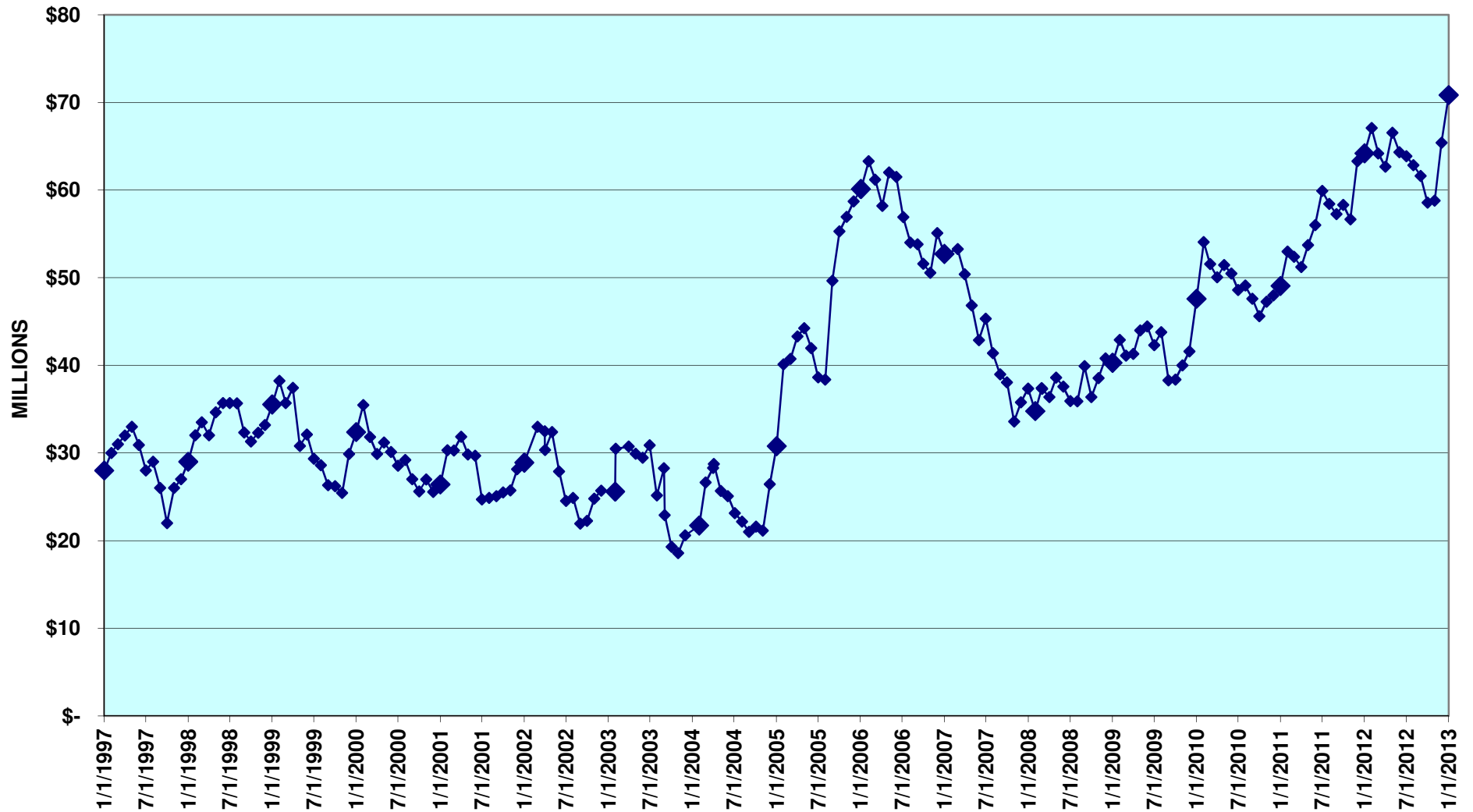
	December 31 2012	December 31 2011
ASSETS		
Cash and Cash Equivalents	5,721,539	\$ 2,806,046
Investments	446,371,658	386,386,138
Prepaid Expenses & Other Assets	3,685,408	3,609,222
Beneficial Interest in Outside Trusts	14,507,152	14,507,152
Total Assets	\$ 470,285,757	\$ 407,308,558
LIABILITIES		
Accounts Payable	183,944	\$ 206,638
Deferred Revenue	365,786	300,261
Due to (from) Related Organizations	1,024,244	1,130,808
Funds Held for Others	182,896,208	159,629,771
Funds Held for Others In Perpetuity	55,638,655	45,321,990
Total Liabilities	\$ 240,108,837	\$ 206,589,468
NET ASSETS		
Unrestricted	19,457,146	\$ 11,882,693
Temporarily Restricted	64,781,427	50,021,961
Permanently Restricted	145,938,347	138,814,436
Total Net Assets	\$ 230,176,920	\$ 200,719,090
Total Liabilities and Net Assets	\$ 470,285,757	\$ 407,308,558

EVANGELICAL LUTHERAN CHURCH IN AMERICA
Statement of Financial Position
Deferred Gift Funds

	December 31 2012	December 31 2011
ASSETS		
Cash and Cash Equivalents	7,210,232	\$ 6,345,827
Cash and Securities Held as Collateral for Securities Loaned	-	19,813,061
Payable Under Securities Loan Agreements	-	(19,813,061)
Accounts Receivable	202,231	363,394
Interest Receivable	742,201	848,018
Investments	164,632,052	168,756,588
Prepaid Expenses & Other Assets	1,086,965	1,060,614
Notes Receivable	1,088,502	1,108,468
Beneficial Interest in Outside Trusts	1,210,076	1,203,376
Total Assets	\$ 176,172,259	\$ 179,686,285
LIABILITIES		
Accounts Payable	52,941	\$ 50,856
Due to Related Organizations	421,015	147,242
Deferred Revenue	975,721	992,821
Annuities Payable	95,829,320	98,186,486
Funds Held for Others	50,138,541	51,296,931
Other Liabilities	100	100
Total Liabilities	\$ 147,417,638	\$ 150,674,436
NET ASSETS		
Unrestricted	653,758	\$ 864,794
Temporarily Restricted	13,435,324	14,713,040
Permanently Restricted	14,665,539	13,434,015
Total Net Assets	\$ 28,754,621	\$ 29,011,849
Total Liabilities and Net Assets	\$ 176,172,259	\$ 179,686,285

PRELIMINARY AND UNAUDITED

Cash and Short Term Investments 1997-2012



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ELCA Capital Projects
January 31, 2013

<i>Type</i>	<i>PROJECT DESCRIPTION</i>	<i>JOB KEY</i>	<i>Original Budget</i>	<i>Projects Approved</i>	<i>Expenses YTD</i>	<i>Project Balance</i>	<i>Percent Expensed</i>	<i>Unallocated Category Budget</i>
Computer Software and Systems (Non PC) 001	Annual Budget		912,500					912,500
	Mobile Device Security	01-12002-001		20,000	17,400	2,600	87.00%	892,500
	CWA Voting Member Application	01-12003-001 *		98,650		98,650	0.00%	892,500
	5 licenses for Service Management System	01-12004-001		24,975	18,175	6,800	72.77%	867,525
	Endowment System Phase II	*		16,000				867,525
	Deferred Gift System Phase II	*		37,500				867,525
	Server Refresh	01-12006-001		378,180	363,322	14,858	96.07%	489,345
	Internal Scanning Tool CLOSED	01-12010-001		29,975	29,975	-	100.00%	459,370
	Intrusion Prevention	01-12013-001		89,615	89,644	(29)	100.03%	369,755
	WiFi Infrastructure	01-12014-001		79,185	43,325	35,860	54.71%	290,570
Unit Cubicle Configurations 002	Annual Budget		-					-
Equipment Purchases 003	Annual Budget		50,000					50,000
	MIF Printer Replacement	*						50,000
	Postage Mailing System Capital Lease *	*						50,000
Building/Complex Maintenance 004	Annual Budget		1,381,500					1,381,500
	Lutheran Center Sign Retrofit CLOSED	01-12001-004		18,600	18,250	350	98.12%	1,362,900
	Chair Replacement CLOSED	01-12005-004		165,000	169,172	(4,172)	102.53%	1,197,900
	Rekey Cylinder Locks	01-12007-004		14,030	13,681	349	97.51%	1,183,870
	Replacment of ATO Vault	01-12008-004		175,115	25,886	149,229	14.78%	1,008,755
	Elevator Modernization	01-12009-004		988,500	258,037	730,463	26.10%	20,255
	Automatic Door Openers	01-12012-004		53,000	58,090	(5,090)	109.60%	(32,745)
	Loading Dock Concrete Replacement	01-12014-004		58,080		58,080	0.00%	(90,825)
	Link Roof Replacement	01-12015-004		95,150		95,150	0.00%	(185,975)
	Window Caulking-Phase I & II	01-12016-004		380,000	115,000	265,000	30.26%	(565,975)
Tenant Lease Allowances 005	Annual Budget		525,000					525,000
	Retirement Research Kitchen	01-12011-005		17,475	17,475	-	100.00%	507,525
New Building Purchases 006	Annual Budget		-					-
Contingency	Annual Budget		-					-
TOTAL CURRENT YEAR PROJECTS			2,869,000	2,739,030	1,237,432	1,448,098	45.18%	282,120

* Unit funded

Previously Approved Projects Not Yet Completed

		Original Amount	Unspent Balance	Expenses 2012	Project Balance	Percent Expensed	
Communications/Collaboration Suite Upgrade	01-10001-001	216,770	18,826	7,140	11,686	94.61%	Closed
ECIS Phase II	01-10017-001	495,000	27,413	3,107	24,306	95.09%	
HRIS System and Migration	01-10018-001	109,000	6,348	2,898	3,450	96.83%	
IFAS Contract Management Module	01-10023-001	22,000	4,039		4,039	81.64%	
MIF Funded-BOP Disaster Recovery Equip	01-10024-001	90,000	90,000		90,000	0.00%	
Garage cleaning and repair	01-11003-004	208,744	208,744		208,744	0.00%	
Keycard Access System	01-11006-004	138,295	17,389	13,867	3,522	97.45%	Closed
TOTAL PRIOR YEAR PROJECTS		1,279,809	372,758	27,012	345,746		
TOTAL FY12 EXPENSES-ALL PROJECTS				1,264,444			

**Evangelical Lutheran Church in America
2013 Income Proposal
Revised**

	2012 Actual	2013			
CURRENT FUNDS		CWA Budget	November Revisions	April Revisions	Revised
UNRESTRICTED					
Mission Support	\$ 49,871,823	\$ 47,000,000	\$ 2,000,000	\$ 400,000	\$ 49,400,000
Vision for Mission	1,387,697	1,500,000	(100,000)		1,400,000
Investment Income	2,351,199	600,000	1,575,000	259,275	2,434,275
Bequests & Trusts	2,837,296	1,100,000	0		1,100,000
Endowment	745,540	697,500	(6,640)	30,285	721,145
Rent:	1,566,811	1,150,000	285,935	209,500	1,645,435
Other	1,382,519	350,000	731,335	922,115	2,003,450
Total Unrestricted	60,142,885	52,397,500	4,485,629	1,821,175	58,704,305
TEMPORARILY RESTRICTED					
Global Church Sponsorship	2,907,059	3,700,000	(300,000)	(200,000)	3,200,000
Bequests and Trusts	2,789,137	1,400,000	0		1,400,000
Endowment	1,579,366	1,516,900	(33,880)	53,070	1,536,090
Unit Designated	427,970	425,000	0		425,000
Mission Investment Fund	1,500,000	1,500,000	500,000		2,000,000
Grants	1,000,000	1,000,000	(300,000)	12,500	712,500
Total Temporarily Restricted	10,203,532	9,541,900	(133,880)	(134,430)	9,273,590
Total Unrestricted and Temporarily Restricted Income Funds	\$ 70,346,417	\$ 61,939,400	\$ 4,351,750	\$ 1,686,745	\$ 67,977,895
Other Fund Sources					
Designated Funds Released	n/a			620,675	620,675
Restricted Funds Released	n/a	0	2,715,155	(582,050)	2,133,105
Total Current Funds Available	\$ 70,346,417	\$ 61,939,400	\$ 7,066,905	\$ 1,725,370	\$ 70,731,675
WORLD HUNGER					
Gifts:					
Through Synods	\$ 8,305,283	\$ 9,050,000	\$ (350,000)		8,700,000
Through Direct Giving-Individuals	6,712,363	8,275,000	(1,425,000)		6,850,000
Through Direct Giving-Congregations	2,286,323	0	2,200,000		2,200,000
Endowment	514,706	575,000	(125,000)		450,000
Bequests and Misc.	783,557	600,000	200,000		800,000
Total World Hunger	\$ 18,602,232	\$ 18,500,000	\$ 500,000		\$ 19,000,000
TOTAL INCOME	\$ 88,948,649	\$ 80,439,400	\$ 7,566,905	\$ 1,725,370	\$ 89,731,675

Evangelical Lutheran Church in America 2013 Expense Proposal (Revised)

	2013						
	Current Fund			World Hunger			Total
	Current Authorization	April Revisions	Revised Authorization	Current Authorization	April Revisions	Revised Authorization	
Congregational and Synodical Mission	\$26,929,740	360,000	27,289,740	\$ 3,085,715	\$ 448,965	\$ 3,534,680	\$ 30,824,420
Global Mission	\$13,732,670	(58,705)	13,673,965	13,319,000	551,720	13,870,720	27,544,685
Mission Advancement	\$5,543,870	0	5,543,870	2,595,285	194,730	2,790,015	8,333,885
Office of the Presiding Bishop	\$5,513,425	\$60,000	5,573,425				5,573,425
Office of the Secretary	\$3,928,420	\$49,500	3,977,920				3,977,920
Office of the Treasurer	\$7,820,540	\$274,530	8,095,070				8,095,070
General Treasury	\$151,200		151,200				151,200
Retiree Minimum Health Obligation	\$2,500,000		2,500,000				2,500,000
Depreciation	\$2,342,135		2,342,135				2,342,135
Strategic Initiative Fund	\$544,305	\$1,040,045	1,584,350				1,584,350
Total	\$69,006,305	\$1,725,370	\$70,731,675	\$19,000,000	\$1,195,415	\$20,195,415	\$90,927,090

**Evangelical Lutheran Church in America
Income Proposal
2014 - 2016**

	2014		2015		2016	
	Potential Changes	Revised Estimate	Potential Changes	Revised Estimate	Potential Changes	Revised Estimate
CURRENT FUNDS						
UNRESTRICTED						
Mission Support	\$ 450,000	\$ 49,850,000	\$ 500,000	\$ 50,350,000	\$ 500,000	\$ 50,850,000
Vision for Mission		1,400,000		1,400,000		1,400,000
Investment Income	(874,880)	1,559,395	(539,195)	1,020,200	(12,395)	1,007,805
Bequests & Trusts		1,100,000		1,100,000		1,100,000
Endowment	44,135	765,280	24,260	789,540	18,080	807,620
Rent:	(15,815)	1,629,620		1,629,620		1,629,620
Other	45,900	2,049,350	33,440	2,082,790	34,110	2,116,900
Total Unrestricted	(350,660)	58,353,645	18,506	58,372,150	539,794	58,911,945
TEMPORARILY RESTRICTED						
Global Church Sponsorship		3,200,000		3,200,000		3,200,000
Bequests and Trusts		1,400,000		1,400,000		1,400,000
Endowment	94,010	1,630,100	51,670	1,681,770	38,515	1,720,285
Unit Designated		425,000		425,000		425,000
Mission Investment Fund	(500,000)	1,500,000		1,500,000		1,500,000
Grants	(712,500)	0		0		0
Total Temporarily Restricted	(1,118,490)	8,155,100	51,670	8,206,770	38,515	8,245,285
Total Unrestricted and Temporarily Restricted Income Funds	\$ (1,469,150)	\$ 66,508,745	\$ 70,175	\$ 66,578,920	\$ 578,310	\$ 67,157,230
Other Fund Sources						
Designated Funds Released	1,015,955	1,636,630	(1,543,905)	92,725		92,725
Restricted Funds Released	263,260	2,396,365	(515,732)	1,880,633	(1,209,912)	670,721
Total Current Funds Available	<u>\$ (189,935)</u>	<u>\$ 70,541,740</u>	<u>\$ (1,989,463)</u>	<u>\$ 68,552,278</u>	<u>\$ (631,602)</u>	<u>\$ 67,920,675</u>
WORLD HUNGER						
Gifts:						
Through Synods		8,700,000		8,700,000		8,700,000
Through Direct Giving-Individuals		6,850,000		6,850,000		6,850,000
Through Direct Giving-Congregations		2,200,000		2,200,000		2,200,000
Endowment		450,000		450,000		450,000
Bequests and Misc.		800,000		800,000		800,000
Total World Hunger	<u>\$ -</u>	<u>\$ 19,000,000</u>	<u>\$ -</u>	<u>\$ 19,000,000</u>	<u>\$ -</u>	<u>\$ 19,000,000</u>
TOTAL INCOME	<u>\$ (189,935)</u>	<u>\$ 89,541,740</u>	<u>\$ (1,989,463)</u>	<u>\$ 87,552,278</u>	<u>\$ (631,602)</u>	<u>\$ 86,920,675</u>

Evangelical Lutheran Church in America 2014 Expense Proposal

	2014						
	Current Fund			World Hunger			Total
	2013 Authorization	Changes	Spending Authorization	2013 Authorization	Changes	Spending Authorization	
Congregational and Synodical Mission	27,289,740		\$ 27,289,740	3,534,680	\$ (448,967)	\$ 3,085,713	\$ 30,375,452
Global Mission	13,673,965	300,000	13,973,965	13,870,720	(551,719)	13,319,001	27,292,966
Mission Advancement	5,543,870		5,543,870	2,790,015	(194,729)	2,595,286	8,139,156
Office of the Presiding Bishop	5,573,425		5,573,425				5,573,425
Office of the Secretary	3,977,920		3,977,920				3,977,920
Office of the Treasurer	8,095,070	51,065	8,146,135				8,146,135
General Treasury	151,200		151,200				151,200
Retiree Minimum Health Obligation	2,500,000		2,500,000				2,500,000
Depreciation	2,342,135		2,342,135				2,342,135
Strategic Initiative Fund	1,584,350	(541,000)	1,043,350				1,043,350
Total	\$70,731,675	(\$189,935)	\$70,541,740	\$20,195,415	(\$1,195,415)	\$ 19,000,000	\$89,541,738

**The Evangelical Lutheran Church in America
Church Council Designated Funds Functioning as Endowment
As of January 31, 2013**

Name of Endowment Fund		Date Fund Was Established	Market Value as of		Current Recipient of Endowment Income
			January 31, 2013	January 31, 2012	
ALC Foundation Fund	13640	January 27, 1986	\$2,014,136	\$1,860,313	Foundation of the ELCA
Henry C. Boraas Legacy	24596	August 10, 1955	73,818	68,183	Global Mission / CSM
Caribbean Ministry Fund	30250	October 10, 1979	317,440	293,204	Global Mission
Herbert G. Carlson Memorial Fund	30220	December 1, 1978	1,669,547	1,542,081	Global Mission /CSM
DPL Scholarship Fund	44800	Pre-1963	67,426	62,278	CSM
DGM General Endowment	270144	November 6, 1997	50,316	46,474	Global Mission
DGM Missions	46900	July 8, 1926	240,053	221,725	Global Mission
Engagement of Persons with Other Faiths	54100	July 22, 1992	51,552	47,616	Global Mission
ELCA Educational Grant Program	53325	January 1, 1996	115,381	106,572	CSM
ELCA General Memorial Fund	270137	September 19, 1997	216,785	200,234	ELCA Current Fund
Foundation of the ELCA Operating Reserve Fund to Supplement Overseas Retirement Benefits	271608 & 271615	January 3, 2010	3,218,772	2,855,209	Foundation of the ELCA
Carrie Hatleberg Estate	196500	May 18, 1987	213,214	189,131	Global Mission
In The City for Good (and income account)	80498	November 25, 1974	70,887	65,475	Global Mission
Long Scholarship Fund	270253 & 270688	April 27, 1998	1,547,093	1,380,629	CSM
Lutheran Magazine Development Fund	124540	Pre-1963	25,633	23,676	CSM
Mission Builders Support Fund		June 30, 2009	710,402	467,068	The Lutheran Magazine
Mission Development Fund	270044	July 15, 1997	239,141	110,585	CSM
Parish Education Fund		February 1, 2007	4,923,884	5,513,348	OPB
Schickler Family Memorial Fund	160200	Pre-1963	53,259	49,193	CSM
South East Asia Ministry Fund	190998	January 21, 1983	1,398,449	1,291,682	ELCA Current Fund
Special Needs Retirement Endowment Fund	194680	May 23, 1996	2,594,018	2,347,388	Global Mission
Vision for Mission Income Fund	194800	October 1, 1995	518,461	478,878	OPB
Youth and Young Adult Min Ch Cuncil	270169	April 1, 1998	734,232	678,175	ELCA Current Fund
	271739	October 29, 2011	499,202	442,817	Youth Ministry
Total Market Value of All Funds			\$21,563,101	\$20,341,934	

MISSION DEVELOPMENT FUND HISTORY AND CURRENT ALLOCATIONS

As of January 31, 2013 *

ADDITIONS

Church Council Designations	3,875,835	
Deferred Gift Fund Excess	4,900,000	
Other:		
Synod Additions	280,000	
Net Earnings and Appreciation	<u>1,687,144</u>	\$10,742,978

ALLOCATIONS

Blue Ribbon Committee	200,000	
New Bishop Orientations	51,800	
Middle East Strategy	192,600	
Middle East Advocacy Position	124,500	
ELCA Brand Campaign	125,000	
Campaign Feasibility Study	210,000	
Book of Faith	250,000	
Vision for Mission Appeal	84,000	
Global Mission Support	13,000	
Macedonia Project	285,000	
Report Writer	150,000	
Leadership Grants	100,000	
Data Management	120,000	
Staff Development	150,000	
Youth Gathering T-shirts	150,000	
Luther's Works	500,000	
Support YAGM Program 2013	500,000	
Support YAGM Program 2014	800,000	
Office of the Secretary Support	650,000	<u>4,655,900</u>

BALANCE AVAILABLE

\$6,087,078

* Includes balances in designated fund pass-through,

Summary of Church Council Designated Funds
1999 - 2012 (1)
January 31, 2013

Designation	Year	Amount	Expended	Balance
Second Mile Ministry Fund	1999	\$ 12,000,000	\$ 11,985,482	\$ 14,518
Culture-Specific Resources	2001	400,000	200,183	199,817
Leadership Development Initiative	2005	2,587,622	2,518,317	69,305
Total		<u>\$ 14,987,622</u>	<u>\$ 14,703,981</u>	<u>\$ 283,641</u>

(1) Does not include Church Council Designated Funds Functioning as Endowment.

Church Council Designated Fund Report for:
Year Designated by Church Council:
Estimated Period of Designation:
Reporting Date:

SECOND MILE MINISTRY FUNDS
1999
1999 - 2013
January 31, 2013

Activity	Allocation	Expended	Balance
Ministry Among People in Poverty			
Evangelical Outreach and Congregational Missio	\$900,000	\$900,000	\$0
Global Mission	900,000	900,000	-
Church in Society	1,200,000	1,200,000	-
Sub-Total	<u>\$3,000,000</u>	<u>\$3,000,000</u>	<u>\$0</u>
Supporting Ministry That Needs Special Attention			
Special Needs Retirement Fd Functioning as Enc	500,000	500,000	-
In the City for Good Funds Function as Endow	600,000	600,000	-
Leadership Development	500,000	500,000	-
Anti-Racism projects with Ecumenical Partners	300,000	285,482	14,518
World Hunger Appeal Anniversary	100,000	100,000	-
Identity Project	2,000,000	2,000,000	-
Sub-Total	<u>\$4,000,000</u>	<u>\$3,985,482</u>	<u>\$14,518</u>
Total Expense to Operating/Designated Fund	<u>\$7,000,000</u>	<u>\$6,985,482</u>	<u>\$14,518</u>
Lutheran Center Mortgage Relief	<u>\$5,000,000</u>	<u>\$5,000,000</u>	<u>\$0</u>
Grand Total	<u><u>\$12,000,000</u></u>	<u><u>\$11,985,482</u></u>	<u><u>\$14,518</u></u>

Church Council Designated Fund Report for:
Year Designated by Church Council:
Estimated Period of Designation:
Reporting Date:

CULTURE-SPECIFIC RESOURCE DEVELOPMENT
2001
On-going
January 31 2013

<u>Activity Name</u>	<u>Time Line</u>	<u>Budget</u>	<u>Inception - To Date</u>	<u>Balance</u>
Chinese / Mandarin Worship Resource	2001-2011	\$130,800.00	\$64,367	\$66,433
Pan Asian Songbook	2012	\$10,000.00	\$2,397	\$7,603
Alaska Native Worship Resource	2001-2011	\$67,860.00	\$28,808	\$39,052
Multicultural Catalog	Completed	\$27,018.00	\$27,018	(\$0)
Asian / Evangelism Language Resources	Completed	\$9,510.00	\$9,510	(\$0)
Spanish Interpretation Statement	Completed	\$18,637.63	\$18,638	(\$0)
Abundant Harvest	2010-2012	\$30,000.00	\$28,749	\$1,251
Proclaiming His Story	2010-2012	\$20,000	\$4,446	\$15,554
First Communion(English/Spanish)	new	\$26,000	\$6,250	\$19,750
Taggalog Translation of Water Word	new	\$10,000	\$10,000	\$0
Planned Projects		\$349,826	\$200,183	\$149,643
Unallocated to date:		\$50,174		\$50,174
Total Church Council Funds		\$400,000	\$200,183	\$199,817

Church Council Designated Fund Report for:
Year Designated by Church Council:
Estimated Period of Designation:
Reporting Date:

LEADERSHIP DEVELOPMENT INITIATIVE
2005
2005 - 2012
January 31, 2013

Expense Type	Budget	Inception-To-Date	Balance
Leadership Development			
Total Leadership Development	\$537,622	\$537,622	(\$0)

Expense Type	Budget	Inception-To-Date	Balance
Leadership Development Initiative Grants			
<i>Vocation and Education:</i>			
Next Generation of PhDs	150,000	150,000	\$0
Making the Connections	400,000	400,000	\$0
Lutheran Center at Atlanta	133,000	133,000	\$0
Developing Leaders	100,000	100,000	\$0
Candidacy Committee Training	10,000	820	\$9,180
Developing Mission Leaders (25%)	789	789	\$0
Missionologists/Leadership Consultation	4,844	4,844	\$0
<i>Multicultural Ministries:</i>			
Come, See, Discover	108,000	108,000	\$0
African Descent Horizon	105,000	105,000	\$0
Asian Leadership Development	60,000	60,000	\$0
American Indian/AK Native Community Center	15,000	15,000	\$0
Asian American Young Adult Network	10,000	10,000	\$0
Leaders of Color Gathering	25,000	25,000	\$0
American Indian/AK Native Youth Gathering	32,000	32,000	\$0
American Indian/AK Native Leadership	30,000	30,000	\$0
<i>Evangelical Outreach and Congregational Mission:</i>			
Emerging Leaders Network	63,000	45,322	\$17,678
Evangelical Horizon Internships	100,000	100,000	\$0
Congregational Latino/Hispanic	300,000	257,552	\$42,448
Coaching Trainers Network	15,000	15,000	\$0
<i>Church in Society:</i>			
A Call to Public Justice	100,000	100,000	\$0
<i>Global Mission:</i>			
Young Adult Program	100,000	100,000	\$0
<i>Gettysburg Seminary:</i>			
Intersections Institute	26,000	26,000	\$0
<i>Metropolitan New York Synod:</i>			
Urban Leaders Institute	20,000	20,000	\$0
<i>Region 1:</i>			
American Indian/Alaska Native Ministry	20,000	20,000	\$0
<i>Lutheran School of Theology-Chicago</i>			
Leadership Development Grant	7,000	7,000	\$0
<i>Non-Staff Travel</i>			
Transforming Leaders Event ('07)	6,115	6,115	\$0
Leadership Grant Strategy Committee Meeting ('05)	1,862	1,862	\$0

Church Council Designated Fund Report for:
Year Designated by Church Council:
Estimated Period of Designation:
Reporting Date:

LEADERSHIP DEVELOPMENT INITIATIVE
2005
2005 - 2012
January 31, 2013

<i>Lighthouse Partnership</i>			
Support for Developing Leaders	9,500	9,500	\$0
<i>Alaska Synod-ELCA</i>			
Multicultural Leadership Development Grant	20,000	20,000	\$0
<i>Lutheran Church of the Redeemer</i>			
Transforming Leaders Initiative	60,000	60,000	\$0
<i>Pacific Lutheran Theological Seminary</i>			
Support for TEEM Students	15,000	15,000	\$0
<i>Center for creative Leadership</i>			
Leadership at the Peak	1,365	1,365	\$0
<i>US Congregational Life Survey</i>	1,525	1,525	\$0
	<u>\$2,050,000</u>	<u>\$1,980,695</u>	<u>\$69,305</u>
Total Available	<u><u>\$2,587,622</u></u>	<u><u>\$2,518,317</u></u>	<u><u>\$69,305</u></u>

25th ANNIVERSARY CAMPAIGN EXPENSE BUDGET PROPOSAL

FUNDING SUPPORT

Church Council Designation	\$5,000,000	
Share of Gifts	1,530,000	
Total Funding		\$6,530,000

CAMPAIGN RELATED EXPENSES

Staffing	3,303,800	
Travel (Staff and Volunteers)	733,250	
Events (Synod and Regional Campaigns)	1,095,000	
Postage and Office Supplies	59,000	
Printing and Design	469,100	
Purchased Services (including Consultants)	505,000	
Training and Memberships	66,000	
Software	179,255	
Miscellaneous	119,595	
Total Campaign Expenses		6,530,000

Total Expanded Campaign Dollar Goal	\$69,000,000
Campaign Expense Percentage of Expanded Goal	9.5%

Revised 4-5-13 AM

2014 Synod Mission Support Plans

With 2012 Actual and 2013 Plans

SYNOD NAME	#	2012		2013		2014	
		ACTUAL	MS %	SYNOD PLANS		SYNOD PLANS	
ALASKA	1A	155,132	39.50%	171,035	39.50%	159,975	39.50%
N.W. WASH	1B	580,050	45.50%	598,000	46.00%	725,165	46.50%
S.W. WASH	1C	355,530	39.50%	376,000	40.00%	362,495	40.00%
E.WASH/ID	1D	247,631	33.00%	267,960	33.00%	268,600	34.00%
OREGON	1E	362,283	36.50%	360,000	40.00%	356,000	40.00%
MONTANA	1F	405,933	40.00%	394,065	40.50%	434,600	41.00%
SIERRA-PACIFI	2A	889,226	52.00%	984,373	52.50%	1,040,000	52.00%
SW CALIFORNI	2B	542,348	49.00%	530,519	50.00%		
PACIFICA	2C	720,385	51.00%	756,193	51.00%	794,003	51.00%
GRAND CANYO	2D	924,549	50.00%	875,000	50.00%	875,000	50.00%
ROCKY MTN	2E	1,183,275	50.00%	1,250,000	50.00%	912,567	50.00%
W. NO.DAK	3A	435,305	43.50%	400,400	44.00%	418,500	45.00%
E. NO.DAK	3B	414,239	40.00%	420,000	40.00%		
SO. DAK.	3C	701,246	44.50%	769,970	45.50%	773,236	45.50%
NW. MINN.	3D	701,412	51.00%	685,950	51.00%	720,000	51.00%
NE. MINN.	3E	561,577	49.00%	590,450	49.00%	616,420	49.00%
SW. MINN.	3F	1,059,471	52.50%	1,075,215	52.50%	1,085,967	52.50%
MINPLS. AREA	3G	1,551,653	55.00%	1,787,500	55.00%		
ST PAUL (M)	3H	1,037,511	50.00%	1,000,000	50.00%		
SE. MINN.	3I	976,925	52.50%	994,875	52.50%	1,020,250	53.00%
NEBRASKA	4A	1,860,615	54.50%	1,907,500	54.50%	1,900,000	54.50%
CENTRAL STAT	4B	916,718	50.00%	912,567	50.00%	917,500	50.00%
ARK/OK	4C	212,368	41.00%	207,872	40.60%	216,117	40.70%
N.TEX/N.LOU	4D	552,282	47.50%	570,505	48.00%	581,916	48.00%
S.W.TEXAS	4E	737,880	50.00%	714,000	51.00%	746,750	51.50%
GULF COAST	4F	656,818	50.00%	600,000	50.00%	630,000	50.00%
METRO CHGO	5A	1,643,706	53.00%	1,700,504	53.00%		
NO. ILL	5B	1,291,345	55.00%	1,348,050	55.00%		
CEN.SO. ILL	5C	800,284	56.00%	798,000	56.00%	800,000	56.00%
SE IOWA	5D	1,397,014	53.50%	1,385,062	53.50%		
WEST IOWA	5E	366,682	37.10%	338,956	38.10%	353,070	39.10%
NE IOWA	5F	595,103	40.00%	560,000	40.00%	600,000	40.00%
N GRT LKES	5G	413,191	50.00%	426,725	50.50%	425,850	51.00%
NW.SYN (W)	5H	735,761	55.00%	759,000	55.00%	770,000	55.00%
EC WISC	5I	921,406	55.00%	907,500	55.00%	962,500	55.00%
GRTR MILWKEI	5J	1,200,775	55.00%	1,155,000	55.00%	1,155,000	55.00%
SO.-CENT (W)	5K	830,516	55.00%	858,000	55.00%	869,000	55.00%
LACROSSE (W)	5L	428,575	55.00%	451,000	55.00%	455,000	55.00%
SE. MICH	6A	506,692	42.00%	559,000	43.00%	546,000	42.00%
N/W LOWER MI	6B	700,471	50.00%	718,400	50.00%	687,500	50.00%
IND/KY	6C	907,026	52.00%	988,000	52.00%		
NW OHIO	6D	856,284	51.00%	888,012	51.00%		
NE OHIO	6E	792,745	49.00%	833,000	49.00%	784,000	49.00%
S. OHIO	6F	674,658	37.17% *	737,000	40.00%		
* Est. Average for year							
NEW JERSEY	7A	1,091,138	50.00%	1,100,000	50.00%	1,120,000	50.00%
NEW ENGLAND	7B	1,062,188	54.20%	1,096,425	54.40%	1,100,142	54.00%
METRO NY	7C	590,571	49.00%	618,750	49.50%	625,000	50.00%
UPSTATE NY	7D	491,070	39.90%	523,556	42.03%	513,000	42.00%
NE PENN	7E	1,229,082	46.00%	1,104,000	46.00%	1,104,000	46.00%

Shaded areas reflect notification of plan changes received since the April 2012 Church Council meeting.

EVANGELICAL LUTHERAN CHURCH IN AMERICA
CHURCH COUNCIL

April 5-7, 2013

Exhibit F, Part 5b

Page 2

Revised 4-5-13 AM

2014 Synod Mission Support Plans

With 2012 Actual and 2013 Plans

SYNOD NAME	#	2012		2013		2014	
		ACTUAL	MS %	SYNOD PLANS		SYNOD PLANS	
SE PENN	7F	1,088,811	48.39%	1,209,100	53.50%		
SLOVAK ZION	7G	19,162	30.00%	20,000	30.25%	19,200	30.40%
NW PENN	8A	427,873	50.00%	411,615	50.00%	420,631	50.00%
SW PENN	8B	812,055	50.00%	785,650	47.50%	785,650	47.50%
ALLEGHENY	8C	355,064	43.84%	382,500	50.00%		
LOW SUSQ	8D	1,344,545	46.50%	1,534,500	46.50%		
UPP SUSQ	8E	481,333	50.00%	512,500	50.00%		
DEL-MRYLND	8F	1,092,029	53.50%	1,188,000	54.00%		
METRO DC	8G	883,755	50.00%	850,000	50.00%	850,000	50.00%
W. VA/W.MYLD	8H	203,185	45.00%	191,484	37.50%		
VIRGINIA	9A	616,070	38.00%	682,500	39.00%	627,064	38.20%
NO. CAROLINA	9B	1,122,047	38.69%	1,123,423	38.27%	1,000,000	36.00%
SO. CAROLINA	9C	1,025,743	41.50%	1,043,750	41.75%	1,071,000	42.00%
SOUTHEASTER	9D	1,086,811	50.00%	1,103,150	50.00%	1,108,650	50.00%
FLORIDA-BAHA	9E	1,009,691	46.00%	1,034,000	47.00%	1,060,800	48.00%
CARIBBEAN	9F	35,000	17.22%	40,000	17.22%	40,000	18.00%
TOTAL REMITTANCES		\$49,871,823	48.48%	\$51,166,061	48.95%	\$35,408,118	48.54%

Shaded areas reflect notification of plan changes received since the April 2012 Church Council meeting.

**Budget and Finance Committee of the
Evangelical Lutheran Church in America
Audit Committee Report**

November 19, 2012 conference call meeting:

The committee approved the appointment of Thomas Wattley to the position of Director for Internal Audit for the ELCA and MIF.

March 26, 2013 meeting:

This meeting was held by conference call. Linda Norman welcomed and introduced James Zils, new member of the audit committee, and Thomas Wattley, our new Director for Internal Audit.

Abiola Bankole-Hameed reviewed the financial statements of the Endowment Fund Pooled Trust as of December 31, 2012. She noted the significant increase in Participants Accounts of \$63 million, primarily the result of gains in the value of the investment portfolio of \$46 million, investment income of \$9 million, and participant contributions of \$41 million, less \$33 million of distributions to participants and participants' withdrawals. She also noted that there were no significant changes to format or information disclosure in the financial statements.

Bryan Zygmunt, Senior Engagement Manager from Crowe Horwath, introduced the new format of the auditor's opinion that more specifically describes the responsibilities of management and the auditors.

He then reviewed the SAS 114 letter to the audit committee and noted: the opinion of the auditors will be unqualified; that he was pleased that the financial statements were prepared by management, because it reinforces that the statements are management's responsibility and that they are audited by Crowe Horwath; management judgments and accounting estimates; that there were no audit adjustments or waived audit adjustments; that there were no difficulties encountered during the audit, no disagreements with management, no consultations with other auditors by management, and no other significant findings or issues. He also reported that Crowe Horwath received no fees from the ELCA for non-audit services and that there are no relationships that would impair the objectivity or independence of the auditor and that there has not been any update to most recent peer review.

He then indicated that no formal management letter would be issued, but that three deficiencies in internal controls were discussed orally with management. Management indicated that two of the three deficiencies have already been remediated and that there are sufficient mitigating controls related to the third deficiency.

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**Mission Advancement Report to the
ELCA Church Council Budget and Finance Committee
April 2013**

The Mission Advancement unit is responsible for coordinating this church's communication, marketing, public relations, mission funding, major gifts, planned gifts and constituent data management. Mission funding met or exceeded its income goals in most categories for the 2012 fiscal year. A summary and analysis of major churchwide funding programs is detailed below.

Mission Support and Synod Consultations

Mission Support income in 2012 was favorable to budget but below the prior year. Exhibit F, Part 5b, shows churchwide mission support for 2012 in dollars and percentages and 2013 synod plans. In 2012, 21 synods increased the percentage of sharing, four synods decreased the percentage of sharing, and 40 synods maintained the percentage of sharing. It is encouraging to notice that in 2013 the numbers have changed, with 24 synods increasing the percentage of sharing, four synods decreasing the percentage and 37 synods maintaining the percentage. While many synods continue to deal with a decrease in mission support from congregations, synod leaders are working diligently to either maintain or increase the sharing for churchwide ministries.

The challenge we continue to face is both the decrease in mission support from congregations and the overall decrease in the percentage sharing of mission support between synods and the churchwide organization. Many synods are increasing the percentage, but the average sharing projected by synods in 2013 is at 48.94%, just slightly higher than it was in 2012.

To date, 43 synods are involved in the Macedonia Project. The first group of participating synods has reached the end of year two, and much positive feedback has been received. A second and third group is in progress, and a fourth group is just forming. The role that directors for evangelical mission and synod stewardship staff play in building mission support from congregations is essential if we are to maintain and increase our capacity for doing what is needed as the ELCA.

In 2012, 16 synod consultations took place and no regional consultations were held. In the first quarter 2013, three synod consultations and one region consultation have already occurred. An additional five synod consultations and one region consultation are scheduled for 2013 and more are anticipated.

ELCA Fund for Leaders

The ELCA Fund for Leaders is a merit-based scholarship for seminary students, with the long-term goal of providing full-tuition support for every future congregational leader in the ELCA. The past fiscal year was exceptional for the ELCA Fund for Leaders, thanks to the significant contributions of many generous members of this church. Nearly \$6.5 million in new contributions and bequests were added to the ELCA Fund for Leaders endowment in 2012, bringing the total assets of the program to more than \$33.5 million.

In the 2012-2013 academic year the ELCA Fund for Leaders provided scholarships for 184 seminarians, totaling more than \$1.1 million in tuition support. This includes scholarships given through the 35 synod endowment funds, a category which continues to grow each year. Since the ELCA Fund for Leaders gave

its first scholarships in 2000, more than \$8.25 million has been given to future pastors and lay leaders, and there are now former recipients of full-tuition scholarships serving in 42 of the ELCA's 65 synods.

ELCA Vision for Mission

In 2012, the \$1.3 million goal for ELCA Vision for Mission was surpassed, thanks in part to a generous matching gift. Through this program, the financial base for the ELCA ongoing ministries is augmented where most needed. The mission stories are selected in collaboration with colleagues from other churchwide units, providing a wide variety of mission opportunities for people to respond to. In 2014, the income goal for ELCA Vision for Mission is \$1.4 million. Four direct mail appeals are planned, with strategic timing and key audiences in mind.

ELCA New Congregations

No income goal was in place in 2012 for ELCA New Congregations. This program is the newest version of the former Mission Partners and Mission Founders, which have been operating since the beginning of the ELCA. It is being launched in 2013 and aims to increase the ELCA's capacity for supporting the development of new congregations in the United States and the Caribbean. The following steps are being taken to introduce ELCA New Congregations to our constituency:

A collateral resource has been designed to assist directors for evangelical mission in their work of seeking funds for new starts. This resource is entitled, "ELCA New Congregations: Planting the Seeds of Faith, One Ministry at a Time," It invites individuals and congregations to give to a particular new ministry in their synod, as well as sharing their gifts with the New Congregations program generally. Directors for evangelical mission received a presentation of this tool at their March 2013 gathering. Several directors for evangelical mission are testing the newest version of this resource as they work with new ministries this year. The others will begin using it in the near future.

ELCA New Congregations has been included in the 25th anniversary campaign proposal that is coming to the Church Council for consideration. The campaign would give a boost to synodical and churchwide efforts to raise support for starting congregations, especially due to the need to reintroduce this program to the church after several years of inactivity. This fund will enable all expressions of the church to identify and secure additional funding streams for strengthening the support for the growth of our church through new congregations.

Initial steps are being planned for additional ways that donors can support this initiative including online giving, ELCA Good Gifts, and planned gifts.

ELCA Global Church Sponsorship

After several years of more rapid decline, Missionary Sponsorship income declined in 2012 at a more modest pace to end up 3.0 percent under the 2011 income and 8.0 percent under the budgeted goal for 2012. Factors have been analyzed and steps have been taken to improve the recruitment and retention of sponsors and donors for ELCA missionaries.

Significant progress has been made to expand the current Missionary Sponsorship program into the Global Church Sponsorship program approved by the Church Council last November. This expanded program will offer ELCA members and congregations the opportunity to support a wider range of the

ongoing global ministries done in collaboration with international companion churches, including the support of missionaries, international scholarships and global ministries grants.

In the proposed 25th anniversary campaign, special initiatives are being considered to help grow the Lutheran church around the world, including an expansion of the Young Adults in Global Mission program, evangelism and ministry initiatives in eight countries, and scholarships and educational opportunities for women international leaders.

ELCA World Hunger

Income for ELCA World Hunger slightly exceeded the goal of \$18.5 million for fiscal year 2012. This was primarily due to increased direct giving by individuals and congregations and by special time-bound initiatives such as the "100 Wells Challenge" for the 2012 ELCA Youth Gathering.

Increased giving at the end of fiscal 2011 along with under-spending for fundraising in 2011 allowed for expansion of program support through both Global Mission and Congregational and Synodical Mission in 2012. An increase in the overall income for World Hunger and a reduction of the 2012 fund balance should allow for a similar level of program support, a slight increase in fundraising costs, and introduction of service charges for a portion of the essential services provided to staff and gifts for ELCA World Hunger in 2013.

In May 2012, Chris Grumm Consulting Group presented a report toward planning for the future of ELCA World Hunger. Among the findings was the potential for increased growth, but only through better synergy of initiatives across the church related to World Hunger (what has become to be known as a seamless team). This teamwork has focused in recent months on plans for increased impact, increased engagement, and increased funding from our World Hunger initiatives. It is recognized that all three of these goals must be moved forward in tandem to grow the program and support for ELCA World Hunger.

Lutheran Disaster Response

Lutheran Disaster Response does not set an annual income goal. Since the last Church Council meeting, there have been no new large disasters that have drawn media attention. However, gifts through Lutheran Disaster Response continue to support about two dozen active relief and recovery efforts around this country and around the world. These long-term efforts include responses to Hurricane/Superstorm Sandy in the United States and Caribbean and to the increasing flow of refugees from Syria in the Middle East. The response in Haiti that was funded through ELCA Disaster Response is reaching completion and continuing initiatives are being transitioned into the work of ELCA World Hunger.

A coordinated effort has been underway to brand the work of the ELCA in times of disaster under a single name, Lutheran Disaster Response. This will be the reference to fundraising and program work with the domestic program known as Lutheran Disaster Response-US and the international program as Lutheran Disaster Response-International. This "rebranding" reflects the values of projecting strong Lutheran identity while maintaining a priority for cooperative and coordinated work with communities that have been impacted by disasters. This name will also provide for co-branding with implementing partners such as Lutheran Services of America affiliates in the United States.

ELCA Malaria Campaign

The ELCA Malaria Campaign exceeded its goal of \$4.0 million in 2012. Since its approval at the 2011 ELCA Churchwide Assembly, the ELCA Malaria Campaign has been enjoying great momentum among congregations and synods. To date, over \$6.5 million has been raised for the ELCA Malaria Campaign. The year 2013 will determine how quickly the church will be able to accomplish its goals of mobilizing \$15.0 million in new gifts for the worldwide efforts to rollback malaria. It is anticipated that the ELCA will have reached the half-way point of the campaign before the 2013 Churchwide Assembly and will reach the total campaign goal no later than mid-year 2015.

Work continues to expand in eleven countries in Africa because of these gifts with some dramatic results in places where programs have been at work for more than a year. While nets, prevention through spraying, and quick diagnosis and treatment remain the three stalwarts in this progress, the church's special role has emerged because of its ability to get the message and resources to communities where few other organizations are able to reach. This is especially true for rural areas where malaria is often most prevalent. Synod coordinated initiatives in the United States have carried the word of this campaign into congregations and to individuals. Gifts have come from every synod; 58 have synod malaria teams and malaria coordinators in place.

ELCA Foundation

For fiscal year 2012, the ELCA Foundation wrote 102 charitable gift annuities totaling \$2.7 million, thirteen charitable remainder trusts totaling \$3.7 million and received gifts from bequests totaling \$12.2 million, for a total of \$18.6 million in dollars for mission. The Foundation oversees more than \$200.0 million in the deferred gifts pool and stewards more than 720 participants in the Endowment Fund Pooled Trust – Fund A. Assets currently total \$443.4 million, which represents an increase of 15 percent since the end of 2011.

The Foundation continues its efforts to increase dollars given to support the ELCA, in all of its expressions. With the introduction of performance metrics and donor prospect research analysis, gift planners are working toward a more proactive and holistic approach to donor development. In addition, the Director of the Foundation continues to work on the creation and implementation of strategic business plans for each territory that supports a gift planner in an effort to more clearly communicate goals, objectives and results with synods and other ELCA-related entities.

Comprehensive Campaign

Planning for a 25th anniversary campaign has progressed as directed by the ELCA Church Council in November and an action is proposed in the agenda. An updated case statement laying out the financial goals and the designation of the campaign has been provided.

The \$190 million in campaign goals are expressed in “current” and “stretch” campaign goals as follows:

CAMPAIGN COMPONENTS	CAMPAIGN GOALS (in \$Millions)		
	CURRENT	STRETCH	TOTAL
Evangelism			
ELCA New Congregations		4.0	4.0

Revitalizing Congregations		8.0	8.0
Leadership			
ELCA Fund for Leaders	10.0	5.0	15.0
Relief and Development			
ELCA World Hunger	95.0	20.0	115.0
ELCA Malaria Campaign		15.0	15.0
Global Church			
ELCA Missionary	16.0	6.0	22.0
Sponsorship			
Global Ministries		7.0	7.0
International Leaders		4.0	4.0
Total Goal	121.0	69.0	190.0

The “quiet phase” of the campaign would occur during the 2013 fiscal year and the five years of the public phase would run from fiscal years 2014 through 2018.

The budget for the stretch goals of the campaign would include \$6.5 million in campaign-related expenses with funding support of \$5.0 million from a proposed Church Council designation and a 5.0 percent fee from cash campaign gifts. A detailed budget proposal has been developed.

The Mission Advancement staff is currently reviewing updated donor prospect data from our consultants and building gift pyramids which will provide the strategies and metrics to guide and monitor our fundraising efforts over the six years of the campaign.

On Valentine’s Day, Mission Advancement hosted a gathering of ELCA Churchwide staff to reintroduce an employee giving program in anticipation of our first comprehensive campaign, seeking to increase the level of employee giving and participation.

We recommend endorsement and approval by the ELCA Church Council, so that we can proceed into the first comprehensive campaign for the ELCA with focus and enthusiasm to secure adequate funding for these important initiatives of this church. A campaign for the ELCA will lift the capacity of all expressions of the church and help to tell a positive story about the church in mission. Public support of the Conference of Bishops will be critical to success.

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PROPOSAL



THE CAMPAIGN FOR THE EVANGELICAL LUTHERAN CHURCH IN AMERICA

25 YEARS TOGETHER IN CHRIST



Evangelical Lutheran Church in America

God's work. Our hands.

*"So if anyone is in Christ, there is a new creation: everything old has passed away; see, everything has become new!"
— 2 Corinthians 5:17*

Dear sisters and brothers in Christ,

The Evangelical Lutheran Church in America (ELCA) is a church that is deeply rooted – and always being made new. Our roots are in Scripture, tradition, the Lutheran Confessions as well as in the vibrant communities and the rich histories of our congregations. It is through God's grace that we are made new day by day to proclaim Jesus Christ and boldly participate in God's work. As Martin Luther said, this faith is a living, busy, active, mighty thing.

As we celebrate a significant milestone for our church – our 25th anniversary – this is the time to look back at the people and events that have shaped our lives. Together, through your Sunday morning offerings and designated gifts we've started 435 new congregations. Thanks to your generous support, we've sent thousands of missionaries to serve around the world. And we've contributed more than \$350 million toward the alleviation of hunger and poverty. Your consistent, sustaining support for the mission we share continues to deliver great impact. What God has done through each of us is indeed worth celebrating!

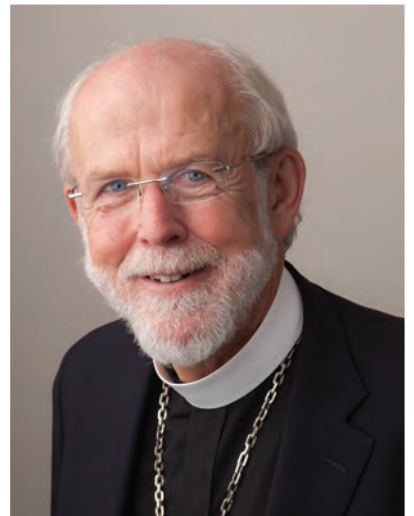
This is also our moment to look toward the next 25 years and boldly respond to the needs of this world with a living, daring confidence in God's grace. Together with other members of the ELCA, we can train more leaders who will become missionaries, advocates, pastors and lay leaders. We can break the systems that foster hunger and poverty in our communities, across the country and overseas. We can create more communities where people feel welcomed and hear the good news of Jesus Christ. And we can stand up against violence and teach future generations of young people that they can change the world.

Thanks be to God!

In God's grace,



Mark S. Hanson
Presiding Bishop, Evangelical Lutheran Church in America



We are the church that shares a living, daring confidence in God's grace.

For us as the Evangelical Lutheran Church in America, this faith comes through the good news of Jesus Christ and gives us the freedom and the courage to wonder, discover and boldly participate in what God is up to in the world.

*"Faith is a **living, daring confidence** in God's grace so certain that you could stake your life on it one thousand times. This kind of trust in and knowledge of God's grace makes a person joyful, confident and happy with regard to God and all creatures. This is what the Holy Spirit does by faith. Through faith, a person will do good to everyone without coercion, willingly and happily; serving everyone, suffering everything for the love and praise of God, who has shown such grace."*

– Martin Luther, 1522

The vision and mission we share

The faith we share gives us the courage to proclaim the good news of Jesus Christ. Through God's grace, we are continually being made new, and we are joined together in witness and service to end hunger, respond to disasters and confront poverty and injustice. As a member of The Lutheran World Federation representing 70 million Lutherans, the ELCA affirms its commitment to be a church that is deeply committed to our global and ecumenical partners. Together, the 4 million members of the ELCA – embodied in nearly 10,000 congregations and 65 synods, and working with numerous churchwide ministries and related organizations – operate as one church with a shared mission to do God's work of restoring and reconciling communities throughout the world. Together through this campaign, we can expand our capacity and achieve things on a scale and scope that we could never do alone.



THE CAMPAIGN AT-A-GLANCE

Our **moment**, our **time**

The five-year Campaign for the ELCA gives each of us the opportunity to make a transformational impact on the shared ministries of our church.

Summary of campaign priorities

Together, we can:

- Start **250-300 new congregations**.
- **Provide grants to one in 10 of our 10,000 congregations** and support them in their revitalization.
- **Help grow the endowment to provide the equivalent of 16 new full-tuition scholarships** to attract the brightest and best leaders who are called to serve our congregations.
- **Expand our anti-hunger work in at least 10 countries**, including the United States, and move communities from a place of food insecurity to sustainability.
- Meet and exceed our goal of \$15 million by 2015 to **help reduce the devastating effects of malaria in 11 countries in Africa**.
- Initiate **eight new evangelism projects** in Africa, Asia and Latin America.
- **Give 200 additional young adults the opportunity** to participate in a year of global service.
- Intensify our efforts to **develop 220 women leaders from our global companion churches** through increased scholarship support and educational opportunities.

Campaign goals by ministry

The Campaign for the ELCA is a five-year, comprehensive campaign. Donors may designate their gift to any of the priorities included in this booklet or may make unrestricted gifts to be applied where the need is greatest.

EXPANDED CAMPAIGN GOALS

(in millions)

ELCA New Congregations	\$4
Revitalizing Congregations	\$8
ELCA Fund for Leaders	\$5
ELCA World Hunger	\$20
ELCA Malaria Campaign	\$15
Missionaries	\$6
Global Ministries	\$7
International Leaders	\$4

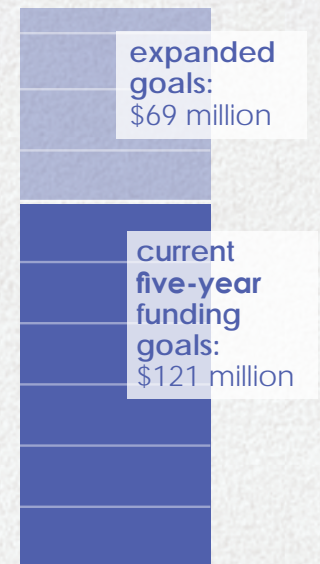
CURRENT FIVE-YEAR FUNDING GOALS

(in millions)

ELCA Fund for Leaders	\$10
ELCA World Hunger	\$95
Missionaries	\$16

Total Campaign goal:

\$190 million



Making your gift

There are many ways to give. The ELCA Foundation can assist you in making gifts to the Campaign through the method that best fits your wishes and financial planning needs.

Current gifts are needed today to fund the priorities of this Campaign, but planned gifts to these ministries also provide vital support for the future. They will be reported and celebrated alongside current gifts to the Campaign.

Ways to give include, but are not limited to:

Current gifts

- Cash, check or credit card
- Securities
- Real estate

Planned gifts*

- Bequests
- Life insurance or retirement plans
- Charitable gift annuities and trusts

* We hope that you will also consider a planned gift to support ministries beyond the life of the Campaign.



Congregations

The Rev. Deb Stehlin serves communion at Light of the World Lutheran Church, a new congregation in Farmington, Minn.

Proclaim the good news of Jesus Christ

**We are a church that belongs to Christ.
There is a place for you here.**

We have an important message to share and people are ready to hear it: we are saved by God's grace and God's grace alone. Help us share the love of Christ far and wide by extending our welcome through new ministries, revitalized congregations and innovative ways to grow our existing communities of faith.

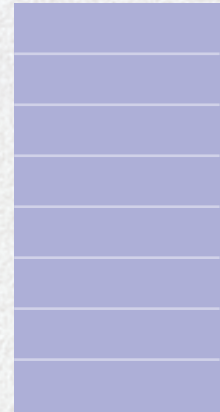
Revitalizing Congregations

We are a church that is deeply rooted and always being made new. We desire strong, vibrant congregational ministries that are relevant to our ever-changing neighborhoods and actively engaged in God's mission. In these ministries, places within our own communities, God is at work in the ELCA, building the church. Every congregation is in a mission field where opportunities to share the good news of Jesus and serve neighbors abound.

Help us provide grants to one in 10 of our 10,000 congregations and support them in their revitalization.

Campaign goal:

\$8 million



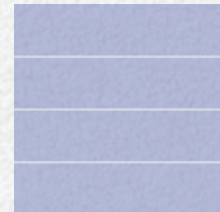
ELCA New Congregations

Can you imagine life without a community of faith? It is this community that has carried us through the good times and the bad – from baptism to funerals, confirmation to marriage. Today, many Americans are facing life's challenges without hearing words of God's love and forgiveness. There is a place for everyone here – but they need to be invited to hear the good news of God in Christ Jesus. Because this is Christ's church and we strive to reflect the full body of Christ, we are employing innovative models for starting new congregations – reaching out to areas experiencing rapid population growth; engaging diverse socio-economic groups, ethnic and multicultural communities and emerging young populations throughout the United States and the Caribbean.

Help us start 250-300 new congregations.

Campaign goal:

\$4 million





Leadership

Kyle Severson, Sara Suginaka and Alex Raabe received full-tuition seminary scholarships from the ELCA Fund for Leaders.

Encourage future leaders for God's work

We are a church whose unity is in Jesus Christ, who gathers us around word and water, wine and bread.

Leadership matters in a church that is called to live and serve in a world full of complexities, tensions and ambiguities. We need leaders who will ground us in God's love and forgiveness through word and sacrament, revitalize our congregations, grow our existing communities of faith and do God's work in the world.

ELCA Fund for Leaders

Together we can assist our ELCA seminaries to attract and support the best candidates possible, in their call to ordained or rostered lay ministry. Since the ELCA Fund for Leaders program began just over a decade ago, the permanent endowment has grown to more than \$33 million, including \$7 million in synod funds. Currently the funds provide 200 seminary scholarships to talented, gifted students who will become the future leaders of the ELCA. But in a world of rising tuition and growing student debt, answering God's call is more challenging than ever before. And enabling and supporting those who are called to lead and serve in ministry has never been more crucial.

Help grow the endowment to provide the equivalent of 16 new full-tuition scholarships to attract the brightest and best leaders who are called to serve our congregations.

Campaign goal:
\$15 million

expanded goal:
\$5 million

current five-year funding goal:
\$10 million



Relief and Development

Youn Mom of Cambodia shows off the rice harvest made possible by gifts to ELCA World Hunger.

Strive for justice and peace in all the earth

We are a church that rolls up our sleeves and gets to work.

One billion of our neighbors – that's one in seven people in our world today – live in poverty. As members of the ELCA, we are called to respond. Working through Lutheran connections in the United States and around the world, we start by listening to the needs of our neighbors and getting their ideas to help break the cycle of hunger and poverty. Then we partner with them to make their dreams a reality. From health clinics to microloans, water wells to animal husbandry, food pantries to soup kitchens, your gifts to ELCA World Hunger and related campaigns support innovative solutions that get at the root causes of hunger and poverty.

ELCA World Hunger

**Campaign
goal:**
\$115 million

Jesus did not teach us to pray: "Give me today my daily bread." He taught us to pray: "Give us today our daily bread." God richly provides for our daily bread – the earth can produce enough food for everyone. Yet many of our sisters and brothers still go hungry. By providing immediate relief to those who are hungry, we meet basic needs and recognize universal rights. But ending hunger is about more than food. By connecting people with the resources they need to produce food and gain access to clean water, education, health care and sources of income, we can create long-term, sustainable change.

Help us expand our work in at least 10 countries, including the United States, and move communities from a place of food insecurity to sustainability.

**expanded
goal:**
\$20 million

**current
five-year
funding
goal:**
\$95 million

Lutheran Disaster Response

*Our church has a long, respected history of responding to disaster. And after the dust settles and the media headlines change, we are known for sticking around to provide ongoing, long-term assistance until lives and livelihoods are restored. In the past 10 years, we've raised approximately \$94 million to respond to disasters in the United States and around the world, and **we will continue to respond to disaster and crisis when needed throughout the campaign.***

Ratna Leak/LWF

ELCA Malaria Campaign

**Campaign
goal:**
\$15 million

Malaria is a preventable, treatable disease that still affects 3.3 billion people each year. Today we are in a special moment when we could turn this around. Working through Lutheran churches in Africa, the ELCA Malaria Campaign is already underway, providing mosquito nets, insecticides, medication, health care, education and more to eliminate deaths from this disease – for good.

Help us meet and exceed our goal of \$15 million by 2015 to help contain malaria in 11 countries in Africa.

The Rev. Edwin Flomo, a graduate of the ELCA's international scholarship program, baptizes two brothers in Sanoyea, Liberia.



Global Church

Grow the Lutheran church around the world

We are a church that believes God is calling us into the world – together.

Seventy million Lutherans do make a difference. As a member of The Lutheran World Federation, the ELCA is one of 145 member churches in 79 countries all over the world. We are called to walk alongside our Lutheran brothers and sisters to grow the church, and do God's work of restoring and reconciling communities. By training leaders and equipping evangelists, we are working together to build up Christ's church throughout the world.



Global Ministries

The ELCA has deep, long-standing relationships with Lutheran churches around the world. Every year we respond to the voices of our companions requesting financial support to expand their work – new congregations, urban and youth outreach, theological education, leadership training and support for minority churches just to name a few. As our partners benefit from these ministry grants, we also grow in faith as we participate in God's mission in the world.

Help initiate eight new evangelism projects in Africa, Asia and Latin America.

Campaign goal:
\$7 million

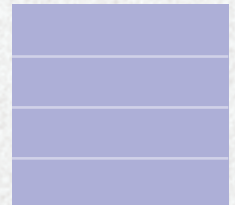


International Leaders

In collaboration with colleges, universities and ELCA seminaries in the United States and around the world, the ELCA awards over 40 scholarships each year to students with high leadership potential in our global companion churches. After achieving their higher education goals, these leaders assume important leadership roles in their home country. Their leadership brings about big change in their communities – from becoming a presiding bishop to winning the Nobel Peace Prize. Currently, women make up just 27 percent of our scholarship recipients. Yet we know women have the greatest potential to bring about lasting change in their families, their communities and eventually the world.

Intensify our efforts to develop 220 women leaders from our global companion churches through increased scholarship support and educational opportunities.

Campaign goal:
\$4 million



Missionaries

Over 240 ELCA missionaries serve in more than 40 countries around the world, working hand-in-hand with global church partners teaching, preaching, healing, peacemaking, building and growing Lutheran congregations that are already some of the fastest growing in the world. Each year, an increasing number of young adults answer the call to global service. Through the Young Adults in Global Mission program, more than 50 young adults currently serve in one of nine countries. When they return, many of these young leaders go to seminary or take on other important leadership roles within the ELCA while providing a valuable global perspective on issues facing this church and society.

Help give 200 additional young adults the opportunity to participate in a year of global service.



Campaign goal:
\$22 million

Young adult volunteer Luke Paquin with one of his kindergarten students at Dal Al-Kalima Lutheran School in Bethlehem.

expanded goal:
\$6 million

current funding goal:
\$16 million

Help where the need is greatest

We are a church that is deeply rooted and always being made new.

Your undesignated gifts to the Campaign will be used to support the Campaign where they are needed most. From sharing the gospel with others to addressing the root causes of hunger and poverty, these gifts allow our church the flexibility to respond in the time and place when it can make the biggest impact. If you are looking for a way to support multiple priorities of the Campaign with just one gift, an undesignated gift may be for you.

**total
campaign
goal:**
\$190 million

Help sustain and grow the ministries of this church where needed most.

With your help, we can truly respond to the needs of the world with a living, daring confidence in God's grace. We can share the good news of Jesus Christ with more people in more communities. We can train and support more gifted leaders who will lead us into the future. We can strengthen ministries of our global Lutheran brothers and sisters. We can address the root causes of poverty and hunger here in the United States and around the world. And we can respond to disasters and restore livelihoods.

The Campaign's impact will go far beyond the \$190 million total; it establishes a strong culture of stewardship in which this church will be well-positioned to respond to God's work of restoring and reconciling communities in Jesus' name throughout the world for decades to come.

For more information on

***Always Being Made New:
The Campaign for the Evangelical Lutheran Church in America***

Email: campaignforELCA@ELCA.org

Call: 800-638-3522



Evangelical Lutheran Church in America

God's work. Our hands.

8765 West Higgins Road • Chicago, IL 60631-4101

800-638-3522 • ELCA.org

Frequently Asked Questions regarding the Proposed ELCA 25th Anniversary Campaign

The information below is provided to address areas that might be unclear for synods as they consider the proposed 25th anniversary campaign.

1. *What funds from the 25th anniversary campaign will be available to synods for allocation and distribution?*
 - Revitalizing Congregations (\$8 million) – this money will be sent to synods for allocation and distribution to congregations in the synod. Synods will have flexibility to design a process that fits their mission priorities and the opportunities. While \$8,000 is estimated as an average size grant, there is no set amount and synods may determine to allocate fewer and larger grants or to have wide variability in the amount.
 - ELCA New Congregations (\$4 million) – Support for specific new start congregations will be directed to the appropriate synod. Support for new congregations where a congregation is not specified will be allocated following the current Review Table process.
 - Synod-Specific Fund for Leaders Endowment Distributions are allocated by the synod.
2. *How will the money flow? Will people be able to give generally or in a designated fashion?*
 - People will be able to give to one or multiple designations or can opt to give to the campaign where needed most.
 - Some money will come to synods directly and some will come to the churchwide organization for distribution. Money for synod-specific New Congregations will stay in the synods and not be forwarded, although we will want to gather a reporting of those funds so that they can be counted in reporting back to the whole church on the results of the campaign.
3. *What materials have been developed for marketing the campaign?*
 - The only marketing material developed has been the case statement that was used for testing the campaign with the CoB, Vice presidents, ELCA Church Counsel, staff and some one-one-one conversations with members and major donors.
 - Now that a Communications Marketing Director has been hired (following a five month vacancy) and if the campaign is recommended to the CWA by Church Council, we will initiate a process to begin some planning around marketing materials and strategies.
4. *How will the marketing of the campaign be contextualized to synods?*
 - The CoB has indicated that some specificity by synod would be important. For example, we talked about lifting up the specific new start congregations of a synod and synod-specific Fund for Leaders. In addition, once the projects under Global Ministries and World Hunger are solidified, some companion synod links could be made.

- It would be helpful to work with some pilot synods to begin envisioning together the possibilities. One synod has already indicated they are interested in working together on this.
- It was suggested at the CoB meeting that the October 2013 meeting include time for sharing ideas for how synods could make the campaign meaningful in their contexts.

5. How will the cost of the campaign be absorbed?

- The Church Council will consider a motion that includes designating churchwide funds to cover a portion and the balance to come from a 5% allocation from gifts raised. Funds for synod-specific New Congregations would be excluded from the 5% allocation.

6. If a synod has another campaign in-process, how might it be joined to the 25th anniversary campaign?

- The official Campaign for the ELCA will be determined by the ELCA Churchwide Assembly in response to the proposal that is forwarded by the Church Council. Synods might have other campaigns that they would lift up at the same time or at some point over the course of the 5 years. This will likely not look the same in any two synods.

7. How is the campaign responsive to LIFT?

- The campaign recognizes and affirms the central role of congregations in the ministry of this church. Revitalizing existing congregations and starting new ones are principal focuses of the campaign.
- The campaign also recognizes the critical role of congregational leadership and presents the Fund for Leaders as a way to attract and support future rostered leaders. In addition, under Global Ministries, the new opportunity lifted up is to expand the Young Adults in Global Mission program. Whether or not these young adult pursue seminary after their experience (many do), they are active in congregations and communities in significant ways and will provide important leadership for the future of the ELCA.
- The campaign is also responsive to the 5th LIFT recommendation: "To affirm the role of the churchwide organization to lead, in collaboration with the Conference of Bishops, synod leaders, and the Church Council, in exploring opportunities to grow current support, including direct appeals, planned giving, and endowment management."

8. What is expected of synods and their staffs?

- Synods are not expected to be the drivers or heavy lifters in the campaign. However, if the campaign is approved, it will be critical that synod leaders support the campaign. Support would mean praying for the campaign, commitment to its priorities (congregations, leadership development, World Hunger and Global Mission), lifting up the campaign in public, encouraging participation by members and congregations, and making a personal financial commitment to the campaign. If synods commit to this level of support, we can be successful in having the intended positive impact on mission and ministry as laid out in the case proposal.
- New positions in the proposed campaign budget that will be dedicated to supporting campaign efforts are: Campaign Director, Major Gifts Officer, Communications Marketing Manager, Prospect Research Assistant and Campaign Coordinator.

9. What about regional gift planners? How will their current work be impacted? What if we don't have a gift planner assigned to our synod – will this be a problem?

- Regional gift planners are working across the ELCA under various arrangements. Some are employed by a partnership with partial support coming from the churchwide budget; the majority is employed by the ELCA churchwide organization with varying levels of support from other partners.
- Gift planners will be trained and supported in helping members to make gifts to the campaign. They are not expected to lead in supporting the campaign, but they can be valuable resources. Synods can send referrals to gift planners, especially in the case of major, complicated or deferred gift inquiries. It is expected that the campaign will enhance and not detract from their current work of gift planning. Given the diversity of partnerships, any concerns about a particular gift planner or partnership should be directed to the ELCA Foundation.
- In response to recommendations from LIFT and various task forces and committees over the past ten years, we are working to grow the number of gift planners. This takes time due to financial and recruitment realities. If you have questions about getting more support in the area of gift planning, please let the Foundation know. The campaign budget anticipates an additional gift officer who can provide support for complicated gifts in areas where a particular gift planner is not assigned.

10. What will be the expectations for the Directors for Evangelical Mission?

- Directors for Evangelical Mission are already involved in raising support for New Congregations and to some degree Renewal/Revitalization. We have been working on developing new resources to help them tell the story and invite support which should have a positive impact on their results. A campaign would provide increased awareness of the opportunities to support these ministries. No additional role is anticipated.

11. What will be expectations for parish pastors and congregation councils?

- While synods might decide to set challenge goals for their congregations, none are imagined for the campaign generally.

12. What about the timing? Is this the right time? Why didn't we know about this campaign two years ago so we would have been more prepared? Are we expected to be ready to swing into full campaign mode on February 1, 2014?

- An anniversary is a great time to give thanks for the generosity of members over the past 25 years and to consider how we can increase our impact in the future. It's an opportunity given only once every 25 years and very few organizations (including congregations) would let such an opportunity pass. The proposal came from the Mission Funding Task Force that met in the summer of 2012.
- Two years ago synods and the churchwide organization were struggling with difficult financial realities and it would have been unrealistic to ask the church to consider a campaign and impossible to support it in a successful manner. Mission Advancement, the unit responsible to lead the campaign, did not have an executive director and the whole organization was struggling to stabilize following a 20% reduction in current

operating income, large staff reductions and unanticipated staff losses/key vacancies. Before 2012, it was not possible to move a campaign proposal forward.

- An anniversary campaign is not only about giving – it is also an opportunity to remind members about the impact they are already making and the work that their church does in the world and in local communities. This is increasingly important with the proliferation of nonprofit organizations that appeal to congregations for support. Often, members are not aware of the work that is done through the church. Generous congregations have more engaged members.
- The Churchwide Assembly needs to approve a churchwide campaign so the time is now or three years from now – at which point all momentum from the anniversary year would be lost.
- 2014 would be the official kick off year and not all synods or components of the campaign will be in full swing at the start. Synods will need flexibility to make the campaign fit into the plans they already have underway; similar to the approach that was taken with the ELCA Malaria Campaign.

13. At the end how will we know we were successful?

- Success metrics for each program area (not yet determined) are developed and met.
- Campaign financial goals are met and reported back to the church at the 2019 Churchwide Assembly.
- Members are more aware of and actively supporting the ministries of the ELCA and growing in Mission Support offerings.
- The capacity of congregations, synods and the churchwide organization for growing stewardship and mission funding is enhanced.

Questions for each Bishop to Consider:

Between now and the ELCA Church Council meeting next week, liaison bishops will contact the other bishops in their region regarding the proposed 25th anniversary campaign. Given the short time available to ascertain bishops' support, calls will need to be completed within the next week.

- 1. Considering the campaign proposal and in light of the answers to the frequently asked questions, do you think that this church should approve a 25th anniversary campaign for the ELCA?*
- 2. If the Church Council approves the 25th anniversary campaign, will you actively support it?*

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EVANGELICAL LUTHERAN CHURCH IN AMERICA
CHURCH COUNCIL
April 5-7, 2013
Exhibit F, Part 9
Page 1

Summary of ELCA Cash and Investments

	As of	Asset Value	Policy Approved	Approving Body	Date Approved	Next Review Date	Compliance with Policy	1 yr. Fund Performance as of 12/31/12	1 Year Benchmark Performance as of 12/31/12	Target Asset Allocation
Churchwide Organization										
Checking Accounts	1/31/2013	\$26,662,848 ¹	Y	CC	March 24, 2009	Fall 2014	N	0.85%	0.85%	Deposit, checking and sweep accounts
Operating Investments (short-term)	1/31/2013	\$683,450 ¹	Y	CC	November 10, 2006	Fall 2014	Y	0.71%	0.22%	32% Gov'ts and agencies/56% corp's/12% MBS
Investments (medium-term)	1/31/2013	\$37,272,464 ¹	Y	CC	November 10, 2006	Fall 2014	Y	1.76%	1.71%	50% Gov'ts and agencies/39% corp's/11% MBS
EDCS - LWM	1/31/2013	\$926,216 ²	N		-	Fall 2014	-	-	-	
Miscellaneous Cash and Investments	1/31/2013	\$5,292,511 ³	N	N/A	-	Fall 2014	-	-	-	
Deferred Gift Funds										
Deferred Gift Checking Accounts	12/31/2012	\$2,785,919 ⁷	Y	CC	November 12, 2010	Spring 2014	Y	0.85%	0.85%	Checking/sweep account
Charitable Gift Annuities-Required Reserve	12/31/2012	\$72,830,361 ⁴	Y	CC	November 14, 2009	Spring 2015	Y	4.88%		⁸ Fixed Income securities-55% Gov'ts, 32% Corp's, 13% 30% Dow Jones U.S. Total Stock Market Index, 10% MSCI All Country World (Ex-U.S.), 30% ELCA Custom Bond Index, 10% Citigroup High-Yield Cash-Pay Capped, 10% (60% Wilshire U.S. Real Estate Securities Index/40% Wilshire Ex-U.S. Real Estate Securities Index), 10% Citigroup U.S. Inflation-Linked Securities Index.
Charitable Gift Annuities-Excess Reserve	12/31/2012	\$17,696,674 ⁴	Y	CC	November 14, 2009	Spring 2015	Y	12.23%	12.93%	
Charitable Remainder Trusts and Pooled Income Funds	12/31/2012	\$81,827,140 ⁵	Y	CC	November 12, 2010	Spring 2014	Y	12.8%	13.6%	⁹ Equity and Fixed Income mutual funds
Endowment Fund Pooled Trust Fund "A"										
Pooled Trust Checking Accounts	12/31/2012	\$5,549,539 ⁷	Y	BOT-EF	October 21, 2010	Fall 2013	Y	0.85%	0.85%	Checking/sweep account
Pooled Trust Investments	12/31/2012	\$443,350,474 ⁴	Y	BOT-EF	Various	Fall 2013	Y	15.48%	15.24%	50% U.S. Equity, 15% Non U.S. Equity, 20% Inv. Grade Bond, 5% Global Real Estate, 10% High Yield
Portion that benefits ELCA at 4.25% annual distribution rate	12/31/2012	\$182,361,524	Y	BOT-EF	Various		Y	15.48%	15.24%	50% U.S. Equity, 15% Non U.S. Equity, 20% Inv. Grade Bond, 5% Global Real Estate, 10% High Yield
Endowments Outside Pooled Trust (MIF Certificates)	12/31/2012	\$1,228,092	Y	BOT-EF	October 1, 2011	Spring 2016	Y	N/A	-	
Endowments Outside Pooled Trust (real estate, mineral rights and other)	12/31/2012	\$1,793,091	Y	BOT-EF	October 1, 2011	Spring 2016	Y	N/A	-	

¹ Funds Held at Harris Bank

² World Hunger Funds Investment Authorized by ALC/LCA in Ecumenical Development Cooperative Society-Microfinance investment carried forward from predecessor bodies. No investment guidelines.

³ Checking accounts and investments of regions, short-term unit event accounts and real estate.

⁴ Funds Held at Portico Benefit Services

⁵ Funds Held at Thrivent, Wells Fargo, Merrill Lynch, Dreyfus, Nuveen, Northeast Investors, T. Rowe Price and real estate holdings

⁶ Funds held in private debenture

⁷ Funds Held at Harris Bank

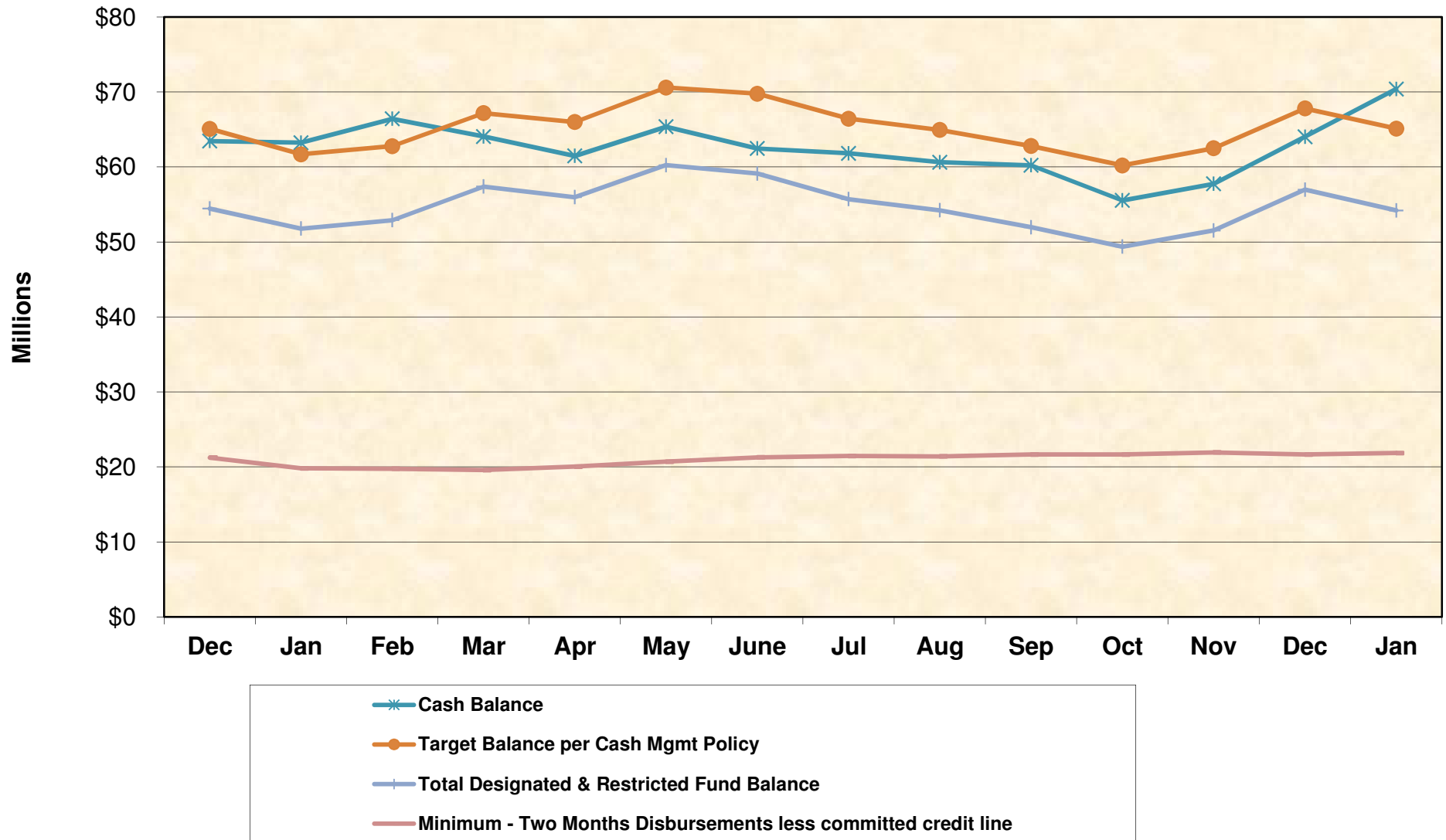
⁸ Benchmark for the required reserves are the liability

⁹ 60% equity/40% bond allocation

Real Estate Investments (excluding mineral right interests valued at \$1 each) at 12/31/2012

<i>Charitable Remainder Unitrusts</i>	<u>Donor</u>	<u>Gift Date</u>	<u>Gift Balance</u>	<u>Location</u>	<u>Description</u>
	Miler	12/31/1995	195,000	Bernards Township, NJ	2.68 acres of undeveloped land.
	Miller	9/27/2005	114,000	Pender County, NC	50% interest in condominium
	Koopmann	8/27/2008	239,400	Pine County, MN	Undeveloped real estate
	Knobler	10/1/2008	450,000	Hall County, GA	Undeveloped real estate
	Berntson	10/11/2010	150,000	Hayden County, CO	Undeveloped real estate
			<u>1,148,400</u>		
<i>Endowments</i>	<u>Donor</u>	<u>Gift Date</u>	<u>Gift Balance</u>	<u>Location</u>	<u>Description</u>
	Lentz	10/2/2009	785,000	Rowan County, NC	Single family home
	Behrends	2/12/2007	24,500	Lincoln, IL	Vacant lot
	Hanson	12/30/2005	-	Santa Cruz County, CA	Vacant lot
	Norswing	1987	532,278	Los Angeles County, CA	Mineral rights
	LSW Schutte	6/8/2007	696,152	Ada County, ID	53 acres farm land
			<u>2,037,930</u>		
<i>Outright</i>	<u>Donor/Purchase</u>	<u>Gift/Acquisition Date</u>	<u>Gift Balance</u>	<u>Location</u>	<u>Description</u>
	Dorrer Estate	1984	66,359.30	Dawney, CA	Vacant Land
	Hillside Cemetery	1954	8,550.00	Jersey City, NJ	Cemetery Plots
	Purch land from US Gov	1955	1.00	Nome, AK	Church Building
	Purch land from US Gov	1962	1.00	Shishmaref, AK	Church Building
	Purch land from US Gov	1958	1.00	Teller, AK	Church Building
	Purch land from US Gov	1923	1.00	Boston, MA	Church Building
			<u>74,913.30</u>		
<i>Total real estate (trusts, endowments, outright)</i>			<u><u>3,261,243</u></u>		

Cash Management Policy Comparison vs. Actual Actual December 2011 through January 2013



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ELCA DEFERRED GIFTS PROGRAM REPORT

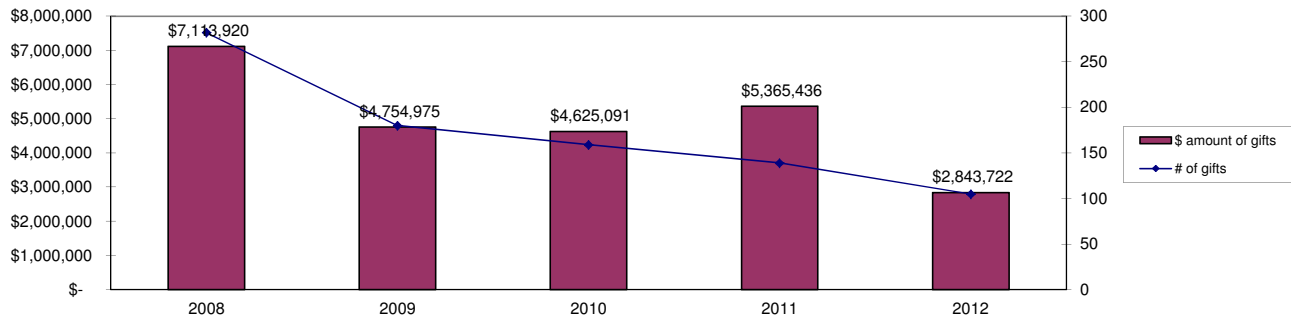
December 31, 2012

EVANGELICAL LUTHERAN CHURCH IN AMERICA
CHURCH COUNCIL
April 5-7, 2013
Exhibit F, Part 12
Page1

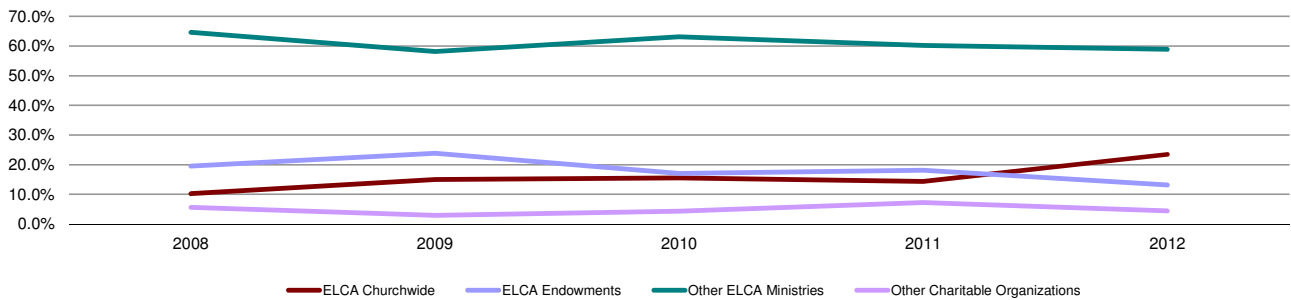
GIFT ACTIVITY

<u>Charitable Gift Annuities</u>	<u>Amount</u>	<u>Number</u>
Annual Development Goal	\$5,000,000	N/A
Year-to-date activity	\$2,843,722	105
Non-California	\$2,703,782	96
California	\$139,939	9

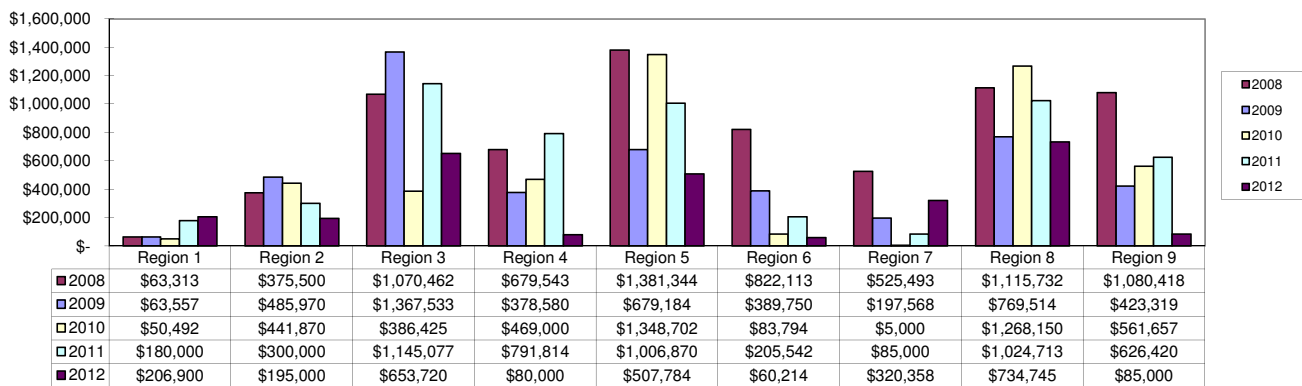
New Charitable Gift Annuities



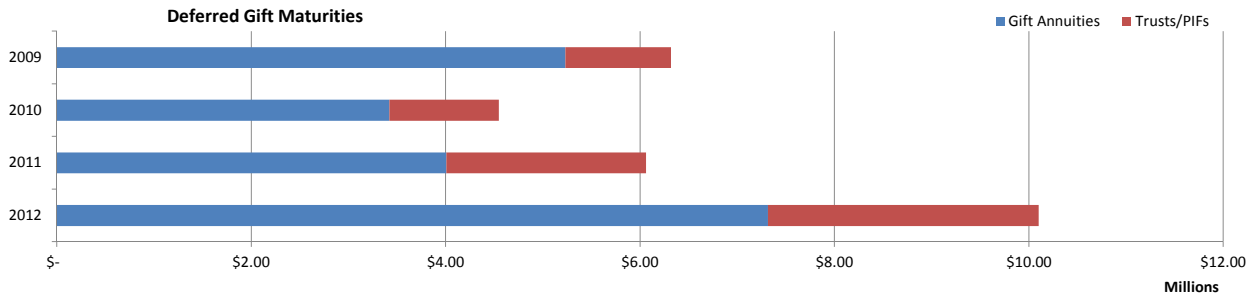
New Gift Annuities By Designation



New Gift Annuities By Region



Deferred Gift Maturities

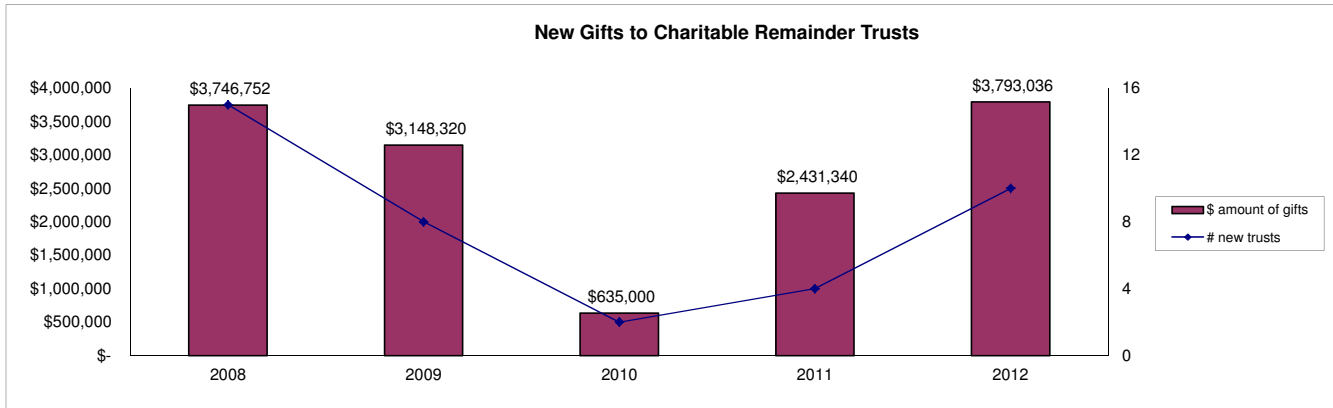


ELCA DEFERRED GIFTS PROGRAM REPORT

December 31, 2012

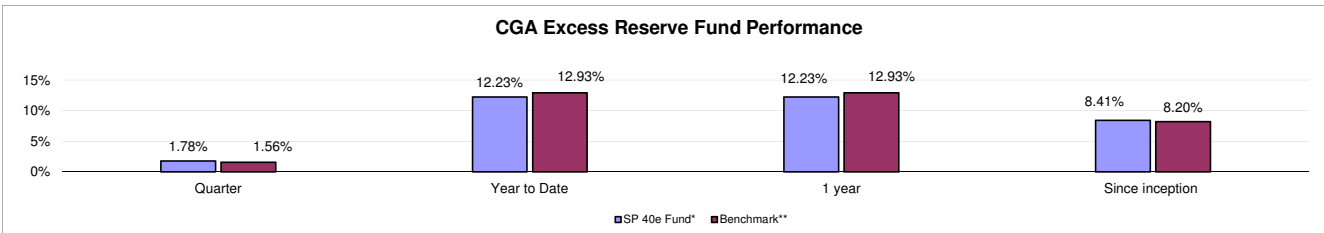
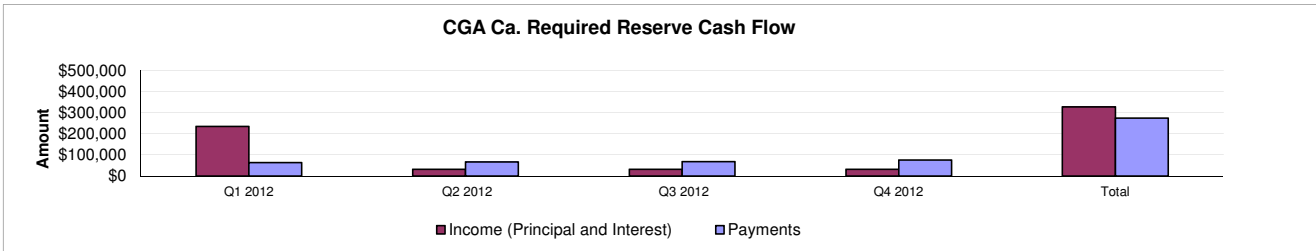
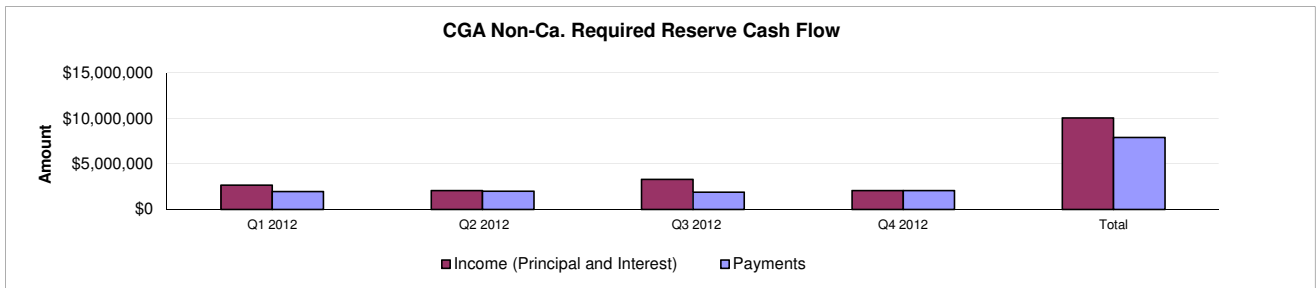
EVANGELICAL LUTHERAN CHURCH IN AMERICA
CHURCH COUNCIL
April 5-7, 2013
Exhibit F, Part 12
Page2

GIFT ACTIVITY (continued)

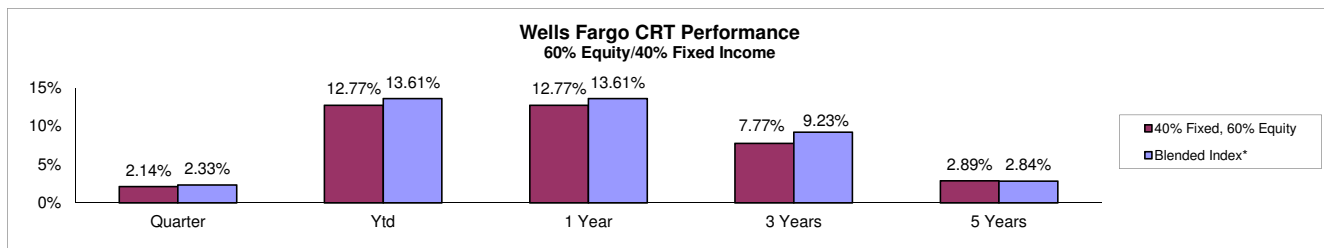


INVESTMENTS

	2012		2011		2010	
	<i>Non-Ca. Pool</i>	<i>Ca. Pool</i>	<i>Non-Ca. Pool</i>	<i>Ca. Pool</i>	<i>Non-Ca. Pool</i>	<i>Ca. Pool</i>
Required Reserve Fund Balance (100% Fixed)	\$69,753,686	\$3,076,675	\$79,294,158	\$3,286,861	\$87,461,475	\$4,296,276
Excess Reserve Fund Balance (60% Fixed/40% Equity)	\$16,979,735	\$1,120,038	\$13,471,618	\$975,000	\$4,685,737	\$0
Yield to Maturity (Required Reserve Fund)	2.05%	1.29%	2.28%	1.43%	2.95%	2.46%



*Net of Investment Management fees. **Benchmark: 30% Russell 3000 Stock Index, 10% MSCI All Country World ex-U.S. Investable Market Index, 30% ELCA Custom Bond Index, 10% Citigroup High-Yield Cash-Pay Capped Index; 10% of (60% Wilshire Real Estate Securities Index/40% Wilshire ex U.S. Real Estate Securities Index), and 10% Citigroup U.S. Inflation-Linked Securities Index.



*Blended Index: 26% Intermediate Barclays Govt/Credit Index/11% MSCI EAFE Index, 8.5% Russell 1000 Value Index, 8.5% S&P 500 Index, 7% FTSE NAREIT All Equity REIT Index, 7% Russell Midcap Index
Approximately 75% of the CRT's are invested in the 60% equity/40% fixed income allocation.

**DEFERRED GIFTS PROGRAM
OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA**

Statement of Responsibilities and Authorities

Overview

The ELCA Officers hold primary responsibility for management for the Evangelical Lutheran Church in America's (ELCA) Deferred Gifts Program (Charitable Gift Annuities, Charitable Remainder Trusts and Pooled Income Funds) on behalf of the Church Council.

The Budget and Finance Committee (B&F Committee), as a committee of the ELCA Church Council, provides governance oversight for financial matters of this church, including the Deferred Gifts Program. The B&F Committee relates to the work of the ELCA Office of the Treasurer.

The ELCA administers the Deferred Gifts Program through the Mission Advancement Unit, Office of the Treasurer and Office of the Secretary. Primary investment services are provided by the Board of Pensions of the Evangelical Lutheran Church in America (d/b/a Portico Benefit Services), Wells Fargo and Thrivent.

Responsibilities and Authorities

The ELCA Officers hold primary responsibility for:

- Management for the Evangelical Lutheran Church in America's (ELCA) Deferred Gifts Program (Charitable Gift Annuities, Charitable Remainder Trusts and Pooled Income Funds) on behalf of the Church Council;
- Based on the 1990 resolution regarding authority to act in operational matters, the Officers of the ELCA have authority to represent the Church Council.

The B&F Committee has the authority and responsibility to:

- Adopt investment objectives, policies and restrictions for the Deferred Gifts program. Review the investment objectives and guidelines of the Deferred Gifts program at least every five years;
- Review and modify the target asset allocations, investment guidelines, policies and investment restrictions, including the socially responsible investing criteria as established by the ELCA Church Council, upon recommendation of the Office of the Treasurer;
- Monitor and evaluate the procedures and programs of the churchwide units and offices to assure that churchwide purposes, policies and objectives are being fulfilled;

- Review actions of and provide advice to investment service providers. Hire and terminate firms that provide investment services, upon recommendation of the Office of the Treasurer;
- Assist the ELCA in identification and cultivation of prospective deferred gift donors and to become “centers of influence”.

ELCA units and offices have the authority and responsibility to:

Endowment Fund and Deferred Gift Inter Unit Team

- Coordinate all types of Deferred Gifts gift instruments, state filings and investment pools;
- Prepare and distribute reports to governing bodies in such form and of such frequency as determined by those bodies from time to time;
- Develop and maintain risk management measures to protect the interests of the ELCA, life-income recipients and charitable beneficiaries;
- Create and implement procedures governing development and maintenance of the Deferred Gifts Program, including gift development, gift processing, marketing, constituent management, administration, accounting and reporting;
- Monitor and ensure that all actions of the Deferred Gifts program are in compliance with regulatory requirements.

Office of the Secretary

- Provide legal and regulatory oversight for the Deferred Gifts program;
- Maintain updated disclosure documents that include any changes required by action of the B&F Committee, Office of the Treasurer and by actions that take place between meetings that are required to be disclosed to potential donors, life-income recipients and/or charitable beneficiaries;
- Provide oversight for annual regulatory filing requirements for charitable gift annuities.

Office of the Treasurer

Manage Assets

- Review actions of and provide advice to investment services providers related to the Deferred Gifts Program;
- Monitor and evaluate the activities of investment services providers and custodians and report any significant development of either party to the B&F Committee;
- Evaluate investment services providers, custodians and other third party administrators every three years, and make recommendations regarding the same to the B&F Committee;
- Review investment performance and report the same to the B&F Committee;
- Evaluate modifications to the investment strategies, asset allocations, policies and investment guidelines and make recommendations regarding same to the B&F Committee;
- Develop investment guidelines, consistent with policies of the ELCA Church Council and in consultation with investment services providers, for approval by the B&F Committee;
- Receive for information, with the power to recommend objection (for separately managed assets) to the B&F, Sub-Advisors hired by the Investment Advisor;
- Receive for information individual investment manager guidelines (for investments in pooled funds) as submitted by investment services providers.

Account, Administer and Value Funds

- In consultation with Mission Advancement Unit and Office of the Secretary, establish management fee structures for the Deferred Gifts Program. Deduct, account for and distribute all fees associated with management of the Deferred Gifts Program, pay all fees payable to the Investment Advisor and Custodian;
- Contract with third party administrators to provide services and retain responsibility to monitor and ensure compliance with policies and guidelines;
- Maintain procedures and systems for the proper accounting for new and matured gifts; recording of fees, payments, investment gains/losses; actuarial valuation; tax reporting; beneficiary reporting; and financial reporting consistent with generally accepted accounting principles;

- Administer and submit annual state and federal filing documents, including income tax filings;
- In consultation with the ELCA Foundation, recommend approved policy for the valuation process for noncash gifts;
- Distribute life income payments and charitable remainder amounts as called for by the life-income, trust, and other fiduciary donor agreements.

Mission Advancement

- Research and determine feasibility and need for Deferred Gifts Program new gift types and instruments. Present recommendations to the B&F Committee through Office of the Treasurer;
- Solicit new gifts;
- Provide donor stewardship.

Investment services providers (Portico Benefit Services, Wells Fargo, Thrivent and others) have the authority and responsibility to:

- Implement investment policies and programs within investment guidelines established by the B&F Committee;
- Present options and make recommendations concerning investment strategies, asset allocations and overall management policies for approval by the B&F Committee;
- Develop individual investment manager guidelines for all portfolios and provide information to the B&F Committee;
- For Investment Advisors to the Charitable Gift Annuity portfolio, in consultation with the ELCA Office of the Treasurer, regularly calculate actuarial annuity liability amounts for purposes of carrying out the Program's asset-liability matching investment strategy;
- Monitor and manage asset allocation and asset class re-balancing of the Deferred Gifts Program assets;
- Report on performance and investment procedures of the Investment Advisor and any Sub-Advisors to the Office of the Treasurer. Hire and terminate Sub-Advisors and provide information about such actions to the B&F Committee (who has the power to veto the action for separately managed assets);
- Retain independent source for development and maintenance of social criteria lists.

**Deferred Gifts Program
Responsibility Matrix**

Assigned to the Budget and Finance Committee Responsibilities and Authorities:	2013		2014		2015		2016		2017	
	Spring	Fall	Spring	Fall	Spring	Fall	Spring	Fall	Spring	Fall
Investment Results, Strategies and Guidelines										
Receive for information policy compliance matrix	X	X	X	X	X	X	X	X	X	X
Review CGA asset allocation policies every 3 years (or sooner, if warranted)					X					
Review CRT asset allocation policies every 3 years (or sooner, if warranted)			X						X	
Review CGA Investment Guidelines every 5 years (or sooner, if warranted)								X		
Review CRT Investment Guidelines every 5 years (or sooner, if warranted)								X		
Review investment manager guidelines as submitted by Investment Advisor (as applicable)										
Evaluation of Service Providers										
Evaluate the CGA Investment Advisor and Custodian every 3 years, with ongoing review	X						X			
Evaluate the CRT Investment Advisor (Wells Fargo) every 3 years, with ongoing review			X						X	
Evaluate the CRT Investment Advisor (Thrivent) every 3 years, with ongoing review					X					
Receive for information Sub-Advisor updates by Investment Advisor (as appropriate)										
Evaluate Administrator every 3 years, with ongoing review				X						X
Other Responsibilities										
Review Statement of Delegated Responsibilities every 3 years	X						X			
Review CGA Risk Management Policy every 4 years	X								X	
Receive for information the Social Criteria List		X		X		X		X		X

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**CHARITABLE GIFT ANNUITY PROGRAM
OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA**

RISK MANAGEMENT POLICY

1. GENERAL AND PURPOSE

A charitable gift annuity is a private contract between a donor and a charitable organization. The donor transfers cash or other assets to the institution in exchange for lifetime annuity payments, preserving an estimated future value to be used for charitable purposes. Each annuity is backed by the full faith and credit of the issuing charitable organization. Charitable gift annuities carry potential risks and liability exposures for issuing organizations. The Evangelical Lutheran Church in America (Church), an issuing organization, is exposed to various risks associated with its Charitable Gift Annuity program (CGA Program).

The purpose of this risk management policy is to document a risk management plan that a) identifies significant organizational risks and loss exposures; b) describes the Church's level of risk tolerance; and c) explains associated risk management strategies and monitoring practices.

2. RISK DEFINITION

Risk is generally defined as the probability that actual outcomes will deviate in an unfavorable direction from what is expected. The Church has identified (eight) primary risks associated with its CGA Program:

- *Longevity risk* – risk that the annuitants live longer than projected
- *Investment risk* – risk that investment returns are less than expected
- *Timing risk* – risk that poor investment returns occur in early years, possibly aggravated by concurrent annuity payments
- *Payment rate risk* – risk that annuity rates are not sustainable under changing market conditions
- *Annuitant Concentration Risk* – risk that there is concentration of risk in one annuity/(ant) or small group of annuities/(ants)
- *Restricted Funds* – risk that maturities for restricted purposes may exhaust and negatively impact the required reserve
- *Legal/regulatory risk* – risk of legal liability and/or regulatory discipline due to non-compliance with contractual or regulatory requirements
- *Financial operating* – risk that the program does not generate sufficient revenue to cover the cost of the program

Longevity, investment and timing risks directly impact each annuity, possibly resulting in the reduction or exhaustion of charitable remainder values. Unmitigated exposure to legal/regulatory and financial operating risks could result in the suspension or termination of the CGA Program, and/or added costs due to fines or litigation.

3. RISK TOLERANCE LEVELS

The Church maintains a low to moderate risk tolerance in association with its issuance of charitable gift annuities, generally favoring risk management strategies over reward enhancing strategies. In determining risk management strategies, the Church evaluates risk according to the following risk tolerance levels:

- *Risk retention* – level at which the Church self-insures longevity, investment and timing risks; no-contract specific
- *Risk reduction* – level at which the Church pursues options to build additional surplus to hedge against longevity, investment and timing risks (e.g. reducing American Council on Gift Annuities (ACGA) suggested annuity payment rates)
- *Risk sharing* – level at which the Church seeks to spread risk across multiple gifts and/or beneficiaries
- *Risk transfer* – level at which the Church transfers investment and longevity risks to a third party (e.g., reinsurance)
- *Risk avoidance* – level at which the Church chooses to refuse a charitable gift annuity as a result of its risk characteristics

By nature of being an issuing organization, the Church cannot transfer legal/regulatory or financial operating risks. The Church primarily pursues risk reduction or risk avoidance strategies in managing these risks.

4. RISK ASSESSMENT, ANALYSIS AND CONTROL PROCESSES

General

The Church manages risk associated with its CGA Program at different levels within the organization. Governance and oversight groups should monitor the most significant risks facing the organization and ensure appropriate levels of awareness throughout the Church. Management and administration groups should maintain procedures to identify, control and report on risk exposures. In addition to monitoring risk on an ongoing basis, the Church should perform a third-party risk audit of its CGA Program at least every 3-5 years.

Longevity, Payment Rate and Concentration Risks

Projected life expectancies for the Church's annuitants could increase over the lifetime of the annuity due to medical advances, statistical fluctuations in actual versus expected mortality and other factors. As annuitants age, longevity risk eventually exceeds investment risk.

The longevity risk of each gift and annuitant should be evaluated at the time of the gift. The impact of longevity risk is greater as gift amounts increase. For those gifts and annuitants that exhibit higher risk characteristics, the Church should provide mechanisms to reduce, share, transfer or avoid risk as appropriate. Longevity risk should be monitored regularly during the lifetime of the charitable gift annuity contracts for annuitants and gifts in higher risk categories:

- a. The Church maintains standard gift acceptance policies and procedures for charitable gift annuities. Minimum age and maximum deferral period requirements are established to collar some longevity risk exposure. The Church evaluates all new gifts and/or annuitants for longevity risk factors.
- b. The Church uses the suggested ACGA annuity payment rates because it believes that those rates protect the interests of both the annuitants and the ultimate charitable beneficiaries. For gift amounts greater than a threshold that is established from time to time by the Church, charitable gift annuity contracts may be executed at rates lower than the suggested ACGA annuity payment rates. Alternately, the Church may pursue partial or full reinsurance for higher risk charitable gift annuities.
- c. On a regular basis, the Church should monitor and report to management regarding large individual annuities, annuitants with multiple annuities that are large in aggregate, and underwater annuities. The Church may a) encourage donors to voluntarily terminate their interests in active charitable gift annuities as a risk reduction or avoidance strategy, and/or b) pursue risk sharing arrangements with third party charitable remainder beneficiaries. Other risk reduction, sharing, transfer or avoidance strategies should be pursued as appropriate.

Investment and Timing Risks

The Church recognizes that some risk must be assumed in order to achieve long-term investment objectives, and that there are uncertainties and complexities associated with investment markets. In establishing risk tolerances, the ability of the CGA Program to withstand short- and intermediate-term volatility is considered.

The Church should ensure prudent management and oversight of investment activities, including investment risks:

- a. The entire realized gift amount of each gift is added to the Church's segregated annuity reserves which is allocated and administered as a Required Reserve Fund and Excess Reserve fund. Neither of these funds are available for expenditure other than for making annuity payments and paying for administration until after a contract matures.
- b. Acceptable assets to fund charitable gift annuities are limited to cash and securities for which a ready market exists, or securities that produce sufficient income to fund the annuity payments at the time of the gift. The Church does not accept real estate to fund a charitable gift annuity.

- c. The Church has assigned governance and management responsibilities for managing investment risks, including maintaining investment guidelines that specify diversification principles, asset allocation target and risk measures and controls.
- d. The Church maintains a Required Reserve Fund that utilizes fixed income securities to generate sufficient cash flows to service annuity payments. In order to mitigate timing risk, the Church employs an asset-liability matching strategy. Liabilities are actuarially-determined at least annually for investment management purposes. The Required Reserve Fund is managed according to Church Council-approved investment guidelines.
- e. The Church maintains an Excess Reserve Fund that has as its primary investment objective to maintain its purchasing power and achieve value targets in line with growth expectations as presupposed by the terms of the underlying gift. The Excess Reserve Fund is a balanced investment portfolio that is managed according to Church-Council approved investment guidelines.

Restricted Funds

The Church's practice is to withdraw gift annuity balances from the investment pool as contracts mature. The Church recognizes the risk inherent in operating a charitable gift annuity program that benefits restricted programs and makes grants to third-party beneficiaries. The Church recognizes that these balances do not remain available for managing the required/excess reserve ratio. The Church should monitor the impact on pool health in conjunction with its risk audit.

Legal/Regulatory Risk

Charitable gift annuities and their invested assets are exempt from the registration requirements of federal securities laws, pursuant to the Philanthropy Protection Act of 1995 which exempts collective funds and similar funds maintained by charitable organizations.

Qualified charitable gift annuities are not insurance under the laws of most states, are not subject to regulation by most state insurance departments, and are not protected or otherwise guaranteed by any state insurance departments, state guaranty associations or funds. Nevertheless, certain states have specific regulatory requirements for such activities as registration, disclosure, administration and annual reporting.

The Church, in its role as an issuing organization and fiduciary for its donors and their charitable remainder beneficiaries, should ensure adequate internal and external resources to provide oversight and management of legal and regulatory risks:

- a. The Church's Budget and Finance Committee of the ELCA Church Council is assigned governance and oversight responsibilities for the CGA Program. The Mission Advancement Unit is responsible for promoting the CGA program and the Office of The Treasurer administers. Management reports are generated and reviewed regularly to monitor the health and status of the CGA Program.

- b. In the Office of the Secretary, the Church maintains a Director for Legal/Regulatory Compliance who is responsible for a) monitoring contractual and regulatory requirements, and b) managing the Church's compliance with applicable statutes, regulatory reporting and other legal/contractual responsibilities in coordination with the Office of the Treasurer. The Church may choose not to issue charitable gift annuities in states where the associated legal/regulatory cost is determined to outweigh the potential benefit of maintaining the CGA Program in that state.
- c. In accordance with regulatory requirements, the Church maintains a Charitable Gift Annuity Disclosure Statement (Statement). As part of the gift annuity application process, donors attest that they have been provided with the Statement before contracts are executed. Mission Advancement staff communicates with donors, their families and annuitants about the material facts of the arrangements into which they are entering.
- d. In accordance with regulatory requirements, the Church maintains charitable gift annuity investment pools that are segregated from general investments of the Church.
- e. The Church maintains personally identifiable information about charitable gift annuity donors and annuitants. Retention of such data is subject to the Church's Data Security Policy.
- f. The Church uses reputable third party vendor software solutions to calculate payments, charitable deductions, capital gains and other appropriate tax reporting data provided to donors, the Internal Revenue Service and state regulators.
- g. The Church performs administration services to fulfill contractual obligations. Internal controls, including documented policies and procedures are maintained and reviewed by the Church's internal and external auditors to ensure that contractual obligations are fulfilled.

Financial Operating Risk

The Church must cover its direct and indirect operating costs of maintaining its Charitable Gift Annuity Program. The Church charges a management fee commensurate with the costs of development, administration and investment management. The Church should evaluate the financial operating results at least annually.

As the lifetime costs of administering smaller charitable gift annuities is more likely to exceed the management fee revenues associated with those gifts, the Church sets forth minimum gift amounts.

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Investment Advisor and Custodian Evaluations for the Charitable Gift Annuity Program

Summary

The Office of the Treasurer is responsible for evaluating the investment advisor and custodian bank with interim ongoing reviews. Significant developments are to be reported to the Budget and Finance Committee. Staff has completed a review of Portico Benefit Services and the work they perform for the Deferred Gift programs, specifically, Charitable Gift Annuities. This is the first investment advisor review of the Deferred Gift Program services.

Office of the Treasurer staff provided Portico Benefit Services (Portico) with an outline of the areas to be addressed in the advisor review, as follows: organizational structure, service, investment management and performance, investment manager monitoring, compliance, investment performance reporting and custodial services. Portico responded with a thorough report of the areas requested. The results of this Investment Advisor Review indicate that the performance of Portico has satisfied the ELCA's requirements and indicates a continued effort to develop a stronger partnership between the two organizations.

Organizational Assets Under Management

Portico manages over \$7.0 billion in retirement plan, endowment assets, charitable gift portfolios, medical and dental and other benefit assets. Approximately \$1.7 billion of the assets are in Social Purpose investments. The ELCA endowment funds were valued at \$448 million as of 12/31/12 and there were approximately \$91 million in ELCA Charitable Gift Annuity assets.

Investment Performance

The required reserve fund's primary performance objective is to generate sufficient cash flow to service the underlying annuity contracts on a schedule consistent with that of the liabilities. The benchmark is the duration of the liabilities. This allocation performed in line with the expectations to fund the cash flow needed to support the annuity payments, although not providing return enhancement of the surplus over the asset/liability matched assets. Portico has consistently met the performance objective throughout the period under review.

The excess reserve is invested in Portico's Social Purpose 40e fund. The fund has a value-added objective to exceed the total return of the benchmark by 55 basis points annually, net of investment management expenses, over rolling five-year time periods. The fund's active risk maximum is 180 basis points, measured over rolling one-year periods. For the three years ending 1/31/2013, the Charitable Gift Annuity excess reserve invested in the SP 40e fund and had the following results, net of investment manager fees: CGA 3 year compound annualized return: 10.0% vs. benchmark 11.1%. The 3 year active risk was 60 basis points, well in line with the guidelines. Weak intermediate-term value-added results have pulled longer-term results down to in line with benchmark. Addressing the underperformance of certain sub-advisors, significant

changes were made to equity and fixed income investment structures and managers during the past two years.

Investment Manager Monitoring

Active manager evaluations are performed every 3-5 years and less frequently for passive managers. Staff evaluates manager value-added vs. their performance objectives over the longer term, e.g. rolling 5-10 year periods. All active manager evaluations were performed in accordance with established timelines during the period under review. During 2011/2012, the investment manager lineup for the SP40e experienced quite a bit of turnover.

Overall, the changes that took place position the Social Purpose 40 percent equity fund for the long-term with investment managers that are expected to perform in line with their respective objectives and goals as well as add value to the fund over the long-term. The Required Reserve fund is managed by Portico's internal fixed income team and has been evaluated by Rocation Investment Advisors. Results indicate that Portico adds value to the passive component of the fixed income structure.

Strategic Asset Allocation

The Charitable Gift Annuity Required Reserve Fund utilizes a 100% fixed income asset liability matched approach to investing. This methodology ensures that the required annuity payments are met by investing in securities that will provide sufficient cash flow. Prior to 2010, both required and excess reserve funds were managed to the same asset allocation: approximately 100% fixed income. Portico uses a relative value, bottom up style of security selection for the fixed income allocation. Credit risk is the key risk in the fixed income portfolio. The average credit quality of the required reserve fixed income portfolio is AA+. This allocation performed in line with the expectations to fund the cash flow needed to support the annuity payments, although not providing return enhancement of the surplus over the asset/liability matched assets.

The Excess Reserve portion is not targeted to fund the benefit payments and therefore can utilize a different investment objective/methodology than the required reserve. In January 2010, the Excess Reserve Fund began investing in the Portico Social Purpose 40% Equity Fund so as to seek growth or return enhancement while maintaining purchasing power. Over the past three years this has proved to be a prudent change as the performance of the SP40e has exceed that of the 100% fixed income portfolio. Portico has adhered to the CGA portfolio's strategic asset allocation for both the Required and Excess Reserve portfolios. The next strategic asset allocation review will be presented at the Spring 2015 meeting.

Compliance

Portico performs various compliance checks for: asset allocation ranges, investment guideline compliance, cash levels, Social Criteria List and performance. In the last three years there were no exceptions or violations in the Required Reserve fund. The SP40e fund had only two SCL compliance exceptions reported for the previous three years and were found to be within guidelines as they were within tolerance at the time of purchase and were therefore not violations. This result was more than satisfactory as there are approximately 700 companies on the SCL. In order to ensure compliance with the annual Social Criteria List (SCL), which prohibits addition to position of companies placed on the list, a variety of pre-trade compliance systems are in place.

During December 2012, a group of Pastors filed a civil action challenging the legality of the reduction of annuity payments from the ELCA Retirement Plan (Plan) as well as the management of the Plan's assets.

The ELCA Churchwide Organization was dismissed from the lawsuit June 2012. Plaintiffs have filed a class certification motion and a hearing is scheduled during March 2013. To date, the lawsuit has not had a material impact on the management of the CGA funds.

Fees

The investment management/advisory fees charged to the Charitable Gift Annuity Required Reserve fund are on average 5.5 basis points per year. The SP40e Fund was charged investment management fees of 22 basis points in 2011, 28 basis points in 2012 and 30 basis points in 2013. Based on a 2012 review, the investment manager fees that Portico pays are well below the median for the asset category and account size. The majority of the SP40e investment manager's fee structure are in the top 25th percentile of the defined manager universe. Overall, both the Required Reserve fund and the Excess Reserve funds benefit from this fee structure and have advantaged from the economies of scale that Portico offers through its size of assets under management.

ELCA ENDOWMENT FUND POOLED TRUST
as of December 31, 2012, with comparative totals for 2011
(unaudited)

	2012		2011
	Number of	Market Value	Market Value
	Participants	Accounts	
Funds Held for Others:			
ELCA Congregation	535	698	\$ 103,091,252
Synod	43	92	44,620,825
Women of the ELCA	1	49	5,799,791
Campus Ministry Organizations	74	93	4,245,571
Related Organizations	29	30	8,265,496
Other Lutheran Church Body	1	2	834,004
Outdoor Ministry	15	27	6,308,752
Social Ministry Organization	7	8	2,393,024
ELCA Church Organization	4	5	3,798,637
College or University	2	2	36,284
Miscellaneous	4	4	251,371
Region	1	1	70,804
	<u>716</u>	<u>1011</u>	<u>179,715,811</u>
Unrestricted-Board Designated:			
Benefiting ELCA Churchwide Organization		<u>26</u>	<u>22,128,625</u>
			<u>19,865,332</u>
Temporarily Restricted Funds:			
	<u>209</u>		<u>42,068,014</u>
			<u>34,811,748</u>
Permanently Restricted Funds:			
	<u>686</u>		<u>203,748,512</u>
			<u>173,499,533</u>
Total Unrestricted-Board Designated, Temporarily Restricted and Permanently Restricted	<u>921</u>		<u>267,945,151</u>
			<u>228,176,613</u>
GRAND TOTAL - ALL ACCOUNTS	<u>1,932</u>		<u>\$ 447,660,962</u>
			<u>384,764,850</u>

**Proposal for Churchwide Response to Current
Challenges and Opportunities in Theological Education**

I. Assessing our current situation in theological education for mission leadership

- A. One of the primary assets of the ELCA is its theological education network for the preparation, connection and support of faithful, wise, and courageous mission leaders.
- B. In a time of rapid changes in the culture, the church, profiles of leadership and educational structures, our theological education network is necessarily adapting rapidly by means of new institutional collaborations and mergers, new degree program designs, certificate programs, strategies for forming learning communities, and staffing arrangements. It is especially crucial that this renewal happens well over the next few years as the ELCA enters a period of dramatic turn-over in its rostered leadership and as lay theological education becomes even more important for the ELCA to live out its vocation in North American and global Christianity.
- C. At the same time, economic challenges both for students and for educational providers are creating strains that limit capacity for creative adaptation and that could significantly reduce the richness, connectedness and productivity of our theological education network, unnecessarily suppress enrollment of gifted candidates, and diminish the common theological life of this church.
- D. A core task of the ELCA churchwide organization is the stewardship and continuous renewal of this theological education network, including the renewal of work across this church to call forth women and men who can be formed as servant leaders.

II. Some concrete steps that ELCA leadership can take to open a path forward

- A. Renewing this church's pattern of enabling mutual accountability in its theological education network
 - 1. The Church Council at its April 2013 meeting appoints and funds a new theological education advisory council to work over the next two years, consulting with a broad range of leaders both within and beyond the ELCA and accomplishing the following tasks:
 - a. regularly convene seminary presidents, board chairs and a bishop from each seminary's board to:
 - share counsel on churchwide, synodical and seminary priorities and strategic plans, particularly regarding implications of the priorities and plans for our shared work in leadership preparation and support
 - share counsel on current collaboration initiatives and explore new collaborative possibilities: within the ELCA seminary system; among seminaries, colleges, universities, and synod-based programs; and with schools of ecumenical and international partners
 - share counsel on degree program design innovations and examine implications for our leadership identification and preparation systems
 - review and consider implications of enrollment and graduation data
 - review progress in meeting the challenges of seminarian student debt
 - review progress in developing sustainable patterns of providing theological education
 - b. consider if new Church Council policies and/or other measures (such as incentives) would help our theological education network identify and implement important new adaptive measures (*areas where new churchwide policies/incentives could be helpful might include faculty sharing, distributed learning, college/seminary collaborations, international partnerships*)

- c. develop a set of basic benchmarks for assessing the efficiency of our theological education network (*e.g., concerning student/faculty ratios, educational cost per FTE student, trends in net costs to students, trends in student debt, ratio of educational spending/other institutional spending*)
- d. work with Research and Evaluation staff to assess the effectiveness and adequacy of the ELCA's work in theological education by:
 - mapping the ELCA's ecology of theological education (including its ecumenical and international partners)
 - developing projections of the ELCA's needs for a variety of forms of leadership over the next ten years
 - identifying practices in and among the expressions and institutions of this church that show promise to expand the identification and nurturing of strong candidates for the variety of forms of leadership needed for service to God's mission in this time
 - assessing the theological fluency of ELCA leaders and other members and their engagement with our theological education network

B. Renewing this church's patterns of providing support for theological education

1. The Office of the Presiding Bishop works with the Church Council to bring a budget proposal to the 2013 Churchwide Assembly that designates a regular percentage of mission support receipts from synods for the support of theological education.
2. The Conference of Bishops and Synod Councils, in partnership with churchwide leadership, will work to stabilize and strengthen congregational and synodical support of theological education (perhaps by an agreement to designate for this purpose a regular percentage of mission support receipts from congregations).
3. The Mission Advancement unit works with the synods to communicate more clearly to congregations and members that an important way we serve God's mission is through our shared support of theological education through mission support and individual gifts.

C. Preparing the way for future renewal in theological education

At its fall 2015 meeting, the ELCA Church Council receives a comprehensive report and possible recommendations to the 2016 Churchwide Assembly from the Theological Education Advisory Council and considers:

1. whether this structure or some other form of intensified churchwide convening and coordination of theological education needs to go forward and what its mandates should be;
2. what sort of interdependent network of leaders prepared in various ways will best serve the ELCA's service in mission in the next decade;
3. what current theological education resources need to be redeployed (including the question of number and location of seminaries), what new resources need to be created, and what additional ecumenical and international partnerships need to be developed to foster and support such an interdependent network of leaders; and
4. what levels and forms of investment in theological education by churchwide, synods and individuals will be critical over the next ten years and how this can happen?

FILING RECEIPT

ENTITY NAME: LUTHERAN MEDICAL CENTER

DOCUMENT TYPE: AMENDMENT (DOMESTIC NFP)
PROCESS PROVISIONS RESTATED

COUNTY: KING

FILED:11/24/2008 DURATION:***** CASH#:081124000511 FILM #:081124000458

FILER:

MANATT PHELPS & PHILLIPS LLP
7 TIMES SQUARE

NEW YORK, NY 10036

ADDRESS FOR PROCESS:

THE CORPORATION
OFFICE OF THE GENERAL COUNSEL
BROOKLYN, NY 11220

150 55TH STREET

REGISTERED AGENT:



SERVICE COMPANY: NATIONAL CORPORATE RESEARCH LTD. - 26 SERVICE CODE: 26

FEEs	140.00
FILING	30.00
TAX	0.00
CERT	0.00
COPIES	10.00
HANDLING	100.00

PAYMENTS	140.00
CASH	0.00
CHECK	0.00
CHARGE	0.00
DRAWDOWN	140.00
OPAL	0.00
REFUND	0.00

DOS-1025 (04/2007)

STATE OF NEW YORK
DEPARTMENT OF STATE

I hereby certify that the annexed copy has been compared with the original document in the custody of the Secretary of State and that the same is a true copy of said original.



WITNESS my hand and the official seal of the
Department of State, at the City of Albany, on
November 25, 2008.

Paul LaPointe

Paul LaPointe
Special Deputy Secretary of State

**RESTATED CERTIFICATE OF INCORPORATION
OF**

LUTHERAN MEDICAL CENTER

Under Section 805 of the New York Not-for-Profit Corporation Law

I, the undersigned, being the President and Chief Executive Officer of Lutheran Medical Center (hereinafter the "Corporation") do hereby certify:

1. The name of the Corporation is Lutheran Medical Center.
2. The Corporation's Certificate of Incorporation was filed by the New York State Department of State on December 30, 1963 in the form of a Certificate of Consolidation of Lutheran Medical Center and Kallman Home for Children. The Corporation is a corporation as defined in subparagraph (a)(5) of Section 102 of the N-PCL, and is a Type B corporation under Section 201 of the N-PCL.
3. The Certificate of Incorporation of the Corporation is amended to effect the following amendments authorized by the Not-For-Profit-Corporation Law:
 - (a) Paragraph 2, stating the name of the Corporation, is amended to remove the word "consolidated" and therefore as amended reads as follows:

"2. The name of the Corporation is Lutheran Medical Center."
 - (c) Paragraph 3, stating the territory in which the Corporation's operations are to be principally conducted is deleted.
 - (d) Paragraph 4, stating the county in which the office of the Corporation is to be located is renumbered as Paragraph 3.
 - (e) Paragraph 5, stating the number of trustees of the Corporation is renumbered as Paragraph 4 and amended to read as follows:

"4. The number of the Corporation's trustees shall be not less than twelve nor more than thirty-four."
 - (f) The names and residence addresses of the initial trustees are omitted from Paragraph 6, which is renumbered as Paragraph 5.
 - (g) Paragraph 7, which addresses the Corporation's purposes, is renumbered as Paragraph 6. In addition, Paragraph 7(a), which cross-references the corporate name, territory, office and initial trustees, is deleted so that Paragraph 7(b) becomes the only provision of this Paragraph. The words "The purposes of the Corporation are entirely charitable within the meaning of Section 501(c)(3) of the

Internal Revenue Code of 1986, as amended and are as follows” are added at the beginning of existing Paragraph 7 to make it clear that this Paragraph addresses corporate purposes and the last sentence, referencing prior amendments to the Certificate of Incorporation, is deleted. As thus amended this Paragraph shall read as follows:

“6. The purposes of the Corporation are entirely charitable within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended and are as follows: To acquire, erect, build, alter, reconstruct, own, operate and maintain a hospital for the prevention, diagnosis or treatment of human disease, pain, injury, disability, deformity or physical condition, including but not limited to, a general hospital, public health center, diagnostic center, treatment center, dental clinic, dental dispensary, rehabilitation center, other than a facility used solely for vocational, rehabilitation, nursing home, tuberculosis hospital, chronic disease hospital, maternity hospital, lying-in-asylum, out-patient department, dispensary and a laboratory or central service facility serving one or more such institutions, and to be a service provider and a managed care contractor for Health Maintenance Organization and/or other managed care arrangements, and to provide management services to managed care organizations of any type or description.”

(h) Paragraph 8 is renumbered as Paragraph 7 and Paragraph 9 is renumbered as Paragraph 8.

(i) Paragraph 7(e), which addresses distribution of the Corporation’s assets upon its dissolution, is amended to clarify that the distributee must have Internal Revenue Code Section 501(3) status, and so shall read as follows:

“(e) In the event that circumstances, financial or otherwise, shall make it necessary for Lutheran Medical Center to cease or dissolve its operations, no distribution of property or assets of Lutheran Medical Center shall be made to any trustee, director or officer of Lutheran Medical Center or to any other private individual. All of the remaining assets and properties of Lutheran Medical Center, of whatsoever kind and type, shall be turned over and/or revert to the Evangelical Lutheran Church in America or its successor, so long as the Evangelical Lutheran Church in America or its successor is then an organization described in Section 501(c)(3) of the Code, so that the same may be applied to perpetuate the ministry of Lutheran Medical Center as outline in Article II of its Constitution; provided, however, that Lutheran Medical Center shall, in connection with a dissolution, have the power to convey any or all of its property to the Secretary of Housing and Urban Development or his/her nominee; and provided further if the Evangelical Lutheran Church in America or its successor is not then an organization described in Section 501(c)(3) of the Code, Lutheran Medical Center shall distribute its assets to an organization that is then described in Section 501(c)(3) of the Code that is chosen by the Evangelical Lutheran Church in America or its successor.”

(j) A new Paragraph 9 providing for service of process against the Corporation is added as follows:

"9. The Secretary of State is designated as the agent of the Corporation upon whom process against it may be served. The address to which the Secretary of State shall forward copies of process accepted on behalf of the Corporation is:

Lutheran Medical Center
Office of the General Counsel
150 55th Street
Brooklyn, New York 11220"

(k) A new Paragraph 10 confirming the Type of the Corporation is added as follows:

"10. The Corporation is a Type B corporation under Section 201 of the Not-for-Profit Corporation Law."

4. The text of the certificate of incorporation is hereby restated as amended to read herein set forth in full:

1. The name of the Corporation is Lutheran Medical Center.
2. The office of the Corporation shall be located in the Borough of Brooklyn, County of Kings, City and State of New York.
3. The number of the Corporation's trustees shall be not less than twelve nor more than thirty-four.
4. The consolidated corporation is to be a new corporation.
5. The purposes of the Corporation are entirely charitable within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended and are as follows: To acquire, erect, build, alter, reconstruct, own, operate and maintain a hospital for the prevention, diagnosis or treatment of human disease, pain, injury, disability, deformity or physical condition, including but not limited to, a general hospital, public health center, diagnostic center, treatment center, dental clinic, dental dispensary, rehabilitation center, other than a facility used solely for vocational, rehabilitation, nursing home, tuberculosis hospital, chronic disease hospital, maternity hospital, lying-in-asylum, out-patient department, dispensary and a laboratory or central service facility serving one or more such institutions, and to be a service provider and a managed care contractor for Health Maintenance Organization and/or other managed care arrangements, and to provide management services to managed care organizations of any type or description.
6. (a) The Corporation has one voting member having voting rights. The sole voting member having voting rights is the Evangelical Lutheran Church in

America, a Minnesota non-profit corporation. New members may be elected only by vote of the member(s) having voting rights, which shall be evidenced by written certification confirming such vote.

(b) Any person elected to the Board of Trustees of the Corporation may be removed without cause by vote of the member of the Corporation having voting rights.

(c) The Constitution of the Corporation may be amended only by vote of the member of the Corporation having voting rights. The Constitution and By-Laws together constitute the Corporation's by-laws as the term "by-laws" is used under the New York Not-for-Profit Corporation Law. No provision of the By-Laws shall be inconsistent with the Constitution or the Certificate of Incorporation.

(d) The following actions shall require prior approval of the member of the corporation having voting rights: merger or consolidation; sale, assignment or transfer of all or substantially all of the assets of the Corporation; transfer of ownership or control of the Corporation to any other person, corporation or entity; or any form of joint venture or common operation with another entity.

7. (a) Lutheran Medical Center is authorized and empowered to provide, on a non-profit basis, hospital facilities and services for the care and treatment of persons who are acutely ill or who otherwise require medical care of the kind customarily furnished most effectively by hospitals, pursuant to Section 242 of the National Housing Act, as amended;

(b) Lutheran Medical Center is authorized and empowered to execute and deliver a note, mortgage and security agreement in order to secure a loan to be insured by the Secretary of Housing and Urban Development ("HUD"), and to execute a regulatory agreement and such other documents as may be required by HUD in connection with such a loan (said note, mortgage, security agreement, regulatory agreement and other documents are hereinafter called the "HUD Loan Documents");

(c) If any of the provisions of this Certificate of Incorporation or of the Constitution and By-Laws of Lutheran Medical Center conflict with the terms of the HUD Loan Documents, the provisions of the HUD Loan Documents will control;

(d) This Certificate of Incorporation may not be amended without the prior approval of HUD, so long as HUD is the insurer or holder of the loan evidenced and secured by the HUD Loan Documents; and

(e) In the event that circumstances, financial or otherwise, shall make it necessary for Lutheran Medical Center to cease or dissolve its operations, no distribution of property or assets of Lutheran Medical Center shall be made to

any trustee, director or officer of Lutheran Medical Center or to any other private individual. All of the remaining assets and properties of Lutheran Medical Center, of whatsoever kind and type, shall be turned over and/or revert to the Evangelical Lutheran Church in America or its successor, so long as the Evangelical Lutheran Church in America or its successor is then an organization described in Section 501(c)(3) of the Code, so that the same may be applied to perpetuate the ministry of Lutheran Medical Center as outline in Article II of its Constitution; provided, however, that Lutheran Medical Center shall, in connection with a dissolution, have the power to convey any or all of its property to the Secretary of Housing and Urban Development for a public purpose, or his/her nominee, for a public purpose; and provided further if the Evangelical Lutheran Church in America or its successor is not then an organization described in Section 501(c)(3) of the Code, Lutheran Medical Center shall distribute its assets to an organization that is then described in Section 501(c)(3) of the Code that is chosen by the Evangelical Lutheran Church in America or its successor.

8. The Secretary of State is designated as the agent of the Corporation upon whom process against it may be served. The address to which the Secretary of State shall forward copies of process accepted on behalf of the Corporation is:

Lutheran Medical Center
Office of the General Counsel
150 55th Street
Brooklyn, New York 11220

9. The Corporation is a Type B corporation under Section 201 of the Not-for-Profit Corporation Law.

5. This restatement of the Corporation's Certificate of Incorporation was authorized by vote of the sole member of the Corporation, the Evangelical Lutheran Church in America, a Minnesota nonprofit corporation (the "ELCA"), acting by its duly authorized Executive Committee of its governing Church Council at a meeting duly called and held on November 17, 2008.

IN WITNESS WHEREOF, the undersigned has subscribed this certificate and hereby affirms it as true under penalties of perjury this 17th day of November 2008.


Wendy Z. Goldstein
President and Chief Executive Officer



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-8000

OFFICE OF HOUSING

OCT 16 2008

Ms. Barbara Katz Arky
Executive Vice President and General Counsel
Lutheran Medical Center
150 55th Street
Brooklyn, NY 11220

Re: Lutheran Medical Center
FHA Project: 12-13065
Amended and Restated Certificate of Incorporation

Dear Ms. Arky:

This letter responds to your September 18, 2008 request on behalf of the Lutheran Medical Center ("LMC"), asking the U.S. Department of Housing and Urban Development (HUD) to approve the amendment and restatement of LMC's Certificate of Incorporation.

HUD has reviewed the proposed amendments and their compliance with the HUD Approval Covenants for HUD Section 242 Mortgage Insurance ("HUD Covenants") dated as of October 10, 2002, and the HUD Regulatory Agreement and Supplementary Agreement executed in connection with the HUD initial endorsement in March 27, 2003.

Based upon that review and the information you provided concerning this matter, HUD approves your request. If you have any questions, please feel free to contact me at 314-539-6561.

Sincerely,

A handwritten signature in dark ink, appearing to read "Albert R. Mirarchi".

Albert R. Mirarchi
Account Executive
Office of Insured Health Care Facilities

cc: Charles Y. Davis, PhD, HUD/OIHCF
Francine Cunningham, HUD/OIHCF

NCR-26**081124000 458****RESTATED CERTIFICATE OF INCORPORATION****OF****LUTHERAN MEDICAL CENTER****UNDER SECTION 805 OF THE
NOT-FOR-PROFIT CORPORATION LAW****FILED**
2008 NOV 24 PM 1:28**1CC**
STATE OF NEW YORK
DEPARTMENT OF STATE**FILED NOV 24 2008****TAX S** _____**BY:** MARKKingsntOG**Manatt, Phelps & Phillips, LLP**
7 Times Square
New York, New York 10036**RECEIVED**
2008 NOV 24 AM 11:04**RECEIVED** 2008 NOV 19 AM 9:06
RECEIVED 2008 NOV 20 AM 11:04
RECEIVED 2008 NOV 21 AM 11:04**Drawdown**8511

CERTIFICATE OF AMENDMENT

OF THE CERTIFICATE OF INCORPORATION OF

LUTHERAN MEDICAL CENTER

Under Section 803 of the New York Not-for-Profit Corporation Law

I, the undersigned, being the President and Chief Executive Officer of Lutheran Medical Center (hereinafter the "Corporation") do hereby certify:

1. The name of the Corporation is Lutheran Medical Center.
2. The Corporation's Certificate of Incorporation was filed by the New York State Department of State on December 30, 1963 in the form of a Certificate of Consolidation of Lutheran Medical Center and Kallman Home for Children.
3. The Corporation is a corporation as defined in subparagraph (a)(5) of Section 102 of the Not-For-Profit Corporation Law ("N-PCL") and is a Type B corporation under Section 201 of the N-PCL.
4. The Certificate of Incorporation of the Corporation is amended to effect the following amendments authorized by the N-PCL:
 - a. Paragraph 6, subparagraphs (a) through (d) which provides in subparagraph (a) that the Evangelical Lutheran Church in America shall be the sole voting member of the Corporation; in subparagraph (b) for the removal without cause of members of the Board of Trustees by the sole member; in subparagraph (c) for amendment of the Constitution of the Corporation by vote of the sole member; and in subparagraph (d) that certain actions of the Corporation shall require the prior approval of the sole member are deleted in their entirety.
 - b. Paragraph 7 is renumbered Paragraph 6 and subparagraph (e) thereof, which sets forth provisions regarding the distribution of the Corporation's assets in the event of its dissolution is hereby amended to read as follows:

“(e) In the event that circumstances, financial or otherwise, shall make it necessary for Lutheran Medical Center to cease or dissolve its operations, no distribution of property or assets of Lutheran Medical Center shall be made to any trustee, director or officer of Lutheran Medical Center or to any other private individual. All of the remaining assets and properties of Lutheran Medical Center, of whatsoever kind and type, shall be turned over and/or revert to LMC Health System, Inc. or its successor, so long as LMC Health System, Inc. or its successor is then an organization described in Section 501(c)(3) of the Code, so that the same may be applied to support and promote the mission of Lutheran Medical Center as outline in Article II of its

Constitution; provided, however, that Lutheran Medical Center shall, in connection with a dissolution, have the power to convey any or all of its property to the Secretary of Housing and Urban Development for a public purpose, or his/her nominee, for a public purpose; and provided further if LMC Health System, Inc. or its successor is not then an organization described in Section 501(c)(3) of the Code, Lutheran Medical Center shall distribute its assets to an organization that is then described in Section 501(c)(3) of the Code that is chosen by the LMC Health System, Inc. or its successor.”

c. Paragraph 8 is renumbered Paragraph 7 and Paragraph 9 is renumbered Paragraph 8.

5. This amendment of the Corporation’s Certificate of Incorporation was authorized by vote of the sole member of the Corporation, the Evangelical Lutheran Church in America, a Minnesota nonprofit corporation (“ELCA”), acting by its governing Church Council at a meeting duly called and held on _____, 2013.

IN WITNESS WHEREOF, the undersigned has subscribed this certificate and hereby affirms it as true under penalties of perjury this ___ day of _____ 2013.

Wendy Z. Goldstein
President and Chief Executive Officer

LUTHERAN MEDICAL CENTER BROOKLYN, NEW YORK

CONSTITUTION

**WENDY Z. GOLDSTEIN
PRESIDENT**

**EMMA GRAEBER PORTER
CHAIR
BOARD OF TRUSTEES**

LUTHERAN MEDICAL CENTER CONSTITUTION

ARTICLE I NAME

Section 1. Name

The name and title of said Corporation shall be LUTHERAN MEDICAL CENTER.

Section 2. Place of main office

The main office of this Corporation shall be 150 55th Street, in the Borough of Brooklyn, or at such other places as shall hereafter be designated by the Board of Trustees.

ARTICLE II OBJECTIVES

Section 1. ~~Objects~~Mission

The ~~objects of this church-related Corporation shall be:~~

~~To give expression to a Christian ministry of mercy for the establishment and maintenance of one or more general hospitals and homes for the care of the sick, infirm, convalescent or other persons in need of any care and such other matters as pertain to health and welfare service, including the right to maintain a Deaconate.~~

~~To carry on any educational and recreational activities related to rendering care to the sick and injured or the promotion of health, which in the opinion of the Corporation may be justified by the facilities, personnel, funds or other requirements that are or can be made available.~~

~~To promote and carry on scientific research related to the care of the sick and injured insofar as, in the opinion of the Corporation, such research can be carried on in or in connection with the medical center operated by the Corporation (the "Medical Center").~~

~~To participate, so far as circumstances may warrant, in any activity designed and carried on to promote the general health of the community.~~ Corporation exists to serve its neighbors. It is dedicated to caring for whole persons throughout whole communities. As a stabilizing foundation for these communities, the Corporation is committed to meeting its neighbors' changing physical, emotional, spiritual, intellectual and social needs.

Section 2. Tax-Exempt Purpose

—This Corporation is organized exclusively for charitable, scientific and educational purposes as a not-for-profit corporation and its activities shall be conducted for the aforesaid purposes in such a manner that no part of its net earnings will inure to the benefit of any member, director, officer or individual. It shall not be its purpose to engage in carrying on propaganda or otherwise attempting to influence legislation. This Corporation shall conform with the regulations of the Internal Revenue Code under which it is granted tax-exempt status.

Section 2.Section 3. Church Relationships

(a) — To be faithful to the Christian tradition of its founding and its historic relationships with the Lutheran churches, it is the intent of the Corporation to be affiliated with the Evangelical Lutheran Church in America ~~in accordance with criteria and provisions for affiliation established by the Evangelical Lutheran Church in America and to maintain meaningful and effective relationships with the jurisdictional units and congregations of the Lutheran churches throughout the Metropolitan New York area.~~

(a) —

(b) — This Corporation shall be fully responsible for the management and fiscal affairs of the Corporation and fully responsible for any debts and liabilities it may incur.

(b) —

(c) Church affiliate status shall not cause the Evangelical Lutheran Church in America, any synod, nor any Lutheran church to incur or be subject to the liabilities or debts of this Corporation.

ARTICLE III MEMBERSHIP

Section 1.

The sole voting member having voting rights shall be ~~The Evangelical Church in America~~LMC Health System, Inc., a ~~Minnesota-New York~~ not-for-profit corporation.

Section 2.

The Board of Trustees of the Corporation may establish procedures by which individuals, congregations and organizations may participate in and support the programs of the Corporation. No voting rights shall be conferred thereby.

ARTICLE IV MEMBER MEETINGS

Section 1.

The Annual Meeting of the Corporation shall be held each year during a regular meeting of ~~the Church Council of the Evangelical Lutheran Church in America or the sole voting member~~ at such ~~other time, at the day, hour~~ and place designated by the Secretary of the sole voting member. The ~~Vice President Chairperson~~ Chairperson of the sole voting member or an authorized representative shall preside.

Section 2.

Special meetings of the Corporation may be held at the call of the Chair of the Board of ~~Trustees or Trustees~~ or six or more members of the Board of Trustees or by the sole voting member. Such call shall be sent by mail not less than ten (10) days in advance of the date for which the meeting is called unless such notice is otherwise waived.

Section 3.

~~A quorum for the transaction of business at the Annual Meeting or at Special Meetings shall consist of the authorized representative or the duly certified proxy of the sole voting member.~~

Section 4.

The sole voting member may, by written consent without a meeting, take any action required or permitted to be taken at any Annual or Special Meeting.

ARTICLE V TRUSTEES AND THEIR ELECTION

Section 1.

(a) A Board of Trustees shall consist of not less than twelve nor more than thirty-four persons, approximately one-third (1/3) of whom shall be elected at each Annual Meeting. They shall hold office for three years and until their successors have been elected. The Trustees serving at the time this amendment is adopted shall be divided at the designation of the Nominations Committee into three groups approximately equal in size. The first group shall serve an initial term of one year; the remaining groups shall serve initial terms expiring at successive one-year intervals after the first year. Thereafter, at its Annual Meeting, or Special Meeting, the sole voting member of the Corporation shall elect individuals to fill the then-existing vacancies on the Board. Each elected Trustee shall hold office for a term of three years and until a successor is duly elected, unless the Trustee sooner resigns or is removed pursuant to Article V., Section 2 of this Constitution.

(b) At least 25% of the membership of the Board of Trustees shall be members of a congregation of a Lutheran Church, including the bishop of the Metropolitan

New York Synod of the Evangelical Lutheran Church in America who shall be an *ex officio* voting member of the Board, ~~with the understanding that the Nominations Committee and the Board shall make all reasonable efforts to maintain the Lutheran percentage as close to 50% as feasible, recognizing the need to also reflect the diversity of the community on the Board and to recruit Trustees with the skills and resources to support the Corporation.~~ Three members of the Board shall be comprised of members of the board of directors of ~~Sunset Park Health Council, Inc.~~ Lutheran Family Health Centers (“SPHCLFHC”), as follows. Following each annual meeting of ~~SPHC-LFHC~~ SPHCLFHC for the election of its directors and officers, the President of SPHCLFHC, who shall be an *ex officio* voting member of the Board of Trustees, shall nominate for election to the Board of Trustees two additional ~~SPHC-LFHC~~ SPHCLFHC directors. Following approval of such nominations by the Board, the ~~SPHC-LFHC~~ SPHCLFHC members shall be presented to the sole voting member for election.

(c) To be eligible for Board membership, a trustee candidate shall (a) exemplify basic qualities of honesty, integrity, justice, and sound moral character; (b) be committed to uphold the purposes, philosophy and general policy of the Corporation as stated in the Constitution and By Laws and have the willingness and ability to devote necessary time to Board activities and be able to apply realistically experience and expertise to make decisions objectively, and (c) recognize the confidential character of information discussed at Board meetings and strive to avoid the appearance of any conflict of interest. The individuals holding the following offices shall be ex officio voting members of the Board: the President and Chief Executive Officer of the Corporation; the President and Chief Executive Officer of the sole voting member and the Chairperson of the Board of Directors of Lutheran Augustana Center For Extended Care and Rehabilitation shall be an ex-officio voting member of the Board.

Section 2. Removal of Trustee

Any person elected to the Board of Trustees may be removed for or without cause at any time by the sole voting member or for cause by a two-thirds majority vote of the Trustees.

Section 3. Power of the Board of Trustees

The administrative powers of the Corporation shall be vested in the Board of Trustees who shall have charge, control and management of the property, affairs and funds of the Corporation and which shall have the power and authority to do and perform all acts and functions not inconsistent with the Constitution and By-laws or with any action taken by the Corporation.

Section 4. Nominations Committee

Prior to each Annual Meeting of the Corporation, the Board of Trustees, having received the recommendations of the Chairman of the Board of Trustees, shall appoint three members of the Board of Trustees whose terms do not expire to serve as a Nominations Committee. At least one of the members of the Nominations Committee shall be a member of a congregation of a Lutheran church.

Section 5. Vacancies on the Board of Trustees

Vacancies on the Board of Trustees may be filled by the sole voting member at any meeting of the sole voting member.

Section 6. Fiscal Year

The Board of Trustees shall maintain the Corporation's financial books, statements and affairs on a fiscal year ending December 31st.

Section 7. By-laws

After consultation with the sole voting member, the Board of Trustees at a Regular or Special meeting may adopt By-laws not inconsistent with the provisions of this Constitution; ~~provided that, at least one fourth of the members in attendance are Lutheran members.~~

ARTICLE VI MEETING OF THE BOARD OF TRUSTEES

Section 1. Regular Meetings

The Board of Trustees shall hold regular meetings at such time, frequency and place as it shall determine. Trustees must attend a minimum of one-half of regularly scheduled meetings, and may not miss two consecutive regular meetings without leave of the Chair of the Board of Trustees. The President, accompanied by the Senior Vice President for Mission and Spiritual Care, shall be required to attend meetings, except Executive Sessions of the Board. Other Administrators may attend meetings at the invitation of the Board.

Section 2. Special Meetings

Special meetings of the Board may be held at any time at the call of the Chair of the Board of Trustees or at the request of any eight members of the Board of Trustees.

ARTICLE VII DISSOLUTION

In order to assure the operation in perpetuity of the Medical Center, all properties, real, personal and whatsoever kind and type, belonging thereto, shall be turned over to and/or revert to ~~the Evangelical Lutheran Church in America~~ LMC Health System, Inc. or its successor in the event that circumstances financial or otherwise, shall make it necessary for the Corporation to cease or dissolve its operations.

ARTICLE VIII AMENDMENTS TO THE CONSTITUTION

This constitution may be amended at any Annual or Special Meeting by the sole voting member of the Corporation. However, no amendment shall ever eliminate the word "LUTHERAN" from the name of the Corporation, nor may Article VII ever be amended except

with the approval of ~~The Churchwide Assembly of the Evangelical Lutheran Church in America~~ the sole voting member.

Adopted:	October 14, 1965
Amended:	September 12, 1967
Amended:	November 29, 1967
Amended:	March 27, 1968
Amended:	March 18, 1975
Amended:	September 22, 1976
Amended:	June 14, 1978
Amended:	April 1981
Amended:	September 1983
Amended:	May 1985
Amended:	March 1987
Amended:	June 1988
Amended:	September 1989
Amended:	August 2004
Amended:	April 2007
Amended:	April 2008
Amended:	November 2008
Amended:	November 2011

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**LUTHERAN MEDICAL CENTER
BROOKLYN, NEW YORK**

CONSTITUTION AND BY-LAWS

**WENDY Z. GOLDSTEIN
PRESIDENT**

**EMMA GRAEBER PORTER
CHAIR
BOARD OF TRUSTEES**

LUTHERAN MEDICAL CENTER CONSTITUTION

ARTICLE I NAME

Section 1. Name

The name and title of said Corporation shall be LUTHERAN MEDICAL CENTER.

Section 2. Place of main office

The main office of this Corporation shall be 150 55th Street, in the Borough of Brooklyn, or at such other places as shall hereafter be designated by the Board of Trustees.

ARTICLE II OBJECTIVES

Section 1. Mission

The Corporation exists to serve its neighbors. It is dedicated to caring for whole persons throughout whole communities. As a stabilizing foundation for these communities, the Corporation is committed to meeting its neighbors' changing physical, emotional, spiritual, intellectual and social needs.

Section 2. Tax-Exempt Purpose

This Corporation is organized exclusively for charitable, scientific and educational purposes as a not-for-profit corporation and its activities shall be conducted for the aforesaid purposes in such a manner that no part of its net earnings will inure to the benefit of any member, director, officer or individual. It shall not be its purpose to engage in carrying on propaganda or otherwise attempting to influence legislation. This Corporation shall conform with the regulations of the Internal Revenue Code under which it is granted tax-exempt status.

Section 3. Church Relationships

(a) To be faithful to the Christian tradition of its founding and its historic relationships with the Lutheran churches, it is the intent of the Corporation to be affiliated with the Evangelical Lutheran Church in America .

(b) This Corporation shall be fully responsible for the management and fiscal affairs of the Corporation and fully responsible for any debts and liabilities it may incur.

(c) Church affiliate status shall not cause the Evangelical Lutheran Church in America, any synod, nor any Lutheran church to incur or be subject to the liabilities or debts of this Corporation.

ARTICLE III MEMBERSHIP

Section 1.

The sole voting member having voting rights shall be LMC Health System, Inc., a New York not-for-profit corporation.

Section 2.

The Board of Trustees of the Corporation may establish procedures by which individuals, congregations and organizations may participate in and support the programs of the Corporation. No voting rights shall be conferred thereby.

ARTICLE IV MEMBER MEETINGS

Section 1.

The Annual Meeting of the Corporation shall be held each year during a regular meeting of the sole voting member at such time, day and place designated by the Secretary of the sole voting member. The Chairperson of the sole voting member or an authorized representative shall preside.

Section 2.

Special meetings of the Corporation may be held at the call of the Chair of the Board of Trustees or six or more members of the Board of Trustees or by the sole voting member. Such call shall be sent by mail not less than ten (10) days in advance of the date for which the meeting is called unless such notice is otherwise waived.

Section 3.

The sole voting member may, by written consent without a meeting, take any action required or permitted to be taken at any Annual or Special Meeting.

ARTICLE V TRUSTEES AND THEIR ELECTION

Section 1.

(a) A Board of Trustees shall consist of not less than twelve nor more than thirty-four persons, approximately one-third (1/3) of whom shall be elected at each Annual Meeting. They shall hold office for three years and until their successors have

been elected. The Trustees serving at the time this amendment is adopted shall be divided at the designation of the Nominations Committee into three groups approximately equal in size. The first group shall serve an initial term of one year; the remaining groups shall serve initial terms expiring at successive one-year intervals after the first year. Thereafter, at its Annual Meeting, or Special Meeting, the sole voting member of the Corporation shall elect individuals to fill the then-existing vacancies on the Board. Each elected Trustee shall hold office for a term of three years and until a successor is duly elected, unless the Trustee sooner resigns or is removed pursuant to Article V., Section 2 of this Constitution.

(b) At least 25% of the membership of the Board of Trustees shall be members of a congregation of a Lutheran Church, including the bishop of the Metropolitan New York Synod of the Evangelical Lutheran Church in America who shall be an *ex officio* voting member of the Board. Three members of the Board shall be comprised of members of the board of directors of Lutheran Family Health Centers ("LFHC"), as follows. Following each annual meeting of LFHC for the election of its directors and officers, the President of LFHC, who shall be an *ex officio* voting member of the Board of Trustees, shall nominate for election to the Board of Trustees two additional LFHC directors. Following approval of such nominations by the Board, the LFHC members shall be presented to the sole voting member for election.

(c) To be eligible for Board membership, a trustee candidate shall (a) exemplify basic qualities of honesty, integrity, justice, and sound moral character; (b) be committed to uphold the purposes, philosophy and general policy of the Corporation as stated in the Constitution and By Laws and have the willingness and ability to devote necessary time to Board activities and be able to apply realistically experience and expertise to make decisions objectively, and (c) recognize the confidential character of information discussed at Board meetings and strive to avoid the appearance of any conflict of interest. The individuals holding the following offices shall be *ex officio* voting members of the Board: the President and Chief Executive Officer of the Corporation; the President and Chief Executive Officer of the sole voting member and the Chairperson of the Board of Directors of Lutheran Augustana Center for Extended Care and Rehabilitation.

Section 2. Removal of Trustee

Any person elected to the Board of Trustees may be removed for or without cause at any time by the sole voting member or for cause by a two-thirds majority vote of the Trustees.

Section 3. Power of the Board of Trustees

The administrative powers of the Corporation shall be vested in the Board of Trustees who shall have charge, control and management of the property, affairs and funds of the Corporation and which shall have the power and authority to do and perform all acts and functions not inconsistent with the Constitution and By-laws or with any action taken by the Corporation.

Section 4. Nominations Committee

Prior to each Annual Meeting of the Corporation, the Board of Trustees, having received the recommendations of the Chairman of the Board of Trustees, shall appoint three members of the Board of Trustees whose terms do not expire to serve as a Nominations Committee. At least one of the members of the Nominations Committee shall be a member of a congregation of a Lutheran church.

Section 5. Vacancies on the Board of Trustees

Vacancies on the Board of Trustees may be filled by the sole voting member at any meeting of the sole voting member.

Section 6. Fiscal Year

The Board of Trustees shall maintain the Corporation's financial books, statements and affairs on a fiscal year ending December 31st.

Section 7. By-laws

After consultation with the sole voting member, the Board of Trustees at a Regular or Special meeting may adopt By-laws not inconsistent with the provisions of this Constitution.

ARTICLE VI MEETING OF THE BOARD OF TRUSTEES

Section 1. Regular Meetings

The Board of Trustees shall hold regular meetings at such time, frequency and place as it shall determine. Trustees must attend a minimum of one-half of regularly scheduled meetings, and may not miss two consecutive regular meetings without leave of the Chair of the Board of Trustees. The President, accompanied by the Senior Vice President for Mission and Spiritual Care, shall be required to attend meetings, except Executive Sessions of the Board. Other Administrators may attend meetings at the invitation of the Board.

Section 2. Special Meetings

Special meetings of the Board may be held at any time at the call of the Chair of the Board of Trustees or at the request of any eight members of the Board of Trustees.

ARTICLE VII DISSOLUTION

In order to assure the operation in perpetuity of the Medical Center, all properties, real, personal and whatsoever kind and type, belonging thereto, shall be turned over to and/or revert to LMC Health System, Inc. or its successor in the event that circumstances financial or otherwise, shall make it necessary for the Corporation to cease or dissolve its operations.

**ARTICLE VIII
AMENDMENTS TO THE CONSTITUTION**

This constitution may be amended at any Annual or Special Meeting by the sole voting member of the Corporation. However, no amendment shall ever eliminate the word “LUTHERAN” from the name of the Corporation, nor may Article VII ever be amended except with the approval of the sole voting member.

Adopted:	October 14, 1965
Amended:	September 12, 1967
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Amended:	August 2004
Amended:	April 2007
Amended:	April 2008
Amended:	November 2008
Amended:	November 2011

Lutheran Medical Center
Moral Partnership: Caring For Health, Our Shared Endeavor

PREAMBLE

As waves of new immigrants struggled to survive during the latter half of the 19th century, the Lutheran Church was among the charitable organizations that stepped forward to create a safety net of much-needed services in New York City. In 1883, a uniquely gifted Norwegian Deaconess Nurse, Sister Elisabeth Fedde, created a health care ministry on the streets of southwest Brooklyn - the Norwegian Relief Society.

That ministry has evolved into a comprehensive, integrated health care system known today as Lutheran HealthCare. Affiliated with the Evangelical Lutheran Church in America (ELCA) and committed to the original mission of the founding Deaconesses, Lutheran now serves a rich diversity of God's people through an entire continuum of community-based health and education services.

Lutheran Medical Center is committed to its moral partnership with the Evangelical Lutheran Church in America and, in so doing, embraces the ELCA Social Statement, *Caring for Health: Our Shared Endeavor*.

MISSION

Lutheran Medical Center exists to serve its neighbors. We are dedicated to caring for whole persons throughout whole communities. As a stabilizing foundation for these communities, Lutheran is committed to meeting our neighbors' changing physical, emotional, spiritual, intellectual and social needs.

VISION

Lutheran strives to become the provider of choice for its patients, doctors and staff.

VALUES

- **COMPASSION:** We care for all persons as we would wish to be cared for ourselves - with sensitivity, empathy, and understanding, regardless of their ability to pay.
- **DIGNITY:** We recognize that each individual is created in the image of God and inherently valued as a gift from God.
- **RESPECT:** We treat everyone with equity, fairness, and consistency; we respect the rights of all to privacy and self-determination; we promote shared moral deliberation in all decision-making and communicate honestly and openly.
- **INCLUSIVITY:** We are committed to providing equitable access to the highest quality care in a diverse, multi-cultural, multi-faith context; we maintain the highest possible standards and practices of religio-cultural competence.

Caring for Health: Our Shared Endeavor

A Covenantal Rededication to Mission

Lutheran HealthCare

Brooklyn, NY

*“And what does the Lord require of you but to do justice,
love mercy, and walk humbly with your God.”*

(Micah 6:8)

Preamble

Upon this, the 130th anniversary of Lutheran Medical Center and 10th anniversary of the adoption of the Evangelical Lutheran Church in America’s (ELCA) Social Statement, “Caring for Health: Our Shared Endeavor”, Lutheran Health Care (LHC) affirms its ongoing moral partnership in healthcare ministry with the church. As a direct expression of this relationship and our shared heritage, we will actively cooperate together in a vital social ministry of health, healing, and healthcare.

Guiding Principles

Consistent with the nature of this relationship, the integrity and autonomy of each partner is recognized, while at one and the same time an environment of shared mission is nurtured in which each partner acts upon the rich potential for cooperation. This posture recognizes that LHC and the ELCA are each fully responsible for their own management, operations, and financial affairs; further, each is ultimately accountable through its own governing bodies to its respective mission statements, constitutions, and by-laws.

In shaping its ongoing missional life, LHC continues to draw heavily on the ethical and theological framework found in the ELCA’s Social Statement, “*Caring for Health*” (CFH). We reaffirm our shared mission and relationship with the church as being grounded in the following major tenets of that statement:

- Healthcare and healing are *concrete manifestations of God’s ongoing care* for all of creation. (CFH, p. 2)
- At the *center of the Judaeo-Christian tradition and Jesus’ ministry is love*...in response to God’s love, we work to promote the health and healing of all people. (CFH, p. 18)
- Health is always a matter of *both love and justice*. (CFH, p. 7)

- Caring for the health of others expresses *both love for our neighbor and responsibility for a just society*. (CFH, p.1)
- Our commitment is *shaped by the witness of Scripture*, together with the church's historical and contemporary ministry in healing and health. (CFH, p. 2)
- Together, we commit to working for and supporting healthcare for all people as a *shared endeavor*. (CFH, p. 2)
- We are committed to *equitable access for all people* to basic healthcare services. (CFH, p. 3)
- God creates human beings as *whole persons* - each one a dynamic unity of *body, mind, and spirit*....concern for health should attend to the physical, mental, spiritual, and communal dimensions of a person's well-being. (CFH, p. 3)
- *Healing is restoration of wholeness*....It is more than physical cure alone (CFH, p. 4)....we can *always care, even when we cannot cure*. (CFH, p. 7)
- *Healthcare is not a commodity*. It is a shared endeavor and is limited in its resources and possibilities. (CFH, p. 7)
- Caring for health *affirms the diversity of our community* and the values of its many religious and spiritual traditions. (CFH, p. 7)

Hallmarks of Public Healthcare Ministry

Just as a craftsperson identifies a work by a hallmark embedded in his/her product, so the work of Lutheran-affiliated healthcare has some essential, identifiable markers embedded in its public ministry of care and hospitality. While we believe that every act of genuine human care is an expression of mission, at LHC we will continue to commit to maintaining the following activities as both *intrinsic and vital* to our unique heritage, identity, and ongoing mission:

- **Promoting an Institutional Climate of Compassionate, Whole-Person Care** - one that informs and permeates *all that we do and why we do it*, including the vital interconnections of health and spirituality.
- **Mission Awareness and Integration** - intentional and purposeful ways of interpreting and actualizing mission, vision and core values.
- **Ethics and Ethics Consultation Services** - grounded in the shared core values of LHC and "*Caring for Health*", nurturing shared moral deliberation with/among all who serve and are served.

- **Pastoral/Spiritual Care and Clinical Pastoral Education** - including provision of chapel space and regular worship opportunities for persons of all faith expressions.
- **Community Congregational Faith/Health Ministries** - growing congregationally-based health ministry partnerships with local faith groups.
- **Advocacy** - active involvement in issues of healthcare justice, equitable access, governmental policy and reform.
- **Heritage and Identity** - preservation and interpretation of our story and archives as they continue to shape institutional identity and mission-driven service.
- **Communication** - regular contact with the church and all ministry partners for purposes of sharing vital information and nurturing relationships and cooperation.

LUTHERAN MEDICAL CENTER

**RESOLUTIONS
OF THE
BOARD OF TRUSTEES**

The following resolutions were adopted during a regular meeting of the Board of Trustees of Lutheran Medical Center, a New York not-for-profit corporation (the "Corporation"), proper notice of which was given to, or waived by, each of the members of the Board of Trustees, and at which a quorum was present:

WHEREAS, in order to provide maximum flexibility to the Corporation to manage anticipated challenges facing health care institutions in New York City, the Corporation believes it is prudent to change its corporate relationship with the Evangelical Lutheran Church in America ("ELCA"); and

WHEREAS, in connection therewith, the Chair of the Board appointed a Special Committee --the Mission Affirmation Task Force-- to (1) review and update the Corporation's Mission Statement to accurately reflect its mission, vision and values, (2) create a new not-for-profit, 501(c)(3) tax exempt corporation, known as Lutheran HealthCare, to serve as the legal umbrella for Lutheran's health care system, and (3) revise the certificate of incorporation, constitution and by-laws of the Corporation to substitute Lutheran HealthCare for the ELCA as the Corporation's sole corporate member; and

WHEREAS, the Mission Affirmation Task Force, in addition to the tasks above, recommended that a statement of commitment be developed in order to embody Lutheran HealthCare's commitment to the faith-based principles of social ministry; and

WHEREAS, the Mission Affirmation Task Force has undertaken the tasks set forth in the preceding Whereas clauses and recommends for approval the revised Mission Statement, and the revisions to the certificate of incorporation, constitution and bylaws of the Corporation as well as the incorporation documents for Lutheran HealthCare.

NOW THEREFORE, BE IT

RESOLVED, that the Board of Trustees hereby approves and adopts the Corporation's Mission Statement, as set forth in Exhibit A attached to these Resolutions; and be it further

RESOLVED, that the Board of Trustees hereby recommends for approval and adoption by the ELCA the amendments to the Certificate of Incorporation of the Corporation, as set forth in Exhibit B attached to these Resolutions; and be it further

RESOLVED, that the Board of Trustees hereby recommends for approval and adoption by the ELCA the amendments to the Constitution of the Corporation, as set forth in Exhibit C attached to these Resolutions; and be if further

RESOLVED, that the Board of Trustees hereby approves and adopts the amendments to the Corporation's By-Laws, as set forth in Exhibit C attached to these Resolutions; and be it further

RESOLVED, that the Board of Trustees hereby approves the Certificate of Incorporation and By-Laws of Lutheran HealthCare, as set forth in Exhibits D and E, respectively, attached to these Resolutions; and be it further

RESOLVED, that the President & Chief Executive Officer and her designees are hereby authorized to present the amendments to the Corporation's Certificate of Incorporation and Constitution to the ELCA, to take all actions necessary to incorporate and establish Lutheran HealthCare as a New York State, not-for-profit corporation exempt from Federal income taxes pursuant to Section 501(c)(3) of the Internal Revenue Code, as amended, and to take any and all other actions necessary or advisable to carry out the intention of these Resolutions.

[Certification page follows]

STATE OF NEW YORK)
) SS.:
COUNTY OF KINGS)

I, the undersigned, Secretary of Lutheran Medical Center (the "Corporation"), do hereby certify:

1. That I have compared the annexed resolution of the Board of Trustees of the Corporation dated December 13, 2012, with the original thereof on file in my office and the same is a true and complete copy of the proceedings of the Board of the Corporation and of such resolution set forth therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

2. I further certify that the attached resolution enacted by the Board of the Corporation has not been amended or repealed and is in full force and effect on and as of the date of this Certificate.

IN WITNESS WHEREOF, I have hereunder set my hand on the 31 day of December 2012.


Secretary

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LUTHERAN MEDICAL CENTER

**RESOLUTIONS
OF THE
BOARD OF TRUSTEES**

The following resolutions were adopted during a regular meeting of the Board of Trustees of Lutheran Medical Center, a New York not-for-profit corporation (the "Corporation"), proper notice of which was given to, or waived by, each of the members of the Board of Trustees, and at which a quorum was present:

WHEREAS, at its meeting of December 13, 2012, the Board considered and determined that in order to provide maximum flexibility to the Corporation to manage anticipated challenges facing health care institutions in New York City, the Corporation should change its corporate relationship with the Evangelical Lutheran Church in America ("ELCA"); and

WHEREAS, in connection therewith, the Board endorsed the recommendations of its special Mission Affirmation Task Force and adopted resolutions to (i) approve a newly revised Mission Statement, (ii) recommend for approval to the ELCA amendments to the Corporation's Certificate of Incorporation and Constitution, (iii) approve amendments to the Corporation's By-laws, and (iv) approve the Certificate and Incorporation and By-laws of a new not-for-profit, tax-exempt 501(c)(3) corporation to be known as "Lutheran HealthCare" to substitute for the ELCA as the Corporation's sole member; and

WHEREAS, in lieu of creating Lutheran HealthCare, the Corporation proposes to utilize LMC Health System, Inc., an inactive not-for-profit, tax-exempt 501(c)(3) corporation previously established by the Corporation, to serve as the parent corporation to the Corporation.

NOW THEREFORE, BE IT

RESOLVED, that the Board of Trustees hereby approves the substitution of LMC Health System, Inc. for Lutheran HealthCare, Inc. as the proposed member of the Corporation and authorizes the President & Chief Executive Officer, the General Counsel and their designees to take all actions necessary to convene LMC Health System's Board so that it may take the necessary corporate action to adopt the LMC HealthCare By-Laws as the LMC Health System By-Laws; and be it further

RESOLVED, that wherever in the proposed amendments to the Corporation's Certificate of Incorporation, Constitution and By-laws that were approved by the Board of Trustees at its meeting of December 13, 2012, the name "Lutheran HealthCare, Inc." appears that the name be changed to "LMC Health System, Inc."; and be it further

RESOLVED, that the President & Chief Executive Officer, the General Counsel and their designees are hereby authorized to take any and all other actions necessary or advisable to carry out the intention of these Resolutions.

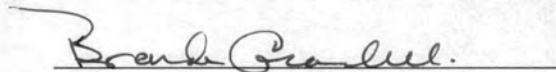
STATE OF NEW YORK)
) SS.:
COUNTY OF KINGS)

I, the undersigned, Secretary of Lutheran Medical Center (the "Corporation"), do hereby certify:

1. That I have compared the annexed resolution of the Board of Trustees of the Corporation dated March 20, 2013, with the original thereof on file in my office and the same is a true and complete copy of the proceedings of the Board of the Corporation and of such resolution set forth therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

2. I further certify that the attached resolution enacted by the Board of the Corporation has not been amended or repealed and is in full force and effect on and as of the date of this Certificate.

IN WITNESS WHEREOF, I have hereunder set my hand on the 20 day of March 2013.


Secretary

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CERTIFICATE OF INCORPORATION
OF
LMC HEALTH SYSTEM, INC.

(Under Section 402 of the Not-for-Profit Corporation Law
of the State of New York)

The undersigned incorporator, for the purpose of forming a Not-for-Profit Corporation under the laws of the State of New York, hereby certifies:

FIRST: The name of the Corporation is LMC HEALTH SYSTEM, INC.
(hereinafter referred to as the "Corporation").

SECOND: The Corporation is a corporation as defined in subparagraph (a)(5) of Section 102 of the Not-for-Profit Corporation Law of the State of New York and is a Type B corporation as defined in Section 201 of the Not-for-Profit Corporation Law.

THIRD: As a Type B corporation, the Corporation has been formed to benefit and support the purposes of Lutheran Medical Center, a New York State Not-for-Profit corporation qualified under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), and other corporations affiliated with that institution, provided such corporations are qualified under Section 501(c)(3) of said Code.

Nothing contained in this Certificate of Incorporation shall authorize the Corporation to establish, operate or maintain a hospital or to provide hospital services or health-related services, or to operate a substance or alcohol abuse program, a drug maintenance program, a facility for the mentally disabled, a certified home health agency, a hospice, a health maintenance organization or comprehensive health services plan as defined in and covered by Article 28, 33, 36, 40 and 44, respectively of the Public Health Law or Article 31 of the Mental Hygiene Law.

FOURTH: The Corporation is organized exclusively for charitable, religious, educational, and scientific purposes, and the Corporation shall not carry on any activities not permitted to be carried on by a corporation exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended.

Nothing herein shall authorize the Corporation directly or indirectly, to engage in, or include among its purposes, any of the activities mentioned in Not-for-Profit Corporation Law, Section 404(b) through (v) or Social Services Law, Section 460-a, although the Corporation is hereby authorized to become a sponsor, member or stockholder of corporations which do engage in or include among their purposes, such activities. No substantial part of the activities of the Corporation shall consist in carrying on propaganda or otherwise attempting to influence legislation (except to the extent

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authorized by Section 501(h) of the Internal Revenue Code of 1986, as amended, during any fiscal year or years in which the Corporation has chosen to utilize the benefits authorized by that statutory provision). The Corporation shall not participate in, or intervene in (including the publishing or distribution of statements), any political campaign on behalf of any candidate for public office.

FIFTH: The office of the Corporation within the State of New York is to be located in the County of Kings.

SIXTH: The names and addresses of the initial members of the Board of Directors of the Corporation are:

<u>Name</u>	<u>Address</u>
Joseph P. Cerni	c/o Lutheran Medical Center 150 55th Street Brooklyn, New York 11220-2574
Alan Schechter	c/o Lutheran Medical Center 150 55th Street Brooklyn, New York 11220-2574
Howard Smith	c/o Lutheran Medical Center 150 55th Street Brooklyn, New York 11220-2574

SEVENTH: No part of the assets, income or net earnings of the Corporation shall inure to the benefit of or be distributable to any member, Governor, director, trustee, officer or employee of the Corporation, or to any other private individual, except that reasonable compensation may be paid for services in effecting one or more purposes of the Corporation.

EIGHTH: In the event of dissolution of the Corporation, no distribution of any of the property or assets of the Corporation shall be made to any member, Governor, director, trustee, officer or employee of the Corporation, or to any other private individual, but all of such property and assets, after paying or making provisions for the payment of all of its liabilities, shall be distributed to accomplish the charitable, religious, educational and scientific purposes for which this Corporation is organized to such health related organizations or corporations as shall qualify under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and as selected by the members of the Corporation, subject to an order of a Justice of the Supreme Court of the State of New York.

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NINTH: In the event that the Corporation shall at any time be a private foundation within the meaning of Section 509 of the Internal Revenue Code of 1986, as amended (or the corresponding provision of any subsequent law) the Corporation, so long as it shall be such a private foundation, shall distribute such income as may be necessary in each taxable year at such time and in such manner as not to subject the Corporation to tax under Section 4942 of said Code, and shall be absolutely prohibited from and shall refrain from engaging in the following acts:

- (a) any act of self-dealing as defined in Section 4941(d) of the Code;
- (b) retaining any excess business holdings as defined in Section 4943(c) of said Code;
- (c) making any investment in such manner as to subject the Corporation to tax under Section 4944 of said Code; and
- (d) making any taxable expenditures, as defined in Section 4945(d) of said Code.

TENTH: The Secretary of State is hereby designated agent of the Corporation upon whom process against the Corporation may be served. The post office address within the State of New York to which the Secretary of State shall mail a copy of any process against the Corporation served upon the Secretary of State is:

c/o The Corporation
150 55th Street
Brooklyn, New York 11220
Attention: Executive Office

ELEVENTH: All references herein to provisions of the Internal Revenue Code of 1986, as amended, shall be deemed to include both amendments thereto and statutes which succeed such provisions.

IN WITNESS WHEREOF, the undersigned, being at least eighteen years of age, has subscribed and affirmed this Certificate as true under the penalties of perjury this 25th day of June, 1997.

Howard Smith

Howard Smith
Incorporator
150 55th Street
Brooklyn, New York 11220

F 970715000594

CERTIFICATE OF INCORPORATION

OF

LMC HEALTH SYSTEM, INC.

Under Section 402 of the Not-For-Profit Corporation Law

1cc
STATE OF NEW YORK
DEPARTMENT OF STATE
FILED JUL 15 1997
TAX \$
BY: Dr
King

Type B
B

Filer:

Garfunkel Wild & Travis
111 Great Neck Road
Great Neck, NY 11021

E-12

E-12
JUL 15 1997
RECEIVED

BILLED

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970715000(2)

**AMENDED AND RESTATED
BY-LAW S
OF
LMC HEALTH SYSTEM, INC.**

ADOPTED _____, 2013

**ARTICLE I
NAME, SEAL AND OFFICES**

Section 1. Name. The name of this corporation shall be LMC Health System, Inc. (the “Corporation”).

Section 2. Seal. The Board of Directors of the Corporation (the “Board”) may, at its pleasure, obtain a seal for the Corporation which may be in whatever form is desired by the Board.

Section 3. Offices. The Corporation may have offices in such places as the Board may from time to time determine or the purposes of the Corporation may require.

**ARTICLE II
MEMBERSHIP**

The Corporation shall have no members.

**ARTICLE III
BOARD OF DIRECTORS**

Section 1. Powers and Duties. The Board shall manage and control the affairs and property of the Corporation. All corporate powers, except such as are otherwise provided for in

the Certificate of Incorporation, these By-Laws, or the laws of the State of New York, shall be and hereby are vested in and shall be exercised by the Board. The Board shall have full power to adopt rules and regulations governing all actions which it takes, except as otherwise provided by the laws of the State of New York, and shall have full authority with respect to the distribution and payment of monies received by the Corporation from time to time; provided, however, that the fundamental and basic purposes and powers of the Corporation, and the limitations thereon, as expressed in the Certificate of Incorporation, shall not thereby be amended or changed. The Board may, except as otherwise provided by the laws of the State of New York, delegate to committees of its own number, or to officers of the Corporation, such powers as it may see fit.

Section 2. Number, Qualification and Election; Term of Office; Removal; Resignation.

a. Number, Qualification and Election. The Board shall consist of the members, *ex officio*, of the Executive Committee of the Board of Trustees of Lutheran Medical Center and the President and CEO of the Corporation, *ex officio*; provided that there shall be at least three (3) directors. The directors shall be elected at the annual meeting of the Board by the vote of a majority of the directors then in office. The number of directors and qualifications for Board membership may be changed by majority vote of the entire Board at any meeting of the Board at which a quorum exists. No decrease in the number of directors shall serve to diminish the term of any director then in office. A vacancy on the Board arising at any time and from any cause may be filled for the unexpired term by majority vote of the directors present and voting at any meeting of the Board at which a quorum exists.

b. Term of Office. The terms of office of all directors shall expire at the next annual Board meeting following their election and, in any event, each director shall continue in office until his or her successor shall have been elected and qualified, or until his or her death, resignation or removal. All directors are eligible for unlimited reelection.

c. Removal. Any director may be removed, with cause, by a majority vote of the directors then in office, except that directors elected while a different By-Law provision governing removal was in effect may be removed with cause only by action conforming with the prior By-Law provision.

d. Resignation. Any director may resign at any time by giving written notice of such resignation to the Chairperson of the Corporation.

Section 3. Annual Meeting; Notice. The annual meeting of the Board shall be held at a date, time and place fixed by the Board. Notice of the date, time and place of such annual meeting shall be given in such form as the Board may determine.

Section 4. Special Meetings; Notice. A special meeting of the Board may be called at any time by the Chairperson of the Corporation, or by any other individual so authorized by the Board. Notice of the date, time and place of such special meeting shall be given to all directors in such form as the Board may determine. Except as otherwise provided in these By-Laws, any business may be transacted at any duly called Board meeting.

Section 5. Regular Meetings; Notice. Regular meetings of the Board may be held without notice at such time and place as shall be determined by the Board.

Section 6. Quorum. Except as otherwise required by applicable law or these By-Laws, a quorum for the transaction of business shall be as follows: (i) if the size of the board is 15 or less, the quorum shall be one-third of the entire number of directors and (ii) if the size of the board is more than 15, the quorum shall be five directors plus one additional director for every ten directors (or fraction thereof) in excess of 15. If a quorum is not present, a majority of the directors present may adjourn the meeting, from time to time, without notice other than announcement at the meeting, until such a quorum is present.

Section 7. Action of the Board. The action of a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board, except as otherwise provided by these By-Laws. Any member of the Board may participate in a meeting thereof by means of a conference telephone or similar device by which all persons can hear all other persons participating in the meeting at the same time. Any Board action may be taken without a meeting if all members of the Board consent in writing.

Section 8. Adjournment. At any meeting of the Board, whether or not a quorum is present, a majority of the directors present may adjourn the meeting to another time and place without further notice to any absent director. At any such adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally called.

Section 9. Organization. At all meetings of the Board, the Chairperson of the Corporation, or, in his or her absence, the Vice-Chairperson, shall preside. The Secretary of the

Corporation shall act as secretary at all meetings of the Board. In the absence of the Secretary, the presiding officer shall appoint any person to act as secretary of the meeting.

Section 10. Compensation. Directors shall serve without fixed salary for their services as such. Directors shall be allowed reimbursement for reasonable expenses, on resolution of the Board. The Board shall have the power, in its sole discretion, to contract with any director for services rendered to the Corporation (not including services rendered in his or her capacity as director) and to pay said director compensation appropriate to the value of such services.

ARTICLE IV

OFFICERS

Section 1. Officers. The officers of the Corporation shall be the Chairperson, the Vice-Chairperson, the Secretary, the Treasurer, and such other officers with powers and duties not inconsistent with these By-Laws as the Board may from time to time appoint or elect. Any two or more offices may be held by the same individual, except the offices of Chairperson and Secretary. No instrument to be signed by more than one officer may be signed by one person in more than one capacity.

Section 2. Election Term of Office Qualifications and Removal. The officers of the Corporation shall be elected at the annual meeting of the Board. Each shall be elected for a term fixed by the Board, unless otherwise specified in these By-Laws, and each shall serve until his or her successor shall have been elected and qualified, or until his or her death, resignation or removal. Any officer of the Corporation may be removed, with or without cause, by a vote of a majority of the directors then in office.

Section 3. Vacancies. Any vacancy in any office arising at any time from any cause may be filled for the unexpired term by a majority vote of the directors then in office.

Section 4. Chairperson: Powers and Duties. The Chairperson shall preside at all meetings of the Board, shall have and exercise general charge and supervision of the affairs of the Corporation, subject to the control of the Board, and shall do and perform such other duties as may be assigned by the Board.

Section 5. Vice-Chairperson: Powers and Duties. At the request of the Chairperson, or in the event of his or her absence or disability, the Vice-Chairperson shall perform the duties and exercise the powers of the Chairperson, and shall have and exercise general charge and supervision of the affairs of the Corporation subject to the control of the Board, and shall have such other powers as the Board may determine and perform such other duties as may be assigned to him or her by the Board.

Section 6. Secretary: Powers and Duties. The Secretary shall have charge of such books, documents and papers as the Board may determine, and shall have custody of the corporate seal, if any then exists. He or she shall attend and keep the minutes of all the meetings of the Board. He or she may affix the corporate seal, if any then exists, when so authorized or ordered by the Board. He or she shall, in general, perform all the duties incident to the office of Secretary, subject to control of the Board, and shall do and perform such other duties as may be assigned to him or to her by the Board.

Section 7. Treasurer: Powers and Duties. The Treasurer shall have the custody of all funds, property and securities of the Corporation which may come into his or her hands. The

Treasurer shall keep or cause to be kept complete and accurate accounts of receipts and disbursements of the Corporation, and shall deposit all monies and other valuable effects of the Corporation in the name and to the credit of the Corporation in such banks or depositories as the Board may designate. Whenever required by the Board, the Treasurer shall render a statement of his or her accounts. The Treasurer shall at all reasonable times exhibit his or her books and accounts to any officer or director of the Corporation, and shall perform all duties incident to the office of Treasurer, subject to the control of the Board, and shall perform such other duties as may be assigned by the Board.

Section 8. Compensation. Officers shall not receive compensation as such.

ARTICLE V

COMMITTEES

Section 1. Executive Committee and Other Standing Committees of the Board of Directors. The Board, by resolution adopted by a majority of the entire Board, may designate from among its members an Executive Committee and other Standing Committees, each of which shall consist of at least three directors. Each of the Chairperson of the Board and the President and CEO of the Corporation shall be an *ex officio* voting member of the Executive Committee and all other Standing Committees of the Board. Each member of the Executive Committee and any Standing Committees shall serve at the pleasure of the Board, which shall also have full discretion in determining the number of members of the Executive Committee and Standing Committees. The Executive Committee shall have and may exercise all of the powers and authority of the Board, to the extent allowed by applicable New York law, but shall be required to notify the full Board of any actions it takes or decisions made, other than those in the

ordinary course of operations, within a reasonable time thereafter. Standing Committees shall have the powers specifically provided in the resolutions creating them which are not inconsistent with New York law.

Section 2. Special Committees of the Board of Directors. The Board may, from time to time and by a majority vote of the directors then in office, appoint committees for any purpose and may delegate to each such committee such powers as the Board may deem appropriate and which are not inconsistent with New York law. In appointing a committee, the Board shall appoint the chair of the committee, shall specify the term of the committee's existence, and shall define the committee's powers and duties. Each committee shall consist of at least one director and shall have the power to further delegate such powers if the Board so provides in appointing the committee.

Section 3. Quorum. A majority of all of the members of the Executive Committee, any Standing Committee, or any other committee established by the Board shall constitute a quorum at any meeting thereof.

Section 4. Procedures. Procedures of the Executive Committee, any Standing Committee, and any other committee shall be governed by rules fixed by the Board. All committee members shall serve at the pleasure of the Board.

ARTICLE VI

ADMINISTRATION

The Board shall select and employ a competent, experienced President and Chief Executive Officer who shall be its direct executive representative in the management of the Corporation. The Board shall also establish a formal process for periodic evaluation of the President and Chief Executive Officer. This Executive shall be given the necessary authority and held responsible for planning, development and administration of the Corporation in all its activities and departments subject only to such policies as may be adopted and such orders as may be issued by the Board or by any of its Committees to which it has delegated power for such action. The President and Chief Executive Officer shall sign contracts and other instruments in the name of the Corporation when so authorized or directed by the Board of Directors. The President and Chief Executive Officer shall perform such other duties and exercise such other powers as are provided by law, or are incidental to the office of President and Chief Executive Officer, or which may be assigned to the President and Chief Executive Officer by these By-Laws or by the Board of Directors. The President and Chief Executive Officer shall act as the duly authorized representative of the Board in all matters in which the Board has not formally designated some other person for that specific purpose.

ARTICLE VII

AGENTS AND REPRESENTATIVES

The Board may appoint such agents and representatives of the Corporation with such powers and to perform such acts or duties on behalf of the Corporation as the Board may see fit, so far as may be consistent with these By-Laws, and to the extent authorized or permitted by law.

ARTICLE VIII

CONTRACTS, LOANS, CHECKS, BANK ACCOUNTS, AND INVESTMENTS

Section 1. Contracts. The Board, except as otherwise provided in these By-Laws, may authorize any officer or agent to enter into any contract or to execute and deliver any instrument in the name of and on behalf of the Corporation. Such authority may be general or confined to a specific instance. Unless authorized by the Board pursuant to this Section 1, no officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement, or to pledge its credit, or render it liable pecuniarily, for any purpose or to any amount.

Section 2. Loans. The Corporation shall not borrow money, whether by issuing notes, bonds or otherwise, except with the approval of the Board.

Section 3. Banks; Checks. The Board shall from time to time and as necessary select such banks or depositories as it shall deem proper for the funds of the Corporation. The Board shall determine who shall be authorized from time to time on the Corporation's behalf to sign checks, drafts or other orders for the payment of money.

Section 4. Investments. The funds of the Corporation may be retained in whole or in part in cash, or may be invested and reinvested from time to time in such property, real, personal or otherwise, or stocks, bonds or other securities, but only as the Board may deem desirable.

Section 5. Gifts. The Corporation may accept funds that are given, granted, bequeathed or devised to or otherwise vested in the Corporation for a specific purpose. The Board shall apply all such funds only to such purposes as may be specified in the gift instrument and to the

payment of the reasonable and proper expenses of the administration of such funds. The Board shall cause accurate accounts to be kept of such funds separate and apart from the accounts of other assets of the Corporation.

ARTICLE IX

BOOKS AND RECORDS

Section 1. Books and Records Generally. The Corporation shall maintain at its principal office such books and records as are necessary for it to comply with all applicable financial reporting, legal and regulatory requirements and to properly carry out its mission and purposes.

Section 2. Policies Relating to Books and Records. The Board shall adopt appropriate policies pertaining to the Corporation's books and records, including record retention and destruction policies, gift administration policies and confidentiality policies.

ARTICLE X

CONFLICTS OF INTEREST

The Board shall adopt a conflict of interest policy that complies with applicable New York State law and Internal Revenue Service requirements for Section 501(c)(3) organizations.

ARTICLE XI

INDEMNIFICATION

The Corporation shall indemnify each director and officer to the fullest extent permitted by applicable law. Such indemnification shall include the advancement of expenses. Directors

and officers of the Corporation so indemnified shall include every director and officer thereof or former director and officer thereof. The right of indemnification herein provided for shall be in addition to any and all rights to which any director or officer of the Corporation otherwise might be entitled, and the provisions hereof shall neither impair nor adversely affect such rights.

ARTICLE XII

FISCAL YEAR

The fiscal year of the Corporation shall be the calendar year.

ARTICLE XIII

AMENDMENTS

The Board shall have the exclusive power to make, alter, amend and repeal the By-Laws and Certificate of Incorporation of the Corporation by the affirmative vote of a majority of the entire Board, subject to obtaining any necessary governmental approval for any such action.

ARTICLE XIV

LIMITATIONS

Section 1. Exempt Activities. Notwithstanding any other provision of these By-Laws, no director, officer, employee or representative of the Corporation shall take any action or carry on any activity by or on behalf of the Corporation not permitted to be taken or carried on by an organization (i) exempt from Federal income tax under I.R.C. § 501(a), as an organization described in I.R.C. § 501(c)(3), (ii) contributions to which are deductible under I.R.C. § 170(c)(2) and (iii) classified as a “supporting organization” under I.R.C. § 509(a)(3).

Section 2. Prohibition Against Sharing in Corporate Earnings. No director, officer or employee of, or other person connected with, the Corporation, or any other private individual, shall receive at any time any of the net earnings or pecuniary profit from the operations of the Corporation, provided that this shall not prevent either the payment to any such person of reasonable compensation for services rendered to or for the benefit of the Corporation or the reimbursement of expenses incurred by any such person on behalf of the Corporation, in connection with effecting any of the purposes of the Corporation; and no such person or persons shall be entitled to share in the distribution of any of the corporate assets upon the dissolution of the Corporation. All such persons shall be deemed to have expressly consented and agreed that upon such dissolution or winding up of the affairs of the Corporation, whether voluntary or involuntary, the assets of the Corporation then remaining in the hands of the Board, after all debts have been satisfied, shall be distributed, transferred, conveyed, delivered and paid over, in such amounts as the Board may determine, or as may be determined by a court of competent jurisdiction upon the application of the Board, exclusively to charitable, religious, scientific,

literary or educational organizations (i) which then qualify for exemption from Federal income taxation under the provisions of I.R.C. § 501(c)(3), (ii) contributions to which are deductible under I.R.C. § 170(c)(2) and (iii) classified as a “supporting organization” under I.R.C. § 509(a)(3).

Adopted:	
Amended:	

WSGR Draft 3/14/13

AGREEMENT AND PLAN OF MERGER

THIS AGREEMENT AND PLAN OF MERGER (this “*Agreement*”) is made as of [____], 2013, by and between **CALIFORNIA LUTHERAN UNIVERSITY**, a California nonprofit public benefit corporation (“*CLU*”), and **PACIFIC LUTHERAN THEOLOGICAL SEMINARY**, a California nonprofit religious corporation (“*PLTS*”). Certain capitalized terms used in this Agreement are defined in Exhibit A.

RECITALS

A. CLU is a California nonprofit public benefit corporation exempt from income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “*Code*”). CLU is a nonprofit organization dedicated to the establishment and maintenance of an institution of higher education of collegiate grade, operated for the best interests of youth of the Lutheran Church, the community, the state and the nation, and governed in harmony with the Christian faith as interpreted and taught by the Lutheran Church.

B. PLTS is a California nonprofit religious corporation exempt from income tax under Section 501(c)(3) of the Code. PLTS is a nonprofit organization organized and operated exclusively for religious purposes and, more specifically, dedicated to (i) training, educating and instructing men and women for the Christian Ministry, especially in Lutheran church bodies, (ii) training, educating and instructing men and women for leadership in their sphere of the church’s program, or for other Christian service, and (ii) conferring appropriate degrees and issuing certificates, diplomas and academic degrees as are proper, customary and appropriate and as shall be permitted by and under the laws of the State of California.

C. The parties wish to combine their resources into a single organization committed to expanding upon CLU’s and PLTS’s current operations by effecting the merger of PLTS with and into CLU (the “*Merger*”) in accordance with this Agreement, the California Nonprofit Corporation Law (the “*CNCL*”) and the parties’ respective organizational documents, with CLU, the surviving corporation and PLTS, the disappearing corporation.

D. This Agreement has been approved by the respective boards of directors or regents and members of CLU and PLTS.

AGREEMENT

In consideration of the foregoing and the representations, warranties and covenants contained herein, the parties hereto agree as follows:

ARTICLE 1

THE MERGER

1.1 Description of the Merger. Upon the terms and subject to the conditions set forth in this Agreement, and in accordance with the CNCL, PLTS shall be merged with and into CLU at the Merger Effective Time (as defined in Section 1.3). Following the Merger Effective Time, CLU shall be the surviving corporation (the “*Surviving Corporation*”) and shall succeed to and assume all the rights and obligations of PLTS in accordance with the CNCL.

1.2 Closing. The closing of the Merger (the “*Closing*”) will take place at 10:00 a.m. on a date to be specified by the parties (the “*Closing Date*”), which date shall be no later than the second business day after satisfaction or waiver of the conditions set forth in Article 4, including, but not limited to, the provision of written notice to the Attorney General of the State of California of the parties’ intent to consummate the Merger, as required by Section 6010 of the CNCL (the “*AG Notice*”) at least 20 days prior to the Closing Date. The Closing will be held at the offices of Wilson Sonsini Goodrich & Rosati, P.C., 650 Page Mill Road, Palo Alto, California 94304, or at such other time or place as the parties may agree.

1.3 Merger Effective Time. Subject to the provisions of this Agreement, as soon as practicable on or after the Closing Date, the parties shall cause the Surviving Corporation to file: (a) an agreement of merger, conforming to the provisions of Section 6014 of the CNCL, substantially in the form attached hereto as Exhibit B (the “*Agreement of Merger*”), and (b) an officer’s certificate of each constituent corporation as required by Section 6014 of the CNCL (the “*Officer’s Certificates*”), and other appropriate documents, executed in accordance with the relevant provisions of the CNCL and shall make all other filings or recordings required under the CNCL. The Merger shall become effective at such time as the Agreement of Merger and the Officer’s Certificates are duly filed with the Secretary of State of the State of California (the “*Merger Effective Time*”).

1.5 Effects of the Merger. The Merger shall have the effects set forth in Article 2 of Chapter 10 of the CNCL. Without limiting the generality of the foregoing, and subject thereto, at the Merger Effective Time, all the assets, property, rights, privileges, powers and franchises of CLU and PLTS shall vest in the Surviving Corporation, all debts, liabilities and duties of CLU and PLTS shall become the debts, liabilities and duties of the Surviving Corporation, and the separate existence of PLTS shall cease.

1.6 Articles of Incorporation and Bylaws. The Articles of Incorporation and Bylaws of CLU shall be the articles of incorporation and bylaws, respectively, of the Surviving Corporation until thereafter changed or amended as provided therein or by applicable law, except that as of the Merger Effective Time (i) the Bylaws of the Surviving Corporation shall be amended and restated in substantially the form attached hereto as Exhibit C, [and (ii) the Articles of Incorporation of the

Surviving Corporation shall be amended and restated in substantially the form attached hereto as Exhibit D.]¹

1.7 Board and Officers. Following the Closing and effective as of the Merger Effective Time, (a) the Board of Regents (which acts as the board of directors) of the Surviving Corporation (the “*CLU Board*”) shall be the Board of Regents of CLU prior to the Merger Effective Time, each to hold the office of Regent of the Surviving Corporation in accordance with the provisions of the CNCL and the Articles of Incorporation and Bylaws of the Surviving Corporation until their successors are duly qualified and elected, and (b) the officers of the Surviving Corporation shall be the officers of CLU prior to the Merger Effective Time, each to hold office in accordance with the provisions of the Bylaws of the Surviving Corporation.

ARTICLE 2

REPRESENTATIONS AND WARRANTIES

2.1 Representations and Warranties of PLTS. Subject to such exceptions as are disclosed in the Disclosure Schedule delivered by PLTS, PLTS hereby represents and warrants to CLU as follows:

(a) **Organization and Qualification.** PLTS is a nonprofit religious corporation duly organized, validly existing and in good standing under the laws of the State of California and has all requisite corporate power and authority to: (i) conduct its business in the manner in which its business is currently being conducted; (ii) own and use its assets in the manner in which its assets are currently being owned and used; and (iii) perform its obligations under all Contracts by which it is bound.

(b) **Financial Statements.**

(i) PLTS has delivered to CLU the audited balance sheets of PLTS as of June 30, 2012 and June 30, 2011, and the related audited statements of income for the years then ended, as well as the unaudited year-to-date balance sheet as of December 31, 2012 and the related statement of income (collectively, the “*PLTS Financial Statements*”).

(ii) The PLTS Financial Statements are accurate and complete in all material respects and present fairly the financial position of PLTS as of the respective dates thereof and have been prepared on a consistent basis throughout the periods covered.

(iii) PLTS has no material Liabilities, except for: (1) Liabilities disclosed in the PLTS Financial Statements; (2) Liabilities specified in Section 2.1(b)(iii) of the Disclosure Schedule and (3) Liabilities incurred in the ordinary course of business.

¹NTD: To be determined whether CLU will need to amend its articles of incorporation.

(c) **Absence of Changes.** Subsequent to [December 31, 2012], PLTS has not:

(i) suffered any adverse change with respect to its business or financial condition which has had, or could reasonably be expected to have, a Material Adverse Effect on PLTS;

(ii) suffered any event or circumstance that has had, or could reasonably be expected to have, a Material Adverse Effect on the assets, reputation, or goodwill of PLTS;

(iii) amended its articles of incorporation or bylaws;

(iv) incurred any indebtedness for borrowed money or guaranteed any such indebtedness, except in the ordinary course of business;

(v) changed, in any material respect, its accounting methods, principles or practices, except as required by changes in GAAP;

(vi) sold or transferred any material portion of its assets, except in the ordinary course of business;

(vii) increased the compensation payable or to become payable to any director, officer, employee, consultant or agent, other than in the ordinary course of business, nor any other material change in any employment or consulting arrangement, including entering into any agreement for the granting of any termination pay or bonus;

(viii) incurred or committed to incur capital expenditures or capital additions in excess of an aggregate of [_____] (\$_____) or the lease of capital equipment or property under which the annual lease charges exceed [_____] (\$_____); or

(ix) entered into any agreement to take any of the actions referred to in Section 2.1(c)(iii) through Section 2.1(c)(viii).

(d) **Title.** Except for Permitted Encumbrances, PLTS has, and on the Closing Date will have, free and clear title to all of PLTS's assets.

(e) **Compliance With Legal Requirements.** PLTS is in material compliance with all applicable Legal Requirements, including with respect to the protection of student information, financial information, health care information, alumni information and other personally identifiable information. PLTS has not received any notice of any violation of any applicable Legal Requirements.

(f) **PLTS Contracts.** Accurate and complete copies of all currently effective Material Contracts entered into by PLTS or to which PLTS is a party or is bound, have been made available to CLU. All such Material Contracts are identified in Section 2.1(f) of the Disclosure Schedule. PLTS is not in material breach of or default under any such Contract; and to the knowledge of PLTS, no other Person is in breach of or default under any such Contract, except for breaches and defaults that are identified on Section 2.1(f) of the Disclosure Schedule.

(g) **Legal Proceedings.** There is no judgment or order outstanding or any pending or, to the knowledge of PLTS, threatened Legal Proceeding: (i) involving or affecting PLTS as a party; (ii) involving or affecting any of PLTS's assets; or (iii) that challenges or may have the effect of preventing, delaying or otherwise interfering with the Merger. To the knowledge of PLTS, no event has occurred, and no claim, dispute or other circumstance exists, that could reasonably be expected to serve as the basis for the commencement of any such Legal Proceeding.

(h) **Tax Matters.**

(i) PLTS is, and at all times from its inception has been, a corporation exempt from federal income tax under the California Revenue and Taxation Code ("*California R&TC*") and Section 501(a) of the Code. PLTS is an organization described in Section 501(c)(3) of the Code and Section 23701d of the California R&TC, and has received a favorable determination letter to such effect from each of the Internal Revenue Service (the "*IRS*") and the California Franchise Tax Board (the "*FTB*"), which determination letters have not been modified, limited or revoked. PLTS is, and at all times from its inception has been, in compliance with the terms, conditions and limitations of such determinations. PLTS has not notified either the IRS or the FTB of any change in its support, purposes, character or method of operation, and neither the IRS nor the FTB has notified PLTS of an intention to revoke its tax-exempt status.

(ii) PLTS has filed, or will file when due, all Tax Returns required to be filed by it with respect to any taxable period ending on or before the Closing Date (the "*PLTS Tax Returns*"), all such Tax Returns are true, correct and complete in all material respects, and PLTS has paid, or will pay on or before the Closing Date, all Taxes shown to be due and payable on such Tax Returns or otherwise due and payable. All such Tax Returns have been, or will be when filed, accurately and completely prepared in full compliance with all applicable Legal Requirements. PLTS has delivered or made available to CLU accurate and complete copies of all PLTS Tax Returns filed for each of the previous [three] years. Section 2.1(h)(ii) of the Disclosure Schedule lists each jurisdiction in which PLTS files any Tax Return (or annual financial statement) and each jurisdiction which has issued PLTS a tax-exemption letter, exempt organization certificate or similar ruling on exemption from Tax.

(iii) The PLTS Financial Statements fully accrue all liabilities for Taxes required to be accrued under applicable Legal Requirements with respect to all periods through the dates thereof. PLTS has established reserves adequate for the payment of all Taxes for the period from July 1, 2012 through the Closing Date.

(iv) No PLTS Tax Return has been examined or audited by any Governmental Body, no audit or other examination of any PLTS Tax Return by any Governmental Body is presently in progress, and PLTS has not been notified in writing of any request for such an audit or other examination. No adjustment relating to any PLTS Tax Returns has been proposed in writing by any Governmental Body. No extension or waiver of the limitation period applicable to any of the PLTS Tax Returns has been granted, and no such extension or waiver has been requested from PLTS.

(v) PLTS has withheld or collected from each payment made to any person, including each of its employees, partners and creditors, the entire amount of Tax required to be withheld or collected therefrom and has duly and timely paid the same to the appropriate Governmental Body.

(vi) PLTS has filed, on a timely basis, a Form RRF 1 for calendar years 2007-2012 with the Attorney General of the State of California.

(i) **Employment Matters.** Section 2.1(i) of the Disclosure Schedule sets forth a true and complete list of the positions, tenure, status, wage and salary information, length of employment and vacation and sick time accruals of all employees of PLTS as of the date hereof. PLTS has provided a copy of PLTS's employee handbook to CLU. Except as set forth on Section 2.1(i) of the Disclosure Schedule, all individuals engaged in the operation of PLTS are employees of PLTS. PLTS has no obligation, express or implied, oral or written, to make any payments or distributions to any employee of PLTS as a result of the consummation of the Merger. Neither this Agreement nor the consummation of the Merger shall entitle any current or former employee of PLTS to accelerate the time of payment or vesting, or increase the amount of any compensation due to any current or former employee. To the knowledge of PLTS, PLTS (a) is in material compliance with all applicable Legal Requirements respecting employment, employment practices, terms and conditions of employment and wages and hours, worker classification, tax withholding, prohibited discrimination, equal employment, fair employment practices, meal and rest periods and immigration status, (b) has withheld and reported all material amounts required by Legal Requirements or by agreement to be withheld and reported with respect to wages, salaries and other payments to employees, (c) is not liable for any material arrears of wages or any Taxes or any penalty for failure to comply with any of the foregoing; and (d) is not liable for any material payment to any trust or other fund governed by or maintained by or on behalf of any Governmental Body, with respect to unemployment compensation benefits, social security or other benefits or obligations for employees (other than routine payment consistent with past practice). There are no pending, or, to knowledge of PLTS, threatened claims or actions against PLTS under any worker's compensation policy. There are no actions, suits, claims, labor disputes or grievances pending, or, to the knowledge of PLTS, threatened relating to any labor, safety or discrimination matters involving any employee, including charges of unfair labor practices or discrimination complaints. To the knowledge of PLTS, PLTS has not engaged in any unfair labor practices within the meaning of the National Labor Relations Act. PLTS is not presently, nor has it been in the past, a party to, or bound by, any collective bargaining agreement or union contract with respect to any of the employees and no collective bargaining agreement is being negotiated by PLTS. No consent of any union (or similar group or organization) is required in connection with the consummation of the transactions contemplated hereby. There are no pending, or, to the knowledge of PLTS, threatened (i) union representation petitions respecting the employees, (ii) efforts being made to organize any of the employees, or (iii) strikes, slowdowns, work stoppages, or lockouts or threats affecting the employees. Except as set forth on Section 2.1(i) of the Disclosure Schedule, the employment of all employees at PLTS is "at will" employment.

(j) **ERISA.**

(i) Section 2.1(j) of the Disclosure Schedule contains a complete and accurate list of all Benefit Plans that are sponsored or maintained by PLTS or under which PLTS is obligated. PLTS has delivered or made available to CLU (i) accurate and complete copies of all such Benefit Plan documents and all other material documents relating thereto, including (if applicable) all current summary plan descriptions, the most recent summary annual reports and insurance contracts, (ii) accurate summaries of all unwritten Benefit Plans (if any exist), (iii) accurate and complete copies of the most recent financial statements and actuarial reports with respect to all such Benefit Plans for which financial statements or actuarial reports are required or have been prepared, and (iv) accurate and complete copies of all annual reports for all such Benefit Plans (for which annual reports are required) filed within the last three years. Each such Benefit Plan providing benefits that are funded through a policy of insurance is indicated by the word “insured” placed by the listing of the Benefit Plan in Section 2.1(j) of the Disclosure Schedule.

(ii) All such Benefit Plans conform (and at all times have conformed) in all material respects to, and are being administered and operated (and have at all times been administered and operated) in material compliance with, the requirements of ERISA, the Code and all other applicable Legal Requirements. All returns, reports and disclosure statements required to be made under ERISA and the Code with respect to all such Benefit Plans have been timely filed or delivered.

(iii) Except as would not be reasonably likely to have a Material Adverse Effect, any such Benefit Plan that is intended to be qualified under Section 401 (a) of the Code and exempt from tax under Section 501(a) of the Code has been determined by the Internal Revenue Service to be so qualified or an application for such determination is pending. Any such determination that has been obtained remains in effect and has not been revoked, and with respect to any application that is pending, PLTS has no reason to suspect that such application for determination shall be denied. Nothing has occurred since the date of any such determination that is reasonably likely to affect adversely such qualification or exemption, or result in the imposition of excise taxes or income taxes on unrelated business income under the Code or ERISA with respect to any such Benefit Plan.

(iv) PLTS does not sponsor any defined benefit plan subject to Title IV of ERISA, nor does PLTS have a current or contingent obligation to contribute to any multiemployer plan (as defined in Section 3(37) of ERISA). PLTS does not have any liability with respect to any employee benefit plan (as defined in Section 3(3) of ERISA) other than with respect to such Benefit Plans.

(v) There are no pending or, to the knowledge of PLTS, any threatened claims by or on behalf of any such Benefit Plans, or by or on behalf of any individual participants or beneficiaries of any such Benefit Plans, alleging any breach of fiduciary duty on the part of PLTS or any of its officers, directors or employees under ERISA or any other applicable Legal Requirements, or claiming benefit payments (other than those made in the ordinary operation of such plans). The Benefit Plans are not the subject of any pending (or to the knowledge of PLTS, any threatened) investigation or audit by the Internal Revenue Service, the Department of Labor or the Pension Benefit Guaranty Corporation (“PBGC”).

(vi) PLTS has timely made all required contributions under such Benefit Plans including the payment of any premiums payable to the PBGC, if applicable, and other insurance premiums.

(vii) No Benefit Plan provides any health, life or other welfare coverage to employees of PLTS beyond termination of their employment with PLTS by reason of retirement or otherwise, other than coverage as maybe required under Section 4980B of the Code or Part 6 of ERISA, or under the continuation of coverage provisions of the Legal Requirements of any state or locality.

(k) Noncontravention; Consents.

(i) Except as may be required by the CNCL or as described in Section 2.1(k)(i) of the Disclosure Schedule, no consent, waiver, approval or authorization, or filing, registration or qualification, is required to be made or obtained by PLTS in connection with the execution, delivery and performance of this Agreement by PLTS.

(ii) The execution and delivery of this Agreement by PLTS and the consummation by PLTS of the transactions contemplated by this Agreement will not: (1) cause a violation of any of the provisions of the articles of incorporation or bylaws of PLTS or of the Constitution, Bylaws or Continuing Resolutions of the Evangelical Lutheran Church in America; (2) cause a violation by PLTS of any Legal Requirement applicable to PLTS; (3) cause a default on the part of PLTS under any Material Contract ; (4) result in termination of, accelerate the performance required by, result in a breach of, or otherwise violate the terms of any Material Contracts [or contributions, gifts or endowments to which PLTS is a party or is a beneficiary]²; (5) result in the creation or imposition of any Encumbrance (other than a Permitted Encumbrance) upon any of the assets of PLTS or accelerate any indebtedness of PLTS, or result in the cancellation, modification, revocation or suspension of any of its Licenses and Permits (as defined below).

(l) Real Property.

(i) Section 2.1(l)(i) of the Disclosure Schedule sets forth a complete and accurate list of (a) all real property that is owned by PLTS (the “*Owned PLTS Real Property*”), (b) all real property this is leased by PLTS (the “*Leased PLTS Real Property*,” and together with the Owned PLTS Real Property, the “*PLTS Real Property*”), and (c) all real property leases under which any Leased PLTS Real Property is occupied or possessed (the “*PLTS Real Property Leases*”). PLTS has (i) good and valid, fee simple title to all Owned PLTS Real Property, free from any Encumbrances other than Permitted Encumbrances, and (ii) valid leasehold interests in and to all of the Leased PLTS Real Property, free from any Encumbrances other than Permitted Encumbrances. To the knowledge of PLTS, all of the Owned PLTS Real Property conforms to applicable Legal Requirements, including, without limitation, all applicable zoning laws, relating to its construction, use and operation in all material respects. To the knowledge PLTS, PLTS has obtained all licenses and rights-of-way from Governmental Bodies, or private parties that are necessary to ensure vehicular and pedestrian ingress and egress to and from the Owned PLTS Real Property, except

² NTD: Discuss

when the failure to have obtained such licenses or right-of-way, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect. Each PLTS Real Property Lease is in full force and effect and has not been assigned, modified, supplemented or amended and PLTS is not in default under any such lease, and no circumstance or set of facts exist which, with the giving of notice or passage of time, or both, would permit landlord or PLTS to terminate any such lease prior to the end of the stated term of such PLTS Real Property Lease. To the knowledge of PLTS, the occupancy, use and operation of PLTS of each of the Leased PLTS Real Properties conforms, in each case, with the terms and provisions of the applicable PLTS Real Property Lease and all applicable Legal Requirements relating to the use and occupancy of such Leased PLTS Real Property in all material respects.

(ii) To PLTS's knowledge: (i) no Hazardous Materials (as defined below) are located or have been released on the PLTS Real Property; (ii) there are no underground or above-ground storage tanks located on the PLTS Real Property; (iii) the PLTS Real Property is and has been in compliance with all applicable Environmental Laws (as defined below); (iv) there are no Legal Proceedings pending or threatened under any Environmental Law with respect to the PLTS Real Property; and (v) PLTS has not received any notice, claim or demand regarding the presence of Hazardous Materials on the PLTS Real Property, or alleging that the PLTS Real Property is in violation of any Environmental Laws. "*Hazardous Materials*" means any waste, pollutant, chemical, hazardous material, hazardous substance, toxic substance, hazardous waste, special waste, solid waste, asbestos, radioactive materials, polychlorinated biphenyls, petroleum or petroleum-derived substance or waste and any other pollutant, material, substance or waste regulated under or as defined by any Environmental Laws. "*Environmental Laws*" means all present and future federal, state and local laws, statutes, regulations, rules, ordinances and common law, and all judgments, decrees, orders, agreements or permits, issued, promulgated, approved or entered thereunder by any Governmental Body relating to pollution or Hazardous Materials or protection of human health or the environment, including the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), as amended.

(m) **Authority; Binding Nature of Agreement.** PLTS has all requisite corporate power and authority to enter into this Agreement and consummate the transactions contemplated herein. The execution and delivery by PLTS of this Agreement and the consummation by PLTS of the transactions contemplated herein have been duly and validly authorized by all necessary corporate action on the part of PLTS and its members. This Agreement has been duly and validly executed and delivered by PLTS and, assuming the due authorization, execution and delivery by CLU, constitutes a legal, valid and binding obligation of PLTS, enforceable against PLTS in accordance with its terms, subject to (i) laws of general application relating to bankruptcy, insolvency and the relief of debtors, and (ii) rules of law governing specific performance, injunctive relief and other equitable remedies.

(n) **Insurance.** Section 2.1(n) of the Disclosure Schedule contains a complete and accurate list of all policies or binders of insurance held by or on behalf of PLTS, specifying with respect to each policy the insurer, the amount of the coverage, the type of insurance, the risks insured, the expiration date, the policy number and any pending claims thereunder. There is no default with respect to any such policy or binder, nor has there been any failure to give any notice or present any claim under any such policy or binder in a timely fashion or in the manner or detail

required by the policy or binder. There is no notice of non-renewal or cancellation with respect to, or disallowance of any claim under, any such policy or binder that has been received by PLTS.

(o) **Funds for the Benefit of PLTS.** Section 2.1(o) of the Disclosure Schedule contains a complete and accurate list of all restricted and unrestricted funds of PLTS as of December 31, 2012 with a description of such restrictions. PLTS is not in default with respect to the restrictions of such restricted funds. Section 2.1(o) of the Disclosure Statement also contains a complete and accurate list of all trusts, entities, or donor advised funds holding funds or assets for the benefit or use of PLTS with descriptions thereof. PLTS is not in default with respect to any requirements of such third party funds and has no knowledge of the cancellation or revocation of such funds.

(p) **Student Affairs.** Section 2.1(p) of the Disclosure Schedule contains a complete and accurate list of all material written PLTS handbooks, policies, guidelines and rules applicable to existing PLTS students and all financial aid, loan and scholarship programs provided by PLTS to existing PLTS students ("*Financial Aid Programs*"), copies of which PLTS has delivered or made available to CLU. PLTS is not in default under any Financial Aid Program and has no knowledge of any cancellation or threatened cancellation of any Financial Aid Program. PLTS has no knowledge of any pending accreditation actions which could negatively affect its accreditation.

(q) **Licenses and Permits.** Schedule 2.1(q) sets forth a true and complete list of all licenses, permits, accreditations, authorizations and approvals issued or granted to PLTS with respect to its operations by any Governmental Body or third party accrediting organization (the "*Licenses and Permits*"), and all pending applications therefor. Such list, where applicable, specifies the date issued, granted or applied for, the expiration date and the current status thereof. Each License and Permit has been duly obtained, is valid and in full force and effect, and is not subject to any pending or threatened Legal Proceeding to revoke, cancel, suspend or declare such License and Permit invalid in any respect. No license, permit, franchise, authorization or approval by or from any Governmental Body or third party accrediting organization, other than the Licenses and Permits, is required to permit the continued lawful conduct of the operations of PLTS in the manner now conducted and none of the operations of PLTS are being conducted in a manner that violates any of the terms or conditions under which any License and Permit was granted. No such License and Permit will in any way be affected by, or terminate or lapse by reason of, the transactions contemplated by this Agreement.

(r) **Accounts.** Schedule 2.1(r) lists all bank and other accounts in which any of the cash and cash equivalents of PLTS are held. Such accounts are titled solely in the name of PLTS, and there are no commingled funds of other Persons contained in such accounts. Also set forth on Schedule 2.1(r) for each such account are the names of all Persons with authority to withdraw funds from, or execute drafts or checks on, each such account.

(s) **Equipment and Machinery.** Schedule 2.1(s) sets forth a complete and correct list of each item of furniture, fixtures, equipment and machinery (the "*Furniture and Equipment*") having an original purchase cost or aggregate lease cost exceeding [_____] \$_____. PLTS has good title free and clear of all title defects, objections and Encumbrances,

to the Equipment and Machinery owned by it. PLTS holds good and transferable leaseholds in all of the Equipment and Machinery leased by it in each case under valid and enforceable leases.

(t) **Intellectual Property.** Schedule 2.1(t) of the Disclosure Schedule sets forth a complete and correct listing of all letters patent, patent qualifications, patent applications, trademarks, trademark applications, service marks, service mark applications, trade names, brands, trade dress, logos, designs, private labels, copyrights, know-how, trade secrets and licenses, including software, and complete network systems (collectively, the “*Intellectual Property*”) owned by PLTS. All Intellectual Property is owned by PLTS, free and clear of all Encumbrances and is in good standing and is not known to be the subject of any challenge. To the knowledge of PLTS, the PLTS’s ownership or license rights in the Intellectual Property does not conflict with the rights of others. PLTS owns or has the right to use all computer software, software systems and databases and all other information systems currently in use by PLTS.

(u) **No Subsidiaries.** PLTS has no Subsidiaries. As used in this Section 2.1(u), the term “*Subsidiary*” means any corporation or other organization, whether incorporated or unincorporated, of which at least a majority of the securities or interests having by the terms thereof ordinary voting power to elect a majority of the board of directors or others performing similar functions with respect to such corporation or other organization is at the time directly or indirectly owned or controlled by PLTS.

(v) **Capital Stock.** PLTS has no authorized or issued capital stock.

(w) **Affiliate Arrangements.** Except for compensation paid or payable by PLTS to bona fide employees of PLTS in the ordinary course of business, there are no Contracts, arrangements, liabilities or obligations (whether or not evidenced by a writing) between PLTS, on the one hand, and any director or officer of the Company, or an Affiliate of such director or officer on the other hand (any such Contract, liability or obligation, an “*Affiliate Arrangement*”). Each Affiliate Arrangement is and at all times has been on terms and conditions as favorable to PLTS as would have been obtainable by it at the time in a comparable arm’s length transaction with an unrelated third party.

(x) **Minute Books and Other Records.** True, complete and correct copies of the minute books of PLTS have been made available to CLU and its representatives and contain accurate and complete records of all meetings of, and actions taken by (including action taken by written consent or otherwise without a meeting) the members and board of directors, as applicable, and any committee thereof of PLTS, as applicable, described therein. PLTS has not taken any action that is inconsistent in any material respect with any resolution adopted by its members or board of directors, as applicable, or any committee thereof.

(y) **Data Protection.** PLTS has complied at all times and in all material respects with all applicable Legal Requirements pertaining to privacy or personally identifiable data. PLTS has taken reasonable administrative, technical, and logical safeguards to protect such information.

(z) **Disclosure.** To the knowledge of PLTS, none of this Agreement or any Schedule, Exhibit or certificate delivered by PLTS pursuant hereto contains any untrue statement of

a material fact or omits any statement of a material fact necessary to make the statements contained herein or therein, taken as a whole, in light of the circumstances in which they were made, not misleading.

2.2 Representations and Warranties of CLU. Subject to such exceptions as are disclosed in the Disclosure Schedule delivered by CLU, CLU hereby represents and warrants to PLTS as follows:

(a) **Organization and Qualification.** CLU is a nonprofit public benefit corporation duly organized, validly existing and in good standing under the laws of the State of California and has all requisite corporate power and authority to: (i) conduct its business in the manner in which its business is currently being conducted; (ii) own and use its assets in the manner in which its assets are currently being owned and used; and (iii) perform its obligations under all Contracts by which it is bound.

(b) **Financial Statements.**

(i) CLU has delivered to PLTS the audited consolidated statement of financial position of CLU as of May 31, 2012 and May 31, 2011, and the related audited consolidated statements of activities and cash flows for the years then ended, as well as the unaudited year-to-date consolidated statement of financial position as of [_____] and the related consolidated statement of activities³ (collectively, the “*CLU Financial Statements*”).

(ii) The CLU Financial Statements are accurate and complete in all material respects and present fairly the financial position of CLU as of the respective dates thereof and have been prepared on a consistent basis throughout the periods covered.

(iii) CLU has no liabilities of the type required to be disclosed in the liabilities column of a balance sheet, except for: (1) liabilities disclosed in the CLU Financial Statements; and (2) liabilities incurred in the ordinary course of business.

(c) **Indebtedness.** Subsequent to December 31, 2012, CLU has not incurred any indebtedness for borrowed money or guaranteed any such indebtedness, except in the ordinary course of business;

(d) **Legal Proceedings.** There is no judgment or order outstanding or any pending or, to the knowledge of CLU, threatened Legal Proceeding that challenges or may have the effect of preventing, delaying or otherwise interfering with the Merger. To the knowledge of CLU, no event has occurred, and no claim, dispute or other circumstance exists, that could reasonably be expected to serve as the basis for the commencement of any such Legal Proceeding.

(e) **Tax Matters.** CLU is, and at all times from its inception has been, a corporation exempt from federal income tax under the California R&TC and Section 501(a) of the Code. CLU is an organization described in Section 501(c)(3) of the Code and Section 23701d of the

³Updated interim F/S date.

California R&TC, and has received a favorable determination letter to such effect from each of the IRS and the FTB, which determination letters have not been modified, limited or revoked. CLU is, and at all times from its inception has been, in compliance with the terms, conditions and limitations of such determinations. CLU has not notified either the IRS or the FTB of any change in its support, purposes, character or method of operation, and neither the IRS nor the FTB has notified CLU of an intention to revoke its tax-exempt status.

(f) Noncontravention; Consents.

(i) Except as may be required by the CNCL or as described in Section 2.2(e)(i) of the Disclosure Schedule, no consent, waiver, approval or authorization, or filing, registration or qualification, is required to be made or obtained by CLU in connection with the execution, delivery and performance of this Agreement by CLU.

(ii) The execution and delivery of this Agreement by CLU and the consummation by CLU of the transactions contemplated by this Agreement will not: (1) cause a violation of any of the provisions of the articles of incorporation or bylaws of CLU; (2) cause a violation by CLU of any Legal Requirement applicable to CLU; or (3) cause a default on the part of CLU under any material Contract, except for defaults that would not have a Material Adverse Effect on CLU.

(g) Authority; Binding Nature of Agreement. CLU has all requisite corporate power and authority to enter into this Agreement and consummate the transactions contemplated herein. The execution and delivery by CLU of this Agreement and the consummation by CLU of the transactions contemplated herein have been duly and validly authorized by all necessary corporate action on the part of CLU and its members. This Agreement has been duly and validly executed and delivered by CLU and, assuming the due authorization, execution and delivery by PLTS, constitutes a legal, valid and binding obligation of CLU, enforceable against CLU in accordance with its terms, subject to (i) laws of general application relating to bankruptcy, insolvency and the relief of debtors, and (ii) rules of law governing specific performance, injunctive relief and other equitable remedies.

ARTICLE 3

COVENANTS

3.1 Access to Premises and Records. Between the date of this Agreement and the Closing Date, PLTS and CLU shall each give each other and each such party's representatives, during normal business hours and with reasonable prior notice, access to its books and records and will furnish to such other party and its representatives such information as such party may from time to time reasonably request with respect to its assets and liabilities and operations.

3.2 Continuity and Maintenance of Operations. Except (i) as to actions of which the other party has been advised and to which such other party has consented in writing, (ii) as specifically permitted or required by this Agreement or required by any Legal Requirement, and (iii) for subsections 3.2(f)-(h) which shall not apply to CLU, between the date of this Agreement and the Closing Date each party shall:

- (a) operate in the ordinary course consistent with past practices;
- (b) maintain insurance as in effect on the date of this Agreement;
- (c) keep all of its business books, records and files in the ordinary course of business in accordance with past practices;
- (d) not amend its articles of incorporation or bylaws;
- (e) not incur any indebtedness for borrowed money or guarantee any such indebtedness;
- (f) not adopt or materially amend any employee benefit plan or increase the compensation of any officer or employee, except for increases in the ordinary course of business;
- (g) not change its methods of accounting or accounting practices in any material respect;
- (h) materially amend or prematurely terminate any Material Contracts (except in the ordinary course of business); and
- (i) not take or omit to take any action that would cause such party to be in breach of any of its representations or warranties in this Agreement.

3.3 Filings and Consents.

(a) PLTS and CLU will cooperate with one another in good faith to promptly make and effect all registrations, filings and submissions required to be made or effected by it pursuant to all applicable Legal Requirements with respect to the Merger and shall use commercially reasonable efforts to cause to be taken on a timely basis, all other actions necessary or appropriate for the purpose of consummating the transactions contemplated by this Agreement.

(b) Without limiting the generality of the foregoing, (i) each of PLTS and CLU shall use its commercially reasonable efforts to obtain, as soon as practicable and at its expense, all consents required to be obtained by such party in connection with the Merger, in form and substance reasonably satisfactory to the other party ("*Consents*"); and (ii) at least twenty (20) days prior to the Closing Date, PLTS and CLU shall file, or cause to be filed, the AG Notice with the Attorney General of the State of California, pursuant to Section 1.2; and (iii) as soon as practicable on or after the Closing Date, the parties shall cause CLU to file the Agreement of Merger and the Officer's Certificates, pursuant to Section 1.3.

3.4 Notification of Certain Matters. Between the date of this Agreement and the Closing Date, each party shall give notice to the other party of the discovery by such party of (a) any material inaccuracy in any representation or warranty of such party, (b) any material failure on the part of such party to comply with any of its covenants contained in this Agreement; (c) the occurrence of any event or the existence of any circumstances that would make satisfaction of any of

the conditions set forth in ARTICLE 4 or ARTICLE 5 by such party, as applicable, impossible or unlikely; or (d) any Material Adverse Effect with respect to its assets, properties or operations.

3.5 Seminary Advisory Board. Prior to the Closing, the CLU Board of Regents shall create and appoint the members of a PLTS advisory board, the purpose of which will be to provide advice and guidance regarding the operations of Pacific Lutheran Theological Seminary, in accordance with the Statement of Shared Principles attached hereto as Exhibit E (the “*Shared Principles*”). The Shared Principles shall be used in good faith after the Closing to guide the operations of the Surviving Corporation.

3.6 Indemnification; Exculpation.

(a) All rights to indemnification and exculpation from Liabilities for acts or omissions occurring at or prior to the Closing (including with respect to the Merger) existing as of the date hereof in favor of the current or former directors or officers of PLTS, as provided in the charter documents or any indemnification agreements of the Company and pursuant to applicable law shall survive the Merger and shall continue in full force and effect without amendment, modification or repeal in accordance with their terms for a period of not less than six (6) years after the Closing; provided, however, that if any claims are asserted or made within such period, all rights to indemnification (and to advancement of expenses) hereunder in respect of any such claims shall continue, without diminution, until disposition of any and all such claims.

(b) PLTS will purchase, on or prior to the Closing, a prepaid policy or policies that will remain in effect for a period of at least six (6) years after the Merger Effective Time covering those persons who are covered as of the date of this Agreement by the PLTS directors’ and officers’ liability insurance policy, with respect to claims arising from facts or events that occurred on or prior to the Closing.

(c) The provisions of Section 3.6(a) are intended to be for the benefit of, and enforceable by, each party indemnified pursuant to Section 3.6(a) (or as otherwise referenced in Section 3.6(a)), his or her heirs and his or her Representatives.

3.7 PLTS Restricted Endowments. During the period between the date of this Agreement and the Closing, PLTS and CLU shall work together to identify any restrictions or change of control provisions in grants, endowments and similar funds available or pledged to PLTS. PLTS and CLU shall cooperate to determine any actions that may be necessary, including without limitation any consent or acknowledgment from the grantor of such funds, in order that such funds, resources or pledges will not be adversely affected by the Merger.

3.8 Supplemental Schedules. Each party shall, from time to time prior to the Closing, supplement or amend any of its Disclosure Schedule to reflect changes after the date of this Agreement (provided, such supplement or amendment shall be disregarded in determining whether the closing condition in Section 4.1 or Section 5.1 (“Accuracy of Representations and Warranties”), as applicable, has been satisfied as of the Closing.

3.9 Employee Matters.

(a) The parties shall, after the Closing, cooperate to treat employees in good faith and consistent with the Shared Principles. CLU will provide continuing employees with compensation and benefits that are substantially similar in the aggregate to similarly situated employees of CLU and, with respect to salary, no less than the current salary with PLTS immediately prior to the Closing Date; provided, however, that nothing herein will prevent the amendment or termination of any specific plan, program or arrangement or interfere with CLU's right or obligation to make such changes as are necessary to comply with applicable Law. Notwithstanding anything to the contrary set forth herein, nothing herein shall preclude CLU from terminating the employment of any continuing employee for any reason for which PLTS could have terminated such continuing employee prior to the Effective Time.

(b) To the extent permitted pursuant to the terms of such plans, for all purposes under the employee benefit plans of CLU providing benefits to any continuing employees after the Effective Time (the "**Post-Closing Plans**"), each continuing employee will be credited with his or her years of service with PLTS before the Effective Time for purposes of eligibility to participate and vesting, but not for purposes of benefit accrual under defined benefit plans, for any purpose where service credit for the applicable period is not provided to participants generally, or to the extent such credit would result in a duplication of accrual of benefits. In addition, and without limiting the generality of the foregoing, to the extent permitted pursuant to the terms of such plans, (i) for purposes of each Post-Closing Plan providing medical, dental, pharmaceutical and/or vision benefits to any continuing employee, CLU will cause all pre-existing condition exclusions and actively-at-work requirements of such Post-Closing Plan to be waived for such continuing employee and his or her covered dependents and (ii) CLU will cause any eligible expenses incurred by such continuing employee and his or her covered dependents during the portion of the plan year of the Pre-Closing Plan ending on the date such continuing employee's participation in the corresponding Post-Closing Plan begins to be taken into account under such Post-Closing Plan for purposes of satisfying all deductible, coinsurance and maximum out-of-pocket requirements applicable to such continuing employee and his or her covered dependents for the applicable plan year as if such amounts had been paid in accordance with such Post-Closing Plan.

ARTICLE 4

CONDITIONS TO CLU'S OBLIGATION TO EFFECT THE MERGER

The obligation of CLU to effect the Merger shall be subject to the satisfaction or waiver of the following conditions prior to the Closing; *provided, however*, that CLU may waive in writing any conditions other than the conditions set forth in Section 4.4, which may not be waived:

4.1 Accuracy of Representations and Warranties. The representations and warranties of PLTS contained in this Agreement shall be true and correct in all material respects as of the date of this Agreement and as of the Closing, with the same effect as though made on and as of the Closing, except: (a) for such changes permitted or contemplated by the terms of this Agreement; and (b) insofar as any of such representations and warranties relate solely to a particular date or period,

in which case they shall be true and correct in all material respects as of the date of this Agreement on the Closing with respect to such date and period.

4.2 Notice to Attorney General. PLTS and CLU shall have filed the AG Notice with the Attorney General of the State of California at least 20 days prior to the Closing.

4.3 No Material Adverse Effect. There shall not have occurred any change, event, or condition that, individually or in the aggregate with any other changes, events, or conditions, which results in, or would reasonably be expected to result in, a Material Adverse Effect with respect to the assets, properties, operations, reputation or goodwill of PLTS.

4.4 Governmental or Legal Action. No action, suit or proceeding shall be pending or threatened by any Governmental Body and no Legal Requirement shall have been enacted, promulgated or issued or deemed applicable to the Merger that would: (a) prohibit CLU's ownership or operation of PLTS's assets or (b) prevent or make illegal the consummation of the Merger or any of the related transactions contemplated by this Agreement.

4.5 Performance of Covenants. PLTS shall have performed or complied with in all material respects all covenants and obligations required by this Agreement to be performed or complied with by such party at or prior to the Closing.

4.6 Consents. PLTS shall have delivered to CLU evidence, in form and substance reasonably satisfactory to CLU, that material Consents required to be obtained by PLTS in connection with the Merger have been obtained.

4.7 Grants and Endowments. CLU shall be satisfied, in the exercise of its reasonable judgment, that the grants and endowments and similar sources of funding of PLTS will not be adversely materially affected by the Merger.

4.8 President's Certificate. CLU shall have received from PLTS a certificate, dated as of the Closing Date, signed by the President of PLTS in her capacity as such in which such person shall state, to the best of her knowledge after reasonable investigation, that the representations and warranties of PLTS contained in this Agreement are true and correct in all material respects as of the Closing Date.

4.9 Good Standing Certificate. CLU shall have received from PLTS a Good Standing Certificate from the California Secretary of State issued within thirty days of the Closing Date indicating that PLTS is in good standing in the State of California.

4.10 Resolutions. CLU shall have received from PLTS a certified copy of all resolutions of the PLTS board of directors and of PLTS's members duly approving the Merger and the execution and delivery of this Agreement and all other necessary or proper corporate action to enable PLTS to consummate the Merger and the transactions contemplated hereby.

4.11 Additional Documents and Acts. PLTS shall have delivered or caused to be delivered all other documents required to be delivered by PLTS pursuant to this Agreement and

taken all such other acts reasonably requested by CLU to evidence compliance with the conditions set forth in this ARTICLE 4.

ARTICLE 5

CONDITIONS TO PLTS'S OBLIGATION TO EFFECT THE MERGER

The obligation of PLTS to effect the Merger shall be subject to the satisfaction or waiver of the following conditions prior to the Closing; *provided, however*, that PLTS may waive in writing any conditions other than the conditions set forth in Section 5.4, which may not be waived:

5.1 Accuracy of Representations and Warranties. The representations and warranties of CLU contained in this Agreement shall be true and correct in all material respects as of the date of this Agreement and as of the Closing, with the same effect as though made on and as of the Closing, except: (a) for such changes permitted or contemplated by the terms of this Agreement; and (b) insofar as any of such representations and warranties relate solely to a particular date or period, in which case they shall be true and correct in all material respects as of the date of this Agreement on the Closing with respect to such date and period.

5.2 Notice to Attorney General. PLTS and CLU shall have filed the AG Notice with the Attorney General of the State of California at least 20 days prior to the Closing.

5.3 No Material Adverse Effect. There shall not have occurred any change, event, or condition that, individually or in the aggregate with any other changes, events, or conditions, which results in, or would reasonably be expected to result in, a Material Adverse Effect with respect to the assets, properties, operations, reputation or goodwill of CLU.

5.4 Governmental or Legal Action. No action, suit or proceeding shall be pending or threatened by any Governmental Body and no Legal Requirement shall have been enacted, promulgated or issued or deemed applicable to the Merger that would: (a) prohibit CLU's ownership or operation of PLTS's assets or (b) prevent or make illegal the consummation of the Merger or any of the related transactions contemplated by this Agreement.

5.5 Performance of Covenants. CLU shall have performed or complied with in all material respects all covenants and obligations required by this Agreement to be performed or complied with by such party at or prior to the Closing.

5.6 Consents. CLU shall have delivered to PLTS evidence, in form and substance reasonably satisfactory to PLTS, that all material Consents required to be obtained by CLU in connection with the Merger have been obtained.

5.7 Grants and Endowments. PLTS shall be satisfied, in the exercise of its reasonable judgment, that the grants and endowments and similar sources of funding of PLTS will not be materially adversely affected by the Merger.

5.8 President's Certificate. PLTS shall have received from CLU a certificate, dated as of the Closing Date, signed by the President of CLU in his capacity as such in which such person

shall state, to the best of his knowledge after reasonable investigation, that the representations and warranties of CLU contained in this Agreement are true and correct in all material respects as of the Closing Date.

5.9 Good Standing Certificate. PLTS shall have received from CLU a Good Standing Certificate from the California Secretary of State issued within thirty days of the Closing Date indicating that CLU is in good standing in the State of California.

5.10 Resolutions. PLTS shall have received from CLU a certified copy of all resolutions of the CLU Board and of CLU's members duly approving the Merger and the execution and delivery of this Agreement and all other necessary or proper corporate action to enable CLU to consummate the Merger and the transactions contemplated hereby.

5.11 Additional Documents and Acts. CLU shall have delivered or caused to be delivered all other documents required to be delivered by CLU pursuant to this Agreement and taken all such other acts reasonably requested by PLTS to evidence compliance with the conditions set forth in this ARTICLE 5.

ARTICLE 6

TERMINATION

6.1 Events of Termination. This Agreement and the transactions contemplated by this Agreement may be terminated:

(a) at any time prior to the filing of the Officer's Certificates with the Secretary of State of the State of California by the mutual written consent of PLTS and CLU;

(b) at any time prior to the filing of the Officer's Certificates with the Secretary of State of the State of California by either PLTS or CLU (each a "*Terminating Party*");

(i) if any representation or warranty of the other party (the "*Defaulting Party*") made herein is untrue in any material respect and such breach is not cured within 10 days, or if more time is required, within a reasonable time (if commenced and pursued diligently) of the Defaulting Party's receipt of a notice from the Terminating Party that such breach exists or has occurred;

(ii) if the Defaulting Party shall have defaulted in any material respect in the performance of any material covenant or obligation under this Agreement and such breach is not cured within 10 days, or if more time is required, within a reasonable time (if commenced and pursued diligently) of the Defaulting Party's receipt of a notice from the Terminating Party that such default exists or has occurred;

(iii) if any of the conditions to the Terminating Party's obligation to consummate the Merger as set forth in ARTICLE 4 or ARTICLE 5 cannot reasonably be satisfied on or before [_____], [2014]; or

(iv) if there shall be any law in effect that makes consummation of the Merger illegal, or any court of competent jurisdiction shall have issued a permanent injunction prohibiting the Merger, or consummation of the Merger shall impair in any material way the status of Surviving Corporation as a nonprofit public benefit corporation exempt from income tax under Section 501(c)(3) of the Code.

6.2 Manner of Exercise. In the event of a desired termination of this Agreement by PLTS or CLU pursuant to Section 6.1, written notice thereof shall forthwith be given to the other party and this Agreement shall terminate upon receipt of such notice and the Merger and related transactions contemplated hereby shall be abandoned without further action by PLTS or CLU.

6.3 Effect of Termination. In the event of the termination of this Agreement pursuant to Section 6.1, all obligations of the parties hereunder shall terminate, except for the respective obligations of the parties under Section 8.6 (“Expenses”) and Section 8.13 (“Confidentiality”); *provided, however*, that no termination of this Agreement shall relieve a defaulting or breaching party from any liability to the other party for or in respect of any willful default or breach.

ARTICLE 7

NATURE AND SURVIVAL OF REPRESENTATIONS, WARRANTIES, COVENANTS AND OBLIGATIONS

7.1 Nature of Representations, Warranties, Covenants and Obligations. No party will be deemed to have made any representation, warranty or covenant except as expressly set forth in this Agreement. Without limiting the generality of the foregoing and except as set forth in this Agreement, no party will be liable or bound in any manner by any expressed or implied representation, warranty, covenant or obligation that is made by any employee, agent or other Person representing or purporting to represent such party.

7.2 Survival of Representations and Warranties, Covenants and Obligations. The representations and warranties of PLTS and CLU in this Agreement shall terminate upon and not survive the Closing. *[To discuss]*

ARTICLE 8

MISCELLANEOUS

8.1 Amendment. This Agreement may be amended with the approval of the respective Board of Directors of PLTS and CLU Board at any time prior to the Closing Date.

8.2 Waiver.

(a) No failure on the part of any party to exercise any power, right, privilege or remedy under this Agreement, and no delay on the part of any party in exercising any power, right, privilege or remedy under this Agreement, shall operate as a waiver of such power, right, privilege or remedy; and no single or partial exercise of any such power, right, privilege or remedy shall preclude any other or further exercise thereof or of any other power, right, privilege or remedy.

(b) No party shall be deemed to have waived any claim arising out of this Agreement, or any power, right, privilege or remedy under this Agreement, unless the waiver of such claim, power, right, privilege or remedy is expressly set forth in a written instrument duly executed and delivered on behalf of such party; and any such waiver shall not be applicable or have any effect except in the specific instance in which it is given.

8.3 Entire Agreement; Counterparts. This Agreement (including the Disclosure Schedules and Exhibits referred to in this Agreement, which are incorporated in and constitute a part of this Agreement) constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument.

8.4 Applicable Law; Jurisdiction. This Agreement is made under, and shall be construed and enforced in accordance with, the laws of the State of California applicable to agreements made and to be performed solely therein, without giving effect to principles of conflicts of law. In any action among or between any of the parties arising out of or relating to this Agreement, each of the parties irrevocably and unconditionally consents and submits to the exclusive jurisdiction and venue of the state and federal courts located in the State of California.

8.5 Attorneys' Fees. In any action at law or suit in equity to enforce this Agreement or the rights of any of the parties hereunder, the prevailing party in such action or suit shall be entitled to receive a reasonable sum for its attorneys' fees and all other reasonable costs and expenses incurred in such action or suit.

8.6 Payment of Expenses. Whether or not the Merger is consummated, each party hereto shall pay its own expenses incident to preparing for, entering into and carrying out this Agreement and the transactions contemplated hereby.

8.7 Assignability. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by either of the parties hereto (whether by operation of law or otherwise) without the prior written consent of the other party. Subject to the preceding sentence, this Agreement shall be binding upon, and shall be enforceable by and inure to the benefit of, the parties hereto and their respective successors and assigns.

8.8 Notices. All notices or other communication required or permitted to be delivered to any party under this Agreement shall be in writing and shall be deemed properly delivered, given and received when delivered (by hand, by registered mail, by courier or express delivery service or by facsimile) to the address or facsimile telephone number set forth beneath the name of such party below (or to such other address or facsimile telephone number as such party shall have specified in a written notice given to the other parties hereto):

To CLU:

California Lutheran University
60 West Olsen Road
Thousand Oaks, CA 91360-2787
Attention: Chris Kimball, President
Telephone: (805) 493-3100
Facsimile: (805) [____-____]

With a copy to:

Natasha Baker
Hirschfeld Kraemer LLP
505 Montgomery Street, 13th Floor
San Francisco, CA 94111
Telephone: (415) 835-9000
Facsimile: (415) 834-0443

To PLTS:

Pacific Lutheran Theological Seminary
2770 Marin Avenue
Berkeley, CA 94708
Attention: Phyllis Anderson, President
Telephone: (510) 559-2710
Facsimile: (510) [____-____]

With a copy to:

Mark A. Bertelsen and Melissa V. Hollatz
Wilson Sonsini Goodrich & Rosati, Professional Corporation
650 Page Mill Road
Palo Alto, CA 94304
Telephone: (650) 493-9300
Facsimile: (650) 493-6811

Any notice or other communications made hereunder shall be deemed to have been given (a) if delivered personally, by overnight courier service or by facsimile, on the date received, or (b) if by registered or certified mail, return receipt requested, three business days after mailing.

8.9 Severability. In the event that any provision of this Agreement, or the application of any such provision to any Person or set of circumstances, shall be determined to be invalid, unlawful, void or unenforceable to any extent, the remainder of this Agreement, and the application of such provision to Persons or circumstances other than those as to which it is determined to be invalid, unlawful, void or unenforceable, shall not be impaired or otherwise affected and shall continue to be valid and enforceable to the fullest extent permitted by law.

8.10 Captions. The article and section captions of this Agreement are for convenience only and do not constitute a part of this Agreement.

8.11 Rights Cumulative. All rights and remedies of each of the parties under this Agreement will be cumulative and the exercise of one or more rights or remedies will not preclude the exercise of any other right or remedy available under this Agreement or applicable law.

8.12 Further Assurances. PLTS and CLU will execute and deliver to the other, from time to time at or after the Closing, for no additional consideration and at no additional cost to the requesting party, such further assignments, certificates, instruments, records or other documents or assurances as may be reasonably necessary to give full effect to this Agreement and to allow each party fully to enjoy and exercise the rights accorded and acquired by it under this Agreement.

8.13 Confidentiality. Each of the parties agrees that it will not publish or disclose, or authorize (and shall use reasonable efforts not to permit) any of its officers, employees, directors, agents or representatives or any third party to publish or disclose any trade secrets or other confidential information or any data or business or financial books, records or other information of or pertaining to the other party, that have been furnished to any of its officers, employees, directors, agents, attorneys or accountants or to which any such person has had access during any investigation made in connection with this Agreement and that is not otherwise available to such party, except as required by law.

8.14 No Third Party Beneficiary. Nothing in this Agreement, express or implied, is intended to or shall confer on any Person, any right, benefit or remedy of any nature whatsoever by reason of this Agreement except as otherwise specified in Section 3.6 hereof.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

PLTS:

PACIFIC LUTHERAN THEOLOGICAL SEMINARY

By: _____
Linda Baumhefner, Chair of the Board

By: _____
Phyllis Anderson, President

By: _____
_____, Secretary

CLU:

CALIFORNIA LUTHERAN UNIVERSITY

By: _____
Rod Gilbert, Chair of the Board

By: _____
Chris Kimball, President

By: _____
GayLyn Talbot, Secretary

EXHIBIT A

DEFINITIONS

“Affiliate” means, with respect to any Person, (i) any Person that owns or controls more than 25% of the capital or voting rights of such Person, or (ii) any Person that directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the first Person, including a Subsidiary of the first Person, a Person of which the first Person is a Subsidiary, or another Subsidiary of a Person of which the first Person is also a Subsidiary; provided that, with respect to a natural person, an Affiliate of such person shall include any spouse, grandparent, parent, sibling or descendant of such natural person and any trust or other entity formed for the benefit of any such natural person or for any spouse, grandparent, parent, sibling or descendant of such natural person.

“Benefit Plan” means any (i) “employee benefit plan” as defined in Section 3(3) of ERISA, and (ii) any supplemental retirement, bonus, deferred compensation, severance, incentive plan, program or arrangement or other employee fringe benefit plan, program or arrangement.

“Contract” means any written, oral or other agreement, contract, subcontract, lease, understanding, instrument, note, option, warranty, purchase order, license, sublicense, insurance policy, benefit plan or legally binding commitment or undertaking of any nature.

“Disclosure Schedule” means the schedule (dated as of the date of this Agreement) delivered by each party in connection with its respective representations and warranties as set forth in ARTICLE 2.

“Encumbrance” means any mortgage, lien, security interest, security agreement, conditional sale or other title retention agreement, limitation, pledge, option, charge, encumbrance, adverse interest, or any exception to or defect in title or other ownership interest.

“Governmental Body” means any of the following: (a) nation, state, commonwealth, province, territory, county, municipality, district or other jurisdiction of any nature; (b) federal, state, local, municipal, foreign or other government; or (c) governmental or quasi-governmental authority of any nature (including any governmental division, department, agency, commission, instrumentality, official, organization, unit, body or Entity and any court or other tribunal.

“Hazardous Materials” means any hazardous or toxic substance, material or waste that is regulated by any Governmental Body where the substance, material or waste is located.

“Legal Proceeding” means any action, suit, litigation, arbitration, proceeding (including any civil, criminal, administrative, investigative or appellate proceeding and any informal proceeding), prosecution, contest, hearing, inquiry, inquest, audit, examination or investigation commenced, brought, conducted or heard by or before, or otherwise involving, any Governmental Body or any arbitrator or arbitration panel.

“Legal Requirement” means any federal, state, local, municipal, foreign or other law, statute, constitution, principle of common law, resolution, ordinance, code, edict, decree, rule, regulation, ruling or requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any Governmental Body.

“Liabilities” means any direct or indirect liability, indebtedness, obligation, expense, claim, loss. Damage, deficiency, guaranty or endorsement of any Person, absolute or contingent, known or unknown, accrued or unaccrued, due or to become due, liquidated or unliquidated.

“Material Adverse Effect”: An event, violation or other matter will be deemed to have a “Material Adverse Effect” on PLTS or CLU if such event, violation or other matter would have a material adverse effect on (i) such party’s business, condition, assets, liabilities or operations, or (ii) the ability of such party to consummate the Merger or any of the other transactions contemplated by this Agreement, excluding (i) effects resulting from (a) general economic conditions affecting the U.S. economy, (b) war, military actions, acts of terrorism, or civil unrest, (c) actions taken by such party at the specific request or with the agreement or consent of the other party, or (d) acts required, contemplated, or permitted under this Agreement, or (ii) any effect which, if quantifiable, has a financial impact on such party of less than Fifteen Thousand Dollars (\$15,000).

“Material Contract” means any Contract of PLTS in effect on the date of this Agreement which meets one or more of the following criteria: (i) provides for future payments thereunder to or from PLTS of more than [_____] \$_____ per year and is not terminable without monetary or other obligation, penalty or premium upon notice of sixty (60) days or less; (ii) has a term in excess of one year and is not terminable without monetary or other obligation, penalty or premium upon notice of sixty (60) days or less; (iii) relates to borrowed money or debt of PLTS; (iv) provides any party the right to voting or management authority with respect to governance or operations of PLTS; (v) is with any Governmental Body; or (vi) permits any party to occupy (pursuant to a lease, license or otherwise) any portion of the PLTS Real Property.⁴

“Permitted Encumbrances” means any liens for current taxes not yet due and payable, minor Encumbrances that have arisen in the ordinary course of business and that do not (in any individual case or in the aggregate) materially detract from the value of the assets subject thereto or materially impair the operations of the applicable person.

“Person” means any natural person, corporation, partnership, trust, unincorporated organization, association, limited liability company, Governmental Body or other entity.

“Tax” or **“Taxes”** shall mean any and all tax, charge, fee, lien, impost, duty or other assessment including, without limitation, income, withholding, excise, employment, property, sales, franchise, use and gross receipt taxes, imposed by the United States or any state, county, local or foreign government or any subdivision thereof. Such term shall also include any interest, penalties or additions attributable to such assessments.

⁴ Discuss. Needs to be tailored to appropriate scope.

“Tax Return” shall mean returns, reports and information statements with respect to Taxes required to be filed with a taxing authority and any amendments to any of the foregoing.

EXHIBIT B
AGREEMENT OF MERGER

EXHIBIT C

BYLAWS OF THE SURVIVING CORPORATION

[EXHIBIT D
ARTICLES OF INCORPORATION OF THE SURVIVING CORPORATION]

EXHIBIT E

STATEMENT OF SHARED PRINCIPLES

PLTS DISCLOSURE SCHEDULE

CLU DISCLOSURE SCHEDULE

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Principles regarding the Proposed Merger of California Lutheran University and Pacific Lutheran Theological Seminary

Preamble:

The ELCA strongly affirms the option of a merger between Pacific Lutheran Theological Seminary and California Lutheran University. Presiding Bishop Mark Hanson, representatives of the church-wide organization, and several synods of Regions 1 and 2 have all enthusiastically voiced support for the merger. They also recognize that the decision to merge rests entirely with the boards of CLU and PLTS.

The ELCA remains committed to supporting its seminaries, whether independent or embedded in a university, and a merger with CLU will have no impact on PLTS continuing to receive church support.

Given this support from the ELCA, the Boards of Pacific Lutheran Theological Seminary and California Lutheran University share these principles as foundational in a merger of the two institutions:

Governance: The CLU Board of Regents will be the sole fiduciary governing board with respect to the seminary following the close of the merger.

Seminary Advisory Board: The seminary will have a distinct, non-fiduciary advisory board, which will provide the CLU Board of Regents with non-binding advice and recommendations. In addition, the CLU Board commits to consult the seminary advisory board regarding significant decisions affecting the seminary.

Representation: The Chair of the Seminary Advisory Board will serve as a voting member of the CLU Board of Regents.

Protection of Mission: The seminary will remain a seminary of the ELCA. CLU will commit to operate the seminary in compliance with ELCA Bylaws, requirements related to governance, candidacy, confession, organizational principles and such other material compliance requirements as ELCA may stipulate from time to time.

Educational Programs: In order to remain a seminary of the ELCA, the seminary faculty will offer the educational programs recognized by the ELCA for the preparation of persons for ordained or other rostered ministries.

Authority over Educational Programs: The seminary faculty shall exercise authority over its educational programs through the existing governance structures of CLU, in accordance with applicable accrediting bodies.

Accreditation: The Association of Theological Schools (or its successor body) will remain the primary accrediting body for the seminary, and, correspondingly, CLU commits to having the seminary remain accredited. The Seminary will also be required to be part of CLU's WASC accreditation.

Graduate Theological Union: Recognizing the value of the GTU as an ecumenical and interfaith partnership, an integral part of the educational program of the seminary, and a unique attraction for students to the seminary, CLU will support the seminary in its efforts to create a more sustainable GTU.

Authority in Relation to the GTU: The CLU Board of Regents, as the sole fiduciary governing board, will have the authority regarding decisions (and delegation of decisions) pertaining to the seminary's participation, whether full or partial, in the GTU, after consultation with the Seminary Advisory Board and allowing appropriate time for transition.

Ceasing the Seminary and/or the ministerial education programs within the Seminary: In the event of a fiduciary decision by the CLU Board of Regents to cease operations of the seminary and/or its educational programs recognized by the ELCA for the preparation for ordained or other rostered ministries, the ELCA shall have the right to determine an alternative owner/steward of the seminary and all assets restricted to the seminary's use.

Program Adaption & Innovation: The university will support the seminary as a place for future program adaption and innovation as part of the broader CLU family, which may include such things as (i) joint graduate degrees, (ii) further joint development with the CLU religion department, (iii) the creation of CLU satellite offerings on the seminary grounds (whether or not integrated directly with seminary curriculum), (iv) certificate and non-credit programs producing incremental revenue designed for called staff, lay staff and other persons of interest, and (v) other innovative programs as the seminary and/or other departments and divisions may develop from time to time.

Faculty Transition. Current members of the seminary faculty at the time of the merger will become members of CLU faculty, retaining rank and tenure as applicable.

Faculty Load: Faculty load for the seminary, including courses as well as service to the church, shall be determined in a manner consistent with, and equitable with, other CLU graduate departments and divisions.

Faculty and Staff Compensation: Salary and benefits for seminary faculty and staff shall be determined in a manner consistent with, and equitable with, other CLU departments and divisions, recognizing that salaries may vary across disciplines.

Shared Services for Non-Academic Operations: Administrative functions will come under the direct supervision of CLU, recognizing the need for specialized expertise in seminary administration, particularly for enrollment and advancement functions.

Future Disposition of Seminary Real Estate: The CLU Board of Regents as the sole fiduciary governing board will make decisions with respect to the disposition of real estate of the seminary, after consultation with the Seminary Advisory Board, including the possibility of a future relocation of the seminary, whether within or outside of Berkeley, California.

Future Disposition of Proceeds from the Sale of Seminary Real Estate: Proceeds from the sale of seminary real estate will be dedicated for the use or support of the seminary, including repayment of investments made in the seminary by CLU.

Future Disposition of Endowment Assets: The pre-existing endowment and other financial assets of the seminary will remain dedicated to the seminary.

Distinct Name: The seminary will maintain its distinct branding as “Pacific Lutheran Theological Seminary,” recognizing that additional branding may be applied in the future, as “of California Lutheran University.”

Seminary Leader: The seminary will have a chief administrative officer to oversee the life and program of the seminary who is an ordained ELCA pastor and elected or appointed by the university in consultation with the Seminary Advisory Board.

Seminary Leader Title: The title of the future leader of the seminary will be Principal (or other mutually agreeable title).

Seminary Leader’s Accountability. The seminary Chief Administrative Officer and Dean will report to the CLU Provost for purposes of academics and program, while working with the CLU President for purposes of church relations.

Seminary Leader’s Role in the University. The leader of the seminary will serve on the CLU Dean’s Council, be part of the CLU Office of University Ministries, and be a member of the CLU President’s Cabinet.

Financial Expectations. The seminary and the university share the following financial goals: the seminary will continue to operate in the black; the university will invest in the work done together as partners to generate revenue; and CLU's Northern California operation will become self sustaining overall.

Worshipping Community: The seminary will continue to be a worshipping community with regular services on the campus of the seminary (whether in the current Berkeley location or, if applicable, a future location determined by the CLU Board of Regents).

Community Life: As part of formation for ministry, the seminary will continue to have its own distinct community life and student government, even as it participates within student life at the university graduate schools.

Geographic Scope. CLU remains committed to a seminary that has a vision to serve the whole ELCA with particular attention to the unique needs, challenges and opportunities for the American West, including but not limited to, California.

| [WSGR 3.9.13](#)

**BYLAWS
OF
CALIFORNIA LUTHERAN UNIVERSITY,
A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION**

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WSGR 3.9.13

**BYLAWS
OF
CALIFORNIA LUTHERAN UNIVERSITY,**
a California nonprofit public benefit corporation
(as amended [], 2013)

ARTICLE I
NAME

Section 1 The name of the Corporation is CALIFORNIA LUTHERAN UNIVERSITY, a California nonprofit public benefit corporation, hereinafter referred to as the “Corporation.” Any change to the name of the Corporation shall require the approval of the Board of Regents and the approval of the Convocation.

ARTICLE II
DEFINITIONS

Section 1 “Board of Regents” means the governing body or Board of Directors of the Corporation. The Board of Regents is sometimes referred to herein as the “Board.”

Section 2 “Caucus” means the gathering of the Convocators from any Constituent Synod or the At-Large Convocators.

Section 3 “Constituent Synods”. means the synods comprising Region II of the Evangelical Lutheran Church in America, also known as the ELCA.

Section 4 “Convocation” means the members of the Corporation, Convocators, as a collective body, any meeting of the Convocators, or any action of the Convocators acting collectively.

Section 5 “Convocator” is an individual person appointed or elected for a term as a member of the Corporation.

Section 6 “PLTS” means Pacific Lutheran Theological Seminary.

Section 67 “Regent” is an individual serving a term on the Board of Regents.

Section 78 “University” shall mean the private educational institution, including its administration, faculty and students and the operation of the institution for higher education.

ARTICLE III PRINCIPAL PLACE OF BUSINESS

Section 1 The principal office for the transaction of the activities and affairs of this Corporation is located at 60 West Olsen Road, Thousand Oaks, California, 91360, in Ventura County, California. The Board of Regents may change the location of the principal office. Any such change of location must be noted by the secretary on these bylaws opposite this section; alternatively this section may be amended to state the new location.

Section 2 The Board of Regents may at any time establish branch or subordinate offices at any place or places where this Corporation is qualified to conduct its activities.

ARTICLE IV BOARD OF REGENTS

Section 1 Number of Elected and Ex Officio Regents

The authorized number of Regents of the Corporation shall be thirty-~~three-four~~ (33~~34~~) until amended by the majority vote or written assent of the majority of the Convocation. Twenty-seven (27) Regents shall be elected, and ~~six-seven~~ (67) shall be voting ex officio Regents including the Chair of the Convocation, the President of the University, the Faculty Chair, ~~the Chair of the Advisory Board of PLTS~~, the Alumni Board Representative, the Student Body President, and the Bishop assigned by the Bishops of Region II of the ELCA. In addition there may be non-voting honorary members of the Board of Regents.

Section 2 Power

Subject to the California Nonprofit Public Benefit Corporations Code, and the limitation of the Articles of Incorporation, Bylaws, and applicable laws of the State of California as to action to be authorized or approved by the Regents, all corporate powers shall be exercised by or under the authority of, and the affairs of this Corporation shall be controlled by the Board of Regents.

Section 3 Election and Tenure of Office

(a) Regents shall normally be elected for terms of three (3) years unless elected for a shorter term to fill a vacancy, and until a successor Regent has been designated and qualified by ratification vote of the majority of the Convocators, unless resigned or removed. Regents shall serve no more than three (3) consecutive terms. Notwithstanding the foregoing, upon petition from the President and the Trusteeship Committee of the Board of Regents demonstrating that an additional consecutive term would address a major need, or extraordinary circumstances, or would provide unique leadership skills which are particularly necessary during the extended term, the Board of Regents may vote to permit a fourth consecutive term of a Regent subject to ratification by the Convocation. While election to additional terms of service on the Board is allowable, there shall be a minimum waiting period of one year before election to subsequent service. The terms of the members of the Board of Regents will be adjusted so that one-third (1/3) of the Board will be eligible for election annually.

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(b) The Trusteeship Committee of the Board of Regents shall nominate persons to serve as Regents of the Corporation subject to the approval of the Board of Regents. The nominees for the Board of Regents shall be ratified by majority vote of the Convocation at the Annual Meeting of the Convocation.

Section 4 Selection of Regents

(a) Not more than forty-nine percent (49%) of the voting members of the Board of Regents shall be “interested persons” as defined in Section 5227 of the Corporations Code.

(b) A majority of the voting members of the Board of Regents shall be active members of the Evangelical Lutheran Church in America.

(c) Honorary and Emeritus non-voting Regents shall be individuals or representatives of organizations who have made significant contributions to the advancement of the University or performed meritorious service for it. They shall be elected by a majority vote of the Board of Regents.

Section 5 Vacancies

(a) A vacancy or vacancies on the Board of Regents shall occur in the event of (i) the death, removal or resignation of any Regent; (ii) the declaration by resolution of the Board a vacancy in the office of a Regent who has been convicted of a felony, declared of unsound mind by a court order, or found by final order or judgment of any court to have breached a duty under California Nonprofit Public Benefit Corporation Law, Chapter 2 Article 3; (iii) the vote of the majority of the Convocators; (iv) the increase of the authorized number of Regents; or (v) the failure of the Convocators, at any meeting at which any Regent or Regents are to be elected, to ratify the election of the number of Regents required to be elected at such meeting.

(b) Any such Regent appointed to fill a vacancy shall be non-voting until such time as he or she has been ratified by the Convocation, whether at the annual meeting of the Convocation or at a special meeting called for that purpose.

(c) Any reduction of the authorized number of Regents shall not result in any Regent being removed before his or her term of office expires.

Section 6 Removal and Resignation

(a) Any Regent may resign at any time giving written notice to the Board, to the President, or to the Secretary of the Corporation. Any such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein; unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. In addition, except on notice to the California

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Attorney General, no Regent may resign if the Corporation would be left without a duly elected Regent or Regents.

(b) Any Regent who does not attend three successive Board of Regents meetings may be removed from the Board in the Board's discretion. Factors weighing on such decision shall include: (i) the Regent requests a leave of absence for a limited period of time, and the leave is approved by the Regents at a regular or special meeting (if such leave is granted, the number of Regents will be reduced by one in determining whether a quorum is or is not present), (ii) the Regent suffers from an illness or disability that prevents him or her from attending meeting and the Board of Regents by resolution waives the removal procedure of this section.

Section 7 Organization Meeting: Election of Regents and Officers of the Board

(a) The organization meeting of the Board of Regents shall be held in the fall immediately following the annual meeting of the Convocation.

(b) Ratification of Regents as recommended by the Trusteeship Committee, and elected by the Board of Regents, shall take place at the beginning of the annual Convocation meeting.

(c) Election of officers for the Board of Regents as recommended by the Trusteeship Committee and approved by the Executive Committee shall take place at the end of the spring Board meeting. The officers shall be a Chair, Vice Chair, and Secretary. The Vice Chair in absence of the Chair shall preside at all meetings of the Board of Regents.

(d) The Board of Regents by majority vote shall select the officers of the Corporation.

(e) The Secretary of the Board of Regents shall serve as the Secretary of the Corporation.

Section 8 Other Regular Meetings

(a) In addition to the annual meeting, at least two (2) other regular meetings of the Board of Regents shall be held each year.

(b) Meetings of the Board shall be held at the campus of the University in the City of Thousand Oaks, or at such places as may be designated for that purpose by resolutions of the Board of Regents or written consent of all the Regents. Any meeting shall be valid, wherever held, if held by the written consent of all members of the Board of Regents, given either before or after the meeting and filed with the Secretary of the Corporation.

(c) Any Board meeting may be held by conference telephone, video screen communication, or other communications equipment. Participation in a meeting

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under this Section shall constitute presence in person at the meeting if both the following apply:

- (i) Each Regent participating in the meeting can communicate concurrently with all other members.
- (ii) Each member is provided the means of participating in all matters before the Board, including the capacity to propose or to interpose an objection to, a specific action to be taken by the Corporation.

Section 9 Special Meetings

- (a) Special meetings of the Board may be called by the Chair of the Board, Vice Chair of the Board, Secretary or any five Regents.
- (b) The Convocation may, by majority vote, request the Board of Regents to hold a special meeting and place before the Board for its action any matter the Convocation deems necessary.
- (c) Notice of the time and place of special meetings shall be given to each Regent by (a) personal delivery of written notice; (b) first-class mail, postage prepaid; (c) telephone, including a voice messaging system or other system or technology designed to record and communicate messages, or by electronic transmission, either directly to the Regent or to a person at the Regent's office who would reasonably be expected to communicate that notice promptly to the Regent; (d) facsimile; (e) electronic mail; or (f) other electronic means. All such notices shall be given or sent to the Regent's address or telephone number as shown on the Corporation's records.

Notices sent by first-class mail shall be deposited in the United States mails at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, or electronic transmission shall be delivered, telephoned, or sent, respectively, at least forty-eight (48) hours before the time set for the meeting.

The notice shall state the time of the meeting and the place, if the place is other than the Corporation's principal office. The notice need not specify the purpose of the meeting.

Section 10 Notice

Written notice of all regular meetings which are not fixed by these Bylaws will be given not less than thirty (30) days before such meeting. Written notice will be given not less than seven (7) days before any special meeting.

Section 11 Waiver of Notice

When all of the Regents are present at any Regents meeting, however called or noticed, and sign a written consent thereto on the records of such, or if a majority of the

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Regents are present and if those not present sign in writing a waiver of notice of such meeting, whether prior to or after the holding of such meeting, which said waiver shall be filed with the Secretary of the Corporation, then the transactions thereof are as valid as if accomplished at a meeting regularly called and noticed.

Section 12 Regents Acting Without a Meeting by Unanimous Consent

Any action required or permitted to be taken by the Board of Regents may be taken without a meeting, and with the same force and effect as a unanimous vote of the Regents, if all members of the Board of Regents shall individually or collectively consent in writing to such action. Such consent shall be signed and filed with the regular minutes of the Board of Regents. Any certificate or document relating to an action so taken by written consent shall state thereon that it was taken by the unanimous written consent of the Board of Regents of the Corporation without a meeting thereof and that the Bylaws of the Corporation authorize the Regents to so act.

Section 13 Adjournment

A majority of the Regents present, whether or not a quorum is present, may adjourn any meeting to another time and place.

Section 14 Notice of Adjournment

Notice of the time and place of holding an adjourned meeting need not be given unless the original meeting is adjourned for more than twenty-four (24) hours. If the original meeting is adjourned for more than twenty-four (24) hours, notice of an adjournment to another time or place shall be given prior to the time of the adjourned meeting to the Regents who were not present at the time of the adjournment.

Section 15 Quorum

One-half (1/2) of the authorized number of Regents shall constitute a quorum for the transaction of any business, except adjournment. Every action taken or decision made by a majority of the Regents present at a duly held meeting at which a quorum is present shall be an act of the Board of Regents, subject to the more stringent provisions of the California Nonprofit Public Benefit Corporations Law, including without limitation, those provisions relating to (i) approval of contracts or transactions in which a Regent has a direct or indirect material financial interest, (ii) approval of certain transactions between corporations having common Regents, (iii) creation of and appointments to committees of the Board having the authority of the Board, and (iv) indemnification of Regents. A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of some Regents from that meeting, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting, or a greater number required by the California Corporations Code, these Bylaws or the Articles of Incorporation.

ARTICLE V
CONVOCATION

Section 1 Composition and Number of Convocators

(a) The total number of Convocators shall not exceed eighty-five (85). In addition there may be non-voting honorary Convocators. The number of Convocators may be changed by an amendment hereto increasing or decreasing the membership as the number of Constituent Synods may vary and as the Convocation may determine, but at all times each Constituent Synod shall be represented in the composition of the Convocation.

(b) The Convocators membership is as follows:

(1) Sixty-five (65) members shall be composed of Convocators from the five Constituent Synods. Thirteen (13) members, including the Bishop of that Synod, shall represent each Constituent Synod.

(2) Ten (10) members shall be selected At-Large for the purpose of representing other interest groups pertinent to the University.

(3) Six (6) members shall be faculty of the University.

(4) Three (3) members shall be students of the University.

(5) One (1) member shall be the President of the University.

Section 2 Selection of Convocators

(a) The synod council of each Constituent Synod shall determine the selection process for Convocators to represent that Constituent Synod in accordance with guidelines provided by the University.

(b) The At-Large Convocators shall be determined by the majority vote of all members of the Convocation at the annual meeting.

(c) The faculty and student Convocators shall be selected by their respective governing bodies.

(d) Honorary non-voting Convocators will be other individuals or representatives of organizations who have significantly contributed to the advancement of the University or meritoriously performed service for it. They shall be elected by a vote of the Convocation at its annual meeting.

Section 3 Term

Each Convocator, with the exception of student Convocators and those appointed by virtue of their office, shall serve for a period of three (3) years. Student

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Convocators may serve for a period of two (2) years. Convocators may serve successive terms. The terms of the membership of the Convocation will be adjusted so that approximately one-third (1/3) of each category of the total Convocation will be eligible for election or appointment annually.

Section 4 Resignation, Suspension and Termination of Membership

(a) Any Convocator may resign at any time by giving written notice to the Chair of the Convocation or to the Secretary of the Corporation. Any such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein; unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

(b) Membership shall terminate on expiration of the period of the Convocator's term, unless the membership is renewed on the renewal terms fixed by the Executive Committee of the Convocation.

(c) Termination of a Convocator may occur on the good faith determination by the Executive Committee of the Convocation that the member has failed in a material and serious degree to observe the rules of conduct of the Corporation, or has engaged in conduct materially and seriously prejudicial to the Corporation's purpose and interest.

(d) A Convocator may be suspended based on the good faith determination by the Executive Committee of the Convocation that the Convocator has failed in a material and serious degree to observe the Corporation's rules of conduct, or has engaged in conduct materially and seriously prejudicial to the Corporation's purposes and interests.

(e) A copy of the provisions for the grounds for termination or suspension of a Convocator shall be sent annually to the Convocation, and such provisions shall include the procedures for prior notice and opportunity to be heard, as required by Section 5341 of the Corporations Code.

Section 5 Vacancies

Vacancies occurring for any reason prior to the expiration of a term will be filled by the following means, and Convocators so appointed shall serve until the expiration of the designated term:

(a) If a Convocator allocated to a Constituent Synod, then by the Bishop thereof, who shall forward the name of the person selected by that Synod.

(b) If a Convocator At-Large, by appointment by the Executive Committee of the Convocation upon nomination by the Nominating Committee of the Convocation.

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(c) If a student or faculty Convocator, then by appointment of the Executive Committee of the Convocation upon nomination of the student government or faculty.

Section 6 Rights of Convocator Membership

The Convocators shall have the following rights:

(a) Each Convocator, except honorary Convocators, shall be entitled to one vote. Subject to the California Nonprofit Public Benefit Corporation Law, Convocators in good standing on the record date as determined by these Bylaws shall be entitled to vote at any meeting of the Convocators. Each Convocator entitled to vote may cast one vote on each matter submitted to a vote of the Convocators. Convocators may not cumulate votes for the ratification of the Board of Regents.

(b) Only persons whose names are on the Convocation register of the Corporation on the day of any meeting shall be entitled to vote at such meeting.

(c) Following all required Board approval for such actions, the vote or written assent of two-thirds (2/3) or more of all the Convocators of this Corporation is required in the event of a sale of all or substantially all of the assets of the Corporation or upon a merger or consolidation of the Corporation. For dissolution, following all required Board approval, the vote or written assent of two-thirds (2/3) or more of all of the Convocators shall be required, in accordance with the provisions of Sections 6610, 6611 and 5033 of the Corporations Code.

(d) The Convocators shall have the right to ratify the nominees for the Board of Regents in accordance with the provisions of Section 3(b) of Article IV of these Bylaws.

Section 7 Officers and Committees

(a) Officers: Members of the Convocation shall elect as their officers: a Chair, a Vice Chair and a Secretary. The Vice Chair in the absence of the Chair shall preside over all meetings of the Convocation through the succeeding annual meeting of the Convocation. The Secretary of the Convocation shall not serve as Secretary of the Corporation. As provided in Article VI, Section 8, the Secretary of the Board of Regents shall serve as the Secretary of the Corporation.

(b) Secretary: The Secretary of the Convocation or designee shall:

(1) Keep, or cause to be kept, at the principal office of the Corporation or such other place as the Board of Regents may order, a book of all meetings. These minutes shall include the time and place of the meeting, whether a regular or special meeting; if a special meeting, how authorized and the notice given; the numbers of Convocators present at the meeting and the proceedings of the meetings.

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(2) Keep, or cause to be kept, at the principal office of the Corporation, a Convocation register and shall provide a duplicate copy of the Convocation register to the Corporation's Secretary showing the names of the Convocators, their addresses, the term of office for each Convocator, and which groups they represent.

(3) Whenever a vacancy occurs within the membership of the Convocation, the Secretary shall notify, or cause to be notified, that person or entity charged in these Bylaws with the responsibility for nominating or filling the vacancy.

(c) Caucus Chairs: Each constituent Caucus shall elect its own chairperson.

(d) Convocator's Executive Committee: The Chair, Vice Chair, immediate past Chair, Secretary and the Chair of the Caucuses shall comprise the Executive Committee of the Convocation.

(e) Nominating Committee: The Convocation nominating committee shall be comprised of the Chair of the Caucuses and be chaired by the outgoing Chair of the Convocation. It shall provide nominees for the officers of the Convocation and the At-Large Convocators.

(f) Committees: The Convocators shall elect or the Chair may appoint such other committees, as they deem necessary or convenient.

Section 8 Meetings

(a) Place: All meetings of the Convocation shall be held at the principal office of the Corporation, or at such places as may be designated for that purpose by the officers of the Convocation, within the State of California.

(b) Electronic Meetings: If authorized by the Executive Committee of the Convocation in its sole discretion, and subject to the requirements of consent in Corporations Code section 20, clause (b) guidelines and procedures that the Executive Committee of the Convocation may adopt, Convocators not physically present in person at a meeting of Convocators may, by electronic transmission by and to the Corporation or by electronic video screen communication participate in a meeting of Convocators, be deemed present in person and vote at a meeting of Convocators whether that meeting is to be held at a designated place or in whole or in part by means of electronic transmission by and to the Corporation or by electronic video screen communication , subject to the requirements of the Bylaws.

(c) Requirements for Electronic Meetings: a meeting of the Convocators may be conducted in whole or in part, by electronic transmission by and to the Corporation or by electronic video screen communication (i) if the Corporation implements reasonable measures to provide Convocators in person a reasonable opportunity to participate in the meeting and to vote on matters submitted to the Convocators, including the opportunity to read or hear the proceedings of the meeting

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substantially concurrently with those proceedings, and (ii) if any Convocator votes or takes other action at the meeting by means of electronic transmission to the Corporation or electronic video screen communication, a record of that vote or action is maintained by the Corporation. Any request by the Corporation to a Convocator pursuant to Corporations Code section 20, clause (b) or consent to conduct a meeting of Convocators by electronic transmission by and to the Corporation shall include a notice that absent consent of the Convocators pursuant to Corporations Code section 20, clause (b), the meeting shall be held at a physical location in accordance with Article V Section 8(a) of these Bylaws.

(d) Annual Meeting: The annual meeting of the Convocation of the Corporation shall be held in conjunction with Founders Day, the date for which is designated by the administration of the University, annually.

(1) The Convocation shall receive reports from the Corporation, as deemed necessary by the Executive Committee of the Convocation in consultation with the President of the University or a staff member designated by the President.

(2) The Convocation shall ratify by majority vote the individual nominees for the Board of Regents, as presented to them by the Board of Regents Committee on Trusteeship. The Chair of the Convocation shall oversee the ratification of the Regents at the annual meeting of the Convocation.

(3) The Chair and other Executive Committee members shall develop the agenda for the annual meeting of the Convocation in consultation with the Chair of the Board of Regents and the President of the University.

(e) Special Meetings: Special meetings of the Convocation, for any purpose or purposes whatsoever, may be called at any time by the Chair of the Board of Regents, Chair of the Convocators, the President of the University, or by the Executive Committee of the Convocation, or by Convocators holding not less than five (5%) of the voting power of the Corporation. When a special meeting is requested in writing and notice given, the meeting date shall be at least 35 but no more than 90 days after receipt of the request. If requested notice is not given within 20 days after the request for the special meeting is received, the persons or person requesting the meeting may give the notice. Nothing in this Section shall be construed as limiting, fixing, or affecting the time at which a meeting of the Convocators may be held when the meeting is called by the Executive Committee of the Convocation.

No business, other than the business that was set forth in the notice of the meeting, may be transacted at a special meeting.

(f) Notice of Meetings: Notice of annual or special meetings of the Convocation shall be given in writing to Convocators entitled to vote by the Secretary of the Convocation, or designee.

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Such notices shall be sent to the Convocator's address appearing on the Convocation Register of the Corporation, or supplied by Convocator to the Corporation for the purpose of notice, not less than thirty (30) days or more than ninety (90) days before any annual meeting and not less than ten (10) days before any special meeting. A Convocator may in writing supply an email address and may request notice be provided by email.

Notice of any Convocation meeting shall specify the place and time of day of the meeting and the means of electronic transmission by and to the Corporation or electronic video screen communication, if any. If members of the Board of Regents are to be ratified, the names of the nominees shall be included. In the case of special meetings, as provided by the California Corporations Code, the nature of the business to be transacted shall be included.

When a meeting is adjourned for sixty (60) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Except as aforesaid, it shall not be necessary to give any notice of the adjournment or of the business to be transacted at an adjourned meeting other than by announcement at the meeting at which such adjournment is taken.

Notice given by electronic transmission by the Corporation shall be valid only if:

(i) Delivered by (A) facsimile telecommunication or electronic mail when directed to the facsimile number or electronic mail address, respectively, for that recipient on record with the Corporation, (B) posting on an electronic message board or network that the Corporation has designated for those communications, together with a separate notice to the recipient of the posting, which transmission shall be validly delivered on the later of the posting or delivery of the separate notice of it; or (C) other means of electronic communication;

(ii) To a recipient who has provided an unrevoked consent to the use of those means of transmission for communication and

(iii) That creates a record that is capable of retention, retrieval, and review, and that may thereafter be rendered into clearly legible tangible form.

(iv) Notwithstanding the foregoing, (a) an electronic transmission by this Corporation to a Convocator is not authorized unless, in addition to satisfying the requirements of this section, the transmission satisfies the requirements applicable to consumer consent to electronic record as set forth in the Electronic Signatures in Global and National Commerce Act (15 United States Code Section 7001(c) (1). (b) Notice shall not be given by electronic transmission by the Corporation after either the following: (1) the Corporation is unable to deliver two consecutive notices to the Convocator by that means or (2) the inability so to deliver the notices to the Convocator becomes known to the secretary, any assistant secretary or any other person responsible for the giving of notice.

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(g) Notice of Certain Agenda Items: Approval by Convocators of any of the following proposals other than by unanimous approval by those entitled to vote, is valid only if the notice or written waiver of notice states the general nature of the proposal or proposals:

(i) Removing a member of the Board of Regents without cause under Section 5222 of the Corporations Code, as applicable;

(ii) Amending the Article of Incorporation; or

(iii) Electing to wind up and dissolve the Corporation.

(h) An affidavit of the mailing of any notice of any Convocator's meeting, or the giving of such notice by other means, may be executed by the secretary, assistant secretary or any transfer agent of the Corporation, and if so executed, shall be filed and maintained in the Corporation's minute book.

Section 9 Consent to Members' Meetings

(a) The transactions of any Convocation meeting however called and noticed, shall be valid as though accomplished at a meeting duly held after regular call and notice if a quorum be present, and if either before or after the meeting each of the Convocators present in person entitled to vote executes a written waiver of notice or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents, or approvals shall be filed with the corporate records and made a part of the minutes of the meeting.

(b) A Convocator's attendance at a meeting shall also constitute a waiver of notice of and presence at that meeting unless the Convocator objects at the beginning of the meeting to the transaction of any business because the meeting was not lawfully called or convened. Also, attendance at a meeting is not a waiver of any right to object to the consideration of matters required to be included in the notice of the meeting but not so included, if that objection is expressly made at the meeting.

Section 10 Acting Without a Meeting

Any action that may be taken at a meeting of the Convocation may be taken without a meeting if authorized by a writing signed by all of the Convocators who would be entitled to vote at a meeting for such purpose and such writing is filed with the Secretary of the Convocation. The action by written consent shall have the same force and effect as a unanimous vote of the Convocators.

Section 11 Quorum

The majority of the Convocators, present in person, shall be requisite and shall constitute a quorum at all meetings for the transaction of business except as otherwise provided by California law, by the Articles of Incorporation, or by these Bylaws for certain specific actions. If, however, such a majority shall not be present at

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any meeting, the Convocators entitled to vote thereat, present in person, shall have power to adjourn the meeting from time to time, until the requisite number of voting Convocators shall be present. At such adjourned meeting at which the requisite number of voting Convocators shall be present, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 12 Voting

(a) Voting may be by voice or by ballot, except that any ratification of the Board of Regents must be by ballot, if demanded before the voting begins by a Convocator at the meeting.

(b) Each Convocator entitled to vote may cast one vote on each matter submitted to vote of the Convocators.

(c) If a quorum is present, the affirmative vote of a majority of the voting power represented at the meeting, entitled to vote and voting on any matter shall be deemed the act of the Convocators unless the vote of a greater number is required by the California Nonprofit Public Benefit Corporation Law or by the Articles of Incorporation.

(d) Action by Written Ballot: Any action except the ratification of the Board of Regents that Convocators may take at any meeting of the Convocators may also be taken without a meeting by complying with the following:

(i) This Corporation shall distribute one written ballot to each Convocator entitled to vote on the matter. The ballot and any related material may be sent by electronic transmission by the Corporation and responses may be returned to the Corporation by electronic transmission that meets the requirements of Article V Section 8 of these Bylaws. All solicitation of votes by written ballot shall (A) state the number of responses needed to meet the quorum requirement; (B) state, with respect to ballots other than the election of directors, the percentage of approvals necessary to pass the measure or measures; (C) specify the time by which the ballot must be received in order to be counted. Each ballot so distributed shall (A) set forth the proposed actions; (B) give the members an opportunity to specify approval or disapproval of each proposal; (C) provide a reasonable time in which to return the ballot to the Corporation.

(ii) In any ratification of the Board of Regents, a written ballot that a Convocator marks “withhold” or otherwise marks in a manner indicating that the authority to vote is withheld, shall not be voted whether for or against the ratification of the Board of Regents.

(iii) All solicitations of written ballots shall indicate the time which the ballot must be returned in order to be counted.

(iv) Approval by written ballot shall be valid only when (A) the number of votes cast by ballot (including ballots that are marked “withhold” or otherwise indicate that authority to vote is withheld) within the time specified equals or

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exceeds the quorum required to be present at a meeting authorizing the action, and (B) the number of approvals equals or exceeds the number of votes that would be required for approval at a meeting at which the total number of votes cast was the same as the number of votes cast by written ballot without a meeting.

(e) A written ballot may not be revoked.

(f) All written ballots shall be filed with the secretary of the Corporation and maintained in the corporate records for at least 5 years.

Section 13 Adjournment and Notice of Adjourned Meetings

Any Convocator's meeting, whether or not a quorum is present may be adjourned from time to time by the vote of the majority of the Convocators represented at the meeting but no other business may be transacted.

ARTICLE VI
OFFICERS OF THE CORPORATION

Section 1 Officers

(a) The officers of the Corporation shall be a President, a Vice President, a Secretary, and a Treasurer. The Corporation may also have, at the discretion of the Board of Regents, one or more additional vice presidents, one or more assistant secretaries, one or more assistant treasurers, and such other officers as may be appointed in accordance with the provisions of Section 3 of this Article. One person may hold two or more offices, except that neither the secretary nor the Treasurer may serve concurrently as either the president or Chair of the Board of Regents.

Section 2 Election

(a) The President of the University shall be a person with demonstrated experience in higher education and the work of the church and shall usually be a member of the Lutheran Church.

(b) The President of the University shall be elected by the Board of Regents with the consent of the Presiding Bishop of the Evangelical Lutheran Church in America. A two-thirds (2/3) majority of those entitled to vote shall be required for the election of the President of the University, and the President shall serve at the pleasure of the Board of Regents.

(c) The officers of the Corporation, except the President and Treasurer and such officers as may be appointed in accordance with the provisions of Section 3 of this Article, shall be elected annually by the Board of Regents, and shall serve at the pleasure of the Board, subject to the rights of any officer under any employment contract. Each shall hold office until he/she shall resign or shall be removed or otherwise disqualified to serve, or his or her successor shall be elected and qualified.

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(d) The Treasurer shall be appointed by the Board and shall serve at the pleasure of the Board subject to the rights of the Treasurer under any employment contract, if any exists.

Section 3 Subordinate Officers

The Board of Regents may appoint such other officers as the business of the Corporation may require, each of whom shall hold office for such period, have such authority, and perform such duties as are provided in the Bylaws or as the Board of Regents may determine.

Section 4 Removal and Resignation

(a) Any officer, except the President, may be removed either with or without cause by a majority of the Regents entitled to vote at any regular or special meeting of the Board of Regents. Removal of the President requires three-fourths (3/4) vote of the Board of Regents. The Board may confer upon any officer of the Corporation the power to remove those officers not elected by the Board.

(b) Any officer may resign at any time by giving written notice to the Board of Regents, the President, or to the Secretary of the Corporation. Any such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein; unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5 Vacancies

A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in the Bylaws for regular appointments to such office. Vacancies need not be filled on an annual basis.

Section 6 President

(a) The President shall be the chief executive officer of the Corporation and shall, subject to the control of the Board of Regents, or its designee, be the general manager, supervise, direct, and control all business and activities, affairs and officers of the Corporation.

(b) The President shall be an ex officio member of all committees, and shall have the general power and duties of management usually vested in the office of the president of a corporation, and shall have such other powers and duties as may be prescribed by the Board of Regents or the Bylaws.

(c) The President shall be the official channel of communication between the administration and the Board of Regents, the faculty and the Board of Regents, and the students and the Board of Regents. The President shall be responsible for, but not by way of limitation:

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- (1) Appointment of members of the faculty and staff and subordinate officers subject to the approval of the Board of Regents.
- (2) The official reports showing the condition, program, and achievements of the University.
- (3) The University seal, mace, and other symbols of the University.
- (4) Affixing his or her signature to diplomas, certificates, honors, and distinctions of the University.
- (5) The governance of the faculty, staff, and students.
- (6) Consulting with the Chairperson of the Convocation to assist in the development of the agenda for the annual meeting of the Convocation.

Section 7 Vice President

In the absence or disability of the President, the Vice President designated by the Board of Regents shall perform all the duties of, and be subject to all the restrictions upon, the President. The Vice President shall have such other powers and perform such other duties as may be prescribed for him or her respectively by the Board of Regents or the Bylaws.

Section 8 Secretary

(a) The Secretary shall keep, or cause to be kept, at the principal office of the Corporation or such other place as the Board of Regents may order, a book of minutes of all meetings of the Board of Regents, its Executive Committee, and its Committee on Trusteeship. These minutes shall include the time and place of the meeting, whether a regular or special meeting; if a special meeting, how authorized and the notice given; the numbers and names of members present at the meetings; and the proceedings of the meetings.

(b) The Secretary shall keep, or cause to be kept, at the principal office of the Corporation, both a Convocation register to be provided by the Secretary of the Convocation showing the names of the Convocators, their addresses, the term of office for each member, and which group they represent; and a list of the names of the Regents, their addresses, the term of office of each Regent, and which group each may represent.

(c) The Secretary shall send, or cause to be sent, to the Convocation and the Board of Regents an annual report prepared by the Treasurer within one hundred twenty (120) days of the close of the Corporation's fiscal year.

(d) The Secretary shall keep or cause to be kept, at the principal office a copy of the Articles of Incorporation and Bylaws, as amended.

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(e) The secretary shall give, or cause to be given, notice of all meetings of Convocators, the Board and of committees of the Board that the Bylaws require to be given. The secretary shall keep the corporate seal, in safe custody and shall have such other powers and duties as may be prescribed by the Board of Regents or the Bylaws.

Section 9 Treasurer

(a) The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the Corporation including accounts of its assets, liabilities, receipts, disbursements, gains, and losses.

(b) The Treasurer shall deposit all monies and other valuables in the name and to the credit of the Corporation with such depositories as may be designated by the Board of Regents. The Treasurer shall disburse the funds of the Corporation as may be ordered by the Board of Regents, shall render to the President and Regents, whenever they request it, account of all the transactions as Treasurer and of the financial condition of the Corporation, and shall have such other powers and perform such other duties as may be prescribed by the Board of Regents or the Bylaws.

(c) The Treasurer shall be the Business Manager of the Corporation.

(d) The Treasurer shall prepare, or cause to be prepared, and certify an annual report within one hundred twenty (120) days of the close of the Corporation's fiscal year. This report shall include those items set forth in Corporation Code Section 6321 (a) and 6322.

(e) The Treasurer shall be prepared to report on the financial condition of the Corporation at any time.

(f) The Treasurer shall not permit any member of the Board, faculty, or staff, any employee, or any other person to receive or disburse the funds of the Corporation except under Treasurer's supervision and responsibility subject to the Board of Regents authorizing such persons to so act.

Section 10 Contracts with Regents – Conflict of Interest

No Regent of this Corporation nor any other corporation, firm association or other entity in which one or more of this Corporation's Regents are directors or have a material financial interest, shall be interested, directly, or indirectly, in any contract or transaction with this Corporation, unless (i) material facts regarding that Regent's or director's financial interest in such contract or transaction or regarding such common interest, directorship, officership, or financial interest are fully disclosed in good faith and noted in the minutes, or are known to all members of the Board of Regents prior to the Board's consideration of such contract or transaction; (ii) such contract or transaction is authorized in good faith by a majority of the Board by a vote sufficient for that purpose without counting the votes of other interested Regents; (iii) before

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authorizing or approving the transaction, the Board considers and in good faith decides after reasonable investigation that the Corporation could not obtain a more advantageous arrangement with reasonable effort under the circumstances; (iv) the Corporation for its own benefits enters into the transaction, which is fair and reasonable to the Corporation at the time the transaction is entered into.

This Section does not apply to a transaction that is part of an educational or charitable program of this Corporation if it (i) is approved or authorized by the Corporation in good faith and without unjustified favoritism and (ii) results in a benefit to one or more Regents or their families because they are in the class of persons intended to be benefited by the educational or charitable program of this Corporation.

Section 11 Loans to Regents and Officers

This Corporation shall not lend any money or property to or guarantee the obligation of any Regent or officer without the approval of the California Attorney General, provided however, that the Corporation may advance money to a Regent or officers of the Corporation for expenses reasonably anticipated to be incurred in the performance of his/her duties, if that Regent or officer would be entitled to reimbursement for such expenses by the Corporation or payment of premiums in whole or in part by Corporation on life insurance policy on the life of a Regent or officers as long as repayment to the Corporation of the amount paid by it is secured by the proceeds of the policy or its cash surrender value or where a loan is necessary, in the judgment of the Board, to provide financing for the purchase of the principal residence of the officer in order to secure the services or continued services of the officer and the loan is secured by real property located in the State of California.

Section 12 Indemnification

To the fullest extent permitted by law, this Corporation shall indemnify its Regents, officers, employees and other person described in Corporations Code Section 5238(a), including persons formerly occupying any such position, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding," as that term is used in that section and including an action by or in the right of the Corporation, by reason of the fact that the person is or was person described in that section. "Expenses," as used in this Bylaw, shall have the same meaning as in that section of the Corporations Code.

On written request by the Board of any person seeking indemnification under Corporations Code Section 5238(b), the Board shall promptly decide under Corporations Code Section 5238(e) whether the applicable standard of conduct set forth in Corporations Code Section 5238(b) or Section 5238(c) has been met and, if so, the Board shall authorize indemnification. If the Board cannot authorize indemnification, because the number of Regents who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of Regents, who are not parties to that proceeding, the Board shall promptly call a meeting of the Convocators. At that meeting the Convocators shall determine under

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Corporations Code Section 5238(e) whether the applicable standard of conduct has been met and, if so, the Convocators present at the meeting shall authorize indemnification.

To the fullest extent permitted by law and except as otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification under these Bylaws in defending any proceeding covered by the Bylaws shall be advanced by the Corporation before final disposition of the proceeding, on receipt by the Corporation of an undertaking by or on behalf of the person that the advance will be repaid unless it is ultimately found that the person is entitled to be indemnified by the Corporation for those expenses.

Section 13 Insurance

This Corporation shall have the right, and shall use its best efforts, to purchase and maintain insurance to the full extent permitted by law on behalf of the officers, Regents, employees, and other agents to cover any liability asserted against or incurred by any officer, Regent, employee, or agent in such capacity or arising from the officer's, Regent's, employee's or agent's status as such.

ARTICLE VII
COMMITTEES OF THE BOARD

Section 1 Board Committees. The Board may establish, by duly adopted resolution, such committees, to serve such function and to have such duration, as the Board determines. Each such committee shall be chaired by a regular member of the Board, and shall consist of at least two Board members. Non-board members may serve on all committees of the Board except the Executive Committee, with review and approval of the Trusteeship Committee, Executive Committee and the chair of the committee. It may act with such authority as the Board shall delegate to it, except with respect to (i) approval of any action for which the California Nonprofit Public Benefit Corporation Law also requires approval of the members the Board, (ii) filling vacancies on the Board or any committee, (iii) amendment or repeal of these Bylaws or the adoption of new Bylaws, (iv) amendment or repeal of any resolution of the Board which by its express terms is not subject to amendment or repeal, or (v) appointment of any committees of the Board or the members thereof.

The Chair of the Board and the President of the Corporation shall be ex-officio members of all Board committees, in addition to any other ex-officio that may be designated in these Bylaws or by the Board.

The Chair of the Board of Regents together with the Trusteeship Committee shall nominate all committee chairs, after consultation with the President, which nomination shall be subject to approval by the Board of Regents. Prior to action by the Board, the nominee may be designated Acting Committee Chair, and may function as the Chair of the committee until elected or removed by the Board.

Section 2 Executive Committee

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(a) The Board of Regents shall appoint an Executive Committee which shall exercise such additional powers as may be delegated to it by the Board of Regents.

(b) The purpose of the Executive Committee is to strengthen the Board's performance by helping it function efficiently and effectively. Its broad powers shall be used as necessary and appropriately on routine housekeeping business or on emergency matters that cannot or should not be delayed until the Board's next regular scheduled meeting or until a special meeting of the Board should be called, as specified in the Bylaws. The Executive Committee shall be responsible for the following:

- (i) Ensuring that the Board fulfills its responsibilities;
- (ii) Serve as a sounding board for the President and Administration of the University;
- (iii) Serve as the Board's mechanism for overseeing the institutional planning process and progress toward goals and objectives;
- (iv) Monitor the President's performance, morale, health and compensation;
- (v) Act on behalf of the full Board in emergencies.

(c) The Executive Committee has authority to act on behalf of the Board of Regents on all matters, except for the following which shall be reserved for the Board, as specified elsewhere in the Bylaws: (i) presidential selection and termination; (ii) officer selection and termination; (iii) charter and Bylaw amendment; (iv) change in Corporation's mission; (v) incurring corporate indebtedness; (vi) approval of the annual budget; and (vii) conferral of degrees.

(d) The Executive Committee shall oversee the work of standing committees, the institution's planning process, the Board's support of the President and compensation for the President. Committee minutes shall be provided to all Regents and shall require formal acceptance by the Board at its next meeting.

(e) At all times, the Committee shall be composed of no fewer than eight (8) members of the full Board and shall include the Chair of the Board, who will preside, the Vice Chair of the Board, the Secretary and the Chair of the Trusteeship Committee. The remaining three (or more) positions will be recommended by the Trusteeship Committee to be elected by the Board of Regents at the spring meeting. The President of the University is an ex-officio member, who may be excused from a meeting and notice of a meeting upon a majority vote of the Executive Committee.

(f) A majority of the members of the Committee shall be necessary to constitute a quorum for the transaction of business.

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(g) The Secretary of the Board of Regents shall act as secretary of the Committee and record all business transacted at the meeting. The Board Chair shall serve as Chair of the Executive Committee.

(h) Notice of regular committee meetings need not be given. Four (4) days prior written or forty-eight (48) hour prior telephone notice shall be given by the Chair, Secretary or any two of its members of all special meetings, including a general statement as to the purpose of the meeting.

(i) Such committee shall hold office at the pleasure of the Board.

Section 3 Committee on Trusteeship

(a) The Board of Regents shall appoint a Committee on Trusteeship, which shall be empowered to exercise such powers as may be delegated to it by the Board of Regents.

(b) The Committee will be composed of, but not limited to, a Chairperson as designated by the Board of Regents, the Chair of the Board of Regents, the Chair of the Convocation, the Secretary of the Board of Regents, any Regent who has formerly served as Chair of the Board of Regents, the President of the University.

(c) A majority of the members of the Committee shall be necessary to constitute a quorum for the transaction of business.

(d) Notice of regular committee meetings need not be given. Four (4) days prior written or forty-eight (48) hour prior telephone notice will be given by the Chairperson, President, Secretary or any two of its members of all special meetings, including a general statement as to the purpose of the meeting.

(e) Such committee shall hold office at the pleasure of the Board.

Section 4 Advisory Board of Pacific Lutheran Theological Seminary

(a) The Advisory Board of PLTS shall be an advisory committee to the Board of Regents with guidelines and operating procedures approved by the Board of Regents.

(b) The function of the Advisory Board of PLTS will be to provide advice and guidance to the Board regarding the operations of the seminary, as well as to serve as a liaison between the University and the Evangelical Lutheran Church in America.

(c) The members of the Advisory Board of PLTS will be elected by the Board of Regents. The Chair of the Board shall present to the Board of Regents for the purpose of election the names of individuals proposed to be members of the Advisory Board of PLTS.

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(d) The Advisory Board of PLTS shall consist of 12 to 30 members, and the membership of the Advisory Board of PLTS shall meet the following requirements:

(i) At least one-fifth will be nominated by the Church Council of the ELCA upon consultation with the Advisory Board of PLTS in coordination with the Board of Regents;

(ii) Two members will be nominated by the Bishops of Region II of the ELCA from among their number;

(iii) One member, who will serve as Chair of the Advisory Board of PLTS and as a voting member of the Board of Regents, will be nominated by the Church Council of the ELCA upon consultation with the Advisory Board of PLTS; and

~~(i)~~(iv) Additional members will be nominated by the Advisory Board of PLTS in coordination with the Board of Regents and in consultation with the Constituent Synods to represent the Constituent Synods.

Section 4 Other Committees

The Board of Regents may appoint such other committees as may be necessary or convenient consisting of such number of persons and with such powers as it may designate, consistent with the Articles of Incorporation and Bylaws and the general corporation laws of the State of California. The Trusteeship Committee will recommend a committee chairperson to be elected by the Board of Regents for each committee, and such chairperson will report to the Board of Regents or its Executive Committee as directed. Such committees shall hold office at the pleasure of the Board of Regents.

ARTICLE VIII
COMMITTEE MEETING

Section 1

Meetings and actions of committees of the Board shall be governed by, held, and taken under the provisions of these Bylaws concerning meetings and other Board actions, except that the time for general meetings of such committees and the calling of special meetings of such committees may be set either by Board Resolution or, if none, by resolution of the committee. Minutes of each meeting shall be kept and shall be filed with the corporate records. The Board may adopt rules for the governance of any committee as long as the rules are consistent with these Bylaws. If the Board has not adopted rules the committee may do so.

Any committee of the Board of Regents may act without the necessity of a meeting if all members, separately or collectively, consent thereto in writing. Such consent shall be filed with the regular minutes of the committee. Any certificate, or document, relating to the action taken by the committee under the above procedure shall state such action was taken without a meeting but with the written consent of all members and under the authorization of this Section of the Bylaws.

ARTICLE IX
CORPORATION RECORDS AND REPORTS – INSPECTION

Section 1 Records

The Corporation shall maintain the following (i) adequate and correct accounts, books, and records of its business and properties; (ii) Minutes of the proceedings of its Convocators, Board and committees of the Board; and (iii) a record of each Convocators name, and address. All such accounts, books, and records shall be kept at its principal place of business.

Section 2 Certification and Inspection of Records

(a) The original or a copy of these Bylaws, as amended or otherwise amended to date, certified by the Secretary, shall be open to inspection by the Regents or members.

(b) Any Convocator or Regent may inspect and copy the record containing the Convocator's names, addresses, and voting rights during usual business hours on five days prior written notice, which must state the purpose for which the inspection rights are requested; or obtain from the secretary of the Corporation, on written demand and tender of a reasonable charge, a list of names, addresses, and voting right of the Convocators who are entitled to ratify the election of Regents as of the most recent record date for which that list has been compiled, or as of the date, after the date of demand, specified by the member. The demand shall state the purpose for which the list is requested. The secretary shall make this list available to the member on or before

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the later of ten days after the demand is received or the date specified in the demand as the date of which the list is to be compiled.

The Corporation may, within ten business days after receiving a demand under this Section, make a written offer of an alternative method of reasonable and timely achievement of the proper purpose specified in the demand without providing access to or a copy of the membership list. Any rejection of this offer must be in writing and must state the reason the proposed alternative does not meet the proper purpose of the demand.

(c) If the Corporation reasonably believes that the information will be used for a purpose other than one reasonably related to a person's interest as a Convocator, or if it provides a reasonable alternative under this Section, it may deny the Convocator's access to the Convocator's list.

(d) Any inspection and copying under this Section may be made in person or by the Convocator's agent or attorney. This right of inspection includes the right to copy and make extracts. This right of inspection extends to the record of any subsidiary of the Corporation.

Section 3 Checks, Drafts, etc.

All checks, drafts, or other orders for payment of money, notes, or other evidences of indebtedness, issued in the name of or payable to the Corporation, shall be signed or endorsed by such person or persons and in such manner as shall be determined from time to time by resolution of the Board of Regents.

Section 4 Contracts, etc. - How Executed

The Board of Regents, except as in the Bylaws otherwise provided, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Corporation. Such authority may be general or confined to specific instances. Such authority shall be reflected in a Board Resolution. Unless so authorized by the Board of Regents, no officer, agent, or employee shall have any power or authority to bind the Corporation by any contract or engagement, or to pledge its credit, or to render it liable for any purpose or to any amount.

ARTICLE X
CORPORATE SEAL

Section 1 The corporate seal shall be in the form approved by the Board of Regents and shall have inscribed thereon the name of the Corporation, "California Lutheran University," the date of its incorporation, and the words "FOR LOVE OF CHRIST, TRUTH AND FREEDOM," which is the motto of this Corporation.

ARTICLE XI
FACULTY

Section 1 The instructional staff of the University shall be organized as the Faculty.

(a) The Faculty shall adopt a constitution which will thereafter govern its organization, policies, privileges, and functions. Such constitution or Faculty Handbook and all amendments thereto shall be approved by the Board of Regents.

(b) The Chairperson of the Faculty shall be elected by the Faculty.

(c) The Faculty members shall be ranked as professors, associate professors, assistant professors, instructors, lecturers, or by other titles as approved by the Board of Regents

ARTICLE XII
PARLIAMENTARY PROCEDURE

Section 1 All meetings of the Convocation of the University, the Board of Regents, and all committees named or authorized in these Bylaws shall be governed by the rules and regulations set forth in Robert's Rules of Order Revised, 10th Edition or such subsequent published edition.

ARTICLE XIII
CONFLICT OF INTEREST POLICY

Section 1 Each Regent, principal officer, and member of a committee with Board-delegated powers shall annually sign a statement which affirms that such person:

(a) has received a copy of the conflict of interest policy;

(b) has read and understands the policy and Article VI Section 10 herein;

(c) has agreed to comply with the policy; and

(d) understands that the Corporation is California nonprofit public benefit corporation and that to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

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ARTICLE XIV
AMENDMENT OF BYLAWS

Section 1 By the Board of Regents

Subject to the Convocator's rights in Section 2 below the Board of Regents may adopt, amend, or repeal Bylaws unless doing so would materially and adversely affect the Convocators' rights as to voting or transfer. Notwithstanding anything to the contrary contained herein, any Bylaw amendment which affects the authority or integrity of PLTS or the Advisory Board of PLTS shall not become effective until the amendment has been approved by the Church Council of the Evangelical Lutheran Church in America.

Section 2 By the Convocation

(a) New Bylaws or amendments may be adopted or these Bylaws may be repealed or amended at an annual Convocation meeting, or at any other meeting of the Convocation called for that purpose, by a majority vote of Convocators entitled to exercise the voting power of the Corporation, or by written assent of such Convocators. Notwithstanding anything to the contrary contained herein, any Bylaw amendment which affects the authority or integrity of PLTS or the Advisory Board of PLTS shall not become effective until the amendment has been approved by the Church Council of the Evangelical Lutheran Church in America.

(b) All proposed amendments to the Bylaws shall be submitted to the Chairperson of the Convocation, the President of the University, and the Chairperson of the Board of Regents, in written form, ninety (90) days prior to the meeting of the Convocation at which they will be considered for approval. The President of the University and Chairpersons shall submit to the Convocators involved the proposals made at least forty-five (45) days prior to the meeting of the Convocation.

Section 3 Record of Amendments

Whenever an amendment or a new Bylaw is adopted, it shall be copied in the Book of Bylaws with the original Bylaws, in the appropriate place. If any Bylaw is repealed or amended, the fact of repeal or amendment with the date of the meeting at which the change was enacted or written assent was filed shall be stated in said book.

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CERTIFICATION OF SECRETARY

I, _____, certify that I am the duly elected and acting Secretary of California Lutheran University, a California nonprofit public benefit corporation, that these Bylaws, consisting of __ pages, are the bylaws of this Corporation, as adopted by the Board of Regents on _____, 2008 and the Convocators on _____, 2008 and that these Bylaws have not been amended or modified since that date.

Executed on _____, 2008, at Thousand Oaks, California.

(Type name)

Secretary

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LIFT II Progress Report

2011 Churchwide Assembly Recommendations

What follows is a progress report on the seven recommendations related to LIFT forwarded by the Churchwide Assembly (for more information, see the April and November 2012 reports to Church Council):

1. To facilitate review of the constitutional responsibilities of synods in order that synods continue and increase their roles as catalysts for missional planning;
 - a. As outlined in the November 2012 report of the Secretary of the ELCA to the Church Council, the following amendments will be proposed to the 2013 Churchwide Assembly:
 - i. The duties of synods have been clustered into four categories.
 - ii. The number of voting members to the Churchwide Assembly will be increased to approximately 1000.
 - iii. The relationship between the Conference of Bishops and the Church Council is being strengthened.
2. To facilitate a broad-based process addressing legislative decision-making in this church;
 - a. A report from the Task Force on Communal Discernment will be given to the April 2013 Church Council.
 - b. The Church Council has been working on aspects of governance, including strategic and generative leadership.
 - c. A further development is that Portico and Augsburg Fortress Publishers are nominating full-communion partner representatives to their boards.
3. To initiate a process to expand the consultative role of the Conference of Bishops that allows the Church Council to refer issues to it and the Conference of Bishops to make recommendations to the Church Council;
 - a. The chair of the Conference of Bishops now serves as a voting member of the Church Council. A proposed amendment will make the chair a member of the Church Council Executive Committee.
 - b. Proposed amendments create a process of cross-referral and consultation between the Church Council and the Conference of Bishops.
 - c. A combined leadership table, including the churchwide administrative team, the executive committee of the Conference of Bishops, and the executive committee of the Church Council, has been convened. The Three Leadership Tables have met twice since August 2012. They will meet again following the April 2013 meeting of the Church Council.
4. To explore the use of social media and technology in order to allow greater participation of ELCA members in meetings of the Church Council and the Churchwide Assembly;
 - a. The Mission Advancement unit continues to work with social media in telling stories about missional activity.
 - b. The entire 2013 Churchwide Assembly (including both worship and plenary sessions) will be live-streamed.
 - c. Ninety-eight percent of the voting members will use electronic binders and have access to social media during the 2013 Churchwide Assembly.

5. To initiate collaborative work by congregations, synods, the Churchwide organization, institutions of this church, and others to create and support diverse non-legislative forums and events that bring together leaders of this church to address missional issues, participate in theological study and reflection, foster leadership development, and enhance the interdependence of this church;
 - a. This will be explored more fully after the 2013 Churchwide Assembly, and synods and congregations will be encouraged to generate and support such forums and gatherings.
6. To request units of the Churchwide organization to propose to the Church Council ways of receiving grassroots input on and disseminating information about their work through the use of emerging forms of communication, taking care to include those engaged in multicultural, ethnic-specific, justice for women ministries, youth and young adult networks, and various ministry partners;
 - a. An audit of existing Networking and Gatherings sponsored by the Churchwide Organization has been conducted. Analysis of the ways that networks can be supported and encouraged is underway.
7. To request that annual reports related to this work be presented to the Church Council through 2013.
 - a. Reports have been presented to the following Church Council meetings: April 2012, November 2012 and April 2013.

Ongoing Activities

In November 2012, the Church Council asked the LIFT Advisory Committee to “provide important consultation and evaluation, as well as serve as a catalyst for missional planning conversation across all expressions of this church regarding issues raised by LIFT.” The LIFT Advisory Committee is now known as “the LIFT II Committee.” It has been expanded with three new members, emphasizing increased young adult and lay participation, and meets monthly via conference call. Its annual face-to-face meeting took place on March 6, 2013 in Chicago.

In meeting its responsibility as a catalyst for ongoing implementation of the LIFT report and recommendations, the LIFT II Committee is sponsoring and supporting two new initiatives, one concentrating on congregations and the other on synodical missional planning.

The Congregational Missional Vitality Index

A member of the Rocky Mountain Synod, in conjunction with the Research and Evaluation unit, is working on a congregational missional vitality index. Its purpose is to provide a grid whereby congregations can engage their mission planning. Part of the task is to define what contributes to “success” in a congregation as defined by the congregation. It takes into account facts about the congregation like congregational attitudes, the leadership of the pastor, area economics and the congregation’s connections with its community. Further research will investigate how the congregation developed characteristics that are making it successful.

Synodical Typology

With regards to synods, the Conference of Bishops is experimenting with a project that locates synods into one of eight types, as opposed to the geographic clustering of synods. The LIFT II Committee and Research and Evaluation are developing questions that can be asked of synods within each type. This should help synods within a type communicate with one another and define aspects of their missional planning.

EVANGELICAL LUTHERAN CHURCH IN AMERICA

Report of the Communal Discernment Task Force

Final Proposed text: March 22, 2013
To be presented April 6, 2013

(First Draft completed – October 2011,
presented to ELCA Church Council – November 2011)

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Preface

This Task Force has been on a walk - a journey of our own communal discernment. During our walk together we experienced frustrations, tensions, uncertainties, joys, and surprises, and we believe our learning resulted in discoveries that will serve as a model to help others begin to understand communal discernment. As we came together to do our work, our reading, praying, and dialogue surprised us with the gifts of both expected learning and unexpected discovery. It is our hope that this report will capture both experiences, and, perhaps, inspire others to embark on their own communal discernment journey.

*As we came together
to do our work,
our reading, praying,
and dialogue
surprised us
with the gifts of both
expected learning and
unexpected discovery.*

The Walk

We came together at our first meeting with our own individual ideas about communal discernment. Reading had been done in preparation, and there was a “get the job done” attitude in the room. We were a goal-oriented group with a desire for a clear outcome. If one considers the four phases of team building: *forming, storming, norming and performing* - we moved very quickly from *forming* right into *storming*. (Bruce Tuckman, 1965)

For many of us, communal discernment had been pre-defined as communal *decision-making*. So, naturally, we were led into identifying various alternative methods of making decisions. Blessedly, some members of the task force challenged that set of assumptions, including both assumptions about how the church comes to decisions and assumptions about what the church should be deciding about, and a time of storming began. This was a “tipping point,” a defining moment in the life of the task force, a moment that we would return to again and again if we felt we were falling into the “easy answer” trap. The storming brought us face to face with the complexities of the very questions we had been charged to answer, and led the group into its own period of intense communal discernment, of listening for the Holy Spirit’s movement among us. We had become a microcosm of the whole church and the laboratory for this “experiment.”

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For the Task Force, community-building became of critical importance to our staying committed to doing this work together, even when it became frustrating and

confusing. The scripture-based practice of “Dwelling in the Word” was adopted. Each session of the Task Force’s work opened with a reading of Philippians 1:27; 2:5-11, followed by meditation, deep listening, and conversation. The richness of the different experiences each of us brought to the text deepened our communal understanding and provided groundwork for abiding with Christ in this task. It also provided an “ah-ha! moment”- that our listening, respecting, and sharing different understandings of the same text over a long period of time enriched our individual interpretations with common, communal understanding.

At the same time that we sought greater definition and focus about communal discernment, we also began to look at the way other communities make decisions; alternative models were reviewed for their relative strengths and weaknesses, and their potential viability for use in various expressions of the church. We continued to ask ourselves, “Is a decision-making model going to deepen communal discernment?” Then, another paradigm shift occurred: the task force shifted our goal away from merely finding an alternative model and toward imagining and addressing a change in the culture – away from being outcome-oriented and toward being relationship-focused - and finally, away from having to “fix it” and toward trusting the Holy Spirit to guide us.

This shift brought us to new learning. By Dwelling in the Word we were reminded that the Holy Spirit reveals God to us through scripture, and that this revelation is an ongoing inspiration. Through our relationship-building in the group, we saw firsthand the restlessness in us as a reflection of what is being felt throughout the larger church - a desire to fix it, and to do so quickly and independently. And, we saw firsthand that God works in conflict, in the very midst of profound differences, and that God would still allow us to experience the first century description: “See how they love one another.”

Initial Findings

The Task Force has found joy in this journey together, and we are happy to be able to share with you some of the discoveries we have made:

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Holy Spirit to guide us.*

Communal Discernment is not the same as making decisions.

This kind of discernment is ongoing: it precedes, happens during, and continues to unfold even after a decision is made.

Decision-making can either deepen or damage trust and often contains a dimension of timing.

Knowing when a group is prepared to move to a decision is a matter of discernment in and of itself.

Communal discernment is not the same as individual discernment, and communal discernment is rarely practiced or experienced.

It is more than individually sorting it out and voting in
Community

It respects the individual gifts of the communal body

It happens in the fabric of the community over time

It involves both formal and informal processes

It is impacted by time boundaries

It frequently brings surprise and discovery

It is a Spirit-led process

Discovering communal discernment may force us back one or two questions from where we imagine we might be. We might have to ask again, in a new way:

What is the question we are discerning?

How do we discern God's will for this community?

How do we form and deepen Christian community?

In the words of Robert B. Parker's Boston P.I. character, Spenser, "*things get real messy when you're up close.*" Sometimes, we need to step back to see what the Holy Spirit has been calling us to see, and gaining some perspective might come only when you look through the eyes of another.

A Cautionary Tale: Common Life without Communal Discernment

In a moment such as this, when the ELCA is deeply challenged by multiple pressures and an unknown future, it is tempting to seek some deeper clarity and a measure of control. One casualty of yielding to this temptation could be the gift of communal discernment. What would our church body look like without it?

What would the Church look like without communal discernment?

In a complex organization like the Church, we might easily sacrifice Spirit-infused communal discernment in order to develop a well-run bureaucratic system that can efficiently deliver goods and services. In such a system, we hire professional staff based primarily on educational credentials and proven performance. The hierarchy is so well-organized that input from stakeholders, or church members, is sought only in regard to administrative matters, not usually the mission and vision of the Church. Members are able to be affiliated with an organization that meets their religious needs but demands very little of them.

Contemporary business models enable professional church staff to calculate the impact of initiatives through cost/benefit analyses. Such efficiency is often enhanced by reliance on technology. Members need not go to meetings to deliberate corporate decisions, but electronically send in their votes from the privacy of their home or office. The church bureaucracy can closely monitor changes in members' beliefs, opinions and preferences and adjust program delivery accordingly.

In a church without Communal Discernment, the messiness of human experience is minimized, conflict can be managed by those in power, and there is little or no room for a Spirit who "blows where it wills." The product is more important than the process, predictability takes priority over disruptions of human experience.

Is this the Church we are called to be?

Is There a Better Future?

God is calling us toward a better future. When we know things are not working, we struggle with temptations of various kinds. One temptation is to fall into the fear that we cannot fix our problems. When we despair, we might accept that "it's just the way things are." Or we are tempted to look to someone who will claim, "I can fix it." But, we know better, as we watch one leader after another fail. God can fix this, but it will involve all of us talking together and hearing God's call in Christian community.

God plants in us all a deep longing to bring our gifts, experiences, and abilities together to build a better Church

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that God loves.*

for the sake of the world that God loves. God stirs us up and keeps calling us to reform and improve our shared life in Christ.

God calls to us work on how we discern where God is leading us. God calls us to wonder, “Can we improve the way we listen to one another, engage issues, and make decisions so that trust is deepened and respect grows, even if we should disagree?”

We trust that God is calling us to find ways to improve our communal ***discernment*** around difficult issues, and our communal ***deciding*** as we seek to be faithful in our time. While we will never find perfection in this broken world and in our own brokenness, God will still be leading us toward new and greater life, even when we think we have failed.

CHAPTER ONE: Understanding Communal Discernment

Discernment is a key discipline and feature of Christian life. Undertaken individually and communally, it is among the most important spiritual exercises, and when done effectively and faithfully it will nurture the church's health and vitality, and lead to fulfillment of vocation and mission in the world.

Yet, the word itself is a loaded word. There is little consensus on common usage, and a great deal of confusion about what the word actually means. In brief, then, **discernment**, as we in the task force have been using it, has to do with seeking and listening for God's will, centering on questions such as "What is God up to in this issue?" and "What would God have me/us do?"

Word studies and an exploration of origins can shed some light for us. *Discern* comes from the Latin, *discernere* -- *dis* (apart) + *cernere* (to separate). *Discernment* also has origins in Greek: *diakrisis*, from the root, *krino*, to judge. *Discernment* relates also to: *krisis* (judgment, cf. crisis); *krima* (decision); *kriterion* (means of judgment, cf. criterion); *kritikos* (able to judge, cf. critic, critical, criticism); *synkrino* (to interpret); *krinein* (decide). Informally and loosely, emerging more playfully from these word origins, **discernment** can be viewed as a coming to decision or judgment through crisis, and the interpretation and analysis of what is needed for the process of making critical judgments.

When we engage with scripture as "the norm of life and faith," we are making a decision about how we might use and understand the relationship between scripture and discernment. Thus, there is a connection in our biblical studies and explorations of, for example, the stories that describe occasions of discernment and decision making in the early church communities. Some of the key New Testament passages that might be helpful for further reflection are:

- **Acts 1:15-26** – Choosing Matthias to replace Judas as an apostle by casting lots. While the decision for Matthias may seem arbitrary and the result of a gamble, the full passage suggests that a discernment process preceded this

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decision-making mechanism, resulting in two candidates being presented when others may well have been considered as well. The followers had devoted themselves to prayer (vs. 14) and the Lord's will was explicitly sought via prayer (vs. 24) to guide the decision for Matthias or Barsabbas. Given the background of such prayerful discernment, the choice of either candidate would have served the emerging church's leadership needs. And as is always the case, the early community lived within any limitations and constraints of decisions made, as we always "*have this treasure in earthen vessels.*"

*While the decision
for Matthias
may seem arbitrary
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this decision-making.*

- **Acts 15:1-35** -- The Council at Jerusalem and the decision to extend the Gospel mission to the Gentiles. This passage reveals a discernment and decision-making process undertaken among the earliest of Jesus' followers.
- **Romans 12:1-2** -- "*I appeal to you therefore, brothers and sisters, by the mercies of God, to present your bodies as a living sacrifice, holy and acceptable to God, which is your spiritual worship. Do not be conformed to this world, but be transformed by the renewing of your minds, so that you may discern what is the will of God -- what is good and acceptable and perfect.*" This passage suggests that discerning God's will emerges from our transformation in Christ, and results in our whole-hearted offering of ourselves in Christian life in the power of the Spirit.
- **1 Corinthians 1:18-31** -- especially "*For the message about the cross is foolishness to those who are perishing, but to us who are being saved it is the power of God. For it is written, 'I will destroy the wisdom of the wise, and the discernment of the discerning I will thwart.'*" Lest we rely too fully on our own powers of discernment, this passage suggests that faithful Christian discernment is undertaken in light of the cross and its logic.
- **1 Corinthians 2:1-5** -- "*When I came to you, brothers and sisters, I did not come proclaiming the mystery of God to you in lofty words or wisdom. For I decided (cf. krinein) to know nothing among you except Jesus Christ, and him crucified.*" This suggests that the focus for all discernment and decision-making is the crucified Christ.
- **1 Corinthians 2:14-16** -- "*Those who are unspiritual do not receive the gifts of God's Spirit, for they are foolishness to them, and they are unable to understand them because they are spiritually discerned (anakrinetai). Those who are spiritual discern (anakrinei) all things, and they are themselves subject to no one else's scrutiny*

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(anakrinetai). 'For who has known the mind of the Lord so as to instruct him?' But we have the mind of Christ.'

According to this passage, discernment is faithfully undertaken with the mind of Christ revealed by the power of the Spirit.

Recognizing the Times for Discernment

Discernment is at the heart of what it means to live a life of faith, what it means to be a part of the community of the baptized, and it is both an individual and a communal practice.

We are not born with a facility for communal discernment. Rather, we learn it from one another. We experience it, develop it, nourish it, and learn it through practice. We have times when it goes well and times when it does not go well at all. Communal discernment is not a town meeting. It is not democracy by referendum. It is not solo brilliance, and it is not groupthink. Communal discernment takes patience, prayer, forbearance, and non-anxious leadership.

Communal discernment is evidence of “the whole being greater than the sum of the parts.” But those parts must be working parts to make it happen. And those working parts need regular care and maintenance and upgrading. That is the faith journey of the Christian, in prayer and scripture reading and worship and other faith practices, individual and communal. People of faith seek God’s will in all that they do. They pray, meditate, study, read scripture, fast, sing, share-all as a part of seeking God’s will.

When Christians come together to seek God’s will communally, we don’t expect to start with a blank slate. We are not gathering a jury from among those who know none of the facts and have no opinions on the issues. Rather, we gather interested parties who have a stake in the outcome, who have a deep loyalty to God and neighbor, and who have some understanding and practice in prayer, deep listening, confessing and forgiving, and seeking the greater good.

Discernment is not, fundamentally, about “me.” It is about God, and it is about neighbor. Communal discernment

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to listening.*

*When Christians come
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is, at its best, conversation with God and neighbor, with a lot of time dedicated to listening. Discernment is not snap decision making. There are times when decisions need to be made quickly. And there are issues that simply need to be decided, without engaging the spiritual resources of the community.

But there are times in the life of a family, a committee, a congregation, a synod, an institution, the wider church, when an issue cannot and should not be resolved quickly and decisively, with winners and losers. We, as Christians, need to become comfortable in identifying such situations and stating, "This is an issue for which we need a time of discernment." In a parliamentary system a person can call for a vote with the intention of settling the matter quickly and decisively. Communal discernment is exactly the opposite. It prohibits foreclosing the conversation, a quick settling of the matter, and opens the door to time spent listening for the Holy Spirit.

We have many people in our church who are skilled at conflict resolution, at problem-solving, at cultural competency, at listening, at non-anxious presence, at holding paradox in tension, at dwelling in the word, at group dynamics, at consensus building, at facilitating groups. We have people who can compile resources, who are fluent in a variety of traditions. We have all these gifts, and many more in this church. Each can play a vital part in communal discernment.

Therefore, it is not practical to attempt to produce a template for communal discernment. That would only set people up for failure. Rather, we can help people to identify when communal discernment might be appropriate, and show them ways to set the table so that it is possible.

The Churchwide Assembly is probably the most difficult place in the ELCA to expect or even imagine communal discernment to be effective. Over a thousand people come together for a relatively short time together. They are one in Christ, but they have different backgrounds, different preparation for the assembly, different attitudes about how the Holy Spirit might work, possibly different value systems, and not enough time to build the kind of trust that is needed in the gathered community for effective communal discernment to take place.

***Some metaphors
that have been identified
as useful in the process
of communal discernment:***

Holy Stewing

*– a good stew needs time
to blend its ingredients.
Even though it takes some time
and some heat,
the ingredients never lose their
individual character.
For a good stew, you need a
good recipe.
And, we need to be ready
for neighbors who come to us
who might not seem to "fit in"
to the original recipe for stew.*

Listening for God's Call

*One of the most puzzling
stories of the Hebrew Bible:
1 Kings 19.
Immediately after
demonstrating the power of
the God of Israel
and the near elimination of the
official cult of Baal
- in what should have been a
moment of glory for the God of
Israel and the prophet Elijah -
Queen Jezebel, acting in
conformity with her Phoenician
ideals about royal privilege,
causes the prophet to flee
and hide in a cave.
Elijah, who had been
so confident in God's will and
readiness to act,
now struggled to discern the
voice of God.*

A better place to start is locally, in congregations and in synods - in smaller groups where there is already enough trust in one another for those gathered to become vulnerable enough to risk deep listening. Advice from one congregational group who tested this practice was to "Check your emotional baggage at the door. Bring an open mind and a welcoming heart." We ought to begin wherever this advice can be most easily followed.

Discernment in Our Culture

We have already mentioned that communal discernment does not come naturally for those of us in the 21st century American culture. We have reduced the discernment process into decision-making in two general categories: individual choices about personal matters, and public decisions made through the electoral process.

The rich heritage of the Enlightenment--which enabled societies to consider the independence, dignity, freedom and human rights of each person--has devolved into what is, too often, a hyper-individualism. Such a mentality lifts up the individual at the expense of the whole. We feel entitled to make personal decisions without reference to the common good, such that *my* decisions are a private matter over which I have complete control and responsibility. As long as I do not directly hurt others, I am free to choose, to live, work, worship, speak, shop and think however I want. The incorporation of others' input or concerns in my decision-making process is interpreted as an unwelcome limitation on my individual rights and personal privilege.

Hyper-individualism is rampant in our culture and even in our churches. It has become so much a part of us that we do not notice it. It is just the way we are, even though many in our society, or within the Christian community, do not share the privilege of such decision-making capability. Personal choices about vocation, employment, purchases and housing, for example, are beyond the reach of many. The range of personal choices available and the freedom to choose among them is limited by social class, economic conditions, race, ethnicity, age, gender, and physical capacities.

Masks of God

*Reformation era Christians
talked of the masks of God.
Exactly where we expect to
encounter the numinous,
it is not perceptible.
A mighty wind, an earthquake,
and a raging fire in succession
passed before the prophet,
but God was not in them.
After this cacophony of
natural disasters,
or "acts of God" as most of our
insurance policies call them,
came the sound of
absolute silence.
In this inexplicable and
untranslatable negative space,
the authors choose to tell us
that the Creator of All Things
was present.*

Organic Metaphors

*– ripening in Brazil
(the task seems impossible.)
When a complicated or
controversial subject arises,
and it is clear that agreement
cannot be reached,
the issue is often said to be
"not yet ripe."
What is interesting is the
assumption that the technology
will mature, and that people of
good will eventually will find
ways to work it out.
Like the natural growth
of a human or an animal,
or the ripening of fruits and
vegetables in the garden,
the process takes time,
and with proper nutrients
provided.*

Still, the dominant culture holds onto the ideal of individual freedom of choice, even in the Church, and is blind to those who cannot enjoy it. And when one part of the body is limited in its ability, the whole body suffers.

Individualistic decision-making is engrained in us as a sign of personal growth and independence, “discernment” is what we call our private processes for making those decisions. Too often we have allowed our Christian faith to be adapted to a privatized understanding of God’s presence in our lives. Prayer becomes highly personal, and we experience the Spirit leading us on individual paths which *sometimes* intersect those of others. Such individualism is a distortion of the Gospel itself, which calls us out of self-absorption and into community. The parts of the Body of Christ can only function when they are in relationship to one another.

But we have not just relegated our understanding of discernment to personal decision-making: there are public decisions that need to be made and we have public processes for making them. “Discernment” in the public sphere takes the form of watching carefully scripted debates by well-funded candidates engaged in public performances meant to influence our private decision in the voting booth. As a result, there is a level of cynicism and distrust in the process. Americans are increasingly suspicious of attempts by media and government to manipulate them. We revere the public “discernment” process even as we doubt and distrust its integrity.

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Research shows that as our social trust continues to decline, so too our interaction with each other decreases. In fact, the two are mutually reinforcing: without interacting with each other, we lose the opportunity to build trust. And so even our “public discernment” becomes individualized and our capacity for the kind of honest and robust public conversation that is needed for communal discernment becomes severely limited. With an ever-thinning layer of public trust, we put yellow tape around important questions, issues and sentiments in our public conversation. Taboos around “impertinent questions” limit the honesty and depth of our dialogue.

How then can we really understand criminal justice, for example, without deeply engaging how poverty and racial understandings are active variables in the equation? How can we wrestle with the meaning of leadership in Church and society without having difficult conversations about gender? The integrity of discernment is handicapped by the demise in social trust and open and honest dialogue.

Further, by collapsing our collective decision-making (public discernment) into electoral politics, another dynamic is reinforced: a majority “wins,” and the losing minority needs to adapt. This “Too bad for you!” attitude toward the minority contributes to alienating large segments of society, who lost perhaps because they did not have access to power and influence. This breeds an increase in our already growing cynicism about our life together which reinforces once again the difficulty in developing social trust. Seeing society divided into winners and losers or insiders and outsiders, our capacity for empathy is eroded. We ignore the reality of the human vulnerability we all share.

With such distortions, it becomes all the more imperative for people dedicated to forming Christian community to recover a means of discernment which values individual conscience, the common good, and what God is doing. Such a reframing of our understanding of discernment runs against social understandings and what our culture tells us is simply “common sense.”

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our capacity for empathy
is eroded.*

*We ignore the reality of the
human vulnerability we all
share.*

A new framework for discernment has to provide portals into seeing both our own self-interest and experience and others' self-interest and experience so that we might more deeply appreciate the diversity, complexity, and nuances of every particular situation. Only then can we seek ways to move forward together that do not alienate large segments of our community. Such a framework for discernment is the vision of a democratic society, and it also reflects the intentions of the Creator of the human community. As the Church comes to understand more deeply how we are to discern as Christ's Body where the Spirit is leading us, we can offer to the wider culture new models of public engagement, dialogue and decision making.

*A new approach
to discernment
needs to identify,
consider, and
challenge our points of
distrust*

CHAPTER TWO: Theology

Discernment and Human Sin

Undertaking communal discernment casually, without fully understanding its dynamics, is fraught with danger and the potential for abuse, confusing human whim for God's will. Communal discernment is well-served when we take seriously the effects of human sin, the human capacity for self-delusion, denial, maintaining blind spots, resistance, the need to dominate and control, abusing power and authority, maintaining injustices, pride, greed, and selfishness. Our propensity to rebel against God and to demonize others with whom we disagree can interfere with discernment processes.

Many of the classic understandings of sin speak to sin's interference with faithful discernment of God's will: misplaced trust, missing the mark, being curved in on ourselves. Sin has the power and capacity to distort or even destroy our best efforts at faithful discernment that leads to decisions about our sharing in God's mission in the world.

Discernment is most effective when we can recognize and set aside our own agendas. Even after the most careful, studied discernment, we still see in a mirror dimly (cf. 1 Cor. 13:12) and discernment may/will lead to quite varied decisions/outcomes. Thus, we pray always: "O God, you have called your servants to ventures of which we cannot see the ending, by paths as yet untrodden, through perils unknown. Give us faith to go out with good courage, not knowing where we go, but only that your hand is leading us and your love supporting us; through Jesus Christ our Lord. Amen." We are called in discernment, decision-making and living out our faith to "sin boldly, but to believe more boldly still" (attributed to Martin Luther).

Discernment and the Holy Spirit

Discernment is undertaken in the power and through the guidance and leading of the Holy Spirit. It is one of the "means" through which the Spirit guides us into all the truth (John 16:13a) and is best grounded in a robust *pneumatology*, or doctrine of the Holy Spirit, in a Lutheran key. Alas, Lutherans have at many times shied away from considerations of the third person of the Trinity and major aspects of the third article of the creed.

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The historical and cultural circumstances out of which Lutheranism was born contribute to a mistrust of the unbridled emotional and enthusiastic expressions which have often been associated with the Spirit's coming. These factors can contribute to a kind of spiritual poverty in our Lutheran communities. Still, we have a great deal to offer about the work of the Holy Spirit, principally that the Holy Spirit works through means, particularly the means of grace, the voice and energy of God operative in and emanating from Word and Sacrament. In fact, the church exists, communally, where the Holy Spirit gathers God's people around that very Word and those sacraments. Discernment is undertaken in close proximity to and with deep engagement in the means of grace in the church as a primary location and focus of the Spirit's activity and energies.

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CHAPTER THREE: Cultivating Practices and Habits

There are various processes that can be employed to cultivate a community that is comfortable with communal discernment. Most congregations will affirm their belief in, and commitment to, the work of the Holy Spirit in their midst. Indeed, most would seek to do God's will in their work. However, a cursory prayer before a vote often suffices in place of deep listening to one another and to God's whisperings in and through the community itself. Therefore, we offer some sample resources and practices which are being used to build familiarity with communal spiritual discernment as an ongoing practice, and help create communities of trust. For some examples of models, see **Appendix C**, "Thriving in Change."

Biblical Engagement

A foundation for effective and faithful communal discernment is deep engagement with Scripture, through which God offers us God's living Word by the power of the Spirit. Through this Word we receive the gifts of wisdom, guidance, and criteria for our discernment. Here are some practices that promise deeper engagement with the scriptures:

Dwelling in the Word:

This simple and straightforward practice involves Bible reading, silence, and conversation with a stranger about what catches our imaginations and triggers our memories. Dwelling enables the open space and time in which to really attend to what the Bible has to say to us in its fullness. See **Appendix A** or visit www.churchinnovations.org/

Group *Lectio Divina*:

An ancient practice rooted in the Benedictine spiritual tradition, *lectio divina* and its movements -- reading, meditation, prayer and contemplation -- permit different modes of presence to the scriptural word, allowing attention to its multiple dimensions of meaning. Reading focuses on the objective dimensions of meaning and what the passage actually says. Meditation attends to the more subjective meanings of scripture in terms of what a passage may mean for us in our day. Prayer permits the expression of the Spirit's energies in our praying the prayers that emerge from

*Preparing for discernment:
from Acts 1:12-26*

- *Identify the issue or matter at hand*
- *Consider criteria for judgment*
- *Set apart a time and place for discernment*
- *Identify a leader to facilitate the process*
- *Gather a representative, inclusive group*
- *Devote yourselves to prayer practices*
- *Dwell deeply with scripture*
- *Engage in conversation*
- *Identify your options*
- *Prayerfully examine your hearts*
- *Pray for the Holy Spirit's guidance*
- *Engage a decision-making process*

our scriptural engagement. Contemplation allows us to dwell silently with the Word as a means for God to be directly present to us. For more specific information on how *lectio divina* can serve communal discernment, see **Appendix B**.

African Bible Study:

A variation on a *lectio divina* theme, African Bible Study focuses on scriptural words and phrases in passages that touch us and our life today. This approach offers particular attention to the question of what God would have us do and be in relation to biblical passages. For a guide about how to do African Bible Study, see: www.takomaparkpc.org/AfricanBibleStudy.html

Worship

Worship of almighty God exists as an end in itself, but it also directs us toward God's mission and our vocation in the world. As such, worship can also serve communal discernment. In addition to the regular Sunday Assembly, think about incorporating into your communal devotional routine other formats for worship: daily morning, evening and night prayer; healing liturgies; foot-washing liturgies, perhaps not just on Maundy Thursday; Corporate Confession and Forgiveness. Each liturgy in its own way can nurture the climate for communal discernment.

In worship planning, be attentive to the mood that you cultivate for worship: how chairs are set, how the space is lit, how different types of music will set a different tone. Careful attention to such details can create a grounded, centered, relaxed mood for worship and for communal discernment. Here are further ideas for making the most of the connections between worship and discernment:

Communal Discernment during Corporate Worship:

The movements common during liturgies -- Gathering, Word, Meal, Sending -- can be vehicles for nurturing communal discernment. When the Spirit gathers us, we also gather our thoughts concerning that which we need to discern. As the Word is proclaimed, God addresses us and our concerns, providing God's wisdom for our discernment. The Meal occasions our dwelling with Christ, providing fertile soil in which to allow our discerning wisdom to take root and grow. The Sending can include a time to

Biblical Engagement:

Dwelling in the Word

*enables the open
space and time
in which to really attend
to what the Bible has
to say to us
in its fullness.*

Lectio Divina

*and its movements -- reading,
meditation,
prayer and contemplation --
permit different modes of
presence
to the scriptural word, allowing
attention
to its multiple
dimensions of meaning.*

African Bible Study

*offers particular attention
to the question of
what God would have us
do and be
in relation to
biblical passages*

identify what we have discerned as specific ways forward in mission and ministry. There is more specific information on how worship can serve communal discernment later in this chapter.

Contemplative Eucharist:

A Contemplative Eucharist -- especially appropriate for retreats and quiet days -- differs from a usual liturgy of Holy Communion in it allows time and space to really soak in the experience of God in the liturgy. For example, a Contemplative Eucharist might occur over the course of several hours, rather than a single hour. During this time, extended silences can be observed after each reading. A more leisurely pace also allows time for conversation among worshipers, for example, at the gathering, in place of a traditional monologue sermon, and at the sending. Extended silence to dwell with God's Word and time for conversation opens up space for effective communal discernment. For an example of an order of service for a Contemplative Eucharist, see **Appendix D**.

Prayer

No effective and faithful communal discernment can be undertaken without a spirit of prayerfulness. Prayer focuses our attention on God and away from ourselves. Prayer invites the Holy Spirit's leading and guiding. Prayer seeks God's will and the mind of Christ. Here are simple ideas for prayer practices that build on both individual prayer routines and communal worship, which can serve communal discernment:

Prayer Partners and Intercessory Prayer Groups:

In addition to individual prayer disciplines and corporate worship, the community of the church can build on its prayer life by establishing partnerships and groups within the community to convene to pray specifically for the matters that are the focus for communal discernment.

Rotations of Intercessions and Prayer Calendars:

The church can publish the persons and matters which it wants to uphold in prayer, offering these according to calendars. Such listings reinforce common prayer, in that partnerships and prayer groups would be focusing on the same matters. For examples of such prayer calendars, see: <http://www.elca.org/What-We-Believe/Prayer-Center.aspx>

*Gathering,
Word, Meal, Sending
-- can be vehicles
for nurturing
communal discernment*

*Worship
of almighty God
exists as an end in itself, but
it also
directs us
toward God's mission and
our vocation
in the world.
As such,
Worship
can also serve communal
discernment.*

Prayer Walking and the Labyrinth:

Prayer need not be confined to sitting or kneeling. Try walking through the neighborhood of your congregation or the community context where your ministry is located. Pay attention to what you see. Notice the intercessory prayers that may emerge on your walk, prayers that may be fodder for communal discernment, setting agendas for mission and ministry. Walking the labyrinth is another kinetic spiritual discipline that may, in its leisure, open up space to nurture communal discernment. For guidance on walking the labyrinth, see: www.elca.org/Growing-In-Faith/Ministry/Women-of-the-ELCA/Lutheran-Woman-Today/Articles/2010/JulyAugust/Conversation-Tools.aspx

Prayer and Physical Activity:

Physical activity can also be seen as a spiritual discipline. A well-exercised, relaxed, attuned body contributes to effective communal discernment. Physical activity as a group can help build a community of trust. For further information on how prayer can be incorporated into physical activity, see: store.augsburgfortress.org/store/product/7249/Stretch-and-Pray-A-Daily-Discipline-for-Physical-and-Spiritual-Wellness

No effective and faithful communal discernment can be undertaken without a spirit of prayerfulness

Centering Prayer and Contemplation:

Centering Prayer is a simple method that nurtures over the long run a contemplative presence that can serve as fertile ground for undertaking communal discernment. For further information on Centering Prayer that can nurture a contemplative presence, see: <http://www.centeringprayer.com/>

Community of the church can build on its prayer life by establishing partnerships and groups within the community

Time Apart and Being Still

Effective communal discernment requires times apart from regular, busy routine to make space for seeing the bigger picture so that we are not lost in the details before us. Likewise, times for being still, refraining from frantic activity, also serve communal discernment. Here are perspectives and practices that can help us grow in stillness and in just being:

Silence and Holy Listening and Holy Daydreaming:

We live in noisy cities and a noisy culture, constantly

Walking the labyrinth is another kinetic spiritual discipline

plugged in to news, information, music and other sounds and images through many and various media. But we need rest from over-stimulation. We need to make opportunities to rest in comparative quiet.

Time spent in silence is counter-cultural in our day, but it is crucial for effective communal discernment. Silence enables deep and sacred listening, again, a foundation for discernment. Likewise, silence opens up space for what might be called holy daydreaming, occasions apart from “to do” lists, time to just be. In such wide open spaces, we can dream dreams and see visions, means through which God in the Spirit draws us to that which God would have us be and do, all central to communal discernment. Communal silence is quite foreign to most of our experience. Look for opportunities to be in silence together, so that the needed times of silence in communal discernment grow more customary.

The following points provide some suggestions for how to occupy yourself during times of silent contemplation, of quiet prayer. Don’t think of this as a ‘to do list’ – rather, feel free to come and go with these themes as you feel drawn:

- Focus on your breathing – breathe more deeply and slowly; offer a prayer while you breathe in and breathe out, thinking of your breath as coming from the very breath of God...
- Focus on a word special to you as a kind of mantra to be gently repeated over and over again to still your mind. Or continuously offer a simple prayer: “Lord, have mercy.” “Your will be done, O God.” “Come, Lord Jesus.” “Come, Holy Spirit.” And so on...
- Pay attention to what and where and to whom your busy mind is drawn – your apparent distractions may actually be important cues leading you to what you need to pray for...
- Notice the noises you hear outside – do these noises, like the wailing of a siren, or the sounds of a jet plane, draw you to prayer, to praying for those in crisis or in transit, for example?
- Consider your thoughts and feelings, your hopes, your memories, whatever it is you bring to this time and how you might wish God would respond to you and your needs.

***How to occupy yourself
in times of silent
contemplation, of quiet
prayer:***

*Focus
on your breathing*

*...continuously offer
a simple prayer:
“Lord, have mercy.”
“Your will be done.”
“Come, Lord Jesus.”
“Come, Holy Spirit.”*

*... apparent distractions
may actually be important
cues
leading you to
what you need
to pray for*

*...how might you wish
God would respond to
you and your needs?*

- Attend to these basic questions: What do you think or feel you need to confess today? For what blessings in life are you thankful? What are your concerns for tomorrow? What brings you joy, gladness, a sense of appreciation?
- And/or simply relax and enjoy the comparative quiet of this time, freely letting the silence wash over you as a gift in our busy and noisy world. Rejoice that you can enjoy a time of silence together as a community.

Retreats and Quiet Days:

The tradition of going away on retreat and setting apart whole days as quiet days can serve communal discernment by breaking busy routine and making space for seeing the big picture concerning matters before us.

Conversation

Communal discernment is best practiced in a spirit of open listening rather than contentious debate. Good conversation can be profoundly sacred, and a means through which the Spirit brings us together in the bonds of affection. Within these bonds, we may receive greater clarity concerning our discernment. Here are ideas about ways through which we can enhance our conversational life together:

Group Spiritual Guidance:

Like individual spiritual direction, group spiritual guidance is a structured format led by a trained guide that can be the context for small groups in Christian communities to undertake communal discernment. For further information on group spiritual guidance, see: www.shalem.org/index.php/resources/publications/pamphlets-on-spiritual-direction/group-spiritual-direction-what-is-it

Mutual Conversation and Consolation:

In the Smalcald Articles, Martin Luther listed mutual conversation and consolation among the means of grace, alongside preaching, baptism, Eucharist and confession and forgiveness, making the point that faith-oriented conversation in Christian community is a powerful way God is present to us. Some of the simplest practices, like good listening when participants feel heard, are the most profound. Don't overlook the power of the

*Attend to
these basic questions:*

*What do you
think or feel
you need to confess today?*

*For what blessings
in life are you thankful?*

*What are your concerns for
tomorrow?*

*What brings you joy,
gladness,
a sense of appreciation?*

*...freely let
the silence
wash over you
as a gift
in our busy
and noisy world...*

*Some of the
simplest practices,
like good conversation when
participants
feel heard,
are the most profound*

Don't overlook

ordinary in the pursuit of exotic spiritual disciplines. There are great spiritual gifts before us, hidden in plain sight, like mutual conversation and consolation among brothers and sisters in Christ.

*the power
of the ordinary.*

Communal Meals:

Don't forget about the power of a good church potluck as a vehicle to deepen community bonds of affection, thus serving to cultivate positive group dynamics necessary for effective communal discernment. Casual conversation over dinner can go a long way in nurturing a sense of genuine community.

*Never
underestimate
"The Power of
the Potluck"*

Seeing God in our Days and Gifts

Communal discernment is best practiced with a growing awareness of the ways in which God is already active in our days and routines. Likewise, communal discernment is aided by having an accurate awareness of our spiritual gifts individually and communally. Here are some suggested practices that can help us grow in awareness of how God is present in our days and according to our gifts:

Learning from St. Ignatius:

St. Ignatius of Loyola and the Ignatian spiritual tradition which he founded provide significant, practical and concrete resources for making a careful examination of our days to discern the hand of God in our experiences. For further information on the *Examen* in the Ignatian spiritual tradition, see:
www.ignatianspirituality.com/ignatian-prayer/the-examen/

Spiritual Gifts Inventories:

God blesses us individually and in communities with manifold gifts. Sometimes we need assistance in discerning what those gifts are. For further information on spiritual gifts, inventories and assessment tools, see: www.elca.org/Growing-In-Faith/Discipleship/Christian-Education/Program-Planners/2005/SpiritualGifts/Finding-Your-Spiritual-Gifts.aspx

Asset Mapping:

In an age of characterized by a spirit of scarcity, we are called to remember that God blesses us with abundance, with gifts and assets to engage in God's mission. Asset mapping for use by congregations and ministries is a technique that helps us focus on God's abundant gifts for mission, thus aiding our communal discernment. For further information on Asset Mapping, see:

www.elca.org/~media/Files/Who%20We%20Are/Office%20of%20the%20Presiding%20Bishop/Strategic%20Planning%20Roundtables/Outreach/AssetMapping.ashx

Discernment Observer Process:

When engaging in communal discernment, it is important to claim occasions to step back from the process to take stock of how you as a community are doing. Participants can take turns serving as observers of your communal discernment process. Such observers can offer reflections (more descriptive than analytical and critical) on the process according to the following criteria (distilled from Acts 1:12-26):

- How effectively have we identified the issue or matter at hand for discernment?
- Have we adequately considered and identified the criteria for judgment?
- Have we set apart enough time and a place for discernment?
- Have we identified an effective leader or team of leaders to facilitate the process?
- To what extent have we gathered a representative and inclusive group?
- Have we deeply devoted ourselves to prayer practices?
- To what extent are we dwelling deeply with scripture?
- How are our conversations going?
- Have we yet identified the options before us?
- Have we prayerfully examined our hearts?
- Did we pray for the Holy Spirit's guidance?
- What kind of decision-making process did we or are we going to use?

Beyond assessing these “mechanics” of communal discernment, an observer may also wish to reflect on the qualitative, less tangible dimensions of the process using these marks and values:

Relationship with God

- Seeks God’s will, the values of God’s reign, and the mind of Christ
- Listens for God’s call
- Pursues faithfulness
- Dwells with God’s Word
- Occurs close to the means of grace
- Responds to the Holy Spirit’s promptings
- Seeks the Spirit’s guiding us into all truth
- Focuses on charisms, gifts of the Spirit
- Occurs in a spirit of thanksgiving, confident in God’s grace
- Makes for good stewardship of all of God’s gifts

Community of Trust

- Practices attentive, deep and holy listening (obedience)
- Offers non-anxious, courageous presence
- Strives for humble openness and willing engagement
- Cultivates wonder and awe
- Honors difference
- Cherishes the dignity of others
- Builds communities of trust
- Builds up the body of Christ
- Invites gentle wrestling with issues
- Focuses on the journey
- Seeks to balance closure with open-endedness
- Tolerates ambiguity
- At its best does not result in winners and losers
- Seeks clarity, wisdom, and understanding
- Embodies a willingness to take a leap of faith
- Comes naturally, organically to a conclusion
- Affirms “ubuntu,” I am because we are
- Honors our corporate, embodied interdependence and shared life
- Continues even after decisions are made
- Offers prophetic challenge to dominant societal narratives
- Faithfully disrupts business as usual, questioning the question
- Breaks us out of our usual patterns of seeing the world
- Nurtures fertile ground for decision-making

Communication Habits

- Empowers freedom to speak fully
- Speaks truth in love
- Genuinely lets others be heard
- Encourages story telling
- Brackets egos and personal agendas
- Nurtures holy stewing and ripening
- Regularly checks in to assess where we are
- Embodies patient waiting

With these tools, we hope that the habits and practices of communal discernment will become part of the internal processes of your individual congregational members as well as small groups and leadership teams.

CHAPTER FOUR: The Practice of Communal Discernment in the ELCA

The primary question the ELCA is considering through the work of the LIFT task force is, “*What is God calling the ELCA to be and do in the future?*” When it comes to decision-making and communal spiritual discernment, ***who we are in Christ*** leads to how we discern and decide. We are called to be a part of God’s mission in the world. Put in other words: the community of the Body of Christ is more important than the outcome of the decision-making; the journey is as important as the destination; it is better to be caught being *Christian* than being *right*. Discerning together what God is doing in our shared life and discerning God’s preferred and promised future for our church is one way of trying to understand God. We believe that discernment processes seeks truth while deepening community.

*When it comes to decision-making and communal spiritual discernment, **who we are in Christ** leads to how we discern and decide.*

It is important to recognize that the historical methods of decision-making have served us well in many circumstances, and that we should appreciate those efforts. But local churches and indeed the denomination have habits of decision-making that don’t always make space or time for prayer, discernment, and deep listening, so they do not have the chance to try to understand God’s will. However, as methods have evolved, new insights have led to new approaches. We believe this is one of those moments because the issues have become more volatile and previous methods do not adequately integrate our faith and our emotions.

Ideally, the culture for decision-making would be one which is open to all, which reflects tradition, contemporary context, and the sources of Lutheran identity. If the discernment is deep, wide, and sincere, the formal ratification of decisions will be more likely to build up the body of Christ.

Our Task Force feels it ought to be the church’s ongoing task to **cultivate a culture of discernment** in our church in all its expressions. Such a culture develops habits and practices such as Dwelling in the Word, *lectio divina*, and other personal and communal prayer and meditation processes. Such a culture also develops the habit of deep listening to the other with respect and love. Deep listening, (to God and to the other,) cultivates dispositions and attitudes that reveal the fruits of the Spirit (Galatians 5) as well as creating comfort in embracing silence and letting go of time sensitivity.

The church’s ongoing task is to cultivate a culture of discernment

Here are some questions that we have reflected upon, which are illustrative of the discernment process:

Does the cultivation of such habits disregard reason and rationality? No. Indeed, deep dwelling in the Word requires a critical interpretation of scripture, and critical and intentional listening to one another. Reason completes meditation, discernment completes understanding.

Is voting or some other decision-making method appropriate? Yes, when specifically called for through the church's processes and policies.

Will we ripen at different paces? Yes. And then it is even more important to have communal discernment practices learned and functioning as habits, so that the community itself articulates that they are either ready or not yet ready to decide a matter by voting. If discernment goes deep, formal decision is the simple ratification of what has been discerned.

How will we know when we are ready and ripe for a vote?
We will know when we have prayed and listened deeply long enough to know that everyone is ready.

What is the status of communal discernment practices in the various expressions of the ELCA? Our Task Force asked for and recorded stories of congregations, parishes, and clusters engaged in communal spiritual discernment at the 2009 Churchwide Assembly, but they were few, and not many involved engagement with Scriptures, traditions and practices of the church. Several who told stories likened spiritual discernment to a moment when things fell into place serendipitously, "as if by magic." Almost all those who were interviewed only had examples of discernment as an individual rather than a communal and sustained practice.

At the Churchwide level, the ELCA Church Council and Conference of Bishops have been introduced to and have experienced some practices of communal discernment such as Dwelling in the Word, prayer before voting, small group Bible study, accountability documents, small group conversation and sharing, process observation, and communication and discernment exercises from www.TheWorldCafe.com. The Task Force believes there is a hunger for sustained discernment practices throughout the church.

Synodical activities may connect with and support

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discernment
completes understanding.*

*If discernment goes deep,
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communal discernment, such as participation in the Book of Faith initiative, which may help people encounter scripture in their search for discerning and understanding God truly; the “Bound Conscience” conversation following the 2009 Churchwide assembly, which may help us listen better and more deeply to one another; and the LIFT Task Force/ecology study that will create a wider understanding of the entire denomination and its various inter-relationships.

Faithful innovations recognize the complexity of the contemporary church body. As our structural relationships are fragile, experiments must serve to advance the process of discernment while strengthening our commitment to serve Christ and one another. Since risk is inherent in change, implementation of new methods must begin with trust-building and mutual respect. To that end, experimentation must happen at all levels of the church (congregational councils, synod councils, churchwide committees and council) as well as at the Churchwide Assembly.

It is our hope to learn from other church bodies how to more effectively participate in the processes of communal discernment as we are creating a culture that gives space and time to the work of understanding God’s will. While there seems to be no magical solution or panacea out there, we believe we can learn certain things from the way resolution language is changing, from the Consensus Model used by the World Council of Churches, and even by tweaking Robert’s Rules of Order, as other church bodies have done. The Task Force would also like to continue learning how our full communion partners and global partners allow time and space for discernment, and how other Christian traditions seek to understand God as they deliberate the issues facing them.

*Discernment may be
impeded by
decision-making methods
that make trust building
difficult*

Discernment may be impeded by decision-making methods that make trust building difficult and may reduce the clarity of the common vision by placing expediency before thorough understanding and agreement. There are some current practices that we believe could be eliminated or changed and some new methods that we think would be more consistent with discernment objectives.

The thrust of these recommendations is to enable the process of deliberation to be (a) supportive of those who have not yet arrived at a decision, (b) fair in representing multiple perspectives and (c) open to the influence of the Holy Spirit. These recommendations are identified in **Appendix G**.

These recommendations will be made in a timely fashion to the appropriate ELCA expressions.

Wider Communal Dimensions of Discernment

The common practice of individual discernment can also be taken up communally. Communal discernment respects the charisms, the gifts, of individual members of the body. Discernment is for all of God's people and all groupings and sub-groupings in Christian community (not just those, for example, considering public, rostered ministry.) All expressions of Christian community should make room for and provide occasion and processes for discernment among all of God's people. Specifically in the Evangelical Lutheran Church in America, it is the intention of the Communal Discernment Task Force that practices of discernment would be leaven in the whole loaf that is our church in all of its expressions: congregations, synods, and the churchwide organization. Discernment at its best is done interdependently among the expressions of our church, nurturing our interdependent ecclesiology, emerging from hoped for ever growing and deepening levels of trust among the expressions of the church.

Communal discernment in the ELCA is not limited to the constituent expressions of our church. Our interdependence extends beyond our structures to member churches of the Lutheran World Federation and to our full communion and other ecumenical partners. Moreover, interfaith dialog is crucial for discernment practices in our current mission and global, multicultural context. Furthermore theological reflection undertaken in the light of human experience, with knowledge of human and other sciences, philosophy and other academic disciplines enriches the practice of discernment. In short, full and rich discernment involves a multiplicity of conversation partners. Faithful discernment practice embraces the African concept of *ubuntu*, that we have no existence apart from others. And in a global village, the "other" extends to the far reaches of the planet.

Building a culture for communal discernment takes real time and energy. It is not yet something Christians automatically expect to do together. If and when communal discernment happens, we are not attuned enough yet to notice it. Recently 10 perceptive believers of truly good will watched 8 persons telling stories of both personal and congregational spiritual transformation. At the end, they could repeat the personal transformative moments they had heard but hadn't even noticed there were any stories of

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of the planet.*

*Building a culture for
communal discernment
takes real time and energy.*

congregational, communal spiritual growth. As long as our vision of spirituality and discernment appears in personal terms, we will miss seeing its effects on our communities of faith. But with time, good practices and habits, and the action of the Holy Spirit, a culture of communal discernment can be created and nurtured.

Walking into a Better Future

Imagine a member of Trinity Lutheran choir's tenor section mowing his lawn on a Saturday afternoon. His neighbor, Ann, a single mom living with her children and her gay brother and his partner, leans over the fence and calls to him. He stops mowing and goes to her, listening carefully to her problem, and then texts two friends. They arrive to help Ann make an emergency repair to the bathroom, providing support and respect for the dignity of this unconventional family.

The family invites the neighbor and his family and the two friends to their house for a barbeque on the deck, and even though those two friends have always opposed gay marriage, they come and eat together. The smell of the grill and the sound of laughter and jazz wafts out over the neighborhood.

Imagine a synod assembly considering a change to an existing practice regarding administration of a sacrament. The room seems divided among at least three options. The large assembly "dwells" in a Bible story, and each person listens to a stranger speaking freely about where their imagination was caught by the text, or about a question they'd like to ask a Bible scholar. Some of these pieces of conversation are reported back to the large group, allowing the time of dwelling to shape the next part of the work.

Then the large group breaks into table groups of strangers who walk through a familiar ritual, answering the question "*What might God be up to in this issue for us?*" They act and speak as though they expect the Holy Spirit to show up and be a part of the conversation. They bring cultural values and their own **communal** and **personal** experience into brainstorming possible answers to the question. They take time to converse deeply, letting go of their agenda anxiety and simply relax with one another in the exchange of ideas and questions. Their posture is engaged but comfortable. Their tone is respectful. Their actions demonstrate concern not only for their tablemates but also

*Individual discernment
is taken up
communally.
And communal discernment
respects the charisms
(the gifts)
of individual
members of the body.*

for those not present in the conversation. When the conversation time is coming to a close, a skillful table leader gathers the key themes that have emerged. The table group thanks God for being there, for leading them.

The large group returns to plenary session and themes are shared, and a remarkable number of them are *similar*. There is (not yet) a single direction discernible, but some unity has come out of the previously diverse perspectives. Someone proposes that the assembly is not yet ready to decide a direction, but all celebrate the presence of the Holy Spirit in their midst and rejoice that they are one in this Spirit. Plans are made to continue discernment conversation on the emerging themes, so that, at a later meeting, the group might be able to share one clear vision of the direction towards which God is calling them.

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Imagine a church council meeting to resolve a tough budget shortfall. Many council members thought the purpose of a council was to make businesslike decisions for the good of the church and to have budget questions answered before the annual meeting. Yet this year, there is not enough money or information to meet that goal or that deadline.

Instead of a perfunctory prayer before the meeting, the whole council listens to the lectionary text for that week, hearing the story and talking about it together. Then the Chair asks, “*What is God up to in this financial dilemma for us?*” Silence unfolds (and is welcomed). One member recalls a similar experience on a different issue which was beautifully resolved by employing prayer and deep listening to those most affected by the decision. It was considered by many in the congregation a true moment of spiritual discernment for that church.

Invitations are made to persons who will be affected by the lack of funds, and those persons are listened to, their comments made part of the record, and their worth appreciated. When the council meets again, those comments and subsequent learnings are brought into the conversation, and the council members take turns saying the difficult things they know must be said, knowing their fellow members will have a hard time with them, and yet, will accept them graciously.

Some keep testing the possible decision alongside the mission of the congregation, which they all know well.

Prayer, silence, more speaking and prayer ensue, and finally a vote. The council determines to share the process, the journey, and the outcome with the congregation immediately, even though it is now past the budget deadline. The congregation responds with words of gratitude for the council's living out the Gospel as it discerned God's continued call to the congregation. They celebrate the council's faithful and effective work.

Imagine a Churchwide Assembly considering some aspect of consecrating persons called into service in the church. Among the hundreds of participants are candidates who seek this consecration. They are spread out into a great many of the tables in the room. Each table has someone who can lead different styles of discernment conversation. Participants to whom these methods are new still contribute, and even people who are very familiar treat their fellow discerners with humility. No one makes fun of the process as weird or spooky, although some of the press covering the event report it so.

When the group reconvenes in plenary, there is a sense in the room that something holy has happened, and yet there are many who are not yet convinced about the emerging direction the assembly might take. They are allowed to vote in such a way as to say, "I disagree but will not stand in the way of passage," or "I agree but urge a delay in implementation."

The assembly rejoices that it has been able to move forward and yet honor those who disagree, and they celebrate the work that has happened and the Spirit that has enabled it. The press cover the story including both (to them) the oddness of the process and the joy of the oneness, even in the remaining difference. As they interview a key leader, she tells them that this communal spiritual discernment is part of church life in every expression of the church, and that it is a mark of our identity as Christians, no matter the level of tension in the issue or division over possible outcomes. It is the way we are who we are as the Body of Christ.

*The assembly rejoices
that it has been able
to move forward
and yet
honor those who disagree,
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the work that has happened
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that has enabled it.*

Discernment and the Stewardship of Mission

Communal discernment will help us in the church to become better stewards of our decision-making in assemblies and other arenas where decisions are made concerning our participation in God's mission in the world. There is no guarantee that our decisions will be better in any absolute sense, but a culture of communal discernment will encourage us to take better care of the community making the decisions.

Communal discernment may make us better stewards of time in that faithful discernment processes, while taking time, may lead to the kinds of decisions that may save time in the long term.

Communal discernment may help us be better stewards of our future. That is, faithful discernment processes may open us more fully to God's intended future and to live into that future more courageously. We are likewise called to be good stewards of communication in all its dimensions. Effective, full, forthright and loving communication makes for good and faithful discernment.

Discernment helps us, in the power of the Spirit, to know our vocation in the world. When it is all said and done, effective and faithful communal discernment will nurture our stewardship of the Gospel and our calling to live it and proclaim it to the world in mission.

*When it is all
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in mission.*

*Discernment helps us,
in the power of the Spirit,
to know
our vocation in the world.*

*In the words of
Frederick Buechner in
**Wishful Thinking: A
Theological ABC:**
"The place
God calls you to
is the place where
your deep gladness and
the world's deep hunger
meet."*

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www.TheWorldCafe.com

www.thrivinginchange.org

Communal Undertaken Spirit Discernment Trust

contexts conflict Patient Comfortable involvements outcomes Visionary organic astute enthused Discerning conversant

oriented perspective Steeped respectful Like implications Prayerful Fluid discriminating wider loving emergent church good beyond Conversational

Global focused merciful tradition Intentional courageous human detached curious

Attentive

fruit contemporary self-knowledge Impassioned creative sin non-linear

Relationship Galatians 4:22-23 imaginative well-reasoned

Transparent welcoming Hospitable playful

patient vulnerable consequences timing

Sensitive captive Fair-minded Ecumenical Compassionate

humor genuine Circuitous

diverse Process worlds

courteous

habitual Studied group honest attentive

APPENDIX A: Dwelling in the Word

Here are the steps for 20 minutes of Dwelling in the Word:

1. Pray for the presence of the Holy Spirit in your meeting that day.
2. Start with Philippians 1:27, 2:5-11, knowing that at some point, you may want to select your own passage, a story that is related to the story of your group's work. But start with Philippians 1:27, 2:5-11. It is a good piece for discernment together. Have Bibles available at every meeting so that the story can be read by different people each time you meet. Or make copies of the passage for everyone.
3. Begin your meeting with one person reading this passage aloud to the group. Then allow some silence to unfold as people let the words have their impact.
4. Next, instruct folks in this way:
Find a person in the group you know least well (we call this person a "reasonably friendly-looking stranger").

Listen to that person as he or she tells you what they heard in the passage. They may mention something they'd never heard before, something odd or something comforting, or something about which they'd like to ask a Bible scholar.

Listen well, because your job will be to report to the rest of the group what your *partner* has said, not what you yourself said. Some people even take notes to help them focus and remember.
5. Then, turn folks loose with their partners for 6-10 minutes. Notice how *they* are paying attention. When you draw them back together to report what they have heard, ask for what they learned from their partners.

Now, wrestle together as a group with what God might be up to in the passage for your group on that day.

Philippians 1:27, 2:5-11

1:27

Only, live your life in a manner worthy of the gospel of Christ, so that, whether I come and see you or am absent and hear about you, I will know that you are standing firm in one spirit, striving side by side with one mind for the faith of the gospel.

2:5-11

"Let the same mind be in you that was in Christ Jesus, who, though he was in the form of God, did not regard equality with God as something to be exploited, but emptied himself, taking the form of a slave, being born in human likeness.

And being found in human form, he humbled himself and became obedient to the point of death – even death on a cross.

Therefore God also highly exalted him and gave him the name that is above every name, so that at the name of Jesus every knee should bend, in heaven and on earth and under the earth, and every tongue should confess that Jesus Christ is Lord, to the glory of God the Father.

APPENDIX B

***Lectio Divina* as a Communal Discernment Exercise**

The following straightforward method of devotionally engaging with scriptural texts is intended to take us deeper into God's Word, carried on the winds of the Holy Spirit speaking in the Word, that we in the church may discern more intentionally what God may be calling us to do. Each of the following movements, taking place over the course of a sixty to ninety minute session, takes us ever more deeply into the very presence of God known in the gift of the living Word.

Movement One: Preparation

As the group gathers, engage in conversation (for about fifteen to twenty minutes) about what is on the hearts and minds of participants, ranging from personal to ecclesial and world events, especially that which we would have God address during this hour. With communal discernment in mind, this preparatory time might also be spent identifying the issues, pros and cons, complexities, nuances and implications of the matters at hand. Once all is, as it were, on the conversational table, spend some time in prayer, silently and/or aloud, seeking the Spirit's guidance toward giving a living and clarifying Word for us at this time.

Movement Two: Reading

Have a volunteer read a chosen scriptural passage aloud slowly and deliberately. This passage will have been chosen prior to this session. As the passage is read, and during a period of five minute's silence following, pay close attention to what the passage actually says. What are the key words and ideas and points of the passage, especially as they pertain to the matters for discernment? This is the time for studied examination of the passage, discerning the more objective dimensions of its meanings. After this silent consideration, members of the group, as they are moved, name aloud what they think are the most important points of the reading pertaining to what they are discerning (five to ten minutes).

Movement Three: Meditation

Read the biblical text a second time aloud. In the five minutes of silence following this reading, meditate on what the passage might mean for *us* now in our own day, focusing

especially on insights that offer wisdom for discernment. While the first reading sought the text's objective meaning, now we turn to more subjective, contemporary, and contextual meanings based on and emerging from the first reading and reflections on it. After the silent meditation, have a conversation (for about twenty minutes) in which participants share reflections, especially attempting to discern what the Spirit may be saying to us, as the Spirit guides us today into all truth through engagement with God's Word.

Movement Four: Prayer

Read the passage a third time aloud. In the five minute silent period following this reading, pray the prayers that well up in you, especially the ones that emerge from the previous silent periods and conversations. After time for silent prayer, members of the group may pray petitions and thanksgivings aloud as they are moved. Pay attention to what the Spirit may be moving you to pray in response to the discernment matters at hand.

Movement Five: Contemplation

Read the passage a fourth and final time aloud. During this last five minute silent time, simply dwell with each other in God's presence in the power of the Spirit as that presence has been made known in the Word. This is a time to claim the leisure to really let the living Word soak in you for ongoing formation, reformation, and transformation in Christ, and to settle into any emerging clarity for discernment. Contemplative stillness nurtures a quality of presence appropriate for further discernment and possible decision-making.

Movement Six: Sending for Mission

After the period of silent contemplation, have a conversation for fifteen to thirty minutes about what our insights in this whole experience may mean for our discernment of our mission in the world, what God would have us do. Particularly, is there any emerging clarity about next steps in discernment, and insights about decision-making? Is there an emerging consensus about the matters at hand? What living Word will we take with us into the world? What Word will we *be* and *do* in our ministry in daily life, and as an expression of the church's mission in the world? This movement may set the stage for decision-making.

APPENDIX C: Thriving in Change A Communal Discernment Model



THRIVING IN CHANGE

QUICK START TO A DEEPER DIVE

1. Pray for the Holy Spirit's presence.

2. Dwelling in the Word and prayer:
Philippians 1:27, 2:5-11



Dyads discuss three questions.

3. When has God moved in our midst in the past?
Where do we see God moving now? What gives us hope?
Who is God in these days? What Bible story do we seem
to be living in?

4. Review ground rules for the process .



5. Float a conversation that may move
to spiritual discernment.
Ask and reflect on how God might be moving around your
church's "Question for Discernment" for your church.



6. Returning to the Word and prayer.
Philippians 1:27, 2:5-11



CHURCH INNOVATIONS

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Appendix D:

Communal Discernment and Worship

Worship is a great opportunity for the whole assembly of God's people to engage in communal discernment. Each and every liturgy is brimming to overflowing with God's voice from beginning to end, offering wisdom for our ministry and mission. When in worship we thoughtfully attend to the question of what God would have us be and do, we may prayerfully discover ways forward in our life together, listening attentively to God in Christ made known to us in Word and Sacrament.

If time and space for communal discernment is the desired outcome, be sure that no element of worship pushes one side or another of the question at hand but instead undergirds the oneness of the Body and the value of its many members. Here's how the basic liturgy can nurture a spirit of communal discernment:

Gathering

The Holy Spirit calls us together as the people of God.

This movement in worship invites us to gather our thoughts, feelings and concerns about events and circumstances that may be matters for communal discernment. Instead of program announcements at the beginning of the service, a worship leader may invite members of the assembly to consider and name concerns aloud. In some settings, for example, worship when on retreat, the assembly may engage in conversation which identifies concerns for discernment. Such gathering of thoughts, feelings and concerns then sets the stage for other features of this movement of worship, namely, Confession and Forgiveness, Thanksgiving for Baptism, Gathering Songs, and the Greeting and Prayer of the Day.

Word

God speaks to us in scripture reading, preaching, song, and prayer.

The readings, psalm and Gospel for the day contain the living Word of God for us which addresses the particular matters identified during the Gathering. While the lessons are read, listen for God's wisdom, especially where the energy of the Holy Spirit seems most evident. Words,

phrases and ideas from the lessons which really captivate the imagination may be signs of the Spirit's energy. Pay close attention to those features of the lessons. The preaching minister may proclaim in such a way as to invite listeners more deeply into God's wisdom revealed in the scripture as it pertains to matters at hand for discernment. Again, in some settings like retreats, the preacher may instead lead a conversation during which members of the assembly are invited to identify what they hear in the scriptures that pertains to communal discernment. The Hymn of the Day, along with all of the music during worship, may further reinforce God's living voice. Listen carefully to what you sing! The Prayers of Intercession may be crafted to specifically address the discernment matters, seeking the guidance of the Spirit and staying close to the scriptural themes for the day. Sharing the peace deepens the bonds of affection necessary for effective communal discernment.

Meal

God feeds us with the presence of Jesus Christ.

The offering of gifts, setting the table, and joining together in the features of the Great Thanksgiving set the stage for our being drawn more deeply into Christ who makes himself known to us in the breaking of bread. Jesus' real presence in the Eucharist empowers us to be more fully present to ourselves, each other and world. Such vulnerable availability cultivates fertile ground for effective discernment. Moreover, the Communion may open up time and space to simply be with Christ and each other in community and in stillness, perhaps upheld by gentle music or silence. Such openness to dwell in the Word made flesh also nurtures the Spirit for communal discernment, and gives us the time and presence to soak in the wisdom revealed to us thus far in worship.

Sending

God blesses us and sends us in mission to the world.

The Sending is the briefest of the movements of the liturgy. We are blessed, dismissed and are sent on our way with songs on our lips and in our hearts to do the "liturgy after the liturgy," that is, to share in God's work in mission for the sake of the world. However, the Sending may occasion more extensive consideration of what the assembly has discerned over the course of the time for worship. That is

to say, the Gathering, Word and Meal movements of the liturgy may have been so full of God's wisdom for discernment that we need to take more time to let the dust settle and to identify what in fact we have discerned together. Worship leaders may lead a conversation at the liturgy's conclusion or perhaps during a fellowship hour after the liturgy which serves to articulate a growing consensus about our responses to the question of what God would have us be and do. This kind of sending conversation creates an opportunity to really identify the directives evident in the readings, the songs, the proclamation, the prayers, and the meal. Such conversation may also set the stage for decision-making about specific mission opportunities and activities we are called to undertake.

Appendix E

Entering More Deeply into the Paschal Mystery: A Contemplative Eucharist

Propers for Saturday, the Fifth Week of Lent
Saturday, April 16, 2011; 1:30 - 5:00 pm
Seabury Auditorium + The General Theological Seminary
Sponsored by the Center for Christian Spirituality
And the Members of the Liturgical Spirituality Practicum Course

Gathering and Preparation (1:30 - 2:15)

Welcome and Introduction to the Day

Music to Prepare Hearts and Minds for Worship

Silence for Reflection

Holy Conversation:

As we gather and prepare for worship, and as we are on the brink of entering into Holy Week and our participation in the drama of Jesus' death and resurrection, what, in a word, would you name that is on your heart and mind that you would offer before God at the foot of the cross and/or in the empty tomb?

Acclamation:

Bless the Lord who forgives all our sins.
His mercy endures for ever.

Collect for Purity:

Almighty God, to you all hearts are open, all desires known, and from you no secrets are hid: Cleanse the thoughts of our hearts by the inspiration of your Holy Spirit, that we may perfectly love you, and worthily magnify your holy Name; through Christ our Lord. **Amen.**

Prayer Petitions and Trisagion (*Hymnal 1982*, S 102):

Sing the refrain after each petition

Collect for the Day:

The Lord be with you. **And also with you.**

Let us pray. O Lord, in your goodness you bestow abundant graces on your elect: Look with favor, we entreat you, upon those who in these Lenten days are being prepared for Holy Baptism, and grant them the help of your protection; through Jesus Christ your Son our Lord, who lives and reigns with you and the Holy Spirit, one God, for ever and ever. **Amen.**

Reading (2:15 - 2:30)

Reading, Ezekiel 37:21-28

Then say to them, Thus says the Lord GOD: I will take the people of Israel from the nations among which they have gone, and will gather them from every quarter, and bring them to their own land. ²²I will make them one nation in the land, on the mountains of Israel; and one king shall be king over them all. Never again shall they be two nations, and never again shall they be divided into two kingdoms. ²³They shall never again defile themselves with their idols and their detestable things, or with any of their transgressions. I will save them from all the apostasies into which they have fallen, and will cleanse them. Then they shall be my people, and I will be their GOD. ²⁴My servant David shall be king over them; and they shall all have one shepherd. They shall follow my ordinances and be careful to observe my statutes. ²⁵They shall live in the land that I gave to my servant Jacob, in which your ancestors lived; they and their children and their children's children shall live there forever; and my servant David shall be their prince forever. ²⁶I will make a covenant of peace with them; it shall be an everlasting covenant with them; and I will bless them and multiply them, and will set my sanctuary among them forevermore. ²⁷My dwelling place shall be with them; and I will be their God, and they shall be my people. ²⁸Then the nations shall know that I the LORD sanctify Israel, when my sanctuary is among them forevermore.

Silence for Reflection

The Word of the Lord.
Thanks be to God.

Sequence Hymn: "O Christ, the Word Incarnate" (*Hymnal 1982*, # 632)

Holy Gospel, John 11:45-53

The Holy Gospel of our Lord Jesus Christ, according to John.
Glory to you, Lord Christ.

⁴⁵Many of the Jews therefore, who had come with Mary and had seen what Jesus did, believed in him. ⁴⁶But some of them went to the Pharisees and told them what he had done. ⁴⁷So the chief priests and the Pharisees called a meeting of the council, and said, "What are we to do? This man is performing many signs. ⁴⁸If we let him go on like this, everyone will believe in him, and the Romans will come and destroy both our holy place and our nation." ⁴⁹But one of them, Caiaphas, who was high priest that year, said to them, "You know nothing at all! ⁵⁰You do not understand that it is better for you to have one man die for the people than to have the whole nation destroyed." ⁵¹He did not say this on his own, but being high priest that year he prophesied that Jesus was about to die for the nation, ⁵²and not for the nation only, but to gather into one the dispersed children of God. ⁵³So from that day on they planned to put him to death.

Silence for Reflection

The Gospel of the Lord.
Praise to you, Lord Christ.

Meditation

(2:30 - 3:15)

Silence for Individual Reflection and Visual Meditation

Holy Conversation:

In these scriptural passages and in your visual meditation with the chosen image that depicts the betrayal and arrest of Jesus, what speaks to you, gives meaning, challenge, insight and/or carries the energy of God's Spirit for you?

Prayer

(3:15 - 3:40)

Music to Invite Prayerfulness

During this time, worshipers may bring forward their images to make a prayerful offering to the Lord our God.

Prayers of the People (Form II, BCP):

In the course of the silence after each bidding, the People offer their own prayers, either silently or aloud.

I ask your prayers for God's people throughout the world; for our Bishops; for this gathering; and for all ministers and people. Pray for the Church.

Time for spoken or silent intercessions

I ask your prayers for peace; for goodwill among nations; and for the well-being of all people. Pray for justice and peace.

Time for spoken or silent intercessions

I ask your prayers for the poor, the sick, the hungry, the oppressed, and for those in prison. Pray for those in any need or trouble.

Time for spoken or silent intercessions

I ask your prayers for all who seek God, or a deeper knowledge of him. Pray that they may find and be found by him.

Time for spoken or silent intercessions

I ask your prayers for the departed, especially those whom you name. Pray for those who have died.

Time for spoken or silent intercessions

Members of the assembly may offer additional prayers.

Praise God for those in every generation in whom Christ has been honored, especially those whom we name and remember today. Pray that we may have grace to glorify Christ in our own day.

Time for spoken or silent intercessions

The Celebrant adds a concluding Collect:

O Lord our God, accept the fervent prayers of your people; in the multitude of your mercies, look with compassion upon us and all who turn to you for help; for you are gracious, O lover of souls, and to you we give glory, Father, Son, and Holy Spirit, now and forever. **Amen.**

Confession of Sin:

Let us confess our sins against God and our neighbor.

Silence

Most merciful God,

We confess that we have sinned against you in thought, word, and deed, by what we have done, and by what we have left undone. We have not loved you with our whole heart; we have not loved our neighbors as ourselves. We are truly sorry and we humbly repent. For the sake of your Son Jesus Christ, have mercy on us and forgive us; that we may delight in your will, and walk in your ways, to the glory of your Name. Amen.

Almighty God have mercy on you, forgive you all your sins through our Lord Jesus Christ, strengthen you in all goodness, and by the power of the Holy Spirit keep you in eternal life. **Amen.**

The Peace:

The peace of the Lord be always with you. **And also with you.**

Contemplation

(3:40 - 4:00)

Presentation Hymn: "I Come with Joy to Meet my Lord" (*Hymnal 1982* # 304)

Preface Dialog:

The Lord be with you.

And also with you.

Lift up your hearts.

We lift them to the Lord.

Let us give thanks to the Lord our God.

It is right to give him thanks and praise.

Proper Preface:

It is truly right to glorify you, Father, and to give you thanks; for you alone are God, living and true, dwelling in light inaccessible from before time and for ever.

Fountain of life and source of all goodness, you made all things and fill them with your blessing; you created them to rejoice in the splendor of your radiance.

Countless throngs of angels stand before you to serve you night and day; and, beholding the glory of your presence, they offer you unceasing praise. Joining with them, and giving voice to every creature under heaven, we acclaim you, and glorify your Name, as we sing:

Sanctus: (Schubert's *Deutsche Messe*, *Hymnal 1982*, S 130)

Eucharistic Prayer D (BCP):

We acclaim you, holy Lord, glorious in power. Your mighty works reveal your wisdom and love. You formed us in your own image, giving the whole world into our care, so that, in obedience to you, our Creator, we might rule and serve all your creatures. When our disobedience took us far from you, you did not abandon us to the power of death. In your mercy you came to our help, so that in seeking you we might find you. Again and again you called us into covenant with you, and through the prophets you taught us to hope for salvation.

Father, you loved the world so much that in the fullness of time you sent your only Son to be our Savior. Incarnate by the Holy Spirit, born of the Virgin Mary, he lived as one of us, yet without sin. To the poor he proclaimed the good news of salvation; to prisoners, freedom; to the sorrowful, joy. To fulfill your purpose he gave himself up to death; and, rising from the grave, destroyed death, and made the whole creation new.

And, that we might live no longer for ourselves, but for him who died and rose for us, he sent the Holy Spirit, his own first gift for those who believe, to complete his work in the world, and to bring to fulfillment the sanctification of all.

When the hour had come for him to be glorified by you, his heavenly Father, having loved his own who were in the world, he loved them to the end; at supper with them he took bread, and when he had given thanks to you, he broke it, and gave it to his disciples, and said, "Take, eat: This is my Body, which is given for you. Do this for the remembrance of me."

After supper he took the cup of wine; and when he had given thanks, he gave it to them, and said, "Drink this, all of you: This is my Blood of the new Covenant, which is shed for you and for many for the forgiveness of sins. Whenever you drink it, do this for the remembrance of me."

Father, we now celebrate this memorial of our redemption. Recalling Christ's death and his descent among the dead, proclaiming his resurrection and ascension to your right hand, awaiting his coming in glory; and offering to you, from the gifts you have given us, this bread and this cup, we praise you and we bless you.

**We praise you, we bless you,
we give thanks to you,
and we pray to you, Lord our God.**

Lord, we pray that in your goodness and mercy your Holy Spirit may descend upon us, and upon these gifts, sanctifying them and showing them to be holy gifts for your holy people, the bread of life and the cup of salvation, the Body and Blood of your Son Jesus Christ.

Grant that all who share this bread and cup may become one body and one spirit, a living sacrifice in Christ, to the praise of your Name.

Remember, Lord, your one holy catholic and apostolic Church, redeemed by the blood of your Christ. Reveal its unity, guard its faith, and preserve it in peace.

Remember all who minister in your Church.
Remember all your people and those who seek your truth.
Remember all who have died in the peace of Christ, and those whose faith is known to you alone; bring them into the place of eternal joy and light.

And grant that we may find our inheritance with the Blessed Virgin Mary, with patriarchs, prophets, apostles, and martyrs, and all the saints who have found favor with you in ages past. We praise you in union with them and give you glory through your Son Jesus Christ our Lord.

Through Christ, and with Christ, and in Christ, all honor and glory are yours, Almighty God and Father, in the unity of the Holy Spirit, for ever and ever. *AMEN.*

Lord's Prayer

And now, as our Savior Christ has taught us, we are bold to say,
Our Father, who art in heaven...

Fraction Sentence:

Christ our Passover is sacrificed for us;
Therefore let us keep the feast.

The gifts of God for the people of God.

Communion of the Faithful

Silence for Reflection

Instrumental Music

Post Communion Prayer:

Almighty and everliving God, we thank you for feeding us with the spiritual food of the most precious Body and Blood of your Son our Savior Jesus Christ; and for assuring us in these holy mysteries that we are living members of the Body of your Son, and heirs of your eternal kingdom. And now, Father, send us out to do the work you have given us to do, to love and serve you as faithful witnesses of Christ our Lord. To him, to you, and to the Holy Spirit, be honor and glory, now and for ever. Amen.

Incarnation for Mission

(4:00 - 4:15)

Holy Conversation:

What living Word from God given to us this day will we bring with us when we leave this place to enter into Holy Week?

Concluding Hymn: “Go to Dark Gethsemane” (*Hymnal 1982*, # 171)

Blessing:

Almighty God, Father, Son, and Holy Spirit, bless you now and forever. **Amen.**

Dismissal:

Let us go forth in the name of Christ.
Thanks be to God.

APPENDIX F: One Congregation's Experience

Summary of discussions and lessons learned:

Each session began with Dwelling in the Word using the above scripture. Small groups of two or three persons discussed their reaction to the reading. Because of the time limitation of meeting between worship services (45 min), we did not spend the desired amount of time in this practice, but it still was a productive experience.

After introducing the background of our task force and some of our recommendations for the last Churchwide Assembly, people felt free to express their thoughts. This first phase was typical, I think, where one brings personal emotions, agenda and biases forward. The trick here is to listen to all without interjecting rebuttals or objections. The idea of listening in an attempt to respect the speaker and comprehend the message was used throughout and served us well.

Subsequent discussions were lively and interesting as we followed, without direction or prompting, much of the path that our Task Force has taken. Although much of the early discussion centered on communications, the emphasis shifted to how God speaks to us through scripture, the importance of prayer, ways to invite and welcome the Holy Spirit, and the importance of making a distinction between discerning the will of God and decision making. The phrase, "...renewing your minds, so that you may discern what is the will of God..." Romans 12:2 was helpful in focusing on the prerequisite for discernment rather than the act itself.

There was general agreement that it is difficult to label a vote taken by a Churchwide Assembly as discerning the will of God by the majority, thus implying that the minority did not. This led to a discussion of validation (similar to the Presbyterian model), where failure to validate the decision would have the issue sent back to the body (Church Council or Conference of Bishops) that submitted it to the assembly.

There is interest in continuing this discussion as an adult (but not restricted to adults) forum during the rest of the year. The suggested study guide, mentioned in our conference call, would provide a needed foundation for discussion in our congregations and would be well received.

Case Study

Purpose: *To consider Communal Discernment in expressions of the Church*

Place: *Epiphany Lutheran Church
Richmond, VA.*

Participants: *Invited members of the congregation
(varied attendance 6-10)*

Materials:
*Scripture passages:
Philippians 1:27;
Philippians 2:5-11;
Acts 15:1-25;
Romans 12:2*

Sessions: *5*

APPENDIX G: Preliminary Recommendations for the Churchwide Assembly

These recommendations are in no particular order or priority, as the use of some of them might preclude others. They are submitted to enable the process of deliberation and follow the guidelines previously mentioned to be:

- (a) supportive of those who have not yet arrived at a decision,
- (b) fair in representing multiple perspectives and
- (c) open to the influence of the Holy Spirit.

First, we would like to *affirm the discernment practices that were adopted for the 2009 CWA* and sharpen some of those practices as we move toward future Churchwide Assemblies. Specifically, we affirm the use of *prayer partners, Bible study, and table discussions*.

The use of general prayers for discernment that are open to all outcomes are important enough for us to *recommend that there be no “free” prayers during deliberations*. We suggest that a group be appointed to write prayers to be used throughout the deliberations without a specific order of use. These prayers might also come from *Evangelical Lutheran Worship*. This would allow the random assignment of prayers to avoid prayers taking any “position” on items on the table. Some have felt that “free” prayer has meant an opportunity for a veiled form of speech to influence responses to the issue on the floor. This method of prayer use should eliminate that concern.

Another prayer option divides the room into sections. These sections could stand and *gather for “local” prayer*. Again, prayers should be provided for the groups to avoid the partisan concerns noted above. One possibility suggests that the small group prayers are used *in a rotation*, so that all are praying the same set of prayers but at different times. This might reinforce the idea of diversified unity.

We recommend the *retention of Robert’s Rules* at this time, but further request a consideration of methods for *percentage approval voting on an experimental basis*; perhaps using “test cases” on issues NOT being decided at this assembly or as a method of rapid evaluation. Examples of these methods are:

TASK FORCE MEMBERS:

Bishop Jon Anderson
Jon has learned about communal discernment as a farmer’s son in a small town, playing team sports, serving on Bible Camp staffs, in marriage to an artist and parenting three grown children, in many faithful and puzzling congregations and while serving as Bishop.
Southwestern Minnesota Synod
ELCA Redwood Falls, MN

Bishop Jessica Crist
“Communal discernment gives us an alternative to processes that polarize us, creating winners and losers.”
Montana Synod ELCA
Chair, Conference of Bishops
Great Falls, MT

Dr. Katie Day (2008-2012)
Lutheran Theological Seminary
at Philadelphia
Philadelphia, PA

Dr. Pat Taylor Ellison
“Communal discernment is the way missional churches keep The Main Thing the main thing. It’s the way we kept moving on our mission.” Church Innovations
Institute. St. Paul, MN.

Rev. Susan Langhauser
“Called by the Holy Spirit and amazed by this process!”
Advent Lutheran Church
ELCA Church Council, Chair of
Planning and Evaluation
Committee. Olathe, KS

- (1) Give voting members a number of votes - five, for example - which they can use all on one side, portioned out among the choices, or not at all, to indicate dissatisfaction with all alternatives.
- (2) Provide voting members with a range of colored cards from red to green so that they might indicate their relative “warmth” or “coolness” to the point being discussed.

Technology should be employed wherever possible to increase engagement, with appropriate concern for the non-technical participants. For example:

- (1) We recommend consideration of utilizing ***text messages to a dedicated number for questions during deliberation***, perhaps even projected so the assembly can see them and provide feedback on which, if any, they would like to see answered.
- (2) Or, explore the option of using a projection format like those used in webinars where ***questions are streamed*** next to the projected images of the speaker.

Likewise, we ***propose that some pre-assembly work*** be attempted to see where questions or potential bottlenecks might exist. This might be done on a blog or a FAQ page so that questions could be identified before the assembly. If subject areas where people are not clear about the facts or consequences of a resolution could be addressed in advance, it would increase voting member understanding as well as perhaps reducing the time of deliberation.

Since Robert’s Rules often provoke anxiety among those who are less familiar with its intricacies, ***we propose some modifications and cautions in regard to the use of parliamentary procedure***. We do, however, commend the continuing work of educating people concerning the benefits of Robert’s Rules and the rules proposed for the assembly.

We believe that the assembly should ***limit the use of “calling the question on all matters”*** to assure that there is always debate on at least the main motion of all controversial issues. Trust can be reduced when voices are left unheard, especially when there is a perception that the process has been manipulated by those with the most parliamentary expertise.

Dr. Jonathan Linman
This particular churchwide engagement has been among the most richly textured and compelling to me – for its own sake, to be sure, but also for the promise our work holds for our whole church.

General Theological
Seminary/Metro NY Synod
New York, NY

Ms. Kathryn Lohre (2008-2011)
Kathryn was the assistant director of the Pluralism Project at Harvard University and is now president of the National Council of Churches USA; ELCA Director, Ecumenical & Interreligious Affairs.
Arlington, MA

Dr. Joel McKean
“To me, the evolution of this work in progress is more important than the product itself.”
President Emeritus,
Bethany College
Member of Epiphany Lutheran Church, Richmond, VA

Dr. Peter T. Nash (2008-2011)
Wartburg College
Waverly, IA

Rev. Norene Smith (2008)

Dr. Athornia (“Thorny”) Steele (2008-2009)
Nova Southeastern University
Law School Ft. Lauderdale-Davie, FL

Prof. Hank Tkachuk
“Commitment to communal discernment is fundamental to the future of our church’s decision making.”

We suggest that *use of the “committee of the whole” be carefully considered* in regard to controversial issues. Some have seen this as a tool which serves special interests, especially those related to changing a policy. If this approach is to be used, we suggest that people on all sides of the issue should be included in a discussion preceding the use of the parliamentary tool of “committee of the whole.” Such work in advance of table conversation would serve to increase a variety of perspectives and build trust. In these conversations especially, *a third microphone for people who are neither for or against the motion*, but seeking information or clarification, might be used to give voice to those who have not decided their position on an issue.

When to postpone a decision indefinitely is a critical question. We need criteria to help leaders ascertain when this tool is appropriate. Certainly some kind of training about process and the difference between necessary and optional decisions is important.

To conclude these recommendations, we request that, whenever these methods are employed at upcoming assemblies, we encourage a *prompt evaluation of newly implemented methods* so there is opportunity for an adjustment by the conveners. Perhaps there could be a show of cards and/or a place for short written comments (possibly at the tables,) as a way to make adjustments even during the assembly.

Concordia College
Moorhead, MN

Ms. Suzanne Gibson Wise
(chair)

“Building a culture of trust is the foundation of communal discernment.”

Lutheran Family Services of the Carolinas (retired)
Raleigh, NC

Rev. Marcus Kunz

“Communal discerning and deciding is necessarily public and yet clothed (but not hidden) in all the relationships and interactions of community life.”

Office of the Presiding Bishop,
ELCA Chicago, IL

Appendix H

Workshop: Exploring a Biblical Approach to Discernment

The Rev. Jonathan Linman, Ph.D.

Description: What is God's will for my life and our life together as a church? What would God have me do with my life? What would God have us do as a church? These are questions of discernment, a spiritual practice that is much talked about today, but oftentimes with little understanding of what discernment is or how to practice it. Through interactive exploration of the biblical narrative that describes how Matthias was chosen to replace Judas as one of the twelve (Acts 1:12-26), and through conversation that seeks to apply principles derived from this story to our own discernment questions and issues, this workshop promises to deepen our understanding of discernment as a spiritual practice and give us some practical tools for how to undertake discernment in keeping with the biblical witness in Acts 1.

Introduction (10'):

- This workshop tackles a \$10,000+ question: How do we attempt to figure out what is God's will for us?
- Attempting to know God's will: That's a question of discernment
- Discernment is used a lot in our discourse, but rarely understood
- But discernment is a central Christian spiritual discipline
- And it's a biblical word with rich meanings
- Etymological explorations of the word discernment:
 - Discern: from the Latin, *discernere* = *dis* (apart) + *cernere* (to separate)
 - Discernment: from the Greek, *diakrisis*, from the root, *krino*, to judge
 - Related also to: *krisis* (judgment, decision, cf. crisis); *krima* (decision, and cf. discrimination); *krieterion* (means of judgment, that is, criteria); *kritikos* (able to judge, cf. critic, critical); *synkrino* (to interpret)
 - So playfully, but helpfully mixing all of this together: discernment is the process that precedes coming to decisions, often through crisis (trouble, but also opportunity), critically separating issues apart (using discriminating tastes and good judgment) and employing criteria for interpretation and finally decision- making
- There are few biblical texts that directly address and thus offer explicit guidance for trying to determine "what would God have me/us in particular to do?"

- But there are ample passages where God gives direct commands to do this or that!
- However, portions of Acts 1 that focus on the process that led to Matthias as the replacement apostle for Judas shed a lot of light on the early followers' practice post-Ascension of Jesus (when they were on their own)
- In the church, we spend more time, arguably, on decision-making processes and comparatively little time attending to the discernment processes that leads to decision-making
- Here and now: an opening to explore discernment
- At its best, this workshop format, which prayerfully explores scripture and then seeks application of principles to our own circumstances, is itself an exercise *of* discernment, and not just musing *about* discernment.

Part One: Explorations of Acts 1:12-26 (20-30'):

- Begin with silent and spoken prayer, inviting the Holy Spirit to guide conversation
- Read Acts 1:12-26 aloud
- Take some time (perhaps up to five minutes) for quiet consideration of this question: what are the features of the discernment process revealed in this passage?
- Engage in conversation in response to this question (see below for the kinds of insights that might emerge in conversation)

Movements in and Principles of a Process of Discernment Distilled from Acts 1:12-26

- Identify the issue or matter at hand
 - Vv. 16ff., esp. 21 (need for an apostolic replacement for Judas to join in witness to resurrection)
- Consider criteria for judgment
 - Vv. 21-22 (a man who accompanied the other disciples with Jesus, from the baptism of John to the Ascension)
- Set apart a time and place for discernment
 - Vv. 12-13a (return from retreat at Mount Olivet; adjourning to a room upstairs)
 - [Chronological break between v. 14 and 15?]

- Identify a leader to facilitate the process
 - V. 15 (Peter stood up among the believers)
- Gather a representative and inclusive group
 - Vv. 13-14 (named disciples, plus women; and then 120 total in crowd)
- Devote yourselves to prayer practices
 - V. 14a (they were constantly devoting themselves to prayer)
- Dwell deeply with scripture
 - V. 16, 20 (scripture had to be fulfilled; written in the book of Psalms -- but proof texting?)
- Engage in conversation
 - Vv. 15ff. (Peter's speech-making, interpreting history and events via scripture)
- Identify your options
 - V. 23 (Joseph/Barsabbas/Jusus and Matthias, possibly many more options?)
- Prayerfully examine your hearts
 - V. 24 (Lord, you know everyone's heart)
- Pray for the Holy Spirit's guidance
 - Vv. 24-25 (Lord, show us which one of these you have chosen)
- Engage a decision-making process
 - V. 26 (casting lots)
- When conforming to the principles of God's will, there may be more than one faithful decision (either Joseph/Barsabbas/Justus or Matthias would have served well)
- With good discernment as a foundation, decision-making processes take on less importance (here it was casting lots)
- Discernment involves seeking God's choice not ours
- **Participants may well name features of the passage not described above!**

Part Two: Applying Discernment Principles to our Circumstances (20-30'):

- Part Two involves conversation about hypothetical exercises in discernment, using movements from Acts 1:12-26, and applying them to “case studies,” questions or circumstances offered by participants
- Introduce “Movements in a Process of Discernment” document, showing how movements relate to Acts 1 (cf. following page here)
- What are some particular discernment questions? What are some concrete issues and circumstances that would benefit from discernment?
- Invite a volunteer to offer aloud a “case study,” question, issue, or set of circumstances to be a focus of a discernment conversation in this workshop
- Use “Movements in a Process of Discernment” document as a guide to develop an approach to a discernment process in re: particular circumstances. Using this as a guide, explore in conversation how we might go about discernment
- As time allows, invite others to offer “case studies,” etc., again exploring what a discernment process might look like for the case in question
- Conclude by commending these principles/movements for use “back home”
- End the workshop with prayer for the Holy Spirit’s ongoing guidance in our many and various discernment undertakings

One to Replace Judas: A Biblical Discernment Process

Acts 1:12-26

¹²Then they returned to Jerusalem from the mount called Olivet, which is near Jerusalem, a sabbath day's journey away. ¹³When they had entered the city, they went to the room upstairs where they were staying, Peter, and John, and James, and Andrew, Philip and Thomas, Bartholomew and Matthew, James son of Alphaeus, and Simon the Zealot, and Judas son of James. ¹⁴All these were constantly devoting themselves to prayer, together with certain women, including Mary the mother of Jesus, as well as his brothers. ¹⁵In those days Peter stood up among the believers (together the crowd numbered about one hundred twenty persons) and said, ¹⁶“Friends, the scripture had to be fulfilled, which the Holy Spirit through David foretold concerning Judas, who became a guide for those who arrested Jesus—¹⁷for he was numbered among us and was allotted his share in this ministry.”¹⁸(Now this man acquired a field with the reward of his wickedness; and falling headlong, he burst open in the middle and all his bowels gushed out. ¹⁹This became known to all the residents of Jerusalem, so that the field was called in their language Hakeldama, that is, Field of Blood.)²⁰“For it is written in the book of Psalms, ‘Let his homestead become desolate, and let there be no one to live in it’; and ‘Let another take his position of overseer.’”²¹So one of the men who have accompanied us during all the time that the Lord Jesus went in and out among us, ²²beginning from the baptism of John until the day when he was taken up from us—one of these must become a witness with us to his resurrection.”²³So they proposed two, Joseph called Barsabbas, who was also known as Justus, and Matthias.²⁴Then they prayed and said, “Lord, you know everyone’s heart. Show us which one of these two you have chosen²⁵ to take the place in this ministry and apostleship from which Judas turned aside to go to his own place.”²⁶And they cast lots for them, and the lot fell on Matthias; and he was added to the eleven apostles.

Word & Service Task Force Update

In November 2012, the Church Council affirmed “the preliminary conclusion of the Word and Service Task Force that this church should move towards the creation of a single, unified lay roster of Word and Service ministry.” The Church Council then authorized the task force to continue its work “in order to facilitate the creation of such a unified roster, to develop a process outlining how the existing lay rosters would be closed, and to provide a process for transition of existing associates in ministry, diaconal ministers, and deaconesses into such a new roster.” (CC12.11.38)

The Executive Committee of the Church Council approved additional members for the Word and Service Task Force in December 2012. All rosters are represented. The new group met for the first time in January 2013. An e-mail announcing the decision of the Church Council, giving the history behind the decision, and listing the members of the task force went out to all rostered leaders on February 7, 2013.

As of March 6, 2013, 79 responses about the decision have been received by the Program Director for Support of the Lay Roster, Cherlyne Beck. Among those who self-identified were 44 pastors, 13 diaconal ministers, 15 associates in ministry, and 1 deaconess. Those responding identified their location more by state than synod. The following places were identified: California, Colorado, Florida, Iowa, Maine, Michigan, Minnesota, New Jersey, New York, Ohio, Oregon, Pennsylvania, Texas, Washington D.C., Washington, and Wisconsin.

None of the respondents indicated that we should not move forward to one roster. (Although one person stated that there should be two rosters: “Deaconess/Diaconal and AIM/Diakonia trained”.) Many simply expressed thanks for the work of the task force and appreciated the communication. There were many statements of support for the diaconal emphasis and reclaiming of the fullness of diaconal ministries with the hope that such an emphasis could make connections with other church bodies. It was stated that this would be formalizing the actual practice of the church. However, among the concerns raised was the language used: “arcane terminology”, “church-speak”, “language of a lawyer”. One person said that we needed language to “make us seem less mysterious and snooty”. Other concerns or issues that were raised included:

- Remembering the pain of the associates in ministry during the first closing of the rosters
- Remembering the pain of the deaconesses when their roster was frozen
- Concern for the naming of those on the new roster (not a title in parentheses)
- Loss of the uniqueness of the ministry of the associates in ministry
- Loss of a community - the Deaconess Community
- No mention of Rostered Deacons (Synodically Authorized Ministers)
- Concerns for those presently in the candidacy process or about to enter the process

In addition to the concerns and issues raised by those who responded, there were specific questions, such as:

- What about the ministry of all the baptized?
- Will we no longer use the term “laity”?
- Will there be new compensation guidelines?
- Will this change the guidelines of the government for tax purposes?
- Will this change the endorsement for chaplaincy?
- Will there be any distinction between lay and ordained? (Will there be one roster for all?)

- Will the present titles be removed?
- Why close the present rosters?
- Does this complement the ideas from LIFT?

Besides concerns, issues and questions, there was a simple directive, “Let’s find a way to roster the Lutheran Deaconess Association deaconesses as part of the Word and Service Ministry of the ELCA.”

One person raised the hope that those now serving on the present rosters would be in agreement about the changes. That certainly is the hope. However, there is one issue that may make an agreement more difficult. As one diaconal minister put it, “The real debate is consecration vs. ordination.” In responding to the communication from the task force, a couple of pastors and several diaconal ministers expressed the hope that ordination would be considered for those on the new roster. Most recently the subgroup working on standards was given information about ordained deacons in the United Methodist Church and The Episcopal Church, two of our full-communion partners.

The other piece where agreement may be challenging relates to the transition of those on the present rosters to the one new roster. Some have suggested that all simply be welcomed to the new roster, celebrating and giving thanks for the past ministry of all. Others have spoken about the different levels of education and/or training for the present rosters and asked if there should be additional requirements to be received on the new roster.

The timeline set by the Word and Service Task Force is as follows:

- 2013-2014: Work on name, standards, changes in candidacy and steps in transition; Have conversations with partners in candidacy and call processes and ecumenical partners
- 2013-2014: Provide ongoing updates to the Conference of Bishops and Church Council
- 2013-2014: Foster ongoing conversations with deaconesses, diaconal ministers, associates in ministry and clergy
- Spring 2015: Submit draft proposal to the Conference of Bishops and the Church Council
- Fall 2015: Submit final proposal to the Conference of Bishops and Church Council
- August 2016: Possible consideration by the Churchwide Assembly

The members of the Word and Service Task Force welcome your thoughts, concerns and suggestions and ask for your continued prayers.

A copy of the e-mail sent to rostered leaders in February follows on the next two pages.



Evangelical Lutheran Church in America
God's work. Our hands.

Dear Rostered Leaders of the ELCA:

In Jan. 2007, a consultation on the ministries of deaconesses, diaconal ministers and associates in ministry was convened by the ELCA Vocation and Education Unit. As the result of that consultation a Public Ministry Consultations planning team was set up, a DVD resource was developed, and gatherings were held in eight of the regions of the ELCA. The planning team submitted a report early in 2010.

Among the recommendations included in that report were the following:

- Remove the word "lay" to describe all three of these rosters in public ministry
- Reclaim "diakonia" as the foundation for all three rosters
- Recommend that the three rosters become one roster with three expressions while continuing to recognize and value the differences in tradition and history of the rosters
- Develop unified, ongoing formation and discernment tools and events
- Continue the momentum of the work of this consultation

In response to a report of the planning team in 2010, the ELCA Church Council requested that the Congregational and Synodical Mission Unit of the ELCA, with the appropriate committee of the Conference of Bishops, constitute a small task force on ministries of service (diakonia), including at least one teaching theologian, one bishop and one member from each of the four rosters.

The task force, which came to be called the Word and Service Task Force, reported to the Church Council in November of 2012 that "Discussion led the task force to recommend that the ELCA will be better served by a distinctively diaconal thrust with focused preparation and service on one new roster. This would not only serve the church's mission, but relieve confusion and provide clarification and leadership for the church's call to diakonia." The report specifically recommended that the ELCA move toward the creation of one new roster...and that the current three rosters be closed to further additions.

The Church Council first offered profound appreciation and thanks to the individuals who serve as associates in ministry, deaconesses and diaconal ministers on the lay rosters of this church.

The Church Council affirmed "the preliminary conclusion of the Word and Service Task Force that this church should move toward the creation of a single, unified lay roster of Word and Service ministry, subject to further review and recommendation by the Conference of Bishops and the Church Council and approval of the Churchwide Assembly."

The Church Council then authorized the Word and Service Task Force to continue its work "in order to facilitate the creation of such a unified roster, to develop a process outlining how the existing lay rosters would be closed, and to provide a process for transition of existing associates in ministry, diaconal ministers, and deaconesses into such a new roster, and in collaboration with the Office of the Secretary, to consider and propose amendments to the Constitutions, Bylaws, and Continuing Resolutions of the Evangelical Lutheran Church in America to accomplish its recommendations."

The task force has established the following timeline for the time between now and the 2016 ELCA Churchwide Assembly:

- 2013-2014: Work on name, standards, changes in candidacy, steps in transition; conversations with partners in the candidacy and call processes and ecumenical partners
- 2013-2014: Provide ongoing updates to the Conference of Bishops and Church Council
- 2013-2014: Foster ongoing conversations with deaconesses, diaconal ministers, associates in ministry and clergy
- Spring, 2015: Submit draft proposal to the Conference of Bishops and Church Council
- Fall, 2015: Present final proposal to the Conference of Bishops and Church Council for consideration
- August, 2016: Possible consideration by the Churchwide Assembly

We ask that you continue to hold this process in prayer, praying that the decisions made would be in response to God's mission and faithfulness to the church's vision.

If you have input that will be helpful to this discernment process, please send it to cherlyne.beck@elca.org.

Word and Service Task Force Members

- Rev. Dr. Said Ailabouni (Chair)
- Sr. Krista Anderson (Deaconess)
- Madelyn Busse (Diaconal Minister)
- Tammy Devine (Diaconal Minister)
- Bishop William Gafkjen
- Rebecca Kolowe (Diaconal Minister)
- Sr. Melinda Lando (Deaconess)
- Rev. Dr. Duane Larson
- Dr. John Litke
- Dr. Susan McArver (Church Council representative, Associate in Ministry)
- Agnes McClain (Associate in Ministry)
- Sr. Janet Stump (Directing Deaconess)
- James Valentine (Associate in Ministry)

ELCA Churchwide Staff:

- Rev. Cherlyne V. Beck
- Sue Rothmeyer (Associate in Ministry)
- Rev. Dr. Gregory Villalon

In Christ's name,

Cherlyne Beck
Program Director for Disability & Support of Rostered Leaders
Evangelical Lutheran Church in America

March 7, 2013

Dear brothers and sisters in Christ,

On behalf of the ELCA Task Force on Criminal Justice I am honored to share with our church the proposed social statement entitled *The Church and Criminal Justice: Hearing the Cries*, which fulfills the 2007 Churchwide Assembly mandate "to develop a social statement on criminal justice." (CA07.02.09)

We of the task force have been continually humbled by the trust our church has placed in us as stewards of the task assigned. Given the many areas of potential criminal justice reform and the mandate for a comprehensive social statement, the task of limiting and sharpening our focus was daunting. We are grateful for God's steady hand in our work – moving us from a collective perception of our task as overwhelming if not impossible, to a collective clarity. We are also grateful for the rich, living Lutheran heritage from which we could draw.

As a task force we were a diverse group reflecting many experiences and perspectives. Yet we came together in solidarity that the system has grown to incarcerate too many, too quickly and for too long, and that the system must not compromise a core commitment to humane treatment of those it touches, whether victims, offenders, families, workers or communities. Yet we also recognized early on that the system is the vocational center post for thousands of Christians whose economic stability and faith lives may be profoundly impacted by systemic change. Navigating the intersection of these realities – that change is both necessary and, if achieved, will inevitably bring new challenges in order to avoid potential harm to individuals and communities – was an ongoing challenge in our work together.

Listening has emerged as a clear theme in the proposed statement you now have before you. (www.elca.org/criminaljustice) The statement calls upon our church to affirm the fundamental principles of the U.S. criminal justice system such as due process of law and the presumption of legal innocence. Yet it also insists that we must listen closely to the anguish and anger, fears and sorrows that reflect the current system's serious deficiencies.

The statement draws attention to the witness of Scripture to God's wondrously rich forms of love and justice that compel a "holy yearning" among God's people to address the need for a change in public mindset and for dramatic reforms in policies and practices. It calls upon Christians to strengthen or take up ministries of compassion and justice. Drawing on evidence and data, it affirms some current efforts to improve the system while identifying numerous other reforms that urgently need implementation.

This proposed social statement reflects careful attention paid to the many voices lifted across this church over the past five years. We as a task force have tried to listen carefully. This includes attending to the many responses to the study *Hearing the Cries* during 2011, but most recently to your thoughtful engagement with the Draft. During 2012 many of you joined in nearly 45 synodical and congregational hearings. Nearly 700 voices were heard in the responses collected to the Draft Social Statement on Criminal Justice, and we receive a couple hundred written communications. Each of these have been read by at least several members of the task force and informed discussion in many ways. We have sought to understand the reasons behind different and sometimes contrasting opinions so as to be guided by the Spirit toward creating a strong proposed social statement.

As we conclude our work, we want to express our lasting gratitude to this church. We are grateful for the perseverance and commitment shown by the ELCA as a whole in this ongoing journey. We are also indebted to the countless prayers and expressions of care that have sustained us over these years. These expressions of Christian love have sometimes been shared amid disappointment and disagreement. They, and you, have encouraged us in our lengthy and daunting task to remain in good faith.

On behalf of the ELCA Criminal Justice Task Force,

Cynthia Osborne
Chair, ELCA Task Force on Criminal Justice

Members of the ELCA Task Force on Criminal Justice

The following persons have served on this task force in a manner that is faithful to the Gospel and the tasks set before them, while unwavering in the steadfast expression of both their convictions and their willingness to hear one another.

Cynthia Osborne (Task Force Chair)

Forensic and Human Services Consultant; Assistant Professor, Department of Psychiatry and Behavioral Sciences, Johns Hopkins University School of Medicine, Baltimore, MD
Member of Christ Lutheran Church, Baltimore, Maryland

Dawn Jeglum Bartusch

Associate Professor, Department of Sociology and Criminology, Valparaiso University, Valparaiso, Indiana
Member of Christ Lutheran Church, Valparaiso, Indiana

Sue Berry

Defense Attorney, Wilmington, North Carolina
Member of Kure Memorial Lutheran Church, Kure Beach, North Carolina

Rev. Oliver Brown

Prison Chaplain, Minersville, Pennsylvania
Synod Designated Pastor of Zion Lutheran Church, Frackville, Pennsylvania

Ryan P. Cumming

Instructor, Christian Ethics, Loyola University Chicago
Member of Faith Lutheran Church, Shelby Township, Michigan

David T. Ellis

Clinical Psychologist, Princeton, West Virginia
Member of Saint Luke Lutheran Church, Beckley, West Virginia

Rev. David Fredrickson

Professor of New Testament, Luther Seminary, St. Paul, Minnesota
Member of Christ on Capitol Hill, St. Paul, Minnesota

Rev. H. Julian Gordy

Bishop, Southeastern Synod, ELCA, Atlanta, Georgia
Member of St. Andrew Lutheran Church, Franklin, Tennessee

Judge Daniel Joy

New York State Supreme Court (retired), Jamaica, New York
Member of New Hope Lutheran Church, Jamaica, New York

Linda Manson

Mission Developer, Living Gospel Ministries, Philadelphia, Pennsylvania
Member of St. Michael's Evangelical Lutheran Church, Philadelphia, Pennsylvania

Rev. Derek Nelson

Associate Professor of Religion, Wabash College, Crawfordsville, IN
Member of Holy Trinity Lutheran Church, Greenville, Pennsylvania

Jane Otte

Executive Director, Prisoner and Family Ministry, Lutheran Social Services of Illinois, Marion, Illinois
Member of Our Redeemer Lutheran Church, Marion, Illinois

Nancy Reed

Former Deputy Commonwealth's Attorney, Page County, Virginia; Attorney, Reed & Reed, P.C., Luray, Virginia; Substitute Judge, Virginia's 26th Judicial Circuit
Member of St. Mark Evangelical Lutheran Church, Luray, Virginia

Rev. Steve Rice

Religious Services Coordinator, Pine Hills Youth Correctional Facility, Miles City, Montana
Pastor, First Lutheran Church, Miles City, Montana

Anamaria Schmid

Homemaker, Ojai, California
Member of Holy Cross Lutheran Church, Ojai, California

Robert Tuttle

Berz Research Professor of Law and Religion, George Washington University, Washington, D.C.
Member of Christ Lutheran Church, Washington D.C.

Advisors

Jack Munday

Member of the ELCA Church Council
Member of Our Saviour's Lutheran Church, East Bethel, Minnesota

Victor Thasiah

Assistant Professor of Religion, California Lutheran University, Thousand Oaks, CA
Member of Ascension Lutheran Church, Thousand Oaks, CA

Staff

Roger Willer

Director for Theological Ethics, ELCA
Member of Reformation Evangelical Lutheran Church, Eastlake, Ohio

Margaret Olson

Administrative Services Coordinator for Theological Discernment, ELCA
Member of Redeemer Church, Chicago, IL

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While there are many whose work is reflected in the statement, we want to take this occasion to express special appreciation for the volunteer effort of Nathan Bilyeu, Research Assistant at the George Washington School of Law who did the primary work to provide a glossary for this statement.

The Church and Criminal Justice: Hearing the cries *A Proposed Social Statement on Criminal Justice*

Brief Overview

*The proposed statement and other supplemental materials can be downloaded at
www.elca.org/criminaljustice*

The Evangelical Lutheran Church in America (ELCA) affirms the fundamental principles of the U.S. criminal justice system such as due process of law and the presumption of legal innocence. Yet, this church hears people's cries that reflect the current system's serious deficiencies. Drawing from the biblical witness to God's wondrously rich forms of love and justice, we are compelled by a "holy yearning" to address the need for a change in public mindset and for dramatic reforms in policies and practices. This statement calls upon Christians to strengthen or take up ministries of compassion and justice. Drawing on evidence and data, it affirms some current efforts at improving the system while identifying numerous other reforms that urgently need implementation.

The statement makes the following basic points:

- The ELCA is prompted to speak and to act because so many cries of suffering and despair emerge from the criminal justice system — from victims, the incarcerated, their families, communities, those wrongly convicted, they who work in the system — and have not been heard.
- Drawing from Holy Scripture, this church holds up a vision of God's justice that is wondrously richer and deeper than human imitations and yet is a mirror in which justice in this world, God's world, must always be assessed.
- In assessing the current system, the ELCA gives thanks for its principles and orientation toward justice. This church recognizes many in the system who serve their professional vocations with competent and humane performance. Yet, this statement recognizes serious deficiencies. An underlying punitive mindset, budgetary constraints and persistent inequalities based on race and class frequently challenge its basic principles and impose significant costs on all involved in the system, and on society as a whole.
- Christians are called to confess that we, as individuals and in our common life together, often have fallen short in responding to criminal justice — both in response to crime's harm and to problems in the justice system.
- Guided by historic "marks" of the church, the ELCA is called to renewed ministry on behalf of those whom the system affects: victims of crime and their families, the incarcerated and their families, affected communities, those who work in the system, and many others.

- Through ministry with and bearing the burdens of those in the criminal justice system members of this church can respond wisely through four practices: hearing the cries, hospitality, accompaniment, and advocacy.
- The ELCA supports positive trends for reform such as greater emphasis on victims' rights and needs, use of restorative justice, community-based alternatives to incarceration, legislation that reduces sentences for certain offenses, the emergence of specialized courts, and the growing emphasis on reentry. These efforts should be funded and supported adequately.
- Because mass incarceration causes significant harms, both personal and social, the ELCA strongly urges those who make and administer correctional policies to take all appropriate measures to limit the use of incarceration as a sanction for criminal offenses. Toward that end this statement identifies three specific paths: pursue alternatives to incarceration, reform sentencing laws and policies, and closely scrutinize national drug policy.
- Four other imperatives also require vigorous action from policy makers: the criminal justice system must acknowledge the disparities, and address the implicit and explicit racism that persists within; it must recognize the special needs of juvenile offenders; it must stop the privatization of prison facilities; and finally, it must foster the full reintegration of ex-offenders into community.
- A fundamental transformation of mindset about criminal justice is required that challenges the logic equating more punitive measures with more just ones. Individuals must be held accountable, but every person in the criminal justice system deserves to be seen and treated as a member of human communities, created in the image of God and worthy of appropriate and compassionate response.
- To God we owe thanks for human reason and its abilities to discern — with compassion and wisdom — how human communities might reflect at least the justice of the law. "For what does the LORD require of you but to do justice, and to love kindness, and to walk humbly with your God?" (Micah 6:8).
- Ten Implementing Resolutions direct specific actions consistent with the principles and recommendations set forth in the statement. A glossary provides assistance with legal terms.

The Church and Criminal Justice: Hearing the Cries
A proposed ELCA social statement

Detailed Summary

*The proposed statement and other supplemental materials can be downloaded at
www.elca.org/criminaljustice*

About this proposed social statement:

- *Social statements are teaching and policy documents that assist the Evangelical Lutheran Church in America (ELCA) in reaching informed judgments on social issues from a faith perspective.*
- *This proposed social statement will be reviewed by the ELCA Conference of Bishops and the ELCA Church Council. At its meeting (April 5-7), the Council may amend the text and will send a recommended proposed statement to the 2013 ELCA Churchwide Assembly (August 12-17) for consideration.*
- *It was developed through a significant listening, sharing and comment process involving the entire denomination mass a multi-year period.*
- *It addresses broad issues related to the criminal justice system ranging from an assessment of the various aspects of the system to theological reflection to practical ministry suggestions to recommendations about reform.*
- *The development of this statement was requested by several synods and authorized by the Churchwide Assembly in 2007.*

These basic convictions undergird The Church and Criminal Justice: Hearing the Cries

- *God's two ways of governing.* For the benefit of spiritual life, God relates to the world through the gospel. For life's many other needs, God relates to the world through various institutions and communities, including civil government and its criminal justice system.
- *Affirmations and deficiencies.* The Evangelical Lutheran Church in America (ELCA) affirms the fundamental principles of the U.S. criminal justice system such as due process of law. Yet this church joins its voice with many others who recognize grave deficiencies in the current functioning of the system of criminal justice.
- *Mass incarceration.* More U.S. citizens are imprisoned as a percentage of the population than in any other country on earth, and this reality causes significant individual and social harm. Appropriate measures should be taken to develop alternative measures as sanction for criminal offenses and limit the use of incarceration..
- *Racism.* Racism is central to the deep and abiding problems of the current criminal justice system, even though often unacknowledged, and must be addressed.
- *Affirmation of vocation.* Those who serve in the criminal justice system are to act as God's agents in delivering the institution's benefits. The calling to serve in these jobs, as with any job, creates a standard for evaluating the work done, i.e. does this work and do these systems serve in a just way that meets the neighbor's needs?
- *Holy yearning.* Christ has put a mark, the sign of the cross, on his ruling power and yet the power of Christ crucified has not come in its completeness. The resulting tension creates a restlessness, a holy yearning among God's people that grounds the search for justice in human institutions.

- *The mark of the cross.* The mark of the cross expressed in compassion and burden bearing should be evident throughout the church's involvement in today's criminal justice system.
- *The need for reform and for mindset change.* The ELCA does not presume to have quick or easy prescriptions for the enduring problems, but does call for robust and sustained response guided by evidence of effectiveness. It is clear that a dramatic shift is needed away from a common mindset about criminal justice that equates more punitive measures with more just ones.
- *A framework.* The proposed statement provides a framework to guide reflections, discernment and action in congregations, in everyday callings and in the public arena.

Summaries of key themes in each section of the statement

I. Introduction

- The ELCA is prompted to speak and to act because so many cries of suffering and despair emerge from the criminal justice system --from victims of crime, the incarcerated, their families, communities, they who work in the system, and others — and have not been heard.
- Christians are called to confess that we, as individuals and in our common life together, often have fallen short in responding to issues raised and persons involved in criminal justice — both in response to crime's harm and to problems in the justice system. The ELCA is called to renewed ministry on behalf of those whom the system affects.

II. Assessing the System

- In assessing the current system, the ELCA gives thanks for the principles and orientation toward equal treatment under the law of the U.S. criminal justice system. This church recognizes that many people in the system serve their professional vocations with competent and humane performance. Yet this statement recognizes serious deficiencies in the system. An underlying punitive mindset, budgetary constraints and persistent inequalities based on race and class frequently challenge its basic principles and impose significant costs on all involved in the system, and on society as a whole.
- Assessing the system entails attention to the outcomes and data concerning law enforcement, judicial system, corrections system, confronting racism, reentry barriers, and immigration detention. It gives attention to the needs of victims of crime, those who work in the criminal justice system, those who are incarcerated and the families of both victims and incarcerated individuals.
- The ELCA does not presume to have quick or easy prescriptions for the extensive and enduring problems. However, the cries of people, the needs within the various systems named, and the data all shape an urgent call for change in the criminal justice system that requires robust and sustained response.

III. Justice and yearning

- Drawing from Holy Scripture, this church holds up a vision of God's justice that is wondrously richer and deeper than human imitations and yet is a mirror in which justice in this world, God's world, must always be assessed. Motivated by this vision and yet aware that we live in a world fraught with sin, Christians are guided a holy yearning for justice.
- Civil government contributes to the common good primarily through law, which is a gift from God to provide justice and security as well as many other material and social benefits. When the criminal justice system does not live up to what it is intended to be, action must be taken.
- The church does not presume to have special insight into matters of reason or instruct the public authority how, in detail, to shape a justice system. This church does, however, urge the development, implementation, and assessment of criminal justice procedures and criminal law

on the basis of human reason and principled, evidence-based practices, and laments the absence of such critical reason in many areas of the system

IV. Wise Responses of Love

- Because the cross is the clearest mark of the Christian church's work,, the evidence that the ELCA is putting into practice its convictions will be expressed by the growth of four forms of ministry and mission indicated wise responses of love.
- The foundational practice of must be *listening with compassion to the cries* and listening for "what is really happening."
- *Hospitality* is a biblical practice honoring a sacred obligation to welcome the stranger. Such hospitality is profound and must be practiced with equally profound recognition of the church's care for the vulnerable in its community.
- The third response moves beyond hospitality to *accompaniment*. The ELCA understands accompaniment as walking together in a solidarity of interdependence and mutuality, a strategy of baptismal vocation lived out in journeying with those suffering from crime and its effects.
- Compassion leads to seeking justice in the relationships and *structure* of society. Seeking justice demands becoming *advocates* for those whose cries are ignored.
- Bearing the cross inevitably moves Christians toward actual identification with the victim, the criminal, the justice system worker. Wearing the mark of the cross leaves distance and the familiar behind and begins counting others' experience as our own.

V. Paths to greater justice: positive trends

- The ELCA supports positive trends underway in reforms such as greater emphasis on victims' rights and needs, use of restorative justice, community-based alternatives to incarceration, legislation that reduces sentences for certain offenses, the emergence of specialized courts, and programs for reentry.
- Such efforts should be funded and supported adequately.

VI. Paths to greater justice: ending the overuse of incarceration

- Because mass incarceration causes significant harms, both personal and social, the ELCA strongly urges alternative policies that take all appropriate measures to limit the use of incarceration as a sanction for criminal offenses. Toward that end this statement identifies three specific paths:
- The ELCA urges greatly expanded use of *alternatives to incarceration* and detention as commended in its discussion of positive trends (Section IV). This church also supports responsible treatment-focused alternatives to incarceration for mentally ill offenders.
- There should be review of and legislative reform of sentencing policies for three reasons. First, research raises serious doubts about the effectiveness of more severe sentences in deterring crime; second, current policies shift discretion from judges' sentencing decisions to prosecutors' charging decisions; and third, current policies exact unnecessary personal costs on offenders, families, and neighborhoods, along with a massive demand for tax dollars desperately needed elsewhere.
- Current U.S. drug policy bears significant responsibility for the dramatic increase in the incarcerated population and has been marked by improper use of war language, very high costs, and disproportionate burdens on vulnerable members of our society. This church does not presume to resolve debate about the needed reforms, but does call for close scrutiny to the full costs and consequences of drug policy.

VII. Paths to greater justice: support needed reforms

- The U.S. prison population by any measure give evidence of grave disparities and both implicit and explicit racism. The ELCA believes actions must be taken to end racial disparity in practices within the adult criminal and juvenile systems, including racial profiling.
- Juvenile offenders have unique needs compared to adults and until every state can manage the risks of all youth offenders within a rehabilitation-focused juvenile system, juvenile justice reform will be incomplete. Authorities should explore means of ensuring public safety without continuing the practice of transferring juvenile offenders to the adult system.
- On theological, moral, and economic grounds, this church objects to trends of corporate privatization in the justice system. The ELCA urges government at every level to maintain or reclaim its responsibility and eliminate reliance on the use of private, for-profit prisons.
- Attention to offender services and the successful reintegration of ex-offenders to society matter as part of the criminal justice system. Support for rehabilitation and reentry programs must be increased and policies imposing punitive, long-term collateral sanctions must be reformed for the sake of successful re-entry and the reduction of recidivism.

VIII. Moved by the cries: called to respond

- A fundamental transformation of mindset about criminal justice is required that challenges the logic equating more punitive measures with more just ones. Individuals must be held accountable, but every person in the criminal justice system deserves to be seen as a member of human communities, created in the image of God and worthy of appropriate and compassionate response.
- To God we owe thanks for human reason and its abilities to discern — with compassion and wisdom — how human communities might reflect at least the justice of the law. “For what does the LORD require of you but to do justice, and to love kindness, and to walk humbly with your God?” (Micah 6:8).

Implementing Resolutions

- Ten resolutions encourage, call for, or direct specific actions by various actors within the ELCA that are consistent with the principles and recommendations set forth in the body of the statement.

Glossary of selected legal terms

The Church and Criminal Justice: Hearing the cries *A Proposed Social Statement on Criminal Justice*

Frequently Asked Questions

*The proposed statement and other supplemental materials can be downloaded at
www.elca.org/criminaljustice*

In brief, what does the proposed social statement say?

The proposed social statement affirms the fundamental principles of the U.S. criminal justice system but also hears the cries that reflect the system's serious deficiencies. Drawing from the biblical witness to God's wondrously rich forms of love and justice, the ELCA is compelled by a "holy yearning" to address the need for a change in public mindset and for dramatic reforms in policies and practices. Through its members and various expressions the church is called to strengthen or take up responsive ministries. In addition, drawing on evidence and data, the statement commends positive efforts to improve the system while identifying numerous other reforms that urgently need implementation.

What does it mean that this is the "Proposed" Social Statement on Criminal Justice?

The Church and Criminal Justice: Hearing the Cries as a proposed social statement is the final document from the ELCA Task Force on Criminal Justice. It will be reviewed by the Conference of Bishops and the Church Council and recommended, with possible amendments, to August 2013 Churchwide Assembly for its consideration. It is NOT an official statement of the ELCA until after assembly action, which requires a two-thirds vote.

Why is the ELCA studying the topic of criminal justice?

At the request of several synods, the 2007 Churchwide Assembly authorized the development of a social statement on this topic. In accordance with standard ELCA procedures, a task force was created to study the issues, provide resource material, create a draft and offer a proposed social statement for consideration by the 2013 ELCA Churchwide Assembly.

What is a social statement?

ELCA social statements are teaching documents that assist members in forming judgments on social issues. They are meant to aid in communal and individual moral discernment and moral formation. Social statements also set policy for this church in relation to social questions and guide its advocacy and work as a public church. They result from an extensive process of deliberation, and are adopted by a two-thirds vote of a churchwide assembly.

How are social statements used?

ELCA members are encouraged to use social statements for teaching and moral guidance. Social statements govern church policy and state the official position of this church, but not

all members are expected to agree with all parts of a social statement.

I thought the 2011 Churchwide Assembly voted there would be no more social statements?

The assembly authorized a review of how the ELCA addresses social concerns and of the current procedures for the development and adoption of social statements. An ELCA task force is addressing those matters and is bringing a report and recommendation to the April 2013 Church Council for its consideration. However, according to the 2011 Churchwide Assembly action, the development of a social statement on criminal justice and a separate statement focusing on women and justice (both already in process) were to continue.

What is an implementing resolution?

Implementing resolutions are resolutions calling upon, encouraging or directing particular agents within the church to take specific actions that support the social statement's vision. The list is created by the task force as a reflection of the actions called for in the statement. The implementing resolutions are voted on separately by the Churchwide Assembly after the text is adopted and are expected to be natural outcomes of the text.

Where can I get a copy of the proposed social statement?

The proposed social statement is available for download at www.elca.org/criminaljustice. Print copies will not be available as a matter of stewardship of resources.

How has the content of the proposed social statement been determined?

The content and range of issues covered in the proposed social statement were developed through the standard ELCA social statement process. The task force read, deliberated and consulted with experts on matters including Scripture, crime and punishment, sociology, victim's rights, theology and many more. The task force published the study, "Hearing the Cries: Faith and Criminal Justice" in early 2011 to invite engagement in the church's study. It also issued a Draft of a Social Statement on Criminal Justice in March 2012. Responses to both documents have been tabulated and reported to the task force. The task force considered all of this input as it worked toward this proposed social statement and unanimously signed off in support of the proposed text and implementing resolutions.

Who is on the ELCA Task Force on Criminal Justice?

The task force is composed of members of this church who have varied experiences, perspectives and competencies. It represents a range of opinions held by those in the ELCA. To learn more about who is on the task force please visit www.elca.org/criminaljustice.

How can I express my thoughts about the proposed social statement to the task force?

The task force no longer exists and the feedback period is now closed, as all comments and suggestions on the draft social statement were reviewed and catalogued beginning in early November. However, if you do wish to send final thoughts, you can send an email to criminaljustice@elca.org. These will be shared with members of the ELCA Church Council as part of their review of the document.

A social statement on:

The Church and Criminal Justice: Hearing the Cries

An overview

The Evangelical Lutheran Church in America (ELCA) affirms the fundamental principles of the U.S. criminal justice system such as due process of law and the presumption of legal innocence. Yet, this church hears people's cries that reflect the current system's serious deficiencies. Drawing from the biblical witness to God's wondrously rich forms of love and justice, we are compelled by a "holy yearning" to address the need for a change in public mindset and for dramatic reforms in policies and practices. This statement calls upon Christians to strengthen or take up ministries of compassion and justice. Drawing on evidence and data, it affirms some current efforts at improving the system while identifying numerous other reforms that urgently need implementation.

The statement makes the following basic points:

- The ELCA is prompted to speak and to act because so many cries of suffering and despair emerge from the criminal justice system — from victims, the incarcerated, their families, communities, those wrongly convicted, they who work in the system — and have not been heard.
- Drawing from Holy Scripture, this church holds up a vision of God's justice that is wondrously richer and deeper than human imitations and yet is a mirror in which justice in this world, God's world, must always be assessed.
- In assessing the current system, the ELCA gives thanks for its principles and orientation toward justice. This church recognizes many in the system who serve their professional vocations with competent and humane performance. Yet, this statement recognizes serious deficiencies. An underlying punitive mindset, budgetary constraints and persistent inequalities based on race and class frequently challenge its basic principles and impose significant costs on all involved in the system, and on society as a whole.
- Christians are called to confess that we, as individuals and in our common life together, often have fallen short in responding to criminal justice — both in response to crime's harm and to problems in the justice system.
- Guided by historic "marks" of the church, the ELCA is called to renewed ministry on behalf of those whom the system affects: victims of crime and their families, the incarcerated and their families, affected communities, those who work in the system, and many others.

- Through ministry with and bearing the burdens of those in the criminal justice system members of this church can respond wisely through four practices: hearing the cries, hospitality, accompaniment, and advocacy.
- The ELCA supports positive trends for reform such as greater emphasis on victims' rights and needs, use of restorative justice, community-based alternatives to incarceration, legislation that reduces sentences for certain offenses, the emergence of specialized courts, and the growing emphasis on reentry. These efforts should be funded and supported adequately.
- Because mass incarceration causes significant harms, both personal and social, the ELCA strongly urges those who make and administer correctional policies to take all appropriate measures to limit the use of incarceration as a sanction for criminal offenses. Toward that end this statement identifies three specific paths: pursue alternatives to incarceration, reform sentencing laws and policies, and closely scrutinize national drug policy.
- Four other imperatives also require vigorous action from policy makers: the criminal justice system must acknowledge the disparities, and address the implicit and explicit racism that persists within; it must recognize the special needs of juvenile offenders; it must stop the privatization of prison facilities; and finally, it must foster the full reintegration of ex-offenders into community.
- A fundamental transformation of mindset about criminal justice is required that challenges the logic equating more punitive measures with more just ones. Individuals must be held accountable, but every person in the criminal justice system deserves to be seen and treated as a member of human communities, created in the image of God and worthy of appropriate and compassionate response.
- To God we owe thanks for human reason and its abilities to discern — with compassion and wisdom — how human communities might reflect at least the justice of the law. "For what does the LORD require of you but to do justice, and to love kindness, and to walk humbly with your God?" (Micah 6:8).
- Ten Implementing Resolutions direct specific actions consistent with the principles and recommendations set forth here. A glossary provides assistance with legal terms.

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Revised April 5, 2013

I. Introduction

As this statement is adopted, one in 34 adults in the United States is under some form of correctional control¹ and more citizens are imprisoned as a percentage of the population than in any other country on earth, even those with comparable crime rates.² The U.S. spends 60 billion dollars every year for corrections alone³ and they who work in the criminal justice system often feel stressed to the breaking point. People of color and people living in poverty are disproportionately harmed by problems within the system. Concerned that so many cries — from victims, the incarcerated, their families, communities, those wrongly convicted, those who work in the system — have not been heard, the ELCA is prompted to speak and to act.

As members of the body of Christ and as citizens who seek to strengthen communities, we, the ELCA are both freed and called in Christ to serve the needs of the neighbor and to work for justice and peace in all the world. Seeking God's just will for the world requires continual theological and moral discernment and deliberation.⁴ **As in 1991 or 1994 when the ELCA addressed questions about the death penalty⁵ or causes of crime⁶** this statement is the product of such seeking and an invitation both to ongoing discernment and to action for the sake of our neighbors.

¹ Press release from the Department of Justice - Office of Justice Programs, "One in 34 U.S. Adults Under Correctional Supervision in 2011, Lowest Rate Since 2000" (Nov. 29, 2012) (on file at Department of Justice.). For a fuller assessment see *Pew Center on the States*, "One in 31: The Long Reach of American Corrections" (Washington, D.C: The Pew Charitable Trusts, 2009). Correctional control includes prison, jail, probation, and parole.

² Roy Walmsley, *World Prison Population List* (9th ed.; (London: International Centre for Prison Studies, 2011). www.idcr.org.uk/wp-content/uploads/2010/09/WPPL-9-22.pdf (accessed 2/2/12).

³ Tracey Kyckelhahn, "State Corrections Expenditures, FY 1982-2010," Bureau of Justice Statistics Bulletin, December 2012 (Washington, D.C.: U.S. Department of Justice, 2012). <http://bjs.ojp.usdoj.gov/content/pub/pdf/scefy8210.pdf> (accessed 2/3/2013). U.S. Department of Justice, "FY 2013 Budget Request -- Prisons and Detention." <http://www.justice.gov/jmd/2013factsheets/prison-detention.pdf> (accessed 2/3/2013).

⁴ Evangelical Lutheran Church in America, *"Policies and Procedures of the Evangelical Lutheran Church in America for Addressing Social Concerns"* (Chicago: ELCA, 1997), 12. "Discernment" suggests a more open-ended process rooted in Scripture's call to discern God's will (Romans 12:1-2) while "deliberation" suggests a process more oriented toward decision, guided by a legislative model. While there is significant overlap in purpose and practice, each model contributes crucial aspects for moral reflection and action.

⁵ Evangelical Lutheran Church in America, *The Death Penalty* (Chicago: ELCA, 1991). www.elca.org/socialstatements.) While "not finished [in] its deliberation" and while recognizing that "God entrusts the state with power to take human life" when appropriate, the social statement opposes the death penalty because "it is not fair and fails to make society better or safer." In 2002 a social policy resolution adopted by the ELCA Church Council encouraged a "moratoria on the use of the death penalty and [urged] its eventual abolition in this society."

⁶ Evangelical Lutheran Church in America, "Community Violence" (Chicago: ELCA, 1994). www.elca.org/socialmessages . While not analyzed extensively, the individual, economic and social sources of crime are addressed in the discussion about fear and violence that threaten the U.S. social fabric.

The ELCA speaks in this statement from among and to its members, to those affected by crime in any way, and to those who work for the public good in various civil offices related to the criminal justice system. Drawing from Holy Scripture, this church holds up a vision of God's justice that is wondrously richer and deeper than human efforts and yet is a gauge against which justice in this world, God's world, must always be assessed (Amos 5:24).

Conscious of the limitations of all human aspirations and institutions, this church also seeks to draw on the best of human reason to join with many others in calling for urgently needed reform. Both Scripture and reason are vital to the integrity of the church's witness in the world. This church desires the achievement of greater justice in the U.S. criminal justice system and maintains that such an achievement is possible.

This statement devotes significant attention to reform and calls for a dramatic shift in public discussion about criminal justice. The dominant public view, underlying the current system, equates more punitive measures with more just ones. The limited success of massive incarceration in deterring crime⁷ has not affected the prevalence of "lock 'em all up" rhetoric in public debate.

Prevalent views such as "tough on crime" rhetoric and policies make it more difficult to see each person involved in the criminal justice system as a human being. These views effectively override the conviction that all people are created in the image of God and worthy of appropriate and compassionate responses. A punitive mindset hinders questioning the logic and practices of the current system and limits efforts to seek better alternatives.

This church knows that human evil is prevalent, ancient, and often heinous. News reports about murders, white-collar crime, political corruption, sexual assault, to name just a few, provide almost daily reminders of this human propensity. The criminal justice system will move toward greater effectiveness overall and toward greater rendering of justice only when undergirded by a mindset that recognizes each person as a valued human being and a member of human communities.

This statement, thus, recognizes the need for changes in mindset and policies. It urges a clear-eyed *and* humane perspective that can undergird effective long-term reform. It urges reforms supported by data and attentive both to individual and social good that provides appropriate and flexible measures of response to criminality in place of stringent and sweeping measures of incarceration.

⁷ According to Marc Mauer, rising rates of incarceration between the 1960s and the 2000s have coincided with two periods of increase in crime rates and two periods of decrease in crime rates. The rate of violent crime in 2003 was higher than the rate of violent crime prior to the increased build-up of prisons in the United States. He concludes that, at best, mass incarceration has an "ambiguous" effect on actual crime rates. Marc Mauer, *Race to Incarcerate* (Rev. rev. ed.; New York: New Press, 2006), 94-95. See also John J. Donohue III, "Economic Models of Crime and Punishment," *Social Research* 74(2): 379-412, who points out that high costs of incarceration are far greater than the economic benefits of crime reduction through incarceration.

A. Confession

In calling for action, however, this church and its members do not pretend we are guiltless regarding either crime or the problems of criminal justice. Many Christians confess each week that “we have sinned in thought, word and deed, by what we have done and by what we have left undone.”⁸ To confess one’s sins centers accountability and can lead both to the truth being told and justice being done (1 John 1:5-9). In confession God is invoked as the one who brings to human brokenness the fullness of new life.

In that spirit, we as a church are called to confess that the church and its members have fallen short in responding to the growing problems of the justice system. We ourselves sometimes have committed crimes. Often we have been negligent or allowed fear or bias to dictate responses to crime. Often we have allowed the cries of those harmed or those who work in the system to go unheard. Often we have been complacent as the burdens of crime and the criminal justice system are borne unfairly, especially by people of color or people living in poverty.

In confessing complicity in injustice, this church invokes both the judgment and the wise guidance of God. We turn to God for counsel on how we might minister better and more mercifully to those harmed by injustice. We ask God’s aid in opening our hearts to the cries of our neighbors, that their faces and voices might show us whom we must love, if we say we love God (1 John 4:18-21). We pray for guidance to speak more prophetically and to strive more responsibly toward earthly justice.

B. Marks of the church

Confession is one “mark of the church”; Martin Luther included it among seven indicators that illustrate the fundamental character and practices of the church: Confession, the Word of God, Holy Baptism, Holy Communion, Worship, Ministry, and Compassionate Suffering.⁹ Some of these “marks of the church” will

Lutheran Congregation Offers Prison Ministry

(Note: These real-life stories throughout the documents are *not* part of the official text)

So, why don’t *you* just do it? Our congregational prison ministry began seven years ago as a personal challenge – aimed directly at *me*. We were in a small group setting at church and the question on the table was, “Has God ever called you to serve in a way that you never followed up on?” I had shared with the group that I’d been attracted to prison ministry early in life but hadn’t ever done anything about it. I expected that the rest of the group would share their similar experiences. But George, one of the group members, wouldn’t let me off the hook that easily. He kept pestering me with the question, “So, why don’t you just do it?”

So I did. I got some entry-level training, worked as a small group volunteer in prison for a while, taught an Alpha Course, and got our congregation involved in a program to purchase Christmas presents for children of incarcerated parents. Eventually, I found a niche. In a prison setting where others had seen only obstacles, we saw an opportunity.

We decided that many of them could benefit greatly from a practical and hope-filled handbook for prisoners. Not finding anything like that on the market, I decided to write it myself. With a great amount of collaboration from inmates, prison chaplains, workers in prison ministry and aftercare we’ll be releasing a book entitled *A Spiritual Survival Guide for Prison and Beyond*. A copy will be given to every newly convicted inmate in our state who desires one.

⁸ *Evangelical Lutheran Worship* (Minneapolis: Augsburg Fortress, 2006), 95.

⁹ Luther’s original list, including some slight changes of wording, can be found in “On the Councils and the Church,” (1539) and “Concerning Ministry” (1523).

serve throughout this statement as critical indicators of genuinely Christian response to today's criminal justice system and to the people involved in it.

II. Assessing the system

Contemporary societies establish the definition of crime through a body of laws that apply to all citizens. Crime is committed when a person breaks laws or rules for which a governing authority prescribes punishment, upon adequate proof of guilt. Laws and the system they create are subject to change over time and to social bias, but their purpose is to protect the social fabric, to provide for the wider social good and to prevent harm to all.

Consistent with Lutheran Confessions, the ELCA teaches that civil government is a gift of God for these purposes. Because an effective system of criminal justice is an essential part of any functioning civil government, this church affirms the legitimacy of the U.S. criminal justice system and the fundamental principles to which the U.S. system is committed.

Among others, these include the rights to counsel and against self-incrimination, protection against illegal search and seizure, trial by jury, and the presumption of legal innocence.

At the same time this church joins its voice with many others who recognize grave deficiencies in the current system of criminal justice. Conflicting political objectives, budgetary demands, distorted media portrayals, and persistent inequalities based on race, ethnicity, gender, and class, frequently challenge the system's implementation of — and perhaps even its commitment to — basic principles of justice. The failure to achieve a well-ordered system of criminal justice imposes grievous costs on everyone involved in the system, and on society as a whole.

The most just and enduring solutions for reforming the criminal justice system will be built upon realistic perspectives about crime that recognize the humanity of all those involved in the criminal justice system and that follow principled, evidence-supported practices. Guided by these commitments, this church's assessment attends to careful description (based on principles of justice) and

A Victim of Crime

As usual, I pulled out of the driveway and headed to the subway station to pick up my husband from work. I picked him up at the usual time, around 5:30 PM, and then we headed home. When we got back and I went to put my key in the door, I realized the door was open. We walked in and I saw that there were some items on the floor. We looked across the kitchen and I saw the stereo was gone and the desk drawers were opened. We were scared, but went on through the house. Upstairs we found that our drawers had all been emptied, the mattresses flipped over and closets ransacked. We lost jewelry, cash, and items that had lots of sentimental value. Apparently, the thieves broke a second floor back window and reached in and tripped the door lock. Once it settled in, I realized that someone had gone through our home, our personal belongings, and took things important to us. Then it dawned on me that they knew when I left to go and get my husband and nobody would be home. It was then that I became really frightened as I realized we had been watched — I felt so vulnerable. I became a bit obsessed with who might be watching us or that this could happen again. I know I have to get over it, but I admit that it has been awfully hard. The police never were able to find out who did this to us.

takes into account the cries of those participating in the system. Each participant is a human being with dignity who deserves to be heard.

A. Victims of crime

Taken on the whole it is correct to say that all crime — violent or nonviolent — does harm. Some harm is immediate while some is delayed; some has moderate impact while some carries dramatic lifelong consequences. The harm can be physical, emotional, or financial or in varying combinations. Crime always tears at the personal and social trust that undergirds the flourishing of human society and yet victims of crime bear the most immediate injury.

Much in the current system presumes that conviction and punishment delivered through a principled, depersonalized institution is an adequate response to the social need for justice. In many cases this may be true, but human beings are involved. Victims of crime, whose needs largely have been ignored in the past by depersonalized institutions focused solely on punishment, cry out for something more.

This church affirms the need for increased attention to the rights, needs, and interests of victims in the criminal justice system. Those who are harmed by crime deserve consideration and respect throughout the process of adjudicating justice. In appropriate circumstances a greater resonance of justice and humanity may be achieved when forms of personal interchange are practiced such as financial restitution or opportunities for dialog when sought by both victim and perpetrator.

B. Law enforcement

The ELCA gives thanks for those who serve in law enforcement with dedication to the common good. Federal, state, county, and local law enforcement officers daily confront troubles ranging from murder to domestic violence to missing pets. The ELCA recognizes that those who serve regularly encounter complex and stressful situations that take a toll on their lives and relationships. It also must be acknowledged that the reputation of law enforcement has been stained by evidence of racial bias and excessive use of force.

District attorneys, prosecutors, and related staff, as members of the law enforcement, also serve for the purpose of administering justice, maintaining public order, and protecting the social fabric. The ELCA is troubled by evidence of bias and other short-comings worsened by overwhelming caseloads even while honoring those who through their service strive to operate with fairness and human care. This church affirms ongoing efforts to deal with stresses in the system and efforts to train and support members of the law enforcement system in constructively responding to bias and abuse.

C. Judicial system

This church gives thanks for a judicial system that is intended to operate with impartiality and accuracy in handling offenses, while also structured to provide legal protection against errors or overreach by the state. A just system is appropriately responsive to claimed violations of rights of person or property and treats all participants with equal respect. A

system of fair adjudication for disputed questions of fact and law provides transparent processes and appropriate opportunity for review of decisions. To achieve these goals, a fair system would ensure the accused have meaningful access to legal counsel, fair notice of the charges, and opportunity to challenge and present evidence. It would provide protection of legal rights by an independent judge, adjudication of factual disputes by an impartial judge or jury, and access to appellate review of trial court decisions. A judicial system depends on the good faith and competent performance of all who serve vocations in the criminal justice system, including judges, prosecutors, defense counsel, and court personnel. This church affirms the responsibility of citizens to serve on juries.

Achievement of these goals — impartial adjudication and protection of rights — also depends on adequate resources. But in many places the adjudicative process faces an overwhelming number of cases. This high volume, due largely to current national drug policy and zero tolerance policies for certain public order offenses, leaves little opportunity for particularized attention to any case.

Overwhelming caseloads also mean that the vast majority of cases must be resolved by negotiated pleas. While there are social and personal benefits from negotiated resolutions, this now common practice of private negotiations between prosecutors and defense attorneys may be less transparent than what happens in courtroom trials, where communications and decisions are a matter of public record.

Over the past generation, the adjudicative process has been significantly affected by changes to sentencing policies. Such changes responded to concerns that judicial discretion in sentencing produced unacceptable variation among punishments for the same offenses. This church affirms the importance of equal treatment in sentencing, but expresses concern that sentencing reform has become synonymous with increasingly harsher sentences.

D. Corrections

Since crime is inevitable, so too is the need for appropriate consequences, which require offenders to reckon with the fact that their crime has caused harm, and must be addressed. Genuine disagreement exists regarding the rationale for the forms punishment should take. Deterrence, rehabilitation, incapacitation, retribution, and restoration are all plausible justifications for punishment.

Punishing offenders may serve as a deterrent to their re-offending in the future (specific deterrence) or to others who might commit similar crimes (general deterrence). Punishing offenders might serve rehabilitative needs; the offenders are equipped to understand the harms they have caused and helped to become a person less likely to offend.

Another justification for punishment is incapacitation. When an offender seems significantly likely to re-offend and the offense would do significant harm, then the offender

must be prevented from harming again. Punishment also may have aspects of retribution in which there is a legitimate concern for re-balancing of a ruptured social order. In this way of thinking, if a human being has inflicted pain or gained an unfair advantage, then he or she should experience proportional pain and have the advantage removed.

Finally, there is restoration. Advocates of restorative justice suggest that victims, offenders and their families and communities would be better served when, in cases of admitted guilt and when the personal and emotional safety of victims is protected, resolution takes place in a facilitated conversation among these parties. Such practices have been especially useful in juvenile justice and in adult cases of property crime, when both victim and offender willingly participate.

No single rationale or practice of punishment is solely commendable. Deterrence strategies may make society safer, but they risk treating individuals solely as a means to the end of crime reduction.¹⁰ Retribution speaks to an innate human desire to have the punishment fit the crime, but can easily devolve into mere vengeance.¹¹ Rehabilitation and restoration show promise to mend ruptured relationships between people and attend to the needs of victims and offenders, but can reach beyond what the state is able, or rightly mandated, to achieve.

Reliance on one particular form of punishment or another may be appropriate in a given case, and human reason, rightly employed, can discern what is best. No single form of punishment, however, is required of necessity — and this includes incarceration. Incarceration is simply one strategy among many, even though it has been the one overwhelmingly chosen by U.S. society. The recognition that incarceration is merely one option among many brings freedom to challenge the logic of mass incarceration, and enables imagining and instituting better alternatives.

Although justified in principle, all practices of punishment deserve serious scrutiny. As noted above, the U.S. now has the highest incarceration rate in the world. This has led to both overcrowding and very significant expenditures on prisons — tax dollars that could justifiably be better spent elsewhere.

Massive overcrowding contributes considerably to the dehumanizing problems in the U.S. prison system. Inmates fear physical and sexual violence from each other and staff and worry about threats of future violence if reported. Gangs often control the culture of prisons. Inmates are powerless in interactions with correctional staff, some of whom

¹⁰ An important strand of ethical thought insists that each human being should be treated as an “end” not a “means” because of human dignity. Punishing an offender solely as a means to greater social safety (e.g., “making an example” of someone) can violate this principle.

¹¹ Indeed, retributive punishment has historically functioned as a public proxy for private vengeance. If one family has been wronged by another and wants to retaliate, they will be less likely to do so if they feel the other family has been appropriately punished by the state.

degrade inmates through language and physical intimidation. All inmates experience despair from lack of control and inexpressible loneliness from separation.

Massive overcrowding today worsens conditions to the point of inhumane treatment of the incarcerated. Dangers to physical safety are real and declining health through poor conditions is likely. Cost-saving measures have caused some governments to contract with private firms to incarcerate offenders, raising many ethical questions.

A contributing factor to inhumane conditions involves the increased proportion of the mentally ill in jails and prison, currently well over half of the population.¹² As the institutionalized mental illness population of the U.S. has been reduced by more than 80 percent over recent decades, many of those released have ended up homeless or in prisons.¹³

Imprisonment is not therapeutic by nature. Placement in jails and prisons has the effect of criminalizing mental illness, and puts the mentally ill at risk for exploitation by other inmates. The incarceration of those with special needs without sufficient services contributes considerably to prison volatility. The ELCA has addressed the needs of people living with mental illness and noted problems related to the incarcerated in its 2012 social message "The Body of Christ and Mental Illness."¹⁴

Related to mass incarcerated rates is the troubling emergence of much more punitive attitudes toward the incarcerated. As the population grows, services are being greatly reduced or eliminated, such as educational and recreational opportunities or access to counseling and spiritual care.

As people of reason, we accept differences in correctional philosophies, but as people of faith we reject dehumanization of the incarcerated through brutalizing means whether legal, psychological, sexual, emotional, racial, cultural, or spiritual. While rational people may reasonably disagree about the extent and sources of suffering, this church insists that *some* of its forms simply must stop. These include:

- widespread and long-term total isolation in solitary confinement;
- incarceration practices that sever familial ties;
- trying, sentencing, and incarcerating children in the adult system;

¹² In 2005, 56 percent of state prisoners, 45 percent of federal prisoners, and 64 percent of jail inmates had a mental health problem, including histories or symptoms of illnesses such as major depression, psychotic disorders, and mania. Yet, among inmates with a mental health problem, only 34 percent received treatment after admission in state prison, 24 percent in federal prisons, and 18 percent in local jails. Doris J. James and Lauren E. Glaze, "Mental Health Problems of Prison and Jail Inmates" Bureau of Justice Statistics Special Report (Washington, D.C.: U.S. Department of Justice, 2006).

<http://bjs.ojp.usdoj.gov/content/pub/pdf/mhppji.pdf> (accessed 12/9/12).

¹³ See E. Fuller Torrey, *Out of the Shadows: Confronting Mental Illness Crises*, (mental illness crises, New York: John Wiley & Sons, Inc. (1997).)

¹⁴ A social message on "The Body of Christ and Mental Illness" (Chicago: ELCA, 2012).
www.ELCAelca.org/socialmessages.)

- collateral sanctions that make social reintegration extremely difficult; and
- severely limited access to education, counseling, mental illness treatment, substance abuse treatment, and vocational training.

E. Confronting racism

The ELCA has long recognized that racism¹⁵ pervasively infects and affects all aspects of U.S. society. Racism is central to the deep and abiding problems of the current criminal justice system even though often unacknowledged. The extent to which inequality exists within the system through biased enforcement, adjudication, and treatment remains a matter on which further discernment is needed within this church and this society. It is fair to note, however, that such disparities may favor socially privileged groups that, because of this favor, often do not feel their privilege or understand its reach.

The criminal justice system encounters citizens in a long sequence. It begins with contact with law enforcement officers and moves through many stages. These include release on bond, assignment of counsel, arraignment, adjudication of the offense, sentencing and punishment — including sometimes incarceration — probation, or intermediate sanctions. While racial disparities at any one particular point in the sequence may be small, and intentional discrimination may even be absent, the cumulative effects of bias in the system as a whole have led to intolerably destructive and long-term effects on minority communities.

Examples are many. People of color experience statistically higher rates of contact with police, a disproportion that persists even when other factors like age and economic status are taken into account. For instance, African American drivers are more likely than others to have their vehicles searched and to be arrested.¹⁶ Since people of color are disproportionately likely to live in poverty,¹⁷ they also are less likely to be released on bail. Compared to those who are released before trial, detained individuals are statistically more likely to be convicted and to be incarcerated.¹⁸

¹⁵ The term “racism” as used throughout this statement is consistent with other ELCA documents and indicates structures of power and privilege as distinguished from personal attitudes of discrimination alone. See *Freed in Christ: Race, Ethnicity and Culture*. (Chicago: ELCA, 1993), 4. www.ELCAelca.org/socialstatements.

¹⁶ Christine Eith and Matthew R. Durose in “Contacts between Police and the Public, 2008” Bureau of Justice Statistics Special Report: October, 2011 (Washington, D.C.: U.S. Department of Justice, 2011), report that African American drivers were about three times as likely as Caucasian drivers and about two times as likely as Latino drivers to be searched during a traffic stop. 4.7 percent of African American drivers were arrested, compared to 2.6 percent of Latino drivers and 2.4 percent of Caucasian drivers.

¹⁷ Approximately 10 percent% of Caucasians in the U.S. live in poverty, while about 20-25 percent of African Americans and Latinos do. Martin N. Marger, *Social Inequality: Patterns and Processes* (. 5th ed.; New York: McGraw-Hill, 2011).

¹⁸ This is true even after offense severity and defendant’s prior criminal record are considered. Samuel Walker, Cassia Spohn, and Miriam DeLone, 2012. *The Color of Justice: Race, Ethnicity, and Crime in America* (5th ed.; Belmont, CA: Thomson Wadsworth: Belmont, Calif., 2012); and Darrell Steffensmeier and Stephen Demuth, 2001. “Ethnicity and Judges’ Sentencing Decisions: Hispanic-Black-White Comparison,” *Criminology* 39:145-178.

People of color are thus more likely to have a prior criminal record, which means they will receive harsher punishments for future offenses. Likewise, people of color are more likely than Caucasians to be sentenced to prison even after offense severity and the defendant's criminal record are taken into account.¹⁹ The cumulative effects of racial bias result in gross over-incarceration and punishment of racial minorities.

Formally articulated in *Freed in Christ: Race, Ethnicity and Culture* the ELCA teaches that racism is a sin, a violation of God's intention that fractures and fragments human society.²⁰ The full story of race in the criminal justice system is undoubtedly complex, but one test of the justice of any system is its results. The ELCA believes that present criminal justice practices and legislation have produced blatantly unacceptable results with respect to race.

F. Reentry

Significant challenges and problems continue for offenders following release from prison. Personal obstacles make it more difficult to find and retain employment and to maintain healthy personal and familial relationships. Some of these problems would have been real before incarceration, but many stem from the punishment itself.

Legal obstacles make the problem worse. Collateral sanctions are punishments stemming from legislation against those convicted of crimes, and include limitations to employment, civic participation, housing, and educational opportunities. The punitive view that underlies the trend toward mass incarceration continues to exercise its hold beyond prison walls. This church recognizes and endorses the important work of providing support and services to those who have been incarcerated and strongly encourages such ministries of accompaniment among the faithful to aid the all-important goal of full integration into society.

G. Immigration detention

Some point to similarities between a punitive mindset about criminal justice and current trends in the enforcement of immigration laws. The numbers of deportations and the reliance on immigration detention, which is often arbitrary and indefinite, have grown exponentially in recent years.²¹ Detention is a severe, under-scrutinized, and expensive method of migration control.

Migrants in detention include asylum seekers, survivors of torture, lawful permanent residents, and families with children. Most of these have not committed crimes, but are

¹⁹ Ibid.

²⁰ *Freed in Christ* (Chicago: ELCA, 1993), 4. www.ELCAelca.org/socialstatements.

²¹ From fiscal year (FY) 2000–2011, the number of immigrants detained annually grew from 167,000 to over 400,000. Detainees are held in a national network of 260 federal, private, state, and local jails, costing the federal government over \$2 billion per year. See National Immigration Forum, "The Math of Immigration Detention"; Department of Homeland Security, Office of Immigration Statistics, "Immigration Enforcement Actions: 2011"; and Department of Homeland Security, Immigration and Customs Enforcement, "Immigration Detention Overview and Recommendations.".

held in county jails or in jail-like facilities, increasingly those operated by private prison corporations, while awaiting either court proceedings or deportation.

Individuals accused of and detained for immigration violations lack adequate due process and meaningful access to legal counsel. Conditions of confinement are often harsh and include solitary confinement and minimal access to visitors. This experience can be re-traumatizing and isolating, particularly for individuals who are locked up far from their families and communities.

The outdated and inadequate U.S. immigration system is highly complex, controversial and difficult to address, both in terms of its origin and in terms of solutions. In a social message and in a social policy resolution the ELCA, nevertheless, repeatedly has articulated principles for just and wise treatment of immigrants.²² Consistent with these documents, this church urges that arbitrary and indefinite detention and dehumanizing isolation of migrants should be discontinued and the use of humane alternatives expanded.²³

H. The church's call

The ELCA does not presume to have quick or easy prescriptions for these enduring, intractable problems, but we do call for vital and sustained response. The cries of people reflected here, the needs within the various systems named, and the data underlying this assessment all shape an urgent call for change in the criminal justice system.

In seeking to respond, this statement draws on Lutheran resources to explore the nature of Christian understanding (Section II, p. 6) and practice (Section III, p. 14). An adequate understanding of matters of criminal justice does not depend solely on secular reason. Lutherans turn to Scripture for new insight, courage, and strength. We also draw on our Confessions and historical theological reflection as well as existing efforts by congregations, social ministry organizations, and others for knowledge and wisdom about what works.

This church believes that significant improvement in the criminal justice system is urgently necessary, economically advantageous, and possible. This statement seeks to employ the best of human reason as a gift from God. Sections IV, V, and VI, (pp. 20, 28, 32) guided by common principles and social science evidence, recommend pathways toward improvement. It remains aware of the naïveté that assumes that best intentions always lead to the best results. This guidance is offered in the spirit of discernment and deliberation for public policy, but a spirit insistent that constructive action be taken.

²² See "Toward Compassionate, Just, and Wise Reform," (ELCA Social Policy Resolution, November 2009.) (www.elca.org/socialmessages)

²³ See also the 2011 Lutheran Immigration and Refugee Services report, "Unlocking Liberty: A Way Forward for U.S. Immigration Detention Policy."

III. Justice and yearning

A. Twofold justice and civil order

For the benefit of spiritual life, God relates to the world through the gospel's forgiveness of sins and promise of new and eternal life. For life's many other needs, God relates through various institutions and communities, including civil government and its criminal justice system.²⁴ God uses these systems to structure human life and, within that structure, to provide food, shelter, safety, education, and many other material and social benefits. Although these structures have a very different purpose than the gospel's, still they are God's great gifts to us.

That said, there is a fundamental *unity* in God's will for human flourishing and yet we experience God's divine providence in an interrelated twofold way. Our understanding of justice is likewise twofold, though interrelated. There is a form of justice, or civil righteousness, which we seek and can expect to find in the institutions of the world. At the same time there is a form of justice, or spiritual righteousness, for which we yearn and which we hear in the gospel and partially see in the gospel's community, the church. One form must not be mistaken for the other even though both are interrelated with life in this world.

Judgment of crime is a characteristic of the one. Forgiveness of sins characterizes the other. Justice according to the law is administered in civil institutions by the wise use of human reason. Justice according to the gospel, or spiritual righteousness, however, often flies in the face of reason (1 Corinthians 1:21). Wisdom requires caution in determining which standard of justice applies in a given circumstance.

Even when focused solely within the aspect of law, the concept of justice defies any simple definition because it covers a wide range of contexts and relationships. In some contexts, justice emphasizes equity -- the disinterested, even-handed application of rules to each person -- and the determination of eligibility for benefits or imposition of penalties.

In other contexts, justice demands attention to differences among people — for instance, the distribution of some goods according to particular circumstances of need or merit. A central theme however, weaves together all the various dimensions of justice. Justice speaks about social relations and the need to create, exercise, or restore right relationship between and among individuals in community.

No matter how different the two forms of justice are or how varied the dimensions, all emerge from the same root: God's desire for wholeness in humankind — *shalom* — and for communion and fellowship with all that God has created. Justice must be understood in light of God's final victory (Revelation 21:1-8; Isaiah 2:2-4). The justice of the law is necessary for the world as we experience it, but will fall away in the world to come. In that new heaven and earth the twofold character of God's relating to the world will have run its course; only the righteousness of the gospel will remain.

²⁴ *The Church in Society: A Lutheran Perspective* (Chicago: ELCA, 1991), 4.

548 Rightly understood, the distinctions between law and gospel, between the justice of the law
549 and the justice of the gospel, and between temporal and spiritual authority powerfully
550 motivate Christian responses to injustice. Distinctions between them supply a motive for
551 the possible without succumbing to perspectives that are simplistic or utopian. The
552 presence and promise of God's reign within the brokenness of the world prompts both
553 hope and clear-eyed realism.

554 **B. Justice and the Easter hope**

555 Lutherans do not articulate this twofold way of understanding justice because of loyalty to
556 a historic "Two Kingdoms" doctrine. They recognize the distinction because it is profoundly
557 biblical and perceptive, reaching back to the church's first days.

559 The kingdom of God complicated the lives of the earliest Christians. The cross of Christ tore
560 open their lives to their own suffering and the suffering of others. Roman civil authorities
561 mocked Jesus as King (Mark 15:26), and their wicked judgments condemned the Son of God
562 to crucifixion. Yet even when the resurrected Christ appeared to his disciples he refused to
563 claim any other identity than the one he had claimed on the cross. The risen Christ will
564 forever be recognized only in his loving but deadly-to-him embrace of humans in their sin
565 and death (1 Corinthians 2:2).

567 On the one hand, Christians believe that Christ has put his mark, the sign of the cross, on his
568 ruling power. Yet on the other, the power of Christ crucified has no more come in its
569 completeness for us than it had for the earliest Christians. In brief moments, however, the
570 reign of Christ crucified comes in Baptism, in the Lord's Supper, in preaching, in the
571 forgiveness of sin. It comes in mutual consolation and the bearing of each other's burdens,
572 and in our bearing of the world's suffering. Unwilling to abandon the crucified King the
573 earliest Christians took up Christ's cross and followed him, refusing to use coercive power
574 over others (Mark 8:34-38; Luke 22:24-27).

576 But they also refused to privatize their faith. Biblical witnesses testify to the goodness and
577 necessity of civil order (Romans 13; 1 Peter 2:13-14). Christians dedicated themselves to
578 live in the tension created by faith in the coming kingdom of Christ.

579 This tension resulting from both the Spirit's presence and the promise of God's kingdom
580 yet to come creates a restlessness, a yearning among God's people.²⁵ It is a tension between
581 the perfect reconciliation of the world to God in Christ's death and the day-to-day,
582 sometimes incremental and sometimes monumental fixes humans apply to alleviate
583 suffering and to right wrongs. The Bible recognizes this day-to-day work as God's work. So
584 should Christians.

585 As this church yearns for the justice of Christ's coming kingdom, we listen to the cries for
586 justice that ring out right now. Those cries cannot wait for our hope in Christ to come in
587 completeness. For the sake of the same world for which Christ was willing to die we must

²⁵ Ibid., 3.

be willing to employ power to preserve life. That power must never be used for self-promotion, self-satisfaction or the advancement of the interests of only some, but used rather for the good of all, especially for those who are most vulnerable.

Christian faith, because it is the Easter faith, believes that *justice* will be done in that future which God holds out for the world, and to which the resurrection of Christ bears witness.²⁶ A community shaped by the preaching of the Easter faith each Sunday will therefore be open to experiencing yearning as central to the church's commitment to justice. It will "teach people what they need to know about Christ."²⁷

C. Justice and baptismal vocation

In Holy Baptism God forgives sin, redeems from death, and grants eternal salvation to all who believe. God's action initiates the Christian life and places a claim or mark upon us. Baptism reminds us that *all* have fallen short of living God's will and urges humility even as it insists that *no* grave sin and *no* human being lies beyond the unmerited grace of God.

Lutherans also understand Baptism to confer a vocation upon the one baptized. The one baptized is to "care for others and the world God made and work for justice and peace"²⁸ through various callings in life. Since God desires just societies, those who serve in civil institutions act as God's agents in delivering the institution's benefits.

In roles such as law enforcement officers, attorneys, judges, court and correctional staff, prison chaplains, and the like, the work of God is done. This contribution as "doer of God's work" holds whether or not an agent is aware of, or would acknowledge, such a connection. Lutheran tradition has affirmed that Christians may in good conscience serve in such callings.²⁹ Civil institutions could not function without those who serve in them, and for them and their work this church gives thanks. When their work is done for the benefit of all, God makes concrete the blessings of public order and justice through them (Romans 13:4).

When one's role is understood as answering the baptismal vocation, a standard for evaluating the work done is necessarily implied. Commitments to serving the neighbor as an expression of Christian life remind those who hold this role that their primary purpose is a ministry of loving service to their neighbors. Their daily work is not for their own honor, and when its concrete form harms rather than serves the neighbor it must be changed.

To designate those who exercise responsibilities in the public authority "doers of God's work" neither baptizes their power in the name of God nor sanctifies their status quo.

²⁶ Colossians 2:11-12; Romans 8:11; 1 Corinthians 15:20.

²⁷ Augsburg Confession, XXIV.3, *The Book of Concord: The Confessions of the Evangelical Lutheran Church*, eds. Robert Kolb and Timothy J. Wengert (Minneapolis: Fortress Press, 2000).

²⁸ *Evangelical Lutheran Worship*, Rite of Holy Baptism, 228.

²⁹ Kolb and Wengert, *Augsburg Confession*, XVI.

Instead, it expresses how crucial the justice of the law is, and insists it be done with appropriate dignity.

D. Justice and holy yearning

Still, the justice of the law will never match the fullness of the righteousness of the gospel. No matter how good and just our laws are, they will be interpreted and enforced by fallible human beings. No matter how wise our attorneys and judges are, incomplete evidence will be all that we can rely on in rendering decisions. The facts of any particular criminal case can never be fully known in all their detail, nor be perfectly interpreted, by those asked to render judgment.

Human finitude thus diminishes the forms earthly justice takes. Human sin also conditions the fullness that can be expected from earthly justice. Fear, wrathfulness, biases, and innumerable other vices are present in crime and — often in much smaller and hidden ways — in responses to crime, no matter how measured and reasonable a justice system is.

As citizens of civil society Christians are commanded and enabled to work for earthly justice. We feel a healthy responsibility to ensure that the systems of justice our governments oversee reflect, to as deep an extent as possible, the key commitments of our faith. And yet, Lutherans do not think that a judge rendering a verdict should necessarily cite Jesus' exhortations about forgiveness or judgment (Matthew 5:38-42; Matthew 7:1-5). Victims of crimes should not be counseled to deal with crime privately rather than reporting it to the public authority.

Nevertheless, Christians do approach questions of earthly justice from the vantage point of faith. Faith bears with it a certain healthy, relativizing dissatisfaction with earthly justice. Christians see and feel a fissure between the righteousness of the gospel and the justice of the law in our everyday lives. We know that, as much as we long for the contrary, the world evoked on Sunday morning cannot quite be achieved on Monday. The ELCA names this *yearning* as a holy gift of God, central to our understanding of justice, and thus of the criminal justice system.

E. Yearning and the Bible

Yearning underlies profound portions of the Bible. Paul, for example, longs for the church at Philippi, and he does so with the "compassion of Christ" (Philippians 1:8). By locating his emotions in Christ himself, Paul implies that Christ also longs for the world. Christ desires complete and free, mutual and loving relatedness in which all that is Christ's is ours just as Christ bears in his body all that is our own, including our sin and death.

Christians in their longing for Christ find themselves deeply immersed in the sufferings of the world. Christians are not aloof spectators, watching the world's troubles. Faith in Christ does not give special knowledge that trumps the reasoning power of those leading civil institutions. Rather, faith leads us into solidarity with suffering. The groaning of creation is our groaning just as the Spirit of God sighs our sighs (Romans 8:18-39). That is why we, by

the Spirit and out of faith, eagerly anticipate and await the justice of the gospel (Galatians 5:5).

Until Christ's return, however, the Spirit of God does not let us say: "justice has been done." Our hope in the coming justice of God makes us especially mindful of victims and the isolation and dehumanization of individuals convicted of crimes, as well as shortcomings of the system and errors in particular judgments.

F. Yearning and the effects of crime

Those who have suffered from the effects of crime find peace at the last, for "God himself will be with them; he will wipe every tear from their eyes. Death will be no more; mourning and crying and pain will be no more, for the first things have passed away" (Revelation 21:3b-4). Such words are not just consolation; they also empower us to meet the challenges of a world harmed by crime.

Faith relies on the promise of God. God promises to redeem our losses (Psalm 34:22; Ephesians 1:7-10), and promises that in Christ we are reconciled to God. (2 Corinthians 5:18-19). This means that God promises to find a way to right all that has wronged us, and the wrong we have done. Victims of crime and their families lose much. They lose belongings. Sometimes they lose their loved ones; sometimes they lose their very lives. The witness of Easter, and the yearning it produces in us, recognizes that none of this pain is lost in God. God bears all the suffering of the world in God's very being — it is God's mark — and promises to make right the wrongs human beings do and undergo (John 20:27-28; Revelation 5:6, 12).

When the vision of the future justice God has in store for the world is perceived more clearly, Christians are better equipped to work for the betterment of our world today. The promise of God gives courage to acknowledge evil and face injustice. We know we can speak out, because God has spoken out, against the wickedness of the world. The promise of God gives courage to cope with *partial* justice; if incomplete adjudication is all that is possible, we have recourse to the knowledge that, in God's future reign, all shall be well.

G. Justice in civil institutions

In the meantime, civil institutions of justice are essential to human flourishing. Even if people were reliably unselfish and kind to one another, civil government would still be necessary to organize our common life. But people are not reliably good to one another. Disorder leaves people in fear for their person or property and often without access to basic human needs. Effective civil government reduces such fear by establishing security. Freed from this fear, people and communities can more easily develop and enjoy the full range of human benefits.

Civil government contributes to human flourishing primarily through law, which is a gift from God. When clear rules are fairly and consistently enforced, individuals can conform their conduct to the law and trust that others — including the authorities — will do the

706 same.³⁰ Properly done, law enforcement, just procedures, and impartial judges allow
707 individuals to resolve their disputes through official and predictable channels rather than
708 private conflict. They function to protect individuals against injustice and abuse by those
709 who have greater economic, political, social, or physical power.

710
711 Order as such is not the sole goal of governmental institutions, however. Ordering must be
712 *just*. Reliable patterns of human interactions must be formed with equal regard for the
713 dignity of each person. Such patterns as laws, programs, and institutions themselves are
714 just when they foster the well-being of all. When “order” falls substantially short of this
715 goal, it becomes “*disorder*,” a source of significant harm rather than the basis of human
716 flourishing.

717
718 Just ordering of society is characterized by both principled and pragmatic insights. It is
719 principled in that it seeks to safeguard the individual against arbitrary or otherwise unfair
720 treatment. It is pragmatic in noting that unjust or excessive rule may produce as much
721 disorder as ineffective rule. Just order also can come when a deep sense of justice leads to
722 the unsettling of established patterns of unjustifiably unequal treatment or distribution of
723 goods.

724
725 In its constitution the ELCA pledges itself to “work with civil authorities in areas of mutual
726 endeavor, maintaining institutional separation of church and state in a relation of
727 functional interaction.”³¹ Part of its calling as one institution alongside others is to call the
728 public authority to the high standards the public authority has set for itself.

729 The United States understands its justice system in light of the nation’s constitutional
730 mandate to “establish justice, ensure domestic tranquility, provide for the common
731 defense, [and] promote the general welfare....” This church finds significant evidence that
732 the institutions of criminal justice in the United States are in urgent need of reform.

733
734 Not possessing special insight into matters of reason, this church does not presume to
735 instruct the public authority how, in detail, the justice system should be shaped. This
736 church does, however, urge the development, implementation, and assessment of criminal
737 justice procedures and criminal law on the basis of human reason and principled, evidence-
738 based practices, and laments the absence of such critical reason in many areas of the
739 system.

740 **IV. Wise responses of love**

741 God calls Christian people to love and seek justice in this world even as this world often is
742 confused, petty, sometimes beautiful, and many times murderous. Our calling surprises us
743 and often offends us, since we are prone to think we do God’s work only when we analyze,

³⁰ One still must be permitted, and may even be mandated, to object when obeying a given law would cause one to sin. Cf. *Augsburg Confession* XVI.7, Kolb and Wengert, which cites Acts 5:29.

³¹ Evangelical Lutheran Church in America, *Constitutions, Bylaws, and Continuing Resolutions* (Chicago: ELCA, Evangelical Lutheran Church in America, 2009), 4.03.n.

remedy, and distance ourselves from evil (Luke 18:9-14). In full knowledge of how cruel human beings can be to one another, and indeed have been, we, as part of God's church are called to participate in God's "Yes" to the world even as we eagerly await its — our — future. "Jesus Christ, whom we proclaimed among you ... was not 'Yes and No'; but in him it is always 'Yes'" (2 Corinthians 1:19).

A. Ministry and compassionate suffering

Participation in this "Yes" is marked by both ministry and compassionate suffering, or as Luther calls it, "the possession of the sacred cross." The cross is the deepest mark of the Christian church on earth. The gospel gathers a cruciform people. The church believes that Jesus Christ showed steadfast love for us sinners despite individual and systemic wickedness, and is convinced of the outrageous and scandalous truth that in this act of reckless love, God is most fully revealed.

To respond in gratitude with compassion and wisdom requires the ability both to discern the needs of another and to know what gifts lie within oneself that could be well given to the one in need. Jesus' own ministry was characterized by abundance in responsiveness. Though Christians often feel, and sometimes are, diminished and powerless, still the Holy Spirit grants power to respond to those affected by crime and the justice system in ministries of compassion and mercy.

Ministering with such compassion in the face of wickedness may well lead to suffering. When Luther concludes his list of ways one can identify the church on earth, it is as if he says, "Look for the cross. Look for people enduring persecution, hardship, danger and death precisely because they will not compromise their faithfulness to God."³²

Christians do not seek out suffering for its own sake. Rather, we seek out those in need, those who are isolated, those who are afraid, and those who yearn in hope. If our seeking leads to finding, and finding to ministry, then we accept that burdens and ambiguity may well mark our responsive love. Reform of entrenched systems, merciful response to harms caused by crime, and the courage to face injustice will inevitably involve struggle and uncertainty. The exercise of baptismal vocation in the way of the crucified Christ risks suffering and bears burdens as it bears the mark of the cross to a broken and crying-out world.

B. Responsive love in practice

This church's ministry and mission can begin with the simplest efforts by an individual, by two or three gathered to serve, or by a small task force. At the same time ministry and mission grow and must be creative, seeking ever new ways of responding to opportunities and needs. As the ELCA becomes more aware of injustice and pain, its members are called to seek justice and to bear one another's burdens compassionately and wisely.

³² Mary E. Hinkle, *Signs of Belonging: Luther's Marks of the Church and the Christian Life* (Minneapolis: Augsburg Fortress, 2003), 78.

Such responsive love in practice will be rooted in Word and Sacrament and be expressed in liturgical forms. This church endorses the enhancement of worship materials to reach out to victims of crime, those affected by incarceration and others who are involved in the criminal justice system. It calls on its members to hold in public prayer those who might otherwise be “invisible” and to proclaim boldly Jesus’ declaration of “release to the captive” as a sign of God’s coming reign (Luke 4:18).

Centered in Word and Sacrament while seeking to respond both compassionately and wisely, this church looks to the Word of God and to the creative efforts already present in some congregations, ministry sites, synods, and social ministry organizations. The evidence that the ELCA is putting into practice its convictions will be expressed by the growth of at least four forms of ministry and mission that rest on biblical foundations.

1. Hearing the cries

The foundational practice must be listening with compassion to the cries and listening for “what is really happening.” Such listening requires paying close attention and being truly open to the voices of those most affected by that system.

This openness begins with our awareness that the cries of those harmed, both by crime and by the criminal justice system, often come from our brothers and sisters within the church. Because fellow members are affected by crime and the criminal justice system and because this church understands itself having responsibilities in society, this church as a body of Christ cries out.

Victims of crime cry out, individually and uniquely. They can suffer physical injuries, financial loss, medical or psychological care costs, or the inability to work, as well as the loss of property. Some have deep emotional pain; others feel emotionally numb or paralyzed with fear. Victims suffer individually and uniquely.

Their families suffer alongside them and struggle to know how to help when resolution is often impossible. Some harmed by crime suffer again at the hands of the criminal justice system; they feel invisible or insignificant, as if their voices do not matter. Some suffer at the hands of their own faith communities, feeling misunderstood or ignored. Like victims, families of victims feel pressured by others to “move on,” leading to an even deeper sense of isolation. The church’s first ministry is one of listening. The temptation to turn away is great. But the love

Family Member of a Man Incarcerated

When my brother was arrested, my parents and I stayed in a hotel to avoid the media. When we wouldn’t give them our story, they made up their own, blaming my parents for not teaching us right from wrong. Despite the support of our neighbors and friends at church, it was impossible not to start feeling guilty. Since then, we’re getting used to the frustrations of visiting him in prison: searches, prison guards who treat us no different than prisoners, visiting hours cancelled without notice, and visits denied because guards decided we weren’t “dressed properly.” It’s harder to get used to not having him around as my parents get older. It’s heartbreaking to deal with the fact that he can’t meet my infant son, his nephew. How can I tell my son he has an uncle, but he can’t meet him because he has to be 18 to visit? He may be the one incarcerated, but prison is a part of our life too, a part that most people can’t really understand.

that seeks justice will not let us turn a deaf ear to the cries.

The families of offenders cry out. Relationships become strained and distorted. Visitation is often difficult or even impossible because of distance or expense. While those who work in the system may not intend to willfully harm families of offenders, practices and policies often treat families like outcasts or criminals themselves. Families of offenders grieve, worry, and struggle.

Children separated from incarcerated parents cry out. Children of incarcerated mothers are especially at risk. Many incarcerated mothers are single parents, so their children are cared for by relatives or in the foster care system. These caregivers can grow weary of their changed role and live daily with the uncertainty of the mother's future return. Many of those involved experience shame from having a loved one in prison.

Those convicted of crimes cry out. This church teaches that individuals should be held responsible for their actions. Yet it is easy to forget that those who harm others are still human beings. Some have caused irreparable harm and may never change. Many have been victims of crime themselves. Many regret their crimes and yearn to make amends. Many are people of faith.

Those imprisoned for their crimes cry out. Communities must be protected from those who create suffering, shirk responsibility, and lack regret. Yet incarceration brings its own forms of suffering. Isolation, loneliness, intimidation, and violence (sometimes sexual or gang-related) are very real. Moreover, some people are wrongly convicted of crimes, spending years in prison before their exoneration, release, or death.

While most incarcerated people eventually return to their communities, the longer they are incarcerated the more ties to the community have been lost and the more difficult it is to return. Many return to their communities without education or job training, and thus have little chance of success after release. Many end up back in prison. Some give up, accepting life in prison despite its difficulties. Their cries — even those unvoiced — need to be acknowledged.

Communities cry out, especially those that have more than their share of crime and incarceration, leaving ever greater dismal economic prospects and increasingly fragile social networks. For example, public education suffers because teachers are reluctant to seek jobs in these communities. Most significantly, disproportionate numbers of men are incarcerated, leaving women to raise children alone and often encouraging boys to grow up expecting incarceration to be part of their own futures.

Workers within the criminal justice system cry out. Many work in challenging circumstances where violence and emotional trauma are common. Most experience intense stress, yet are expected to respond to tension or violence calmly. Their professional challenges are rarely recognized or respected.

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Police regularly manage the stress of dangerous and unpredictable situations, and are expected to intervene rationally and maintain a professional attitude in trying situations. Those who work in the courts desire to earn public trust and must balance responsibilities to many, including victims and offenders, families and communities. Large caseloads make it difficult to treat people as individuals. They rarely walk away from their work unaffected since they bear the burden of knowing the potential consequences of rendering a verdict or sentence.

Correctional staff, administrators, counselors, and chaplains face tense and demanding conditions. Those who work in victim services programs listen daily to painful stories and struggle to keep their own emotional balance.

Citizens and taxpayers also cry out. An increasingly litigious society has sent legal costs skyrocketing and diminished the system's efficiency. Unequal access to legal representation contributes to a sense of "justice for sale" to those with the means to pay for the fullest possible legal defense. U.S. drug policy has led to massive increases in the budgets of law enforcement agencies and prisons to house those convicted of crimes.

2. Hospitality

Hospitality is riskier than hearing and seeking to understand. Factual understanding searches for dependable, predictable patterns in nature and human experience. But hospitality opens a door to another person, even a stranger who out of the blue asks for our protection. Hospitality invites another, figuratively or literally, into our private space and opens our lives to the possibility of new expectations and experiential understanding. The guest inevitably confronts us with something new, something we cannot reduce to our prior experiences, our nature, or what has worked for us in the past.

From Abraham and Sarah (Genesis 18:1-10) to the later writings of the New Testament (Hebrews 13:2) we read about God's people honoring a sacred obligation that binds the host to the protection of the guest. In these stories, though, there is something more than the discharging of a duty because those who welcome others are open to the future, and thus make room for surprises. Risks may come when opening the door to that which is new, but the Bible also emphasizes the creativity that flows from taking the risk (Luke 24:28-32). How must the church welcome the stranger today?

As we turn to that question and the gift of hospitality, we must be ever mindful of another calling. The injunction to hospitality is profound and must be practiced with equally profound recognition of the church's care for the vulnerable in its community.³³ Most importantly, congregations that contemplate allowing anyone who has been convicted of a

³³ ELCA protocol urges due diligence and background checks among other practices devoted to protection and care for the vulnerable. See www.elca.org/protectingchildren or www.elca.org/misconductresources.

sexual offense or who the congregation believes may present a danger to children or others should prayerfully realize that we also are called to protect the innocent and vulnerable.³⁴

When relating to those who present such a concern, congregations should act with extraordinary care. If, after consultation³⁵ and prayerful consideration, the congregation determines that participation in congregational activities is appropriate, the congregation should create and follow carefully written agreements with these individuals. There should be disclosure to the congregation, vigilant oversight and compliance with the written agreement.

This protective duty is not limited to minors, but extends to others within the community such as the elderly or disabled, who may be vulnerable to abuse, whether sexual, emotional, physical, financial, or other types. Specifically it includes financial protection for congregations. Persons convicted of financial crimes or known to have been involved in financial misconduct should not be given responsibility for congregation funds.

With those considerations in mind, we return to the question: how must the church welcome the stranger today? In creative obedience to this biblical mandate, many congregations and social ministry organizations have found ways of extending hospitality to those affected by crime and the criminal justice system. Such ministries include:

- being a place of healing for victims of crime and their families. Support can come in the form of emotional aid, material assistance, helping them to understand what happened to them and what it means, and helping them to regain a sense of empowerment and autonomy in their lives.
- welcoming former offenders into worshiping communities. All people come as sinners equal in unworthiness to receive the forgiveness of sins, life, and salvation that God grants through Word and Sacrament.
- providing assistance to former offenders. Ex-offenders need job training and placement, emergency and educational assistance, counseling, (including substance abuse counseling), legal counsel, and housing.
- mentoring those under correctional control. Congregations can provide spiritual guidance, Christian fellowship and support, and personal motivation and challenge.
- supporting the families of offenders. Congregations can respond in ways that enhance family relationships, such as providing transportation for visits, creating activities for children, and inviting families to congregational activities that give respite to caregivers and positive interaction for children. In addition to being intrinsically good, ministries that

³⁴ *Human Sexuality: Gift and Trust* is the most recent articulation of this long-standing commitment of the ELCA. (Chicago: ELCA, 2009), 25.

³⁵ www.elca.org/sexoffender.

foster relationships with offenders reduce the likelihood for self-harm, suicide or other harms.³⁶

- supporting those who work in the criminal justice system. Workers in the system need support in their work responsibilities as a baptismal calling and as vital on behalf of the wider public.

- creating safe places for significant conversation and discernment. Conversations on emotionally charged moral topics, like those related to the criminal justice system, can be extremely difficult. Lutheran congregations, committed to the rule of love, should adopt practices of moral discernment that are thoughtful yet open to lively interaction and grounded in mutually agreed upon guidelines.

3. Accompaniment

The third response moves beyond hospitality to accompaniment. The ELCA understands accompaniment as walking together in solidarity that practices interdependence and mutuality. In response to God's call to comfort God's people (Isaiah 40), we can live out our baptismal vocation by accompanying those who suffer from crime and its effects. Along the way we share their pain and fear. Jesus Christ enjoins such accompaniment and the opportunities are many (Matthew 25:31-46).

Congregations can be effective in expressing solidarity with victims of crime and their families. Whether it is providing a safe space for their story be told, or working to secure safe housing for a victim of abuse, or organizing transportation for someone in need, the congregation is a key site where our hands do God's work. This church commits itself to holding up in prayer those who struggle and suffer after crime has been committed, and will work to discern more ways to actively practice accompaniment in the faith it cherishes.

Christmas Eve Baptism

It was Christmas Eve, and the gymnasium had been transformed into a holy space. There was a manger scene, candles, choir robes, baptism certificates, new Bibles and a few decorations. Scriptures were read, carols sung, the Word preached, and then came twelve adult baptisms. There were some tears and many beaming smiles as water was poured over each one with the promise of forgiveness, redemption from death and the devil. Powerful witness was given by these 12 precious children of God welcomed into the congregation. One of the women, who received a standing ovation when her name was called as she cast off her past life and renounced the powers of this world that rebel against God. This prison congregation of 200 women, called New Beginnings, promised to continue to support and nurture her and all the others in their faith walk. (New Beginnings is one of the Lutheran worshipping communities using the Prison Congregations of America model of ministry.)

The ELCA recognizes prison ministry as especially needed at present and encourages those in or preparing for rostered ministry to consider serving in this way. Many jails or prisons work with local pastors and other religious leaders willing to provide spiritual services for

³⁶ The power of relationships has been documented. See T.J. Flanagan, "The Pains of Long-Term Imprisonment: A Comparison of British and American Perspectives," *British Journal of Criminology* 20 (1980): 148-156; and A. Liebling, *Suicides in Prison* (New York: Routledge, 1992).

inmates and staff. The incarcerated population has increased so dramatically in recent years that staffing and conditions have not been able to keep pace.

As beloved children of God, individuals who are incarcerated are in need of accompaniment and of receiving the gift of the gospel in Word and Sacrament. They also need to experience dignified ways of relating to other human beings that are not destructive or distorted. They need relationships with people who are not responsible for their confinement and appropriate relationships with those who are.

As beloved children of God, incarcerated Christians also can accompany one another as they face together the challenges of imprisonment. Through prayer, worship, and mutual support, they give witness to Christ's claim: "where two or three are gathered in my name, I am there among them" (Matthew 18:20). The need and potential for creative ministry inside correctional facilities is great.

This church is grateful for its prison chaplains and prison congregations in their proclamation through Word and Sacrament of good news for all people. In their daily lives as counselors and advocates, chaplains and pastors accompany people who are incarcerated. Those ministering within prisons have the opportunity to share concern for the humanity of each inmate and have critical roles in protecting First Amendment rights.

Synods, congregations and individuals are urged to support and join in ministry to those incarcerated. Congregations should consult the local institution in question but can remember imprisoned people in prayer and by providing "care packages" via prison chaplains and pastors. Visitation or writing prisoners can change lives. Through Bible study, advocacy and — most importantly — relationships, the accompaniment that evokes the righteousness of the gospel can be made real.

4. Advocacy

In seeking to remedy harm this church is called to hear the cries, to show hospitality and to accompany, but compassion calls for more. Compassion leads to seeking justice in the relationships and structure of society. Just as God seeks justice in this world, so church members, chaplaincies, congregations, social ministry organizations, synods, and churchwide ministries must not be satisfied merely to react to injustice, but must also work proactively in the promotion of justice for all.

Seeking justice demands that we become advocates for those whose cries are ignored. Victims of crime often feel unable or unsafe in expressing their concerns and needs. Those who are incarcerated are cut off in many ways from communicating with others. Those most likely to be harmed by the criminal justice system are in many cases the ones with the least political and economic power. Advocacy is essential.

Christians are called to be active participants in civil government. As citizens we have the responsibility to vote and to participate in civic discourse about the criminal justice system.

As participants we seek to affirm where appropriate but also to be critics of earthly, temporal jurisdictions. Properly distinguishing between what is promised in God's coming reign of justice and our current criminal justice institutions enhances, and does not thwart, passionate efforts to bring about what is possible in our political reality.

Support for public policy advocacy groups is vital. The ELCA urges its members to initiate, organize, and support broad-based efforts to re-orient the present criminal justice system away from retribution alone and toward preparing individuals for re-entry into our communities. Fear, racial prejudice, and economic disparities too often drive public response. Christians are called to support both officials who prioritize sensible, rational, and equitable approaches to criminal justice and public policies that are just and effective.

C. Burden bearing

Through ministry of hearing the cries, hospitality, accompaniment and advocacy the compassionate suffering of the cross becomes evident as Christians increasingly bear other's burden (Galatians 6:2). Bearing the cross inevitably moves Christians toward actual identification with the victim, the criminal, the justice system worker. Wearing the mark of the cross we leave distance and the safe familiar behind; we begin to count the experience of others as our own.

We are Ruth who pledges herself to Naomi (Ruth 1:15-18). We imitate God (Ephesians 5:1) who is not satisfied only to have made us but pledges to carry us as well (Isaiah 46:3-4). When we bear what weighs down another's life, we fulfill the law of Christ who himself has carried our sin and death in his body. When this church bears such burdens we become a "Yes" to others as a response to God's "Yes" to us.

V. Paths to greater justice: positive trends

The practices of responsive love seeking justice means this church also must attend to public policy because human needs are addressed through systems. In the following three sections this church identifies and calls for consideration of recommendations grounded in evidence and aimed at humane, effective change. These seem worthy of support whether requiring legislative reform, budgetary prioritization, volunteer efforts, or other forms of enactment.

Despite deep and abiding problems in the criminal justice system, it is important to acknowledge positive trends that have emerged in recent years. The ELCA supports trends such as greater emphasis on victims' rights and needs, use of restorative justice, community-based alternatives to incarceration, legislation that reduces sentences for certain offenses, the emergence of specialized courts and the growing emphasis on reentry programming.

A. Victims' rights

As a result of the efforts by advocates for reform, all 50 states now have legislation establishing the rights of victims. While more must be done to develop victim-sensitive practices, these rights typically include:

- the right to fair treatment, dignity, and respect;
- the right to be informed about court proceedings and victim services and rights;
- the right to be present at legal proceedings;
- the right to a voice at sentencing and at proceedings involving offender release; and
- the right to restitution from the offender.

More than 30 states also have passed constitutional amendments dealing with victims' rights, though circumstances and quality vary widely from state to state. At the federal level, legislation such as the Victims of Crime Act (1984) and the Justice for All Act (2004) have established victim rights and services such as victim compensation funds.³⁷

B. Restorative justice

Restorative justice focuses on crime as an offense against human individuals and a community rather than simply as against "the state." While not denying the state's role or the appropriate place of retribution, this approach encourages victims to take an active role in responding to crime and invites offenders to take personal responsibility. Restorative approaches seek to bring together the victim, offender, and other members of the community harmed by crime to develop a plan to try to repair that harm.

Since the 1980s the use of restorative responses to harm has increased in the U.S. These responses include victim-offender mediation, family-group conferencing, circle process, and community reparative boards. Restorative practices are used primarily with juvenile offenders, but sometimes with adults, and could be much more widely practiced. As a response it offers both a diversion strategy for relatively minor offenders and a supplement to the sanctions of the criminal justice system for more serious offenders.

From a Teacher

Our urban high school was one of the few in our state on the list of "persistently dangerous" schools – because of the fights, riots and other crimes that were common there. But then we were urged to use restorative practices to try to build community and a more positive social culture.

We needed to change the climate of disrespect and to find something other than punishment in responding to kids. We needed to listen to the students to understand the issues they face that underlie the conflicts in school and prevent them from getting a good education. And we needed to create an environment where students could speak freely to one another and feel that they were being heard.

We instituted the use of "circles" in the classrooms, where students and teachers could talk respectfully to each other to address issues and misunderstandings before they escalated to violence. This was a turning point, as students realized that they "had a say," that they would have input and someone would listen. Circles gave them an opportunity to express their emotions and feelings, and work as a team to address the issues that surfaced in the conversations. In the first year that we used them, violent acts and serious incidents dropped dramatically at our school. So far this year, they have dropped even more. We are hopeful that we will soon be off the "persistently dangerous" list.

³⁷ William G. Doerner and Steven P. Lab, *"Victimology"* (6th ed.; Burlington, Mass.: Anderson Publishing, 2012).

Restorative justice, in its attention to the people involved, provides a fuller account of the nature of justice as well as creative alternatives to incarceration. This church notes that congregations could consider becoming host sites for restorative training and programs. Likewise, individuals are encouraged to consider participating in restorative practices by becoming trained facilitators, community participants, and advocates in both diversion programs and correctional facilities.

C. Alternatives to incarceration

Since 2000, many states have expanded their use of community-based corrections for offenders who do not pose great danger to society; this especially includes drug offenders.³⁸ These alternatives to incarceration include intermediate sanctions such as home confinement, electronic monitoring, halfway houses, residential work-release centers, day-reporting centers, intensive probation supervision as well as treatment and diversion programs for drug offenders.³⁹ Such approaches should be encouraged and funded.

In recent years community-based alternatives also have been used more extensively in some states to reduce the number of probation and parole revocations that result in incarceration. Several states have decreased prison populations by enhancing parole consideration for incarcerated individuals.⁴⁰ Some parole agencies have developed graduated sanctions as alternatives to incarceration for parole violations.⁴¹

Alternatives to pretrial incarceration can reduce stress on jails and the use of alternative forms of pretrial release on both federal and state levels have been promising. The goal is to put in place pretrial supervision as well as evidenced-based assessments for determining conditions of release.⁴²

³⁸ Judith Greene and Marc Mauer, *Downscaling Prisons: Lessons from Four States* (Washington, D.C.: The Sentencing Project, 2010).

³⁹ Diversion programs are designed to enable offenders to avoid criminal charges and a criminal record. Such programs might include restitution, community service hours, treatment, or counseling.

⁴⁰ These measures include increased use of good-time credits that allow earlier release, increased rates of release for low-risk offenders who are identified through the use of risk assessment instruments, and consideration of parole eligibility earlier in sentences. Nicole D. Porter, *The State of Sentencing 2009: Developments in Policy and Practice* (Washington, D.C.: The Sentencing Project, 2010). Judith Greene and Marc Mauer, *Downscaling Prisons: Lessons from Four States*. (Washington, D.C.: The Sentencing Project, 2010).

⁴¹ In Kansas, for example, changes in community supervision policies and practices resulted in a nearly 50 percent decline in parole revocations for technical violations from 2005 to 2009. Marc Mauer, "Sentencing Reform: Amid Mass Incarcerations — Guarded Optimism," *Criminal Justice* 26 (2011):1.

⁴² The state of Virginia has used pre-trial release effectively and the federal system also has instituted efforts at pretrial release programs. <http://www.dcs.virginia.gov/corrections/riskAssessment/assessingRisk.pdf>.

D. Sentencing reform

Since 2004, more than 20 states have enacted or proposed legislation to reform sentencing policies.⁴³ These legislative changes have focused on several types of reform. Primary attention has been given to increasing sentencing options that divert drug offenders from incarceration to community-based treatment alternatives and expanding sentencing alternatives to incarceration for other non-violent offenders.

Other reforms have attempted to increase use of community supervision and technological innovations such as electronic monitoring to respond to probation and parole violations. Some states have established or expanded programs that divert to drug treatment those who commit certain drug offenses. Other states have authorized early release from prison to community-based housing and treatment programs for offenders who meet certain criteria.

These reforms often are encouraged solely on the basis of economic cost. Improvement for any reason is important to the individuals involved, and the burden of cost is a necessary factor for government to evaluate. Changes made simply for economic reasons are less likely to endure, however, and people of faith also must evaluate practices in terms of moral justification, that is, whether the people involved are harmed or aided.

E. Specialized courts

In recent decades, specialized “problem-solving” courts have developed for those with drug-related and mental health problems as well as for veterans. With a rehabilitative emphasis, these courts address underlying causes of crime and provide treatment alternatives to punishment. Through successful participation in treatment programs, defendants are able to avoid traditional court sanctions such as jail time.⁴⁴

“Drug courts” in particular have been used with success. They serve adult and juvenile offenders as well as parents with cases in the child welfare system in which parental substance abuse contributed to child abuse or neglect.⁴⁵ The potential impact of such courts is significant given the prevalence of drug use disorders among offenders. Approximately half of jail inmates report symptoms consistent with drug use disorders prior to admission to jail.⁴⁶ It is notable that about half of state and federal prisoners meet criteria for drug dependence or abuse.⁴⁷

⁴³ Ryan S. King, *“Changing Direction? State Sentencing Reforms 2004-2006”* (Washington, D.C.: The Sentencing Project, 2007).

⁴⁴ Contrary to claims that such programs are “soft” on crime, defendants in problem-solving courts are typically required to complete more rigorous programming than offenders whose sentences in traditional courts are punishment oriented.

⁴⁵ More than 2,500 drug courts exist throughout the U.S. Department of Justice, *“Drug Courts”* (Washington, D.C.: Office of Justice Programs, 2011).

⁴⁶ Jennifer C. Karberg, and Doris J. James, *Substance Dependence, Abuse, and Treatment of Jail Inmates, 2002* (Washington, D.C.: U.S. Department of Justice, Office of Justice Programs, Bureau of Justice Statistics, 2005).

⁴⁷ Christopher J. Mumola, and Jennifer C. Karberg, *Drug Use and Dependence, State and Federal Prisoners, 2004* (Washington, D.C.: U.S. Department of Justice, Office of Justice Programs, Bureau of Justice Statistics, 2006).

In drug courts, judges, defense attorneys, prosecutors, treatment services staff, and community corrections staff generally work together to address cases. Case management typically includes risk and needs assessment, intensive monitoring, graduated sanctions and incentives, and treatment and other rehabilitative services. Though intensive monitoring and services are initially costly, in the long run drug courts are cost effective when one considers the reduced recidivism of drug court participants.⁴⁸

Mental health courts and veterans' treatment courts are less widely used and are underfunded, but are similar in their rehabilitative focus.⁴⁹ Like drug courts, the potential impact of mental health courts is significant. Research indicates that approximately 65 percent of jail inmates and about half of state and federal inmates have mental health problems.⁵⁰

Female inmates are significantly more likely than male to experience mental health problems, and female jail inmates have significantly higher rates of *serious* mental illness, compared to males.⁵¹ Outcome evaluations are still limited, but early evidence hints at effectiveness in reducing arrests and jail time.⁵²

Veterans' treatment courts focus specifically on mental health and substance abuse issues for military veterans who have committed criminal offenses.⁵³ These issues often result from psychological stresses of combat that are not adequately addressed when military personnel return home.

F. Reentry programming

Since the late 1990s there has been greater emphasis on the reentry process and recognition that transitional services are essential to successful reintegration into the community following incarceration. The ELCA is grateful for congregations and social ministry organizations that have developed creative efforts to provide reentry support, mentoring and other transitional services. Governments are encouraged by this church to continue funding expansion of individualized reentry plans (based on systematic

⁴⁸ Ibid. See also Deborah Koetzle Shaffer, "Looking Inside the Black Box of Drug Courts: A Meta-Analytic Review" *Justice Quarterly* 28(3): 493-521.

⁴⁹ Mental health courts identify participants through mental health screening and assessments, and provide a court-supervised treatment plan developed by a team comprised of mental health professionals and court staff.

⁵⁰ <http://bjs.ojp.usdoj.gov/content/pub/pdf/mhppji.pdf> (accessed 12/9/12).

⁵¹ Doris J. James and Lauren E. Glaze, "Mental Health Problems of Prison and Jail Inmates" Bureau of Justice Statistics Special Report (Washington, D.C.: U.S. Department of Justice, 2006).

<http://bjs.ojp.usdoj.gov/content/pub/pdf/mhppji.pdf> (accessed 12/9/12). Steadman, Henry J., Fred C. Osher, Pamela Clark Robbins, Brian Case, and Steven Samuels, "Prevalence of Serious Mental Illness among Jail Inmates," *Psychiatric Services* 60, no. 6 (June 2009): 761-765.

⁵² Council of State Governments Justice Center, Criminal Justice/Mental Health Consensus Project, "*Mental Health Courts: A Primer for Policymakers and Practitioners*" (Washington, D.C.: Bureau of Justice Assistance, 2008).

⁵³ Use of specialized courts is justified only to the extent that such courts identify and address major problems likely to lead to re-offending.

assessment), and provide a range of services through coordinated efforts with community agencies.⁵⁴

VI. Paths to greater justice: ending the overuse of incarceration

The ELCA is grateful for these positive trends, while concerned that governments and private organizations provide sufficient funding and institutional support to expand and broaden their effectiveness. At the same time, this church is clear that many areas of the criminal justice system urgently require extensive reform and sustained overhaul. The primary factor in making policy decisions related to criminal justice must be principled, evidence-based practices at all levels of the criminal justice system.

One area stands far above others and deserves immediate attention: this society must find ways to end the overuse of incarceration. As mentioned earlier, compared with other countries — along any relevant scale — the U.S. overuses incarceration as a response to criminality. Because of the significant harms--both personal and social--caused by incarceration, the ELCA strongly urges those who make and administer correctional policies to take all appropriate measures to limit the use of incarceration as a sanction for criminal offenses.

To achieve the goal of decreased incarceration, the ELCA identifies three specific objectives: aggressively pursue alternatives to incarceration; reform sentencing laws and policies; and closely scrutinize national drug policy.

A. Pursue alternatives to incarceration

Since the vast majority of individuals who have committed crimes do not require or deserve institutional confinement, reforms are urgently needed. This church encourages eliminating reliance on unnecessary secure detention and jail, the gateways to long-term incarceration.

The ELCA urges greatly expanded use of alternatives to incarceration and detention such as those commended above in its discussion of positive trends. This includes more use of community-based alternatives to incarceration for convicted offenders, for those who violate conditions of probation or parole, for juvenile offenders, and for those detained because of immigration status. This church also supports more treatment-focused alternatives to the use of jails and prisons for mentally ill offenders.

In particular, the ELCA encourages greater use of pretrial release programs for individuals held in jail while awaiting trial. At midyear 2010, nearly 749,000 individuals were confined in local jails, most for relatively minor, non-violent offenses. Of these inmates, 61 percent

⁵⁴ Council of State Governments Justice Center fact sheet on the Second Chance Act: http://reentrypolicy.org/documents/0000/1277/2.14.12_Second_Chance_Act_Fact_Sheet_.pdf (accessed 12/6/12).

had not been convicted, but were detained awaiting trial or other court proceedings.⁵⁵ While some were denied the opportunity to post bail as a danger to the community or a risk for non-appearance in court, most were not. By one estimate, nine billion dollars are spent annually to incarcerate individuals awaiting trial who cannot afford bail but posed little threat to society.⁵⁶

Holding people in custody significantly disrupts people's lives, and can result in the loss of work, home, and property. Incarceration while awaiting trial increases the likelihood of conviction, and stiffer sentences can lead to the loss of income for families.⁵⁷ racial and ethnic component is also evident, given that people of color are disproportionately likely to live in poverty, and therefore are less likely than Caucasians be financially able to post bail.⁵⁸

B. Reform sentencing laws and policies

Numerous sentencing policies have been adopted since the 1980s, including mandatory minimum sentences, habitual offender laws, truth-in-sentencing laws, and sentencing guidelines. Their implementation has led to increases in the use of incarceration and in the length sentences, and has limited judicial discretion in the sentencing process.

Habitual offender or three-strike laws, for example, impose lengthy sentences on chronic offenders. Nearly half of the states have them and in some, the law has applied even if the third felony conviction was not for a serious or violent offense.⁵⁹ Mandatory minimum sentences that impose lengthy fixed punishments on offenders and prohibit judges from considering mitigating factors, have

An Incarcerated Individual

I suppose that being in prison is different for everyone. For me it is the boredom—the isolation—the disconnection from family and friends. I accept that I broke the law and put myself here. I robbed the bank. Drugs were at the root of it all. I'm addicted and needed a way to get them. It isn't an excuse—it's just the way it is. It popped in my head that the easiest way to get money was to take it from the bank. So I did, and I got caught. Now here I am—staring down 5 years in federal prison, half way across the country from my family and hometown—so no visits. I hate it here. There is lots of hostility – from both the inmates and the staff. There is little to do, and even if there is something worthwhile, there are waiting lists. I just got here a few months ago so I've got nothing coming. I have a job as an orderly and make 21 cents an hour – about 30 bucks a month. That's what I got. I try to keep to myself because you can't be sure what other people are all about. You don't trust anybody here and you keep your business to yourself. Letting your guard down makes you weak and an easy target—so I try to do my own thing and stay out of the way. I've got a lot of time but I've already started counting the days.

⁵⁵ Todd D. Minton, "Jail Inmates at Midyear 2010 – Statistical Tables" Bureau of Justice Statistics, Statistical Tables (Washington, D.C.: U.S. Department of Justice, 2011). <http://bjs.ojp.usdoj.gov/content/pub/pdf/jim10st.pdf> (accessed 12/20/11).

⁵⁶ www.npr.org/2010/01/21/122725771/Bail-Burden-Keeps-U-S-Jails-Stuffed-With-Inmates (accessed 2/2/12).

⁵⁷ Studies show that those who are detained pretrial are more likely to be convicted and more likely to be sentenced to incarceration than those who are released prior to trial, even after factors such as the seriousness of the offense and the defendant's prior criminal record are considered. See Walker, Spohn, and DeLone, *The Color of Justice*.

⁵⁸ In 2009, 12 percent of Caucasians, 26 percent of African Americans, 25 percent of Latinos, and 13 percent of Asians and Pacific Islanders in the U.S. lived in poverty. U.S. Census Bureau, www.census.gov/compendia/statab/2012/tables/12s0711.pdf (accessed 2/2/12).

1249 been used most extensively in response to drug-related offenses. In addition sentences
1250 have been lengthened through truth-in-sentencing laws, which target serious violent
1251 offenders and require those convicted to serve at least 85 percent of their sentences. Such
1252 laws exist at the federal level and in more than half of the states.⁶⁰

1253
1254 This church calls for review and legislative reform of these sentencing policies for three
1255 reasons. First, researchers have raised serious doubts about the effectiveness of more
1256 severe sentences in deterring crime.⁶¹ Second, the policies shift discretion from judges'
1257 sentencing decisions to prosecutors' charging decisions, which are less susceptible to
1258 public scrutiny and likely to be inconsistently applied.⁶²

1259
1260 Third, and finally, these policies exact enormous and unnecessary personal costs on
1261 offenders, families and neighborhoods, along with a massive demand for public resources
1262 when tax dollars are desperately needed elsewhere. Lengthy sentences produced by these
1263 policies mean that offenders are incarcerated long beyond the point at which they would
1264 likely have "aged out" of crime and ceased to pose a threat to society.

1265 **C. Scrutinize national drug policy**

1266 Any comprehensive assessment of the criminal justice system must attend to national drug
1267 policy because that policy has a marked effect on all aspects of the system. In particular, the
1268 national drug policy bears significant responsibility for the dramatic increase in the
1269 incarcerated population. In 2010, 52 percent of federal inmates and 17 percent of state
1270 prison inmates were incarcerated for drug offenses.⁶³ As noted above, mandatory
1271 minimum sentences have been used extensively for drug-related crimes and have led to
1272 exceptionally long periods of incarceration.

1273 Regardless of what future directions U.S. national drug policy takes, this church raises
1274 grave concerns about aspects of the present approach. First, the image of a "war on drugs"

⁵⁹ In California about 8,000 third-strike inmates are serving sentences of 25 years to life; for almost half of these inmates, their third strike was a conviction for a drug or non-violent property offense. Ryan S. King, *"Changing Direction? State Sentencing Reforms 2004-2006"* (Washington, D.C.: The Sentencing Project, 2007). In November 2012, California citizens voted to change California's habitual offender law so that the third felony offense now must be serious or violent in order to invoke habitual offender sanctions.

⁶⁰ G. Larry Mays and Rick Ruddell, *"Making Sense of Criminal Justice: Policies and Practices"* (New York: Oxford University Press, 2008).

⁶¹ Ibid., 126. Deterrence research has shown that increasing the severity of punishment has little deterrent effect on future offending. King, *"Changing Direction? State Sentencing Reforms."*

⁶² Research suggests that "widespread injustices" follow because of prosecutors' ability to circumvent mandatory minimum sentences. Michael Tonry, "Criminology, Mandatory Minimums, and Public Policy" *Criminology and Public Policy* 5(1):45-56. Research also demonstrates that prosecutors' charging decisions can lead to inconsistent application of mandatory minimum sentences. Vanessa Barker, "Deliberating Crime and Punishment: A Way Out of Get Tough Justice?" *Criminology and Public Policy* 5(1):37-44. Nancy Merritt, Terry Fain, and Susan Turner. "Oregon's Get-Tough Sentencing Reform: A Lesson in Justice System Adaptation" *Criminology and Public Policy* 5(1):5-36.

⁶³ E. Ann Carson and William J. Sabol, "Prisoners in 2011" Bureau of Justice Statistics Bulletin December, 2012 (Washington, D.C.: U.S. Department of Justice, 2012). <http://bjs.ojp.usdoj.gov/content/pub/pdf/p11.pdf> (accessed 1/3/2013).

1275 reinforces a movement toward more militarized policing. Although special circumstances
1276 of extraordinary threat sometimes may justify the use of military-like tactics and
1277 equipment, those circumstances should not be treated as the norm and run counter to
1278 proven community-based methods.

1279 Second, the national drug policy has directed substantial resources toward one very
1280 specific form of criminal activity. Drug abuse can be devastating for individuals and
1281 communities, and the international trade in illegal drugs continues to cause political
1282 conflict and instability in many countries.

1283 The intense focus and expenditure on drug crimes, however, may come at the expense of
1284 other public needs, both within and outside the criminal justice system. Some of the
1285 significant resources spent on law enforcement efforts could be devoted to drug treatment
1286 and drug use prevention efforts. Further, current law allows law enforcement agencies to
1287 seize and retain assets used in or gained from crime. This power may create an improper
1288 financial incentive for law enforcement, especially given the relatively sparse judicial
1289 oversight of asset forfeitures.

1290 Third, and finally, there is mounting and persuasive evidence that the war on drugs has had
1291 a disproportionate impact on people living in poverty and people of color. Law
1292 enforcement practices regarding drug offenses often have targeted disadvantaged
1293 communities, and the sentencing policies regarding drug crimes have had racially disparate
1294 effects. Despite the fact that Caucasians and African Americans engage in drug offenses
1295 (both possession and distribution) at similar rates, Black people have been far more likely
1296 than White people to be arrested for drug offenses.⁶⁴

1297 Policing decisions about which neighborhoods and types of drugs should be the focus of
1298 enforcement efforts only contribute to these disparities. Federal sentencing policies
1299 regarding cocaine offenses offers a stark example of the racially disparate impact of overall
1300 drug policy. Although the tremendous disparity in sentence length for powder vs. crack
1301 cocaine offenses has been diminished in recent years, it still exists.⁶⁵

1302 Despite broad consensus that national drug policy has been marked by improper use of
1303 war language, very high costs, and disproportionate burdens on vulnerable members of our
1304 community, there are widely divergent views about the proper response. Some argue for
1305 decriminalization of the use of illegal drugs and a shift toward a public health model for

⁶⁴ "In every year from 1980 to 2007, black people were arrested nationwide on drug charges at rates relative to population that were 2.8 to 5.5 times higher than White arrest rates." Human Rights Watch, *"Decades of Disparity: Drug Arrests and Race in the United States"* (New York: Human Rights Watch, 2009). Available at: www.hrw.org/sites/default/files/reports/us0309web_1.pdf (accessed 1/17/12).

⁶⁵ According to the prepared statement of Ricardo H. Hinojosa, Acting Chair, United States Sentencing Commission, before the Senate Judiciary Committee's Crime and Drugs Subcommittee on April 29, 2009, African American offenders comprised 91.4 percent in 1992 and 80.6 percent in 2008; Caucasian offenders comprised 3.2 percent in 1992 and 10.2 percent in 2008; and Latino offenders 5.3 percent in 1992 and 8.2 percent in 2008. Powder cocaine offenses are more common in Caucasian populations, and crack cocaine offenses in African American populations.

addressing the negative effects of drug addiction and abuse. Others contend that some measure of criminal prohibition remains necessary to secure both individual and social well-being.

This church does not presume to resolve that debate. But the ELCA does call for close scrutiny to the full costs and consequences of drug policy. Those costs include the resources required to implement the policy as well as the costs to those who are harmed by being branded criminals — and placed under state control — simply because they have used an unlawful substance.

There are histories behind the designation of unlawful substances. Human decisions have made some substances illegal while permitting others and have made some substances legal in some jurisdictions or in certain time periods. The histories behind the construction of drug policy point to the role of contextual factors, including the race and class of those who use particular substances. Those histories should be considered when revisiting those policies' harmful effects. A responsible society must question whether the policy's benefits are sufficient to offset those costs.

VII. Paths to greater justice: support needed reforms

Although the problem of mass incarceration demands immediate attention, the ELCA highlights four other imperatives that require prompt and vigorous response from those who make and implement criminal justice policies. While each deserves attention for its own sake, reforms in these areas also will reduce the incarcerated population significantly.

First, the criminal justice system must acknowledge the racial disparities, and address the implicit and explicit racism that persists there; second, it must recognize the special needs of juvenile offenders; third, it must stop the privatization of prison facilities; and fourth, it must foster the full reintegration of ex-offenders into community.

A. Acknowledge racial disparities and end discrimination

The estimated prison population under state and federal jurisdiction at year-end 2011 was 34 percent Caucasian, 38 percent African American, and 23 percent Hispanic.⁶⁶ Yet non-Hispanic Caucasians currently make up 63 percent of the U.S. population, African Americans make up 12 percent, and Hispanics make up 17 percent.⁶⁷ Percentages are greatly disproportionate for other peoples of color also, such as American Indians or Alaska

⁶⁶ Carson and Sabol, "Prisoners in 2011" Bureau of Justice Statistics Bulletin December, 2012 (Washington, D.C.: U.S. Department of Justice, 2012). <http://bjs.ojp.usdoj.gov/content/pub/pdf/p11.pdf> (accessed 1/8/2013).

⁶⁷ U.S. Census Bureau. "Annual Estimates of the Resident Population by Sex, Race, and Hispanic Origin for the United States: April 1, 2010 to July 1, 2011". <http://www.census.gov/popest/data/national/asrh/2011/index.html> (accessed 1/8/13).

Natives.⁶⁸ Racial disparities appear in juvenile justice systems as well, including disproportionate minority contact with juvenile justice systems.

Some argue that these numbers represent the disproportionate involvement of people of color in crime. African Americans, for example, have high rates of involvement in crimes such as homicide and robbery that are punished by incarceration.⁶⁹ Yet, even when these high rates are taken into consideration, significant disparities persist and research shows that race influences decision-making at numerous points in ways that disadvantage people of color (e.g., policing decisions regarding arrest, prosecutorial decisions regarding charging, and judicial decisions regarding bail and sentencing).⁷⁰ Clearly, the cumulative effects of these decisions contribute significantly to racial disparity in incarceration.

U.S. society has a history of, and continues to manifest racism and profound economic inequality. The ELCA believes actions must be taken to end racial disparity in practices within the adult criminal and juvenile justice systems and to address the issue of racial disparity.

For example, this church expresses grave objections to patterns of racial, ethnic, and religious profiling. Although some police departments have adopted robust policies to counter the problem of racial bias, discrimination remains and carries many harmful consequences. Profiling -- whether intentional or unintentional — stigmatizes those who are innocent of any offense. It alienates members of the public who come to view the justice system as antagonistic rather than as a safeguard to all people's rights and property. Extensive efforts must continue until discriminatory profiling ends.

B. Recognize the special needs of youth offenders

The U.S. juvenile justice system grew out of a social reform movement more than a century ago based on the principle that youth are different from adults. Because they are still developing capacities for moral judgment, they may be less culpable, and more amenable to rehabilitation, than adults who commit the same offense. This principle — now supported by a significant body of research showing that brain development is still incomplete at age 18⁷¹ — led to the creation of a separate juvenile system that aspired to be more rehabilitative than punitive.

⁶⁸ For instance, Alaska Natives comprise twice the proportion of the prison population relative to their proportion in the statewide population. "Rethinking Alaska's Corrections Policy: Avoiding an Everyday Crisis." www.akclu.org (accessed 1/18/13).)

⁶⁹ Federal Bureau of Investigation, 2012. *Crime in the United States, 2011: Uniform Crime Reports* (. Washington, D.C.: U.S. Department of Justice, 2012). . Online at <http://www.fbi.gov/about-us/cjis/ucr/crime-in-the-u.s/2011/crime-in-the-u.s.-2011/tables/table-43> (accessed 1/24/13). Approximately 10 percent of whites in the U.S. live in poverty, while about 20-25 percent of African Americans and Hispanics do.

⁷⁰ See, for example, Walker, *The Color of Justice*.

⁷¹ J. Giedd, F.M.J. Lalonde, F.M.J., Celano, M.J., et al. "(2009, May). Anatomical Brain Magnetic Resonance Imaging of Typically Developing Children and Adolescents," *Journal of the American Academy of Child and Adolescent Psychiatry* (May, 2009). 48(5), 465-470.

In recent decades juvenile justice has drifted from that initial impetus. The drift has been motivated by perceptions of rising violent juvenile crime and perceived shortcomings in the rehabilitative focus of juvenile systems. Increasingly, the juvenile system has mirrored harsher trends in the adult system. Community-based alternatives for at risk youth as well as nonviolent youth offenders remain inadequate in many communities. Large residential juvenile correctional facilities resembling adult prisons still abound and are often unsafe and ineffective. They demonstrate high recidivism rates and poor educational outcomes, and youth rarely leave prepared to succeed as adults.

Further, by the 1990s nearly all states had expanded their policies regulating transfer of juvenile offenders to the adult system, permitting transfer at younger ages and for more offenses. States justify this expansion both as a means of more securely segregating violent or repeat juvenile offenders and as a means of better directing scarce funding in the juvenile system toward youth who are perceived to be most amenable to successful rehabilitation.

Concerns about security and efficiency are understandable. It is undeniable that society deserves protection from youth who commit horrific crimes. Yet, the weakened distinction between juvenile and adult corrections has done great harm. Juveniles who are prosecuted or sentenced as adults are ill-prepared for the fundamentally adversarial environment of the adult judicial process. Very little allowance is made for youths' immaturity, lack of experience, or questionable ability even to understand their rights.

Youth sentenced to adult prison, compared to their peers in the juvenile system, suffer higher rates of physical abuse, sexual abuse, and suicide.⁷² They are rarely provided age-appropriate educational or rehabilitative assistance. Female youth face special challenges when placed in adult correctional settings.

Some might see these problems as tragic consequences of otherwise prudent correctional policies for juvenile offenders, but the policies themselves fail to promote safe communities. Most experts agree that laws encouraging the transfer of juvenile offenders to the adult system do not deter serious juvenile crime.⁷³ In fact, there is compelling evidence that transferred juveniles are *more* likely to offend in the future than their peers

⁷² C.J. Mumola, "C.J. (2005, August). Special Report: Suicide and Homicide in State Prisons and Local Jails," *Bureau of Justice Statistics, U.S. Department of Justice*, August 2005, 2-5. Retrieved from www.bjs.gov/content/pub/pdf/shsplj.pdf. See also *National Prison Rape Elimination Commission, Report (June 2009)*, available at <https://www.ncjrs.gov/pdffiles1/226680.pdf>

⁷³ P. Griffin, S.P., Addie, B.S., Adams, and K.B., & Firestone, "K. (2011). Trying Juveniles as Adults: An Analysis of State Transfer Laws and Reporting. Juvenile Offenders and Victims: National Report Series Bulletin. (Washington DC: U.S. Department of Justice, Office of Justice Programs, Office of Juvenile Justice and Delinquency Prevention, 2011).

in the juvenile system.⁷⁴ Even youth who receive a sentence of probation from adult criminal court reoffend more often than their peers in the juvenile system.⁷⁵

Transfer practices also magnify the racial disparity in our nation's justice system. While Black youth represent 17 percent of the overall youth population, they make up 62 percent of those tried in adult court. They are nine times more likely than White youth to be sentenced to adult prison. Latino and Native youth are also transferred to the adult system and incarcerated in adult prisons at higher rates than White youth.⁷⁶

This church supports an end to current practices of trying, sentencing, and incarcerating youth in the adult criminal justice system as well as ending youth sentences of life in prison without the possibility of parole. Recent Supreme Court actions reflect encouraging developments in rulings against the death penalty for those who committed their crimes as juveniles and against mandatory life sentences without parole.

While advocating an end to current transfer practices, this church recognizes that some juvenile offenders pose significant risks to public safety and may not be appropriate for release upon reaching the age at which juvenile custody would cease. Reasons include insufficient progress in rehabilitation or the severely grievous nature of their offenses. This statement urges authorities to explore means of ensuring public safety without continuing the practice of transferring juvenile offenders to the adult system.

Even these youth deserve initial secure placement within the juvenile system where they have every opportunity to benefit from rehabilitative and educational activities with their peers. Adult incarceration should take place only after completion of placement in the juvenile system and should be reserved for youths who have committed the most grievous offenses. The determination that a youth poses continuing high risk to public safety requires thorough objective assessment of risks and needs.

The ELCA recognizes that the goal of keeping juveniles out of the adult criminal system requires the development and expansion of alternative correctional strategies. Some states have redefined the age at which adulthood begins, allowing youths to remain in the juvenile system beyond 18 and affording them maximum opportunity to benefit from rehabilitative efforts in the juvenile system. Some jurisdictions have seen promise in blended sentencing strategies, which allow juvenile and adult sentences to be imposed

⁷⁴ R.E. Redding, "R.E. (2010). Juvenile Transfer Laws: An Effective Deterrent to Delinquency?" *OJJDP Bulletin* (Washington, D.C.: U.S. Department of Justice, Office of Justice Programs, Office of Juvenile Justice and Delinquency Prevention, 2010).

⁷⁵ Ibid.

⁷⁶ The meta analysis of available research demonstrates that racial disparity holds even when controlling for offense severity. "Out of all youth cases in adult court, African-American youth accounted for 87% of those charged with drug offenses; 48% of those charged with property offenses; 59% of those charged with violent offenses; and 63% of those charged with public order offenses." N. Arya, C.F., Villanueva and I., C. & Augarten, I. *America's Invisible Children: Latino Youth and the Failure of Justice*. (2009, May) Washington, DC: Campaign for Youth Justice, 2009).

simultaneously. The adult sentence is typically suspended but held as a possibility in order to protect public safety.⁷⁷

At the most fundamental level, this church calls for a juvenile justice system that more closely matches its original rehabilitative intent and is equipped to meet the needs and manage the risks of all youth offenders. Promising initiatives for at risk and first time and nonviolent youth offenders include evidence-based therapeutic approaches for strengthening families as well as community supervision initiatives. Such initiatives include after-school programs and evening reporting centers that constructively engage juveniles during peak crime hours.

For youth who have committed more serious offenses and require secure residential placement, some jurisdictions have developed approaches demonstrating that even many serious youth offenders are amenable to rehabilitation. In a positive trend, some states are working to reform their juvenile systems by embracing those approaches.⁷⁸ Until every state can meet the needs and manage the risks of *all* youth offenders within a rehabilitation-focused juvenile system, juvenile justice reform will be incomplete.

Youth offenders should be held accountable for their wrongful actions. Anything less dishonors them and their budding capacity for moral agency. Yet, they should be held accountable in age and in developmentally appropriate ways. Regardless of their criminal offenses, youth deserve a rehabilitation-focused experience. Only these experiences provide them every opportunity to develop moral judgment, empathy for others and the skills necessary for making a responsible and successful transition to adulthood.

This church calls upon its members, congregations, social ministry organizations, and others to take part in building new social momentum for reforming juvenile corrections practices and treating youth as youth.

C. End prison privatization

Arguments used in favor of for-profit prisons cite their supposed cost-effectiveness, their ability to reduce overcrowding in public prisons and the introduction of free market competition to lower incarceration costs overall. Recent decades have witnessed a dramatic trend toward the usage and spread of private, for-profit prisons.⁷⁹

⁷⁷ Many experts, though, oppose blended sentencing and see it as an unsuccessful compromise between the juvenile and adult systems. A. Kupchik, (2006). *Judging Juveniles: Prosecuting Adolescents in Adult and Juvenile Courts*. (New York: New York University Press, 2006). While the intention is to incentivize youth charged with the most serious offenses to take advantage of rehabilitative efforts in the juvenile system, there is evidence of subjectivity and bias in decision-making, resulting in even more youths, especially those of color, being transferred into the adult system. F. Cheesman, F. (2011). *A Decade of NCSC Research on Blended Sentencing of Juvenile Offenders: What Have We Learned about "Who Gets a Second Chance?" Future Trends in State Courts 2011* (. Williamsburg, VA: National Center for State Courts, 2011).

⁷⁸ The Missouri Division of Youth Services offers one such approach widely considered effective.

⁷⁹ Reports indicate a 784 percent increase between 1999 and 2010 in the number of federal prisoners held in private facilities. Cody Mason, 2012. *Too Good to be True: Private Prisons in America* (. Washington, D.C., The

The arguments against them, however, are much stronger, and, for this church include concerns that are theological, moral, and economic. Theologically speaking, it is the role of government to restrain evil, not that of the market.⁸⁰ Civil governments may legitimately deputize private companies to act on their behalf in some cases. Private entities, including many church-related organizations, have effectively and appropriately participated in corrections programs, such as halfway houses. But such community facilities differ significantly from prisons. Such efforts must be carefully monitored when private entities are entrusted with even limited coercive power over individuals.

Where individual lives depend utterly upon the system and as one comes closer to matters of life and death, it is of utmost importance that the state not abdicate its responsibilities. When the state incarcerates someone as a prisoner, it brings upon itself special responsibilities for exercising custodial control. For this moral reason the role of the state in the operation of prisons should not be supplanted by economic players who are guided primarily by profit or production. The profit motive of private prison corporations is apparent in reports to the Securities and Exchange Commission where such corporations identify sentencing reform as an economic "risk factor."⁸¹

Contracting with private firms for incarceration invites myriad offenses. Significantly, privatization works *against* rehabilitation and successful offender reintegration into society. When a corporation's profits depend on a steady flow of offenders into or *back* into its prisons, it has little incentive to try to rehabilitate those who are incarcerated. Studies have shown that cost-saving measures in private prisons have contributed to significantly reduced services for the incarcerated. These reductions in medical care, education, job training, and counseling thereby contribute to higher recidivism rates for those released from private prisons compared to public ones.⁸²

Sentencing Project, 2012). http://sentencingproject.org/doc/publications/inc_Too_Good_to_be_True.pdf (accessed 2/3/2013).

⁸⁰ In the Lutheran understanding of distinct "orderings" or mandates of creation, the purpose of economy is to provide work and the means to self-sufficiency while government has primary responsibility to "wield the sword," that is, to restrain evil.

⁸¹ Donna Selman and Paul Leighton, *Punishment for Sale: Private Prisons, Big Business, and the Incarceration Binge* (Lanham, Md.: Rowman and Littlefield Publishers, Inc., 2010), xi. In an SEC filing, Corrections Corporation of America wrote, "Our growth is generally dependent upon our ability to obtain new contracts to develop and manage new correctional and detention facilities....The demand for our facilities and services could be adversely affected by the relaxation of enforcement efforts, leniency in conviction and sentencing practices....For instance, any changes with respect to drugs and controlled substances or illegal immigration could affect the number of persons arrested, convicted and sentenced, thereby potentially reducing demand for correctional facilities to house them." U.S. Securities and Exchange Commission, Corrections Corporation of America, Form 10K for fiscal year ended Dec. 31, 2005.

⁸² Andrew Coyle, Allison Campbell, and Rodney Neufeld, eds., *Capitalist Punishment: Prison Privatization and Human Rights* (Atlanta, Ga.: Clarity Press, Inc, 2003). Andrew L. Spivak and Susan F. Sharp, 2008, "Inmate Recidivism as a Measure of Private Prison Performance," *Crime and Delinquency* 2008, 54(3):482-508.

Recent evidence also questions the supposed economic benefits of private prisons. Studies have suggested that cost savings are minimal or absent.⁸³ In addition to reducing services for the incarcerated, efforts to cut costs have led to limited training of employees, relatively low pay rates among certain staff, and high turnover.⁸⁴ Higher levels of violence are likely in such an environment.

On the basis of theological, moral, and economic reasons, this church objects to current trends of corporate privatization in the criminal justice system. The ELCA urges government at every level to maintain or reclaim its responsibility and eliminate reliance on the use of private, for-profit prisons.

D. Foster full reintegration of ex-offenders

The dominant aim of criminal justice is restored social order. Even forms of punishment ultimately serve the goal of restoring a sense of social order. A balance must be achieved, therefore, between the harshness of punishment itself and the return of an offender to social life. If punishment is in some sense retributive, it must also be in some sense rehabilitative. For this reason attention to offender services and the successful reintegration of ex-offenders to society matter as part of the criminal justice system.

1. Rehabilitation, re-entry, and transitional support

This church holds that social order and human flourishing will be enhanced by greater emphasis on rehabilitative opportunities for prisoners. Many enter prison with limited life skills, poor job histories, little education and untreated drug or alcohol addictions. Upon their release from prison, however, they are expected to adjust to life back in their community (if they have one), find work, support themselves, seek help for mental illness and substance abuse, and not return to crime.

To dramatically increase chances for success, re-entry support must begin long before release from prison. By identifying needs such as basic life-skill and job-skill training, education and treatment needs at sentencing, and then comprehensively addressing these needs during incarceration, the likelihood of successful transition back into the community is heightened. The religious dimension of life is significant and deserves to be a major component of rehabilitative programs for those interested.

The ELCA also supports improved programming for released prisoners or those with alternative sentencing. The difficulties of finding housing, employment, and treatment

⁸³ See, for example, Brad W. Lundahl, Chelsea Kunz, Cyndi Brownell, Norma Harris, and Russ Van Vleet, "Prison Privatization: A Meta-Analysis of Cost and Quality of Confinement Indicators," *Research on Social Work Practice* 19(4):383-394,; and H. G. Lappin, T. R. Kane, W. G. Saylor, and S. D. Camp, "Evaluation of the Taft Demonstration Project: Performance of a Private-Sector Prison and the BOP" (Washington, D.C.: U.S. Department of Justice, Federal Bureau of Prisons, 2005);. James Austin and Garry Coventry, "Emerging Issues on Privatized Prisons" (Washington, D.C.: U.S. Department of Justice, Bureau of Justice Assistance, 2001).

⁸⁴ Scott D. Camp and Gerald G. Gaes, "Growth and Quality of U.S. Private Prisons: Evidence from a National Survey" *Criminology and Public Policy* 1 (2002):427-450. H. G. Lappin, T. R. Kane, W. G. Saylor, and S. D. Camp, "Evaluation of the Taft Demonstration Project: Performance of a Private-Sector Prison and the BOP" (Washington, D.C.: U.S. Department of Justice, Federal Bureau of Prisons, 2005).

(both for mental illness and addiction) make an offender or ex-offender's participation in society challenging. Mentoring programs have shown especially encouraging signs of success in aiding released offenders. Congregations and social ministry organizations have found ways to act as mentors and supporters; the ELCA applauds and encourages such efforts.

Yet the church also must remind the state of its duty to increase the possibility of successful re-entry to society. The main responsibility lies, finally, with the offender, but impediments to successful re-entry need to be removed to the greatest extent possible. Incentives for re-entry preparation should be created. If inmates successfully complete prison programs related to post-prison success, sentence reductions may be appropriate.

Support for rehabilitation and reentry programs alone is not sufficient. Current policies imposing punitive, long-term collateral sanctions also must be reformed for the sake of successful re-entry and the reduction of recidivism.

2. Collateral sanctions

When someone is convicted of a crime and a judge imposes the sentence, many invisible “collateral sanctions” are indirectly, and silently, added.⁸⁵ These punishments are defined through legislation and restrict the rights of ex-offenders after release. Such restrictions may include denial of the right to vote, restricted access to public housing, ineligibility for public assistance or educational loans, and barriers to employment for their entire lives due both to employers’ increased access to criminal records and to exclusion from particular occupations.⁸⁶ The stigmatization of these restrictions harms people personally as much as some restrictions harm them financially.

Beginning in the 1980s, state legislatures and the U.S. Congress created legislation expanding the use of collateral sanctions. Examples include an increase in the number of states that *permanently* deny convicted felons the right to participate in the democratic process by voting. It is likely that many U.S. citizens are unaware of the existence of such legal restrictions. This invisibility follows because, unlike prisons, these sanctions operate largely beyond public view, and are imposed through law rather than by a judge in a visible courtroom setting.⁸⁷

While some collateral sanctions are directly responsive to the risk posed by the ex-offender’s prior conduct, the broader trend of collateral sanctions does not seem to arise from those concerns. Instead, the increased use of such significant consequences reflects

⁸⁵ For examples visit <http://www.abacollateralconsequences.org/>. The Court Security and Improvement Act of 2007 authorized the creation of the National Inventory of Collateral Consequences, to systematically collect the collateral consequences of convictions that exist in all states and the federal system on one website.

⁸⁶ Travis, “*But They All Come Back*.” See especially chapter 4: The Expanded Universe of Invisible Punishment. Jeff Manza and Christopher Uggen, “*Locked Out: Felon Disenfranchisement and American Democracy*” (New York: Oxford University Press, 2006). Michelle Alexander, “*The New Jim Crow: Mass Incarceration in the Age of Colorblindness*” (New York: The New Press, 2010).

⁸⁷ Ibid., 64.

the general shift toward more punitive responses to offenders and “tough-on-crime” strategies. This expansion has been politically popular because, unlike other forms of sanction, it has come at little cost to taxpayers. In that sense, there are political advantages to the use of invisible punishments.

Such a narrow view ignores the consequences of these enduring punishments that significantly impact millions of Americans. For instance, there are real effects when a young man earns his GED in prison, but upon release is denied access to student loans for more education. The harms of collateral sanctions extend beyond those convicted of crimes to families and communities. In all cases, defendants and their counsel should be given effective ways to determine collateral consequences and make plea decisions with full knowledge of those consequences.⁸⁸

Although most collateral sanctions should be drastically limited, some *are* appropriate or even necessary when the sanction corresponds directly to the offense for which a person was convicted. It is reasonable to exclude those convicted of financial crimes from employment positions where they would have access to or responsibility for oversight of funds. Serious sex offenders and all child sex offenders should not have access to vulnerable individuals in employment or volunteer settings.

The majority of invisible punishments, however, does not fit the criterion of necessity, and therefore are unjust. This statement concurs with the action of the American Bar Association that has called for “restricting the reach of invisible punishment by limiting collateral sanctions to those that relate directly to the offense charged, and prohibiting sanctions that without justification, infringe on fundamental rights, or frustrate a convicted person’s chances of successfully reentering society.”⁸⁹

VIII. Moved by the cries--called to respond

Aware of the mounting evidence of the system's deep and abiding problems, the ELCA calls for the adoption of a variety of reforms. The leading concern is to decrease the incarcerated population, but other reforms delineated in this statement are significant in their own right.

At a deeper level, however, this statement recognizes that a more fundamental transformation in thinking about criminal justice is required. It calls for a transformed mindset, one that counteracts the logic equating more punitive measures with more just ones. This mindset challenges current undertones of vengeance, violence, and racism and permits everyone in the criminal justice system to be seen as members of human

⁸⁸ New attention to this matter is evident in 2009 of the Uniform Collateral Consequences of Conviction Act, drafted by the National Conference of Commissioners on Uniform State Laws. At this time, this legislation has been enacted by North Carolina and introduced in other states.
<http://uniformlaws.org/Act.aspx?title=Collateral%20Consequences%20of%20Conviction%20Act> (accessed 1/8/13).

⁸⁹ American Bar Association, “*ABA Standards for Criminal Justice: Collateral Sanctions and Discretionary Disqualification of Convicted Persons*” (3rd ed., Chicago: American Bar Association, 2004). Cited in Travis, “*But They All Come Back*,” 74-75.

communities, created in the image of God and worthy of appropriate and compassionate response.

The ELCA recognizes that retreat from unduly harsh sentencing policies and the over-utilization of incarceration may be motivated by economic factors, rather than by a moral critique of the way the system functions. Improvement for any reason is important to the individuals involved, but this church maintains that responses to criminality should be made on theological, moral, and rational grounds as well. Changes made simply for economics are less likely to endure.

Today it is important to join with others of good will to challenge the flawed public consensus about crime and criminal justice. Until a shift occurs in the public consensus, criminal justice policies likely will persist that recognize neither the injustice nor the inefficiency of many of our current responses to crime.

In God we place our hope for the fullness of shalom promised. Confident in the presence and promise yet to come of God's reign we yearn for a greater measure of justice now. And to God we owe thanks for human reason and its abilities to discern — with compassion and wisdom — how human communities might reflect at least the justice of the law.

When reason identifies sites of injustice in these communities, institutions, and systems, compassion motivates our response. The ELCA deeply appreciates the high ideals of the current criminal justice system. At the same time this statement has noted numerous issues about which it must be said that justice has not been done.

The ELCA therefore recommits itself to ministry with, for, to and among the many, many people whose voices cry out within our criminal justice system. "For what does the LORD require of you but to do justice, and to love kindness, and to walk humbly with your God?" (Micah 6:8).

A Lutheran Congregation Provides Mentoring

A Lutheran congregation in Minnesota has been involved for over five years with the Community Justice Mentoring Project. Several members became active mentors of individuals returning to the community post-incarceration. The mentors reported that, when they entered the adult correctional facility to meet their mentees, it was a very humbling experience to begin to imagine losing all freedom in prison and how difficult the re-entry process was; they caught a glimpse of why at one level incarceration may have felt preferable to trying to navigate the re-entry system. The outcome of mentoring has been threefold for the congregation: 1) members of the congregation who had been silent about a family member's incarceration began to speak; 2) for the last five years the congregation has provided funding for the Community Justice Mentoring Project, space for mentor events, and held forums to address criminal justice issues; and 3) they have

Glossary

- **Adjudication:** A process by which a finder of fact hears arguments and reviews evidence to settle a legal dispute.
- **Arraignment:** A criminal proceeding at which an individual accused of a crime is informed of the charges against them, and at which they are given the opportunity to plead innocent, guilty, or as otherwise allowed by law. Bail is often set at this proceeding.
- **Bail:** An amount of money exchanged for an accused's release from custody which the accused may reclaim only upon appearing in Court at the scheduled time.
- **Collateral sanctions:** Any penalty imposed automatically upon conviction of an offense, even if the penalty is not included in the sentence.
- **Community corrections:** The supervision of criminal offenders in the general population, as opposed to incarceration. Two main types are probation and parole.
- **Correctional control:** A restraint on freedom that allows law enforcement to limit the movement and activities of criminal offenders.
- **Criminal justice system:** The system used for apprehending and trying those accused of crimes, and sentencing and incarcerating those found guilty of a crime.
- **Discretion:** The freedom to decide or act according to one's own judgment restrained only by general legal guidelines.
- **Disparity:** A difference between otherwise similar classes or individuals.
- **Diversion:** A process by which a criminal offender is allowed to provide community service or participate in counseling or substance abuse treatment instead of incurring the typical penalty for the crime. If the offender successfully completes a diversion program, the offense may be removed from the offender's record.
- **Due process of law:** A guarantee that all proceedings affecting a person's legal rights will be in accord with specified procedures and conducted in a manner that is fundamentally fair to the individuals whose rights are at issue.
- **General deterrence:** A policy goal to cause all individuals in society to avoid a disfavored action.
- **Habitual offender laws (or "three strikes" laws):** Laws that provide specific – and heightened – penalties for those who commit additional offenses after being convicted of prior offenses.
- **Incapacitation:** Removal of a person's legal capacity to act in a specified way.
- **Incarceration:** the act of putting someone in prison or jail.

- **Intermediate sanctions:** Alternative punishments used to monitor offenders who are neither under the usual restrictions of probation or incarcerated.
- **Law enforcement:** Federal, state, and local agencies charged with protecting public order through the use of the coercive power of the state.
- **Mandatory minimum sentences:** Legislative provisions that establish the shortest possible prison term to which a judge may sentence a person convicted of a particular crime.
- **National drug policy:** The societal goals regarding drugs, primarily represented by the laws enacted across the country to regulate them.
- **Negotiated pleas (or plea agreements):** Occur when the accused agrees to plead "guilty" or "no contest" to some crime in return for some benefit, such as reduction of the severity of the charges, dismissal of some of the charges, or the prosecutor's agreement to recommend a particular sentence.
- **Parole:** the release of a prisoner before the end of the prescribed sentence, on condition that the offender follows specific rules, such as reporting to a parole officer and avoiding prohibited conduct.
- **Pretrial release:** A procedure that allows an accused person to remain in the community until trial. The individual may be released on their recognizance, which means without any fee or restrictions, or alternatively after the payment of fees or agreement to enhanced supervision.
- **Prison privatization:** The transfer of ownership and/or operation of prisons and prison-services from state-run agencies to privately owned entities.
- **Probation:** a chance to remain free given to a person convicted of a crime, provided the person conforms his or her behavior to specific rules established by the court or administrators.
- **Profiling (or racial profiling):** The use, typically by law enforcement, of a person's racial or ethnic characteristics in the decision to detain or question the person about potential criminal activity.
- **Re-entry (or re-entry programs):** The process through which a person released from prison adjusts back to living freely in the community.
- **Rehabilitation:** The process by which an individual is restored to a state where he/she is capable of being a responsible member of society.
- **Restorative justice:** A model of criminal justice that emphasizes reparation to those harmed by the offender, and encourages reconciliation between offenders and victims.
- **Retribution:** A model of criminal justice that emphasizes the use of punishment to restore equality between offender and victim by imposing sanction on the offender proportionate to the harm inflicted by the crime.

- 1713 • **Sentencing guidelines:** Legislatively established standards for determining the
1714 punishment that a person convicted of a crime should receive, based primarily on the
1715 character of the crime and the offender's record.
- 1716 • **Specialized courts:** Courts that focus attention on specific types of offenders, such as
1717 those who have substance abuse problems, and provide treatment and other services as
1718 an integrated part of the adjudication and sentencing process.
- 1719 • **Specific deterrence:** An effort to cause a specific individual to refrain from engaging in
1720 certain behavior in the future.
- 1721 • **Truth-in-sentencing laws:** Laws that require a convicted offender to serve all, or at
1722 least a substantial portion, of the prison sentence that he/she receives. This is
1723 primarily accomplished by restricting the availability of parole.
1724
- 1725

Implementing Resolutions

Resolved:

1. To call upon members of this church through steadfast prayer, discernment, ministry efforts, and public action to hear the cries, offer hospitality, accompany, and advocate on behalf of those whose lives are caught up in or committed in service to the criminal justice system;
2. To call upon members, congregations, synods, social ministry organizations, and churchwide ministries to advocate intentionally and creatively for system reform consistent with the principles and recommendations set forth in this social statement;
3. To encourage ELCA congregations to work with victims, victim advocates, and victim support organizations, to grow in sensitivity and response to the harm caused by crime, and to grow in awareness of restorative justice practices;
4. To encourage ELCA congregations to consider becoming sites of ministry and action for the incarcerated and their families, possibly in ecumenical collaboration, and with special attention to re-entry ministries and to preferential hiring for ex-offenders, as appropriate;
5. To hold in prayer the ministry of ELCA chaplains and pastors serving in all correctional facilities, or serving with law enforcement agencies around the country, and to encourage all expressions of the ELCA and its affiliated institutions to provide greater support to prison ministry;
6. To request the ELCA's Congregational and Synodical Mission unit to enlist the aid of leaders in conferences, synods, social ministry organizations or other appropriate groups in creating and maintaining a resource database, to which members, pastors or other professionals can turn for information about activities, models, and training modules that support ministry to people and action toward reform of the criminal justice system;
7. To call upon the ELCA's Worship and Liturgical Resources Team to develop additional liturgical resources for those involved in the criminal justice system, such as services and prayers for victims and their families, for those incarcerated, for those employed in the system, or rites of blessing for those engaging in visitation ministries;
8. To direct the staff of the ELCA's advocacy ministries to coordinate efforts to develop on behalf of this church a social investment screen on private prison operations, along with developing education materials to use within the ELCA for understanding these actions.

Revised April 5, 2013

- 1769 9. To direct the ELCA's Theological Discernment Team in the fall of 2015 to bring to the
1770 ELCA Church Council an assessment of the feasibility of developing a social message on
1771 U.S. national drug policy, in accordance with "Policies and Procedures of the
1772 Evangelical Lutheran Church in America for Addressing Social Concerns" (Chicago:
1773 ELCA, 1997, revised 2006, 2011); and
1774
- 1775 10. To encourage the three expressions of this church to utilize the recommendations of the
1776 Addressing Social Concerns Review Task Force in the process of disseminating and
1777 implementing this social statement.
1778
- 1779 11. To call upon appropriate staff in the ELCA's Congregational and Synodical Mission unit
1780 and the Office of the Presiding Bishop to establish and oversee a process of
1781 implementation and accountability for this social statement that provides a report on
1782 implementation to the ELCA Church Council in the fall of 2017.

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Addendum

Proposed Textual Corrections to The Church and Criminal Justice: Hearing the Cries

Stylistic Corrections-**for en bloc adoption**

Location	Proposed Change	Source ¹
4	remove bracketed text --it was informational for confidential review	TDS
58	add " and treated " after "seen"--would read "...seen and treated as..."	CoB
1214	Substitute " use of " in place "of the kinds"—would read "...expanded use of alternatives..."	TDS

Non-stylistic Corrections-**Recommended for**

Location	Proposed Change	Source
135	add reference to social message on Community Violence to that of Statement on Death Penalty. Text would read "As in 1991 or 1994 when the ELCA addressed questions about the death penalty or causes of crime " ⁵ this statement..." added text is highlighted--the point is to reference where ELCA has already addressed causes of crime.(Footnote 5 would also contain citation of the message.)	TDS
907	At end of sentence add an additional footnote with references to ELCA web information about doing background checks before hiring employees	CoB

Non-stylistic Corrections-**Recommended against:** There are none

¹ TDS refers to Theological Discernment Staff; CoB refers to Conference of Bishops; CC refers to Church Council Members; CWOS refers to other Churchwide Organization Staff; **Corrections to text are highlighted**

March 27, 2013

To the ELCA Church Council
From the Addressing Social Concerns Review Task Force

These prefatory comments are intended to highlight several changes from our previous report to you. They will not be part of the report that is made to the Churchwide Assembly.

Thank you for your feedback to our October 2012 report. In response to your feedback and to similar feedback from the Conference of Bishops, we eliminated our earlier recommendation for a 40 percent vote of synod assemblies in order to move from draft to proposed statement. We agree that the risks of furthering division outweigh any intended benefit.

In our October report, we used the framework of four “distinct yet interrelated spheres” that was proposed by the Social Statement Review Committee in 1996 and incorporated into the 1997 document, “Policies and Procedures of the Evangelical Lutheran Church in America for Addressing Social Concerns.” We believe that this language, while it may be useful internally, does not successfully engage the members of this church. We recommend lifting up earlier language from the 1991 social statement, “The Church in Society: A Lutheran Perspective,” and highlighting themes of vocation, institutional witness, and moral deliberation in our public communications, and you will see that we have eliminated “four spheres” language from the body of our report. “Four spheres” language is not widely known, and we think it is not helpful to introduce language and a structure in our report, only to recommend replacing that language and structure with something else.

Because the Church Council was given the authority to revise the “Policies and Procedures” document, it is our understanding that our recommendations do not require formal approval by the Churchwide Assembly. The members of the Task Force do feel strongly, however, that it is important for our report to be presented to the Churchwide Assembly in plenary session, with a brief time for comments and questions, rather than simply including the written report as a piece of information in the pre-assembly materials. Given the sometimes divisive nature of this issue, and given the recommendation of the LIFT Task Force and the action of the 2011 Churchwide Assembly calling for establishment of this task force, we fear that only a written report, easily ignored in the press of action items to review, might be misconstrued as a sign that the church did not take the review process with sufficient seriousness.

On behalf of the Task Force,
Yours in Christ,



Kathryn A. Kleinhans
ASCR Task Force chair
Professor of Religion, Wartburg College

**“With Hearts and Hands and Voices”
Report and Recommendations of the Addressing Social Concerns Review Task Force**

Our Charge

The Addressing Social Concerns Review (ASCR) Task Force was established in response to an implementing resolution brought to the 2011 Churchwide Assembly by the LIFT (Living Into the Future Together) Task Force; the implementing resolution adopted by the Churchwide Assembly called for “a review of the process for addressing social concerns based on a spirit of communal discernment.” The ASCR Task Force was established by the Church Council and charged with engaging the concerns (both critical and affirming) of ELCA members; reviewing and clarifying this church’s purpose for addressing social concerns; and reviewing and making appropriate recommendations concerning the processes for addressing social concerns (including the development of social statements).¹

Our Approach

The Task Force met at the Lutheran Center four times between January 2012 and February 2013 and also held several virtual meetings to further its work. At each meeting, we spent time “Dwelling in the Word,” using Luke 10:1-12 as our text. In this passage, Jesus sends the seventy “on ahead of him ... to every town and place where he himself intended to go.” This text was an important touchstone for our work.

Several important considerations shaped how we approached our task:

1. The Task Force took seriously the broad scope of its charge to review the many ways in which the ELCA addresses *social concerns*, not simply to review the process for the development, adoption and implementation of social statements.
2. The Task Force understood the review process to be directed toward the future life and mission of this church rather than a reactionary response to past decisions.
3. The Task Force returned repeatedly to the question of what it means to be a church that addresses social concerns in “a spirit of communal discernment.” Recommendations either to change or to affirm our current policies and procedures will not be effective unless we are able to address fundamental issues of trust and mistrust within this church.

What We Learned

The ELCA has created a significant body of social teaching over the years. Since 1988, thirteen social messages have been adopted by the ELCA Church Council and eleven social statements have been adopted by the ELCA Churchwide Assembly. Social statements and social messages are taught in our college and seminary classrooms; are well regarded by our ecumenical partners; and are used by our social ministry organizations and other agencies to inform their work. They are also used by individuals and congregations for information and for moral guidance.²

Part of the charge to the Task Force was to engage the concerns (both critical and affirming) expressed by members of this church about the ELCA’s role in addressing social concerns. In the course of our work, we sought input from the Conference of Bishops and the Church Council. We also

¹ The complete Task Force charter is provided as Appendix 1 to this report.

² During the most recent year for which data is available, each English-language social statement had over 1700 online pageviews on the ELCA website and each of the social statements was studied in ELCA congregational forums (1.1% - 10.9% of congregations filing an annual report for 2011, depending on the social statement). While the numbers vary widely, it is significant that even the social statements adopted in 1991 (over twenty years ago) are still being used by individuals and congregations.

conducted an open web-based survey to which 4011 people responded.³ Survey data yielded several important insights:

- Addressing social concerns is a very emotional issue for many in our church. Some respondents felt strongly that the ELCA should stay out of social and political issues, while other respondents strongly commended the ELCA for its engagement in social and political issues.
- Although there are multiple opportunities for input in the process of developing social statements, many respondents are unaware of these opportunities.
- Many respondents are eager for resources to study social concerns and social statements and are unfamiliar with the resources that already exist.

While a vocal minority opposes the ELCA taking formal positions on social issues, almost three fourths of survey respondents expressed the view that it is important for the ELCA to address social concerns *both* through direct service (responding to disaster, providing support to hunger ministries, etc.) *and* by making public statements. In the words of the seventeenth-century hymn “Now Thank We All Our God,” one might say that members of the ELCA believe it is important for this church to address social concerns not only with our hearts and hands but also with our voices.

Even those who believe the ELCA should make public statements on social issues do not find ELCA social teaching as useful as it could be:

37.5 percent of respondents report that social statements are often too long⁴

25.4 percent of respondents report that social statements are too difficult to understand

44.6 percent of respondents report that social statements are perceived to have a political agenda

53.5 percent of respondents report that social statements are not well publicized or are too hard to find

A significant minority of survey respondents⁵ were not even aware of the existence of ELCA social statements other than the 2009 Human Sexuality statement and the 1991 Abortion statement. This lack of awareness of ELCA social teaching is especially discouraging given the strong support expressed for developing statements on important social issues.

Given these results, it is perhaps not surprising that more respondents called for “better execution” in the development of the ELCA’s social teaching than for “fundamental change.”⁶ The recommendations of the ASCR Task Force reflect this emphasis on “better execution,” recognizing that better execution is not simply a matter of revising how we do things but also of forming and nurturing community.

Why We Address Social Concerns

The ELCA’s commitment to address social concerns through public statements and advocacy efforts has sometimes had a polarizing impact on this church. There is a strong perception among some that the ELCA’s involvement in social issues promotes a liberal political agenda. In the words of one survey respondent, “I would like the ELCA to stop writing social statements. They aren't just perceived as political; they are political.” Yet in the words of another respondent, “Some people do not believe that churches should be involved in social justice. They think that social justice is political, but I think social justice is often based on God's teachings.” Because of such differing views, it is essential for the

³ The report on the survey is provided as Appendix 2.

⁴ The average length of social statements approved between 1991 and 1995 is 12 pages, while the average length of social statements approved since 1997 is 44 pages.

⁵ 25-45% of non-rostered respondents and 10-20% of rostered respondents.

⁶ The group most likely to express a desire for “fundamental change” was the Conference of Bishops, but this was not the majority position even among the bishops.

ELCA to state clearly and persuasively its evangelical and missional purpose in addressing social concerns.

In 1991, the ELCA adopted its first social statement, “The Church in Society: A Lutheran Perspective.” This social statement set forth a vision of the church’s role in society that is grounded in the church’s “identity as a community that lives from and for the Gospel.” Affirming St. Paul’s understanding of “faith active in love” (Galatians 5:6), the ELCA committed itself to

- sustaining the vocation of its members in their callings in daily life,
- fostering moral deliberation on social questions, and
- witnessing in its life and work as an institution.

First, this church seeks to support the priesthood of all believers and their vocation to serve others in daily life from friendship to citizenship in both private and public callings. This church seeks to nurture vocation by forming character, outlook, and moral conviction and by connecting members who share common callings.

Second, because all callings raise questions about the shape of love and because we cannot love others without attention and communication, the Evangelical Lutheran Church in America affirms and seeks to engender communities of moral deliberation that seek to “discern what is the will of God—what is good and acceptable and perfect” (Romans 12:2). This communal discernment seeks sustained and inclusive conversation that enlarges our understanding and opens us more fully to God’s love and to each other.

Third, this church affirms and supports many public ministries for the common good as an institution of congregations, synods, the churchwide organization and affiliated organizations. For example, in its communal discourse, it can model civil discourse for democratic society. It can address human need through educational and social ministry organizations as well as congregational and synodical initiatives. By enacting social policy, this church can be a voice among others that informs and guides public discourse and decision-making. It can speak for those who have no voice. It can mediate conflict and injustice in witness to God’s peace.

The Task Force believes it is essential for the ELCA, in all of its expressions, to continue to lift up these three commitments and to communicate clearly how the church’s response to social issues is part of its witness to the Gospel in both word and deed.

How We Address Social Concerns

Through its review, the Task Force concluded that the ELCA has been more effective in witnessing as an institution than in fostering a culture of genuine moral deliberation. Moreover, the resources the ELCA has produced for study and guidance related to social concerns, though valuable, are not as well-known and as well-utilized by our membership as they are intended to be. In part, staff and budget reductions have limited the resources available to fulfill all three of our commitments equally well.

Our recommendations fall into two main categories: recommendations intended to foster moral deliberation, to increase involvement in the deliberative processes of this church and to expand the use of ELCA social teaching; and recommended procedural changes.

Recommendations intended to foster moral deliberation, to increase involvement in the deliberative processes of this church, and to expand the use of ELCA social teaching

The Task Force recommends that the ELCA:

1. *Expand its communication efforts, including the use of new and emerging media, in order to distribute information to members and congregations, to receive feedback from members and congregations, and to facilitate conversation among members, congregation, and the communities of which they are part.*

Rationale: Given the lack of awareness of existing social statements and resources, it's clear that what we are currently doing is not adequate in a world of rapidly evolving technology and constant media competition for people's attention. We need to reach people we are not reaching. We need to create additional opportunities for participation and to broaden the range of participants. We should support – and learn from – networks where constructive theological engagement is already taking place.

2. *Devote increased attention to forming communities of moral deliberation within this church, by producing resources for moral deliberation, by training and equipping leaders who can model moral deliberation and by connecting diverse communities.*

Rationale: Moral deliberation and communal discernment require a set of skills and attitudes that are not intuitive. Appropriate resources and resource people can model respectful communication and foster genuine engagement with and respect for diversity of experience and opinion. When the church engages and embraces diversity within the one Body of Christ, we are a powerful witness in an increasingly polarized world.

3. *Identify and equip resource persons for the church's ministry of addressing particular social concerns.*

Rationale: Churchwide staff and task force members neither can nor should be the only human resources available to communicate this church's social teaching. Teaching theologians, those working in social ministry organizations, those nominated but not selected for task forces, and those with particular interest or expertise in certain areas can serve as speakers and facilitators for groups who wish to engage in conversation about a social issue and as advocates and interpreters for the church's social teaching. Developing regional and national networks of resource people is good stewardship both of human interests and energy, and of financial resources.

4. *Identify, provide and make available a variety of enhanced resources for individual and congregational engagement with social concerns (including resources developed by others).*

Rationale: Early in its work, the Task Force began to think in terms of a 'toolkit' for each social statement, message, or concern, including a concise summary of the core convictions of each statement or message, study guides, video resources, case studies, success stories etc. Summaries of and study guides for ELCA social statements exist but are not well known. Additional kinds of resources, such as video clips and "success stories" related to social issues, etc., would engage a broader group of participants than lengthy statements and study guides alone. Case studies presenting the complexity of social issues would stimulate deeper engagement with an issue and with other participants, discouraging over-simplified responses. Few of our existing social statements have resources specifically directed at youth; if our goal is not simply to address issues but to foster moral deliberation, providing age-appropriate resources for our younger members is important. While it isn't the job of the churchwide organization to develop all

these resources itself, the churchwide organization can play an important role in facilitating networks of resource sharing.

5. Regularly review existing social statements and social messages, including the possibility of adopting new implementing resolutions or policy resolutions when appropriate.

Rationale: As with our ecumenical agreements, the goal of the ELCA's social teaching is not just adoption but ongoing reception, the process of living more fully into our commitments. The ASCR Task Force conducted the majority of its work during 2012. We noted that health care and the economy were highly contested issues in the 2012 election. While the ELCA has social statements on both of these complex issues, we wonder how widely these "old" statements are known and whether they were used by our members to inform their views and to foster conversation with others. A cycle of regular review will help this church to remind itself of the work it has done and to apply its social teaching in new circumstances.

Recommended Procedural Changes

As a result of our review of existing ELCA social teaching, our engagement with the views expressed by members, and our own deliberations, the Task Force recommends that the ELCA:

6. Adopt a new process for determining how best to address a social concern.

The ELCA addresses social concerns in many ways, including study, preaching and teaching, advocacy, and direct action, as well as through policy resolutions, social messages, and social statements. Social statements often become a lightning rod, distracting attention from the other ways in which the ELCA responds to social concerns. Because of the prominent attention given to the development of social statements, they are sometimes assumed to be the highest form of addressing a social concern, as if issues for which a social statement is authorized are more important issues than those for which a social message, social policy resolutions or a pastoral letter are issued.

The Task Force came to the conclusion that an attitude of communal discernment is important not only for what this church says about a particular social concern but also for deciding how to address that concern in the first place. Currently, the development of a social statement is authorized by the Churchwide Assembly. The Task Force recommends *a process of formal exploration of a particular social concern, authorized by the Church Council, before a decision is made about the most appropriate way(s) of addressing that concern.*

Steps in the recommended process:

a. The Church Council initiates formal exploration of a social concern.

This may be in response to a Churchwide Assembly action, or may be at the impetus of the Church Council itself, or a request may come to the Church Council from another source (e.g., a synod council, a synod assembly, the Conference of Bishops, individual members, etc.).

b. The Church Council identifies a group to explore the social concern.

This may be a group whose composition resembles the composition of a Task Force, but this may be another kind of group, including an existing group (churchwide staff, teaching theologians, etc.). In appointing any new group, ELCA representative and participatory commitments shall be honored.

- c. Following exploration of and deliberation concerning the social concern, *the exploratory group makes a report to the Conference of Bishops and the Church Council including its recommendations regarding appropriate next steps* for responding to the social concern. Possible recommendations include, but are not limited to: taking action, developing resources, issuing a pastoral letter, developing a social message based on existing social statements, and/or proceeding with the development of a new social statement.

We append a sketch designed to help illustrate the recommended process.⁷ The sketch takes the form of a tree (a more organic image than a flow chart), showing multiple entry points (roots) into the process of addressing social concerns, as well as many possible fruits.

Rationale:

- We think the approach proposed above models a process and spirit of communal discernment.
- We think this process will strengthen the awareness that the ELCA responds to social concerns in multiple ways, hopefully reducing the perceived separation (or even antagonism) between ministries of service and ministries of advocacy.
- We think this process will challenge the misperception that issues addressed by a social statement are more important than issues addressed by a social message, and we hope it will defuse misperceptions about social statements as an expression of a top-down political agenda.
- We think the process of exploration prior to making recommendations will encourage us to draw on and continue to use existing resources. The role of the Church Council in this process is not to be a gatekeeper but to facilitate study, engagement, and action in appropriate ways.
- We think an exploratory process without a predetermined outcome or product will encourage creativity in responding to social concerns.
- By shifting the locus of authority for starting a study process to Church Council and by having the exploratory group make recommendations to the Church Council, the proposed process provides greater flexibility in responding to social concerns in a timely way (C 14.11), especially given the shift to a triennial Churchwide Assembly.
- Some staff and former staff have expressed the view that we may be close to having a complete “body” of social statements and that a majority of issues that arise in the future can be dealt with by social messages drawing on existing social statements. This broadened process allows for the development of future social statements, when necessary, but does not privilege social statements as the most important way that the church addresses a social concern.

7. *When the decision is made to proceed with the development of a social statement, the Task Force recommends that:*

- a. *The comment period for responding to a draft be lengthened.*

Rationale: The current March – October period for commenting on a draft, because it spans the summer, is not conducive to input from congregational study groups or from college and seminary classes.

⁷ See Appendix 3.

- b. *Two distinct types of hearings be identified and held.* The intent of the initial hearings would be to *introduce* members both to the issues and to the draft. The purpose of the additional hearings would be to gather *feedback* from members who have studied the draft statement.

Rationale: Currently, those who attend hearings held at synod assemblies, rather than freestanding hearings, have typically not read the social statement draft before the hearing. Offering introductory hearings prior to feedback hearings better equips members for the task of moral discernment, encourages them to share what they learn in their congregations and should generate more thoughtful feedback.

- c. *The task force charged with development of the social statement consider developing multiple products, in different formats and for different audiences and purposes, rather than considering itself bound to create a single lengthy document.*

Rationale: The fact that many ELCA members find social statements too long and too difficult should prompt us to think about the most beneficial forms of communication. Not all issues need to produce the same kind of document(s). Although social statements deal with complex issues, requiring significant analysis, we believe that each social statement should be accompanied by a brief statement of the core theological principles informing the ELCA's approach to the social issue being addressed. The context and data required to make a sustained theological argument will change over time, but we trust the core theological principles will be consistent and should be highlighted in a brief, accessible form.

Other recommendations necessary for implementation

- 8. *To revise the "Policies and Procedures" document to reflect the new process and to emphasize the three commitments of "The Church in Society."*
- 9. *To provide sufficient funding and personnel to interpret and help equip this church for responding to social issues, in word and deed, as part of its evangelical mission in the world.*

Appendices

Appendix 1: Proposed Charter for Addressing Social Concerns Review Task Force

Appendix 2: August 2012 Open Questionnaire Report, ELCA Research and Evaluation

Appendix 3: Sketch illustrating recommended process (tree with multiple roots and multiple fruits)

Members of the Task Force

The Rev. Kathryn A. Kleinhans, Waverly, Iowa, Task Force chair, teaching theologian at Wartburg College

Per Anderson, Moorhead, Minn., professor and associate dean at Concordia College, ethicist

Paul G. Archer, Dearborn, Mich., ELCA Church Council member

Linda Bobbitt, Thornton, Colo., ELCA Rocky Mountain Synod vice president and former member of the Living into the Future Together task force

The Rev. Wm. Chris Boerger, Everett, Wash., bishop of Northwest Washington Synod

Rebecca J. Brakke, Dallas, ELCA Church Council member

Sylvia Bull, Princeton, N.J., member of First English Lutheran Church in Great Falls, Mont. and seminarian

The Rev. Margaret E. Herz-Lane, Baltimore, pastor of St. Luke Lutheran Church

Christopher Meade, Geneva, Ill., member of Geneva Lutheran Church

Arthur Norman, Valdosta, Ga., member of Salem Evangelical Lutheran Church in Houston, Texas and attending St. Paul's Lutheran Church in Mobile, Ala.

The Rev. Fred S. Opalinski, Reading, Pa., pastor at Trinity Lutheran Church

Rosemarie Stephens-Booker, Arlington, Va., First Lutheran Church in Norfolk, Va.

Suzanne G. Wise, Siler City, N.C., chair of the Communal Discernment Task Force

The Rev. David B. Zellmer, Sioux Falls, S.D., bishop of ELCA South Dakota Synod

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Addressing Social Concerns Review Task Force Charter

I. Organization and Purposes

A. Churchwide Assembly authorizing action

CA11.04.14

LIFT Implementing Resolution

To authorize the Church Council, in consultation with the Conference of Bishops and Communal Discernment Task Force, to establish a review process of current procedures for the development and adoption of social statements, following the consideration of the genetics social statement, *Genetics, Faith and Responsibility*, at the 2011 Churchwide Assembly; and

To bring no social statements other than *Genetics, Faith and Responsibility* to any Churchwide Assembly until completion of a review of the process for addressing social concerns based on a spirit of communal discernment. This review shall be completed and brought to the fall 2012 Church Council meeting, with a report to the 2013 Churchwide Assembly. During this review, the process for developing the criminal justice social statement and the justice for women social statement may continue, without alteration of the process already under way for the statement on criminal justice, which is to be completed and reported to the 2013 assembly.

II. Background Information

LIFT Task Force recommendation (2011 ELCA CWA Pre-Assembly Report, Part V, p. 28)

Communal Discernment

The task force commends the work of the Communal Discernment Task Force formed by action of the Church Council in 2008, which seeks better ways to engage emotional and divisive issues and make difficult decisions in this church by means that increase mutual trust, build respect for each other as the body of Christ and deepen spiritual discernment. The task force commends the spirit of communal discernment to the whole church.

The task force recommends that the ELCA:

1. Nurture a culture of faithful discernment in all its expressions, assemblies and councils, the churchwide organization, synods, congregations, institutions, and small groups. This culture will contribute to healthier decision-making and stewardship of mission and build relationships of greater trust and respect for one another.
2. Shape churchwide meetings and gatherings, including Churchwide Assemblies, to include a focus on identity and mission in order that participants gain a deeper understanding of what God is calling this church to be and do.
3. Undertake sustained, ongoing conversations and deliberation regarding this church's identity and its implications for our participation in God's mission. Link mission and identity rather than seeing mission as one more activity of the church.
4. Affirm the responsibility of the presiding bishop (see ELCA 15.12.G11.) to be the prime catalyst in this church's conversations and deliberations on identity and mission. This would include working with:
 - the Conference of Bishops, the presidents of the seminaries, and the Convocation of Teaching Theologians to fully address this church's discourse on identity and mission.
 - the churchwide organization and synods in developing their ability to engage congregations and their members deeply and expansively in ongoing critical conversations and deliberations.
5. Bring no social statements to churchwide assemblies until a review process is completed. This review of current procedures for the development and adoption of social statements, established by the Church Council in consultation with the Conference of Bishops, should reflect the spirit and culture of communal discernment.
6. Continue work on current social statements.

III. Responsibilities

A. The Addressing Social Concerns Review Task Force shall:

1. Review, more broadly, "the process for addressing social concerns," and specifically, "current procedures for the development and adoption of social statements";
2. Review the existing body of ELCA social statements, social messages and social policy resolutions, their use and their effect;
3. Review the processes for
 - a. identifying social concerns to address and the means of addressing them;
 - b. developing statements;
 - c. study, discussion, deliberation and decision;

- d. publicizing, distributing, promoting and using social statements and messages;
 - 4. Review the missional, theological and evangelical purpose and goals for addressing social concerns;
 - 5. Engage the criticisms and critiques that ELCA members have expressed concerning:
 - a. the processes for developing social statements and messages;
 - b. the reasons and goals of addressing social concerns through statements;
 - c. the effects of the ELCA's addressing social concerns on other aspects of its mission and its overall life, with particular attention to the LIFT Task Force report of "disconnect" and to the experiences of division and exclusion in congregations, synods and in the ELCA as a whole;
 - 6. Clarify the reasons for addressing social concerns and the purpose of the statements and messages developed to address them; and
 - 7. Review and, as needed, recommend revisions to *Policies and Procedures of the Evangelical Lutheran Church in America for Addressing Social Concerns*.
- B. Throughout its work the Addressing Social Concerns Review Task Force shall:
- 1. Consult with the Conference of Bishops, the Communal Discernment Task Force and the Program and Services Committee of the Church Council;
 - 2. Attend to the convictions and hopes of both those who value the ELCA's work of addressing social concerns through statements and messages and those who have serious reservations about it or seek to discontinue it;
 - 3. Engage the full diversity of experience, expertise and wisdom among ELCA members for addressing social concerns, with particular attention to persons whose voices are too often excluded or ignored;
 - 4. Consult with the Mission Advancement unit and marketing and research consultants regarding awareness, distribution and use of social statements; and
 - 5. Consider opportunities for learning and collaboration with ecumenical partners.

IV. Membership and Leadership

- A. The task force shall be composed of 10-12 members, consistent with the ELCA's representational principles. Task force membership shall include:
 - 1. at least 2 synod bishops;

2. at least 1 member each of the Communal Discernment task force; the LIFT task force; the Program and Services Committee; and
 3. at least 1 youth or young adult; 1 ethicist; 1 teaching theologian; and 1 person with expertise in communications and marketing.
- B. Initial members of the task force and its chairperson shall be appointed by the Executive Committee in consultation with the Program and Services Committee. The Presiding Bishop may make additional appointments in consultation with Executive Committee.
- C. Staff members shall be appointed by the Presiding Bishop.
- D. The term of service for all members shall be until the completion of the task force's work.
- E. The task force may invite additional staff, advisors, consultants and guests.

V. Meetings and Funding

- A. The full task force shall meet in person at least three times during 2012 (preferably winter, spring, summer).
- B. Additional meetings of the task force or work groups may be held either in person or by conference call.
- C. The work of this task force shall be funded by strategic initiative funds.

VI. Timetable for Actions

- A. A report and recommendations shall be brought to the Church Council at its fall 2012 meeting.
1. Interim reports, including a preliminary report of findings, shall be presented to the spring meetings of the Conference of Bishops and the Church Council.
 2. A preliminary report with recommendations shall be presented to the fall 2012 meeting of the Conference of Bishops for review.
 3. The task force may revise the preliminary report and recommendations for presentation to the fall 2012 Church Council meeting.
- B. The task force shall present a final report to 2013 Churchwide Assembly.

Addressing Social Concerns Review Task Force
Open Questionnaire Report
Kenneth W. Inskeep
Research and Evaluation, Office of the Presiding Bishop
August 2012

The Addressing Social Concerns Review Task Force posted an open questionnaire on the ELCA Website in the summer of 2012. As of July 20, 2012, we had received 4,011 usable responses. Because the questionnaire was open to any one who wished to complete a questionnaire, there was no expectation of representativeness.

Characteristics of the Respondents

Membership in an ELCA Congregation

Ninety-five percent of the non-rostered respondents to the open questionnaire said they were members of an ELCA congregation compared to 99 percent of the rostered respondents.

Age

Table 1 presents the distribution of respondents by age with comparisons to worship attendees and the full ELCA roster (lay and clergy). The non-rostered respondents over represent those who are 55 to 64 years of age when compared to worship attendees, but the two distributions are similar. The rostered respondents are younger overall when compared to the full ELCA lay and clergy roster.

Table 1: The Age Distribution of Respondents with Comparisons

	open questionnaire rostered	ELCA lay and clergy roster	open questionnaire non-rostered	worship attendees (U.S. Congregational Life, 2008)
24 or younger	0.5%	0.0%	5.1%	6.7%
25 to 29	3.5%	0.5%	5.8%	2.5%
30 to 44	17.1%	16.4%	13.0%	16.3%
45 to 54	19.6%	22.3%	17.9%	18.1%
55 to 64	32.5%	43.5%	27.1%	18.5%
65 or older	26.8%	17.3%	31.1%	37.9%
	100.0%	100.0%	100.0%	100.0%

Gender

The respondents to the open questionnaire were predominantly female. Among the non-rostered respondents, 64 percent were female compare to 60 percent of ELCA worship attendees. Forty-one percent of the rostered respondents were female, compared 32 percent of the full ELCA lay and clergy roster.

Race/Ethnicity

The respondents to the open questionnaire were predominantly white—97 percent of the non-rostered respondents compared to 95 percent of worship attendees and 95 percent of the rostered respondents compared to 95 percent of the full ELCA lay and clergy roster.

Education

The respondents to the open questionnaire were very well educated. Thirty-seven percent of the non-rostered respondents have bachelor's degrees and 42 percent have a master's degrees or higher. This

compares to 23 percent and 15 percent respectively of the worship attendees. Among the rostered respondents, 9 percent have bachelor's degrees and 85 percent have master's degrees or higher.

Income

The respondents to the open questionnaire also had higher incomes than worship attendees. The average income for worship attendees was \$72,000 (adjusted for inflation) compared to \$78,000 for the rostered respondents and \$84,000 for the non-rostered respondents.

Geography

The respondents to the open questionnaire were disproportionately from the West (Washington, Rocky Mountain States, and California). The Midwest was underrepresented (Minnesota, Wisconsin, Ohio) as was the East (New York, Pennsylvania).

Political Views

The respondents were asked to describe their current stand on political issues. Table 2 shows the distribution of responses. Sixty-three percent of the rostered respondents indicated they are liberal or very liberal compared to 55 percent of the non-rostered respondents. It is very likely that this proportion is considerably higher, particularly for the non-rostered respondents, than the proportion of ELCA worship attendees who would say they are liberal or very liberal. The only means of comparison, however, was a question about theological issues which used the same response categories and was included on the 2008 U.S. Congregational Life Survey. On the U.S. Congregational Life survey 16 percent of the worship attendees indicated they were liberal (or very liberal) on theological issues. Among the clergy, 40 percent said they were liberal (or very liberal) on theological issues.

Table 2: Political Views / Theological Views

	political views - open questionnaire rostered	theological views - clergy (U.S. Congregational Life Survey, 2008)	political views - open questionnaire non- rostered	theological views - worship attendees (U.S. Congregational Life, 2008)
very conservative	1.4%	2.6%	3.5%	6.6%
conservative	11.2%	23.9%	18.1%	41.1%
right in the middle	23.9%	33.5%	23.0%	36.5%
liberal	45.6%	33.5%	38.0%	13.1%
very liberal	17.9%	6.5%	17.4%	2.7%
	100.0%	100%	100%	%

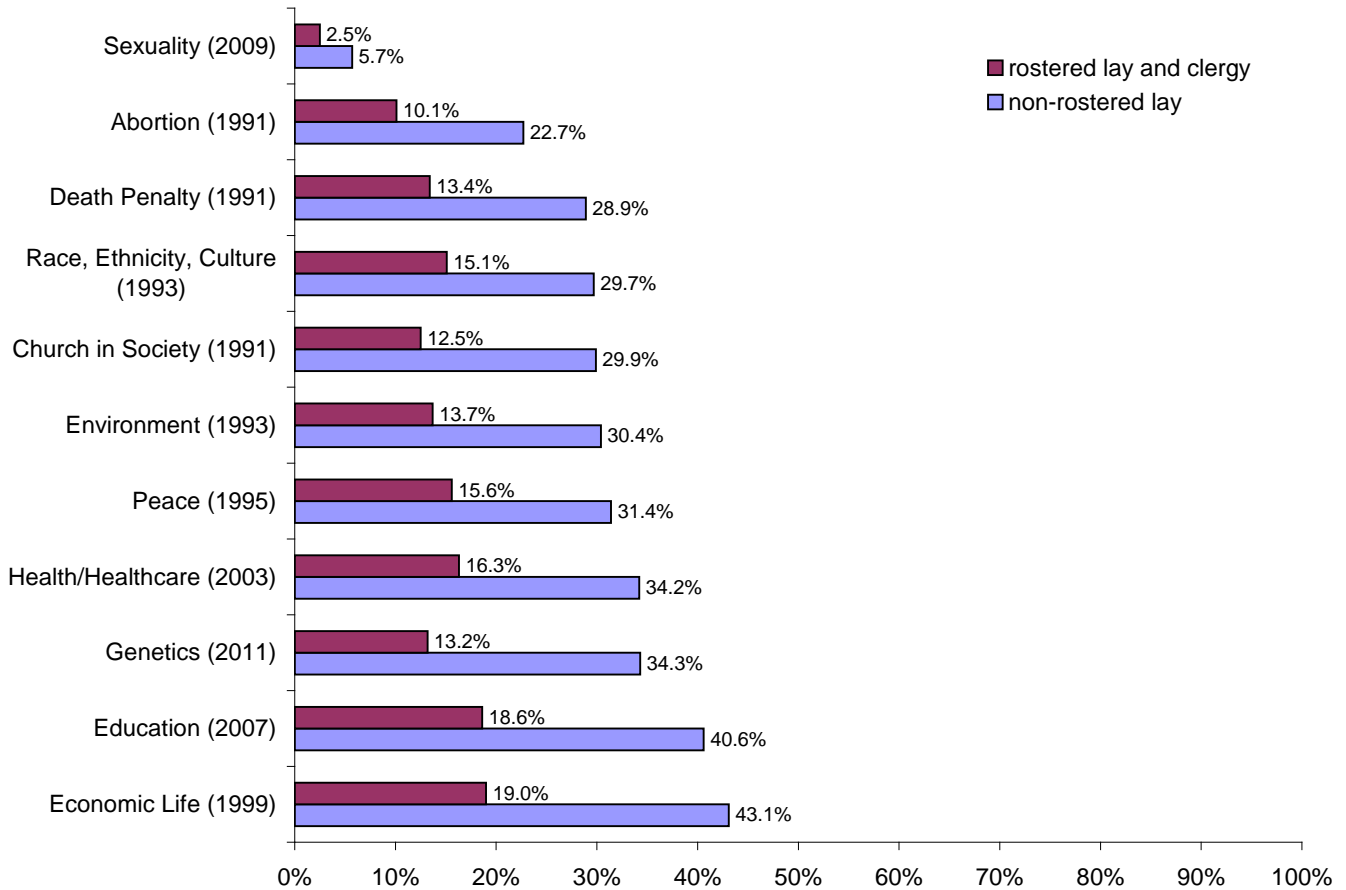
Summary of the Respondent's Characteristics

The respondents to the open questionnaire are better educated and they have higher incomes than typical worship attendees in the ELCA. They are also more liberal. These characteristics are highly correlated. One approach to addressing this difference in the sample is to apply a statistical weight which adjusts for these differences. In the analysis that follows this weighting is used to make adjustments where they seemed most appropriate.

Knowledge of the Social Statements

The ELCA has passed 11 social statements beginning in 1991. The respondents were asked if they knew of each of these statements. Figure 1 shows the percent of respondents indicating they did **not** know the ELCA had a statement on the issue. The social statements that are best known are those that have addressed the most controversial topics in the wider culture.

Figure 1: Percent Indicated the Did NOT Know of the Social Statement



Forty-three percent of the non-rostered respondents said they knew of all 11 social statements compared to 69 percent of the rostered respondents. Three percent of the non-rostered respondents indicated they did not know of any of the statements. Two percent of the rostered respondents said they knew of none of the statements (which is difficult to comprehend).

Table 3 presents the level of knowledge of the content of each statement reported by respondents. Again, the rostered respondents were more likely to feel knowledgeable (very or somewhat knowledgeable) of the social statements. Seventy-eight percent of the non-rostered respondents and 89 percent of the rostered respondents said they were knowledgeable of the sexuality social statement. Many fewer reported being knowledgeable of the other social statements--from about 20 - 30 percent of the non-rostered respondents to about 40 - 60 percent of the rostered respondents.

Table 3: Respondent Knowledge Levels of the Social Statements

	Sexuality		Economic Life		Health / Healthcare		Genetics		Abortion		Death Penalty	
	not rostered	roster	not rostered	roster	not rostered	roster	not rostered	roster	not rostered	roster	not rostered	roster
How knowledgeable?												
somewhat	40%	32%	21%	31%	24%	42%	21%	34%	20%	34%	19%	33%
very	38%	57%	9%	24%	5%	15%	8%	21%	8%	17%	8%	16%
Total	78%	89%	30%	55%	29%	57%	29%	55%	28%	51%	28%	49%
	Education		Church in Society		Peace		Environment		Race, Ethnicity, Culture			
	not rostered	roster	not rostered	roster	not rostered	roster	not rostered	roster	not rostered	roster		
How knowledgeable?												
somewhat	21%	37%	18%	30%	20%	35%	17%	32%	15%	30%		
very	6%	19%	8%	18%	6%	13%	7%	16%	6%	15%		
Total	27%	56%	26%	38%	26%	48%	24%	48%	21%	45%		

Those under age 30 were consistently less likely to say they felt very knowledgeable about the content of the social statements compared to those over 30. Eight percent of those under 30 said they felt very knowledgeable about 5 or more of the social statements compared to 11 percent of those 30 or older. The one exception was on the sexuality social statement where more of those under 30 (51%) said they felt very knowledgeable about the content of the statement compared to those 30 or over (44%).

Based on the annual reports of congregations, it would be reasonable to expect many fewer non-rostered members of the ELCA to be knowledgeable about social statements. In 2011, about 4 percent of ELCA congregations reported using a social statement in an adult forum. Rates of use appear to be somewhat higher for the recently approved genetics social statement and the sexuality social statement (which was used by about 10 percent of ELCA congregations in 2011). The use of the statements in adult forums, as infrequent as it might be, however, is only part of the story. In 2008, based on the U.S. Congregational Life survey, 24 percent of worship attendees reported they were regularly involved in congregational prayer, discussion, or Bible study groups. Even assuming other members are occasionally involved the combined low use of social statements and relatively low attendance at adult forums would suggest a narrow opportunity for exposing people to social statements. It may be that individuals are more likely to read social statements on their own. Again, in 2008 as part of the U.S. Congregational Life survey, worship attendees were asked if they had visited the ELCA home page in the last year and 19 percent responded that they had. [I plan to add figures about the number of time social statements have been downloaded or ordered but I'm still working on the figures. Has someone shared them with the committee?]

Finally, with regard to knowledge of the social statements, respondents were asked if they were aware of the current work on a criminal justice social statement. Fifty-eight percent of the non-rostered respondents indicated they did not know of this work, as did 27 percent of the rostered respondents. Seventy-five percent of the non-rostered respondents said they were not aware that the ELCA has authorized the development of a social statement on justice for women which compares to 59 percent of the rostered respondents.

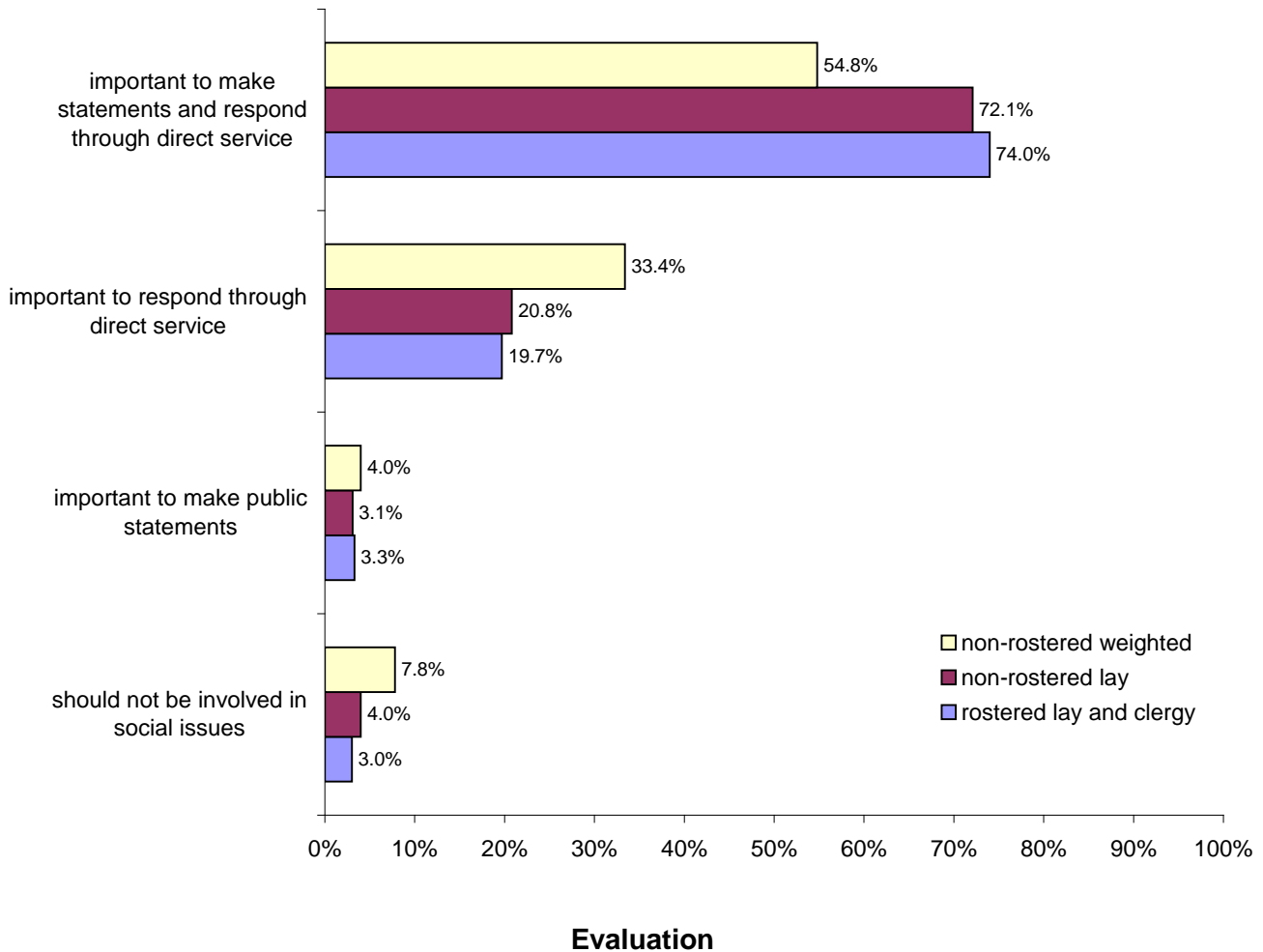
Addressing Social Issues

The respondents were asked how the ELCA should address social issues. Figure 2 shows the responses. Three percent of the non-rostered respondents and 4 percent of the respondents indicated the ELCA should not be involved in addressing social issues. When the responses for those who are not rostered are weighted to reflect more closely ELCA worship attendees, the percent of those indicating the ELCA should not be involved climbs to 8.

Seventy-two percent of the non-rostered respondents and 74 percent of the rostered respondents indicated it is important for the ELCA to address social issues both through direct service (responding to disaster, providing support to hunger ministries) and by making social statements. (Younger respondents were most likely to say this, but there were no statistical differences by race/ethnicity.) When weighted the percent for non-rostered respondents drops to 55 percent. The vast majority of respondents support producing social statements even though there is a significant minority who believe the ELCA should not produce statements or be involved exclusively in service. Even assuming that the distribution of conservative to liberal views in the ELCA has changed significantly since the 2009 Churchwide Assembly, the size of the minority remains significant (at least 20 percent of the respondents to the open survey).

With regard to the social statements themselves, the respondents were asked if the church should provide guidance about how to think about a social issue. A majority of both the non-rostered (61%) and rostered (65%) agreed the church should provide guidance, but when weighted the percent for the non-rostered respondents drops to under 50 percent. (Younger respondents were most likely to say the church should provide guidance, but there were no significant differences by race/ethnicity.) (See Figure 3).

Figure 2: How the ELCA Should Address Important Social Issues



The following figures show the responses of the various groups in evaluating the current social statement process including how topics are proposed, the role of the Office of the Presiding Bishop in appointing a task force, the circulation of preliminary drafts, and the approval of a social statement.

Synod bishops (and their assistants) in many synods have faced long and difficult hours working with upset congregations intent on leaving the ELCA based on their view of the actions of the 2009 Churchwide Assembly. This experience with the sexuality social statement has clearly influenced the bishops' evaluation of the process. Synod bishops are much more likely than any other group to believe each step of the process needs fundamental change. This is particularly true of the process for selecting topics, the selection of the task force, and final approval of a social statement by a churchwide assembly.

Fifty percent of the Church Council respondents agree with the bishops on the selection of the task force.

About 60 percent (or more) of the respondents to the open survey indicated the various steps in the process are okay as is. This is the case, even after weighting the responses. Once again, however, this leaves a significant minority of the respondents (about 40%) to the open questionnaire who indicated some change (better execution or fundamental change) is in order at every step of the process.

Figure 3: Process for Selecting Topics

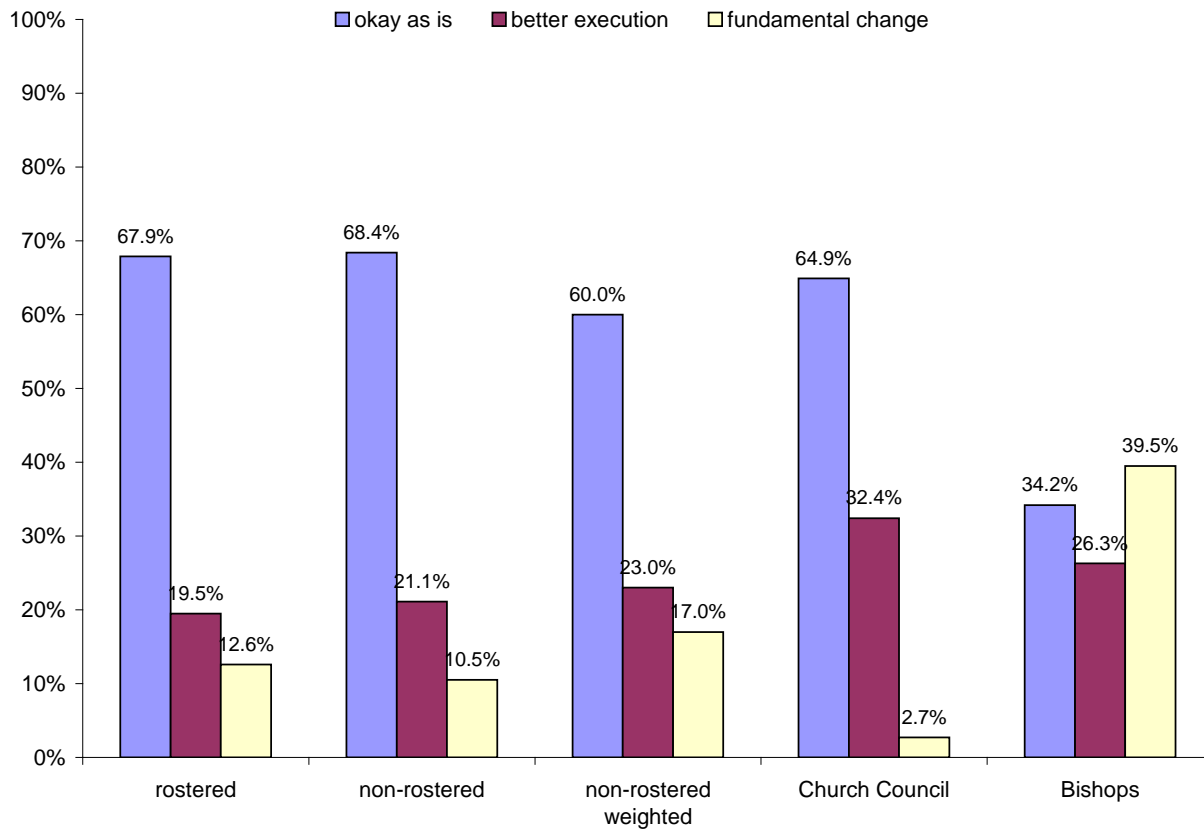


Figure 4: Selection of the Task Force

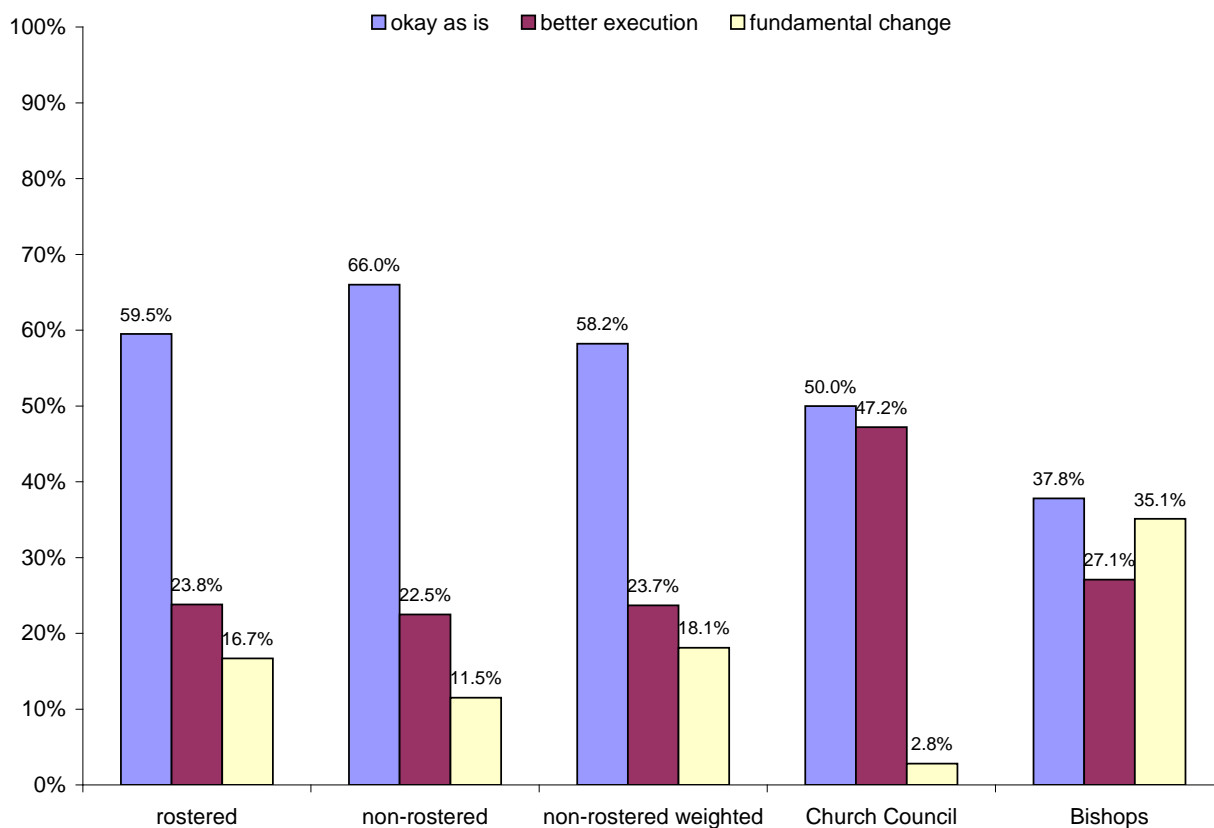


Figure 5: Circulation of Preliminary Drafts

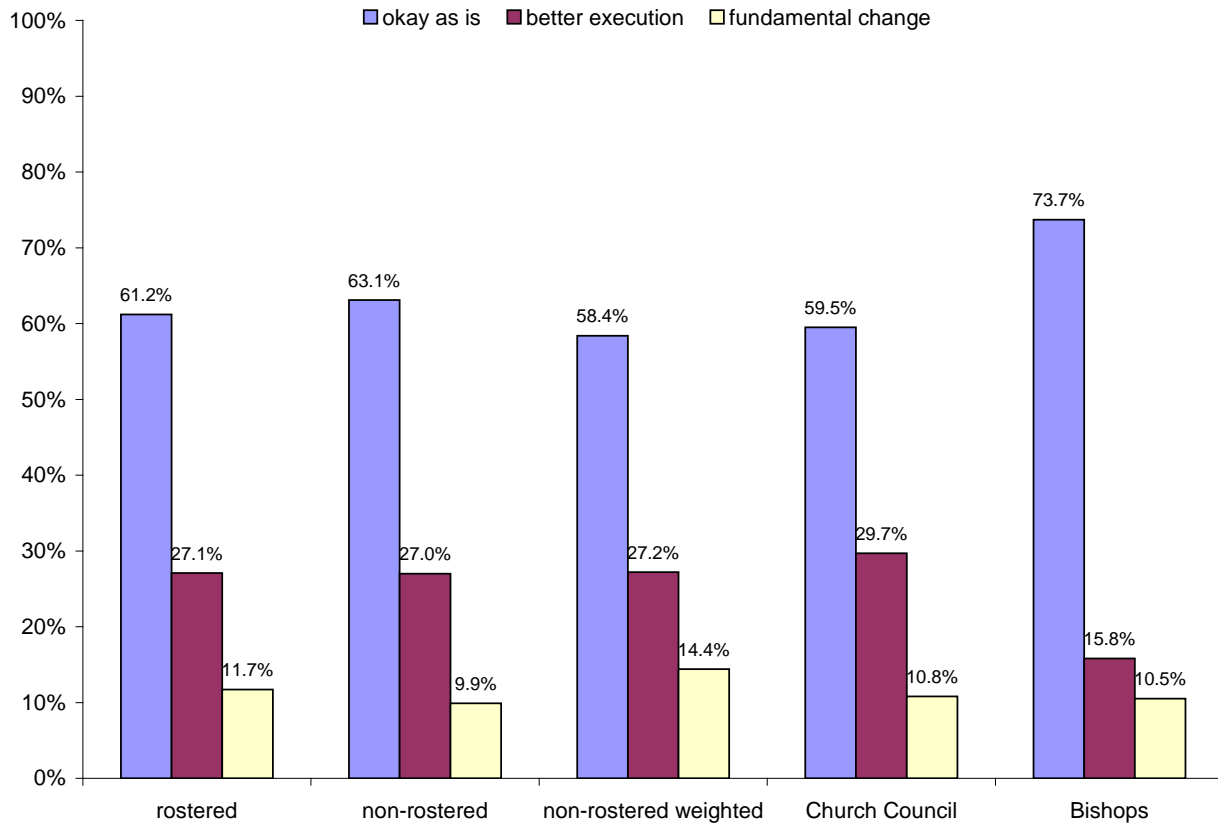


Figure 6: Final Approval by a Churchwide Assembly

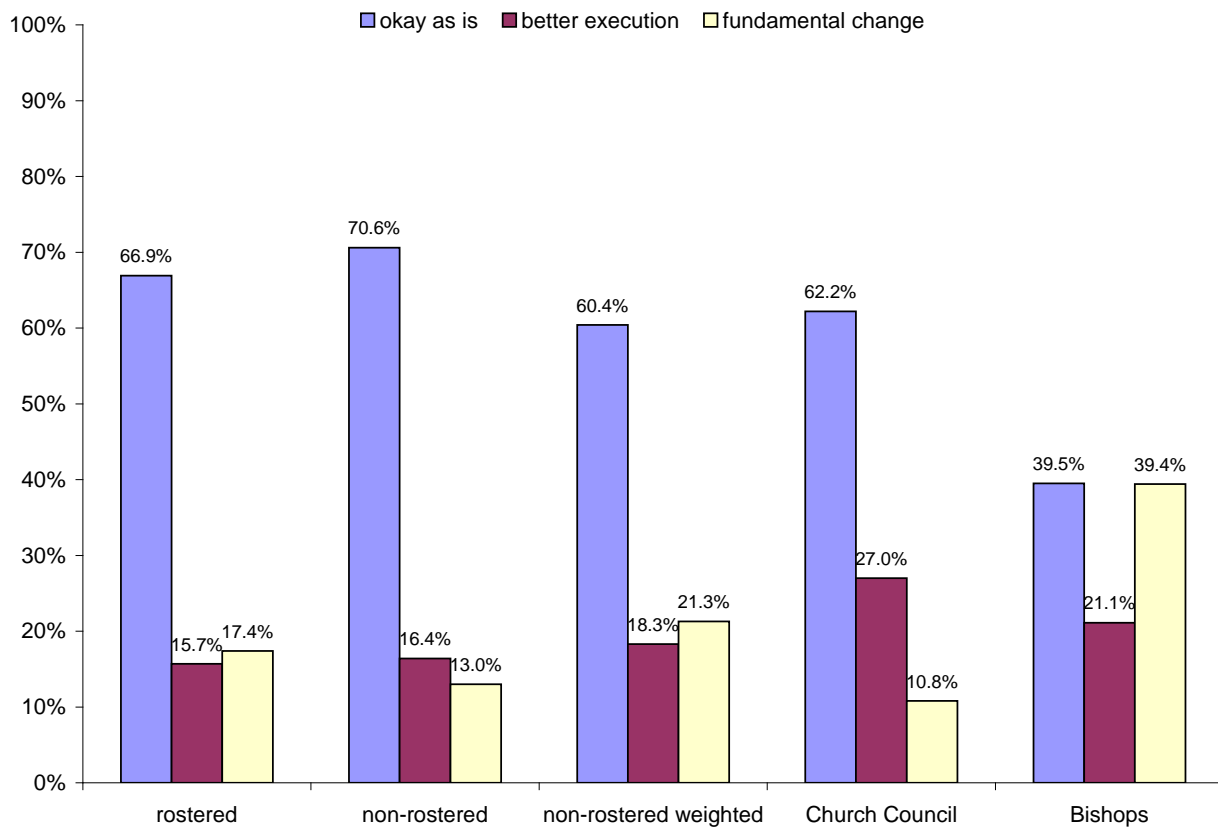
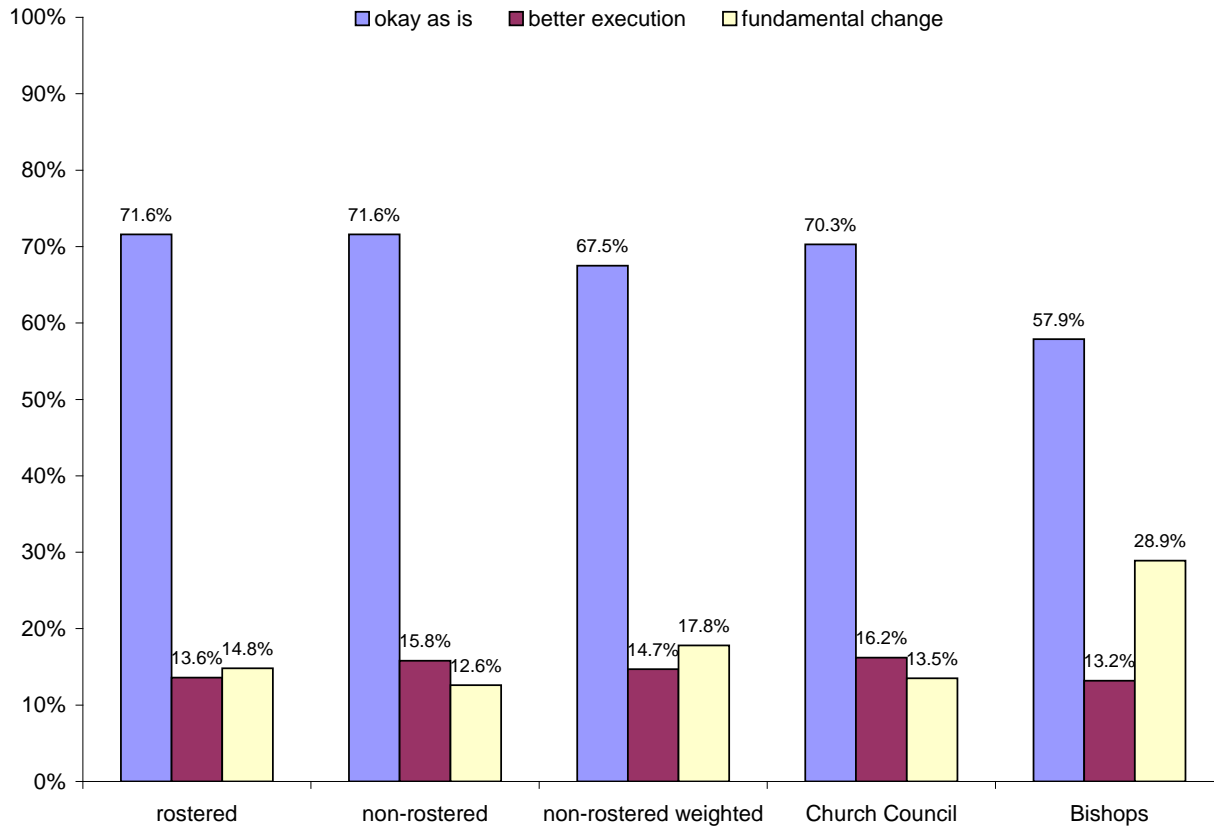


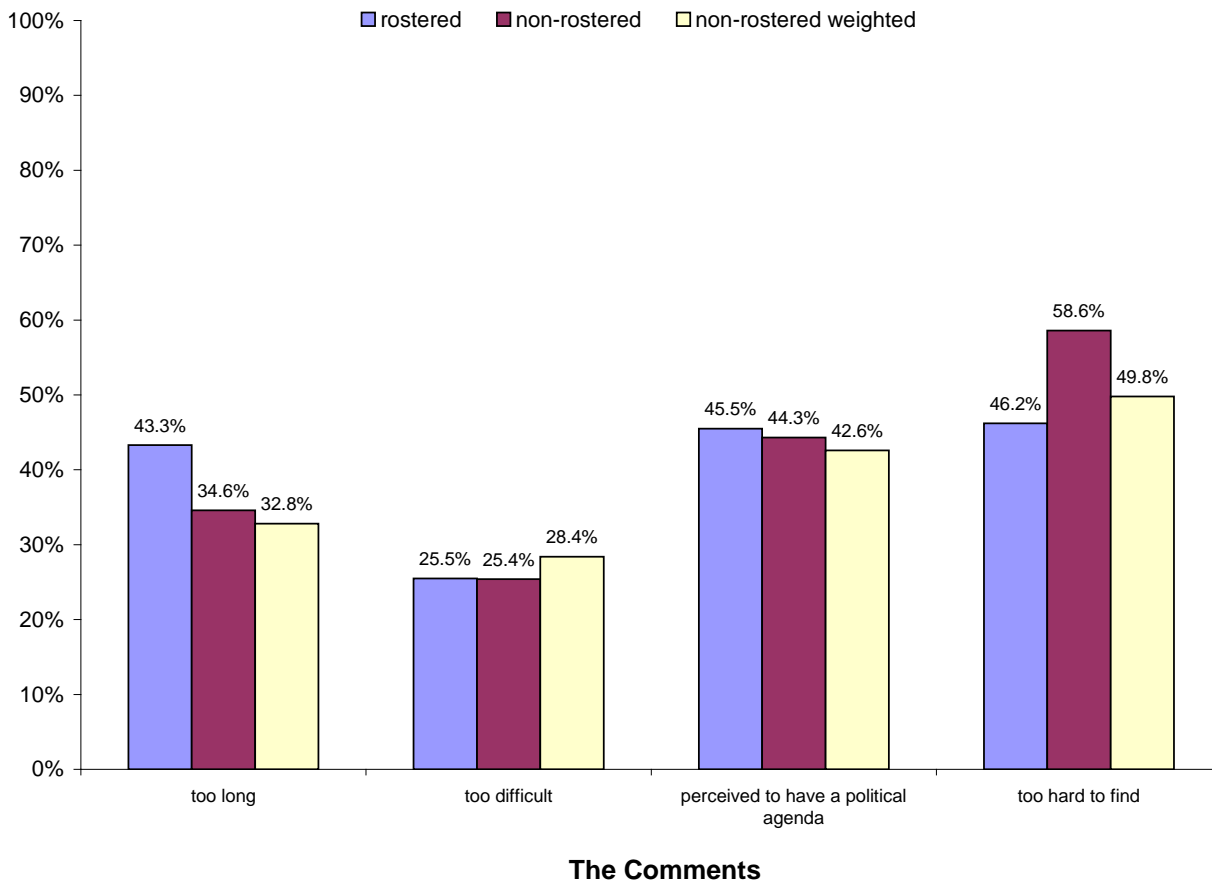
Figure 7: Requiring a Two-Thirds Vote



The respondents were also asked about barriers to the usefulness of social statements. (See Figure 8.) About a quarter of all the respondents indicated the social statements are too difficult and 43 percent of the rostered respondents believe the statements are too long. This compares to 35 percent of non-rostered respondents. Fifty-nine percent of non-rostered respondents indicated the social statements are not well publicized or too hard to find and 46 percent of the rostered respondents agreed.

A significant minority of both the rostered (46%) and non-rostered (44%) respondents indicated the social statements are not useful because they are perceived to have a political agenda. At the same time, when asked how the social statements are useful, 80 percent of the rostered respondents and 79 percent of the non-rostered respondents said they were useful in helping members become better informed about a social issue. (The weighted non-rostered response was 70%.)

Figure 8: Barriers to the Usefulness of Social Statements



Many respondents took time to comment about resources that would be helpful in making social statements more useful. Many also offered other suggestions, comments, and concerns. Often these comments overlapped. The majority of comments addressed the following issues.

There is widespread support for continuing to produce social statements though there were many opinions about how to proceed and there was a significant minority that disagreed. Among those who offered suggestions, many echoed the need for the additional resources including short summaries, video resources, and curriculum materials. A few called for bulletin inserts as a wide dissemination technique. Many more called for the extensive use of web resources and many noted existing resources were difficult to find. Perhaps most frequent among the comments were the words "short" or "shorter" which appeared over 1,000 times. Shorter was often combined with a call for clarity and conciseness. There were also a significant number of comments about the role of the pastor in facilitating or hindering access or discussion of the social statements and the need to encourage or circumvent pastors.

The significant minority of opposition ranged from those who are convinced the social statements serve no positive function and are bad use of the church's resources to those who believe that the primary function of a social statement is to provide painful evidence that the church has lost its biblical moorings (along with the rest of the society). The word "stop" was used 55 times in the comments. More often, the word "political" was used (often tied with agenda). The word "political" (or politics) appeared over 300 times. An appeal to the Bible (or biblically) was made 168 times. Some of those who are opposed to social statements believe the issues the statements are designed to address should be left to individuals or that corporate church action on these issues is a presumption about their own faithfulness or integrity as Christians. Some appear to suggest they could live with social statements if they were not voted upon and viewed as guidance (an on-going discussion rather than "law").

Finally, there were a significant number of comments on the utility of voting on social statements. The word "vote" appears 185 times. Some believe there should be no vote. Others believe the vote should be by congregations.

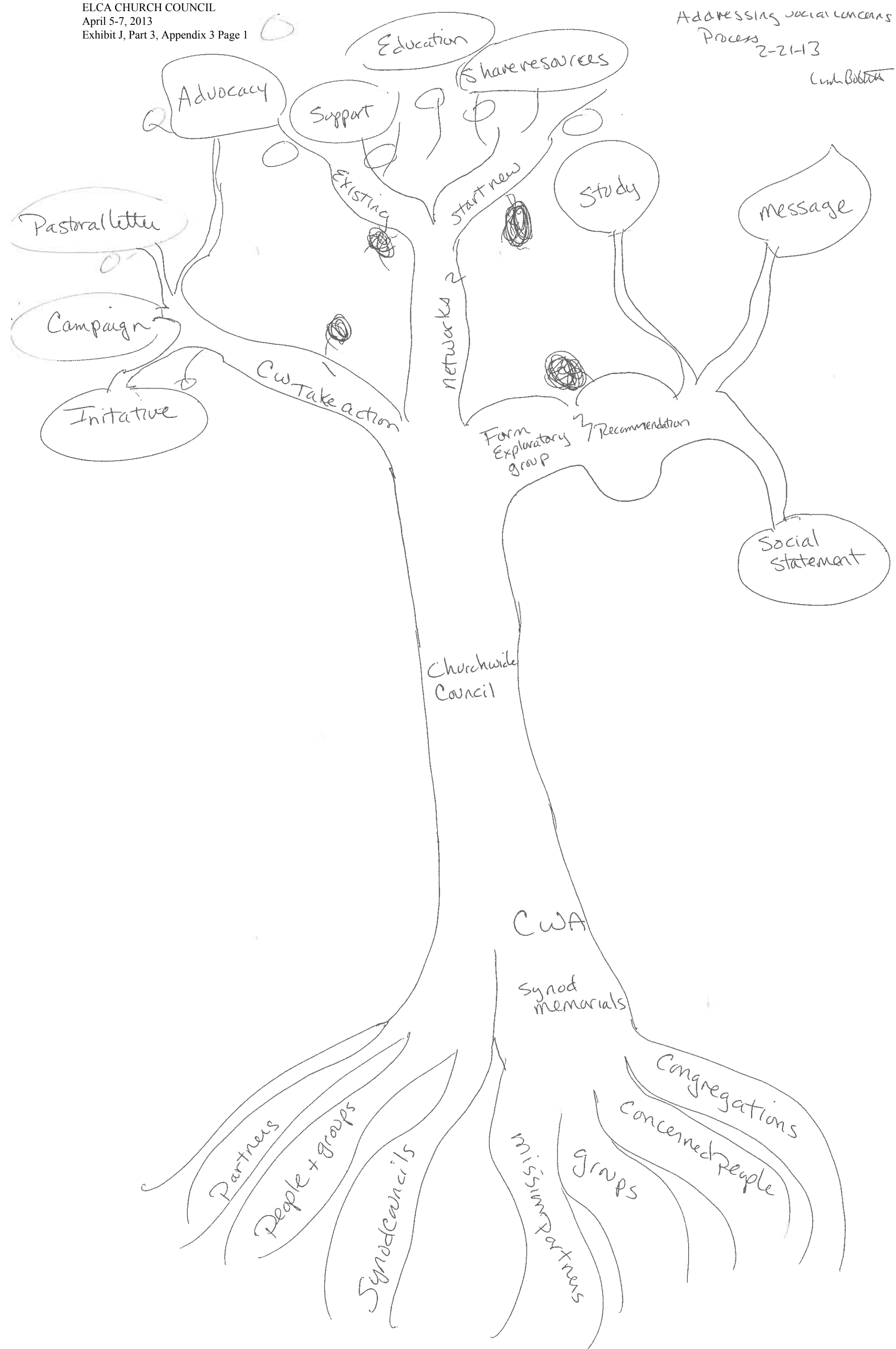
Summary

There was no expectation that the open questionnaire would be representative of the membership of the ELCA. Those who did respond are very well educated with higher incomes than typical worship attendees in the ELCA. The respondents also are more liberal. At the same time, a weighting procedure was applied in the analysis to account for these differences and attention was given to the minority positions. For example, while the vast majority of respondents indicated the various steps of the social statement process are okay as is, a significant minority indicated some change (better execution or fundamental change) is in order at each step of the process. The two areas of most concern are the selection and composition of the task force and the approval of social statements by a churchwide assembly.

Those who favor social statements also favor the creation of short, concise, accessible, and widely distributed summaries of social statements along with studies guides or related curriculums.

Those who do not favor social statements believe they are secular, biased, and politically motivated. This poses the question of the value of statements relative to their impact on this minority. It is also very difficult to separate this question from the sexuality social statement and its subsequent implications for the church. There is some evidence that this minority would be more comfortable with addressing social issues without moving to a corporate vote.

Finally, it was clear that many do not know or understand the current process used in the development of social statements particularly with regard to opportunities for discussion and feedback on the drafts.



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Congregational and Synodical Mission (CSM)

Submitted by Stephen Bouman

There have been some significant initiatives across the breadth of the CSM unit since the last Church Council meeting. They have the potential to have significant impact on the evangelical witness and mission of the ELCA.

CSM is in the midst of a renewal of the domestic hunger program as part of an integrated plan throughout the ELCA World Hunger Program. We are looking at greater integration of our advocacy, community organizing, domestic grants, economic development, disaster response, immigration and refugee ministries, as well as new-renewed congregations among people in poverty. We are looking to invest in ways to impact moving people from poverty and hunger. In addition, Lutheran Disaster Response is now a global/local program.

We are intensifying our full communion partner efforts. With The Episcopal Church, we are planning new starts together. We have finished our second year of partnership in the International Advocacy position and will post a full communion position for Program Director of Campus Ministry. Other partnerships in development include statewide advocacy policy work and several other initiatives. In April 2013, we will begin conversations with the United Methodist Church toward full communion implementation.

We have recently conducted a review of the first year's *Memorandum of Understanding* with LIRS and the work plan between the ELCA and LIRS since the change of governance. Our shared work plan for 2013 includes response to over 20,000 unaccompanied minors crossing two borders from Central America this past year, as well as heightened efforts toward comprehensive immigration reform.

The Conference of Bishops has reviewed a proposal, which will be considered at this Church Council meeting, to begin a two year study of evangelical leadership in the ELCA, bringing together the many different leadership conversations and issues, including:

- The process toward one lay roster in the ELCA
- The development of centers for lay missional leadership
- The new American Theological Society requirements, allowing for more contextual training of seminarians at local parish sites
- The future sustainability and partnership with ELCA seminaries, with all questions on the table, including ecumenical partnerships and location and number of seminaries
- A vision for the mission and leadership needs of the ELCA to faithfully be a church in mission in the coming decade.

We have begun a process of reviewing the new starts and renewal of congregations as centers of evangelical outreach and have formed a special staff working group to evaluate, re-define and redesign the work and processes of the New Start and Renewing Congregations programs. The group will seek input from key stakeholders and include its recommendations in a scheduled report to the November 2013 Church Council meeting.

We can report heartening progress in developing an association of ELCA colleges and universities. Two task forces of college presidents will present their work on issues of identity (What is a Lutheran vision for higher education?) and possible structure at the colleges corporation meeting at the 2013 Churchwide Assembly.

Goal One

The ELCA is an evangelizing, multicultural, multigenerational church growing in faith, and witnessing to God's mission locally and globally, with more people worshipping in new and renewed congregations and living out their faith in the world.

1. A Growing Church

- Directors for Evangelical Mission (DEMs) are organizing local mission tables under the leadership of the synod's bishop.
 - A Mission Strategy Table
 - A New and Renewal Ministry Table
 - A Mission Support Table

These tables are meant to be local guiding coalitions of leaders. The DEM serves as a convener/catalyst/coach for these tables which undergird the evangelical life of the synod and its congregations and ministry partners. Currently, there are 43 New & Renewal "synod mission tables" and 55 synods that have active "stewardship synod mission tables."

- Fifty eight new ministry sites were approved in FY 2012. They are located in 32 synods and all nine regions. Fifty-four percent of new starts are among ethnic and multicultural communities. Twenty-four new starts are New Wine ministries, which are new mission congregations born out of churches that left the ELCA after the 2009 Churchwide Assembly. CSM and MIF are accompanying them with consultative and planning services.
- The Ethnic-Specific and Multicultural Ministries Team hosted a Multicultural Summit "One Body, Many Members, Same Goal" on January 11-13, 2013 at the Lutheran Center. The six ethnic associations were the audience. The objectives were the following: to develop a joint working agenda for the six ethnic associations; to clarify and strengthen the roles of the six ethnic associations; to sharpen leadership skills through leadership development/formation; to understand the system of racial inequity; to develop multicultural competency; and to experience multicultural worship. There were 116 people who participated, representing the ELCA Church Council, Officers of the ELCA (Vice President and Treasurer), Churchwide staff (deployed and central), Synod Vice Presidents, Synod staff, representatives from the ethnic associations, and separately incorporated ministries of the ELCA.

2. Accompanying congregations in mission planning

- A "Framework for Developing an Area Mission Strategy" is now being piloted in the Oregon and Central States synods. Coaching, monitoring and support of these efforts are components of the development of these strategies.
- The "Organizing for Mission Cohort" – mission developers and redevelopers trained in the arts and principles of community organizing – gathered for a three-day event last October in Chicago. The 36 participants attended training sessions, built collegial relationships and peer accountability structures, engaged with theologians and created strategies for growing the cohort and promoting the organizing approach to mission.

3. **Becoming a multicultural church**

- In February 2013, a Racial Justice Leadership retreat was held for the Administrative Team.
- Staff worked with the Southeastern Synod in their “Setting the Table” event in Ocean Springs, Mississippi.
- Staff provided a workshop at the Bismarck, North Dakota Glocal Event where the resource “Talking Together as Christians” was introduced.

4. **Leadership support and development**

- State Public Policy Offices encouraged and equipped ELCA members, rostered leaders and congregations to advocate with their legislators and governors by sending regular advocacy updates and alerts, hosting advocacy days in state capitols, teaching adult forums and participating in theological conferences and other synod events.
- Lutheran Office for World Community (LOWC) staff presented two lectures on its work at the United Nations and in relation to ethics and human rights at the Lutheran Theological Seminary at Philadelphia. They also spoke with a class at the Seattle University School of Theology and Ministry via Skype.
- The ELCA Washington Office is creating a monthly newsletter on International Aid and Development policy. This newsletter will support and develop local ELCA leaders to be engaged activists in fighting global poverty, with a specific focus on affecting our federal policymakers.
- In November, the Director of Advocacy spoke at three synod events in Wisconsin, Pennsylvania and Missouri about advocacy, and congregation and local leader involvement.
- The Congregational Centers for Mission Team is re-staffing in the area of Youth and Young Adult Ministry. New Program Directors for Youth Ministry and for Young Adult Ministry will begin their work in the churchwide organization on March 11.
- Conversations are proceeding with The Episcopal Church on a shared Campus Ministry position to begin later this year.
- The Program Director for Latino Ministries sponsored a Texas training event in December 2012, for Latino youth group leaders in congregations. The purpose was to acquaint them with various leadership models for congregational youth group leaders and introduce them to numerous resources.
- In February 2013, six new Directors for Evangelical Mission attended a three-day orientation. In addition, these new DEMs received peer coaches who will continue to accompany them as they adjust to their new roles.
- In March 2013, the Directors for Evangelical Mission from each synod participated in a half-day gathering to review the policies and practices for interviewing candidates interested in becoming developers or redevelopers.
- The Worship Team completed the development of Evangelical Lutheran Worship: Prayer Book for the Armed Services.
- The Worship Team engaged in conversations with a number of worship leaders about addressing needs for planning and practice in the worship life of this church. From these conversations, several new resources have been planned and are currently in production.

5. Ecumenical relationships and other partnerships

- CSM is partnering with the ELCA Youth Ministry Network to launch a new three-year (2013 - 2015), Practice Discipleship Initiative series, "Faith Formation in a Missional Age." Practice Discipleship coaches from 61 synods were brought together for orientation and training at the Youth Ministry Extravaganza in late January.
- The 7th Asian Lutheran International Conference (ALIC) was held in Chiang Mai, Thailand, January 25-29, 2013. The conference, sponsored by the Association of Asian and Pacific Islanders of the ELCA, brought together Asian Lutherans from Asia and the United States. This year the conference also welcomed Lutherans from Australia, Canada and Finland. This year's theme was "Being Asian, Being Christian" and the gathering included an all-day young adult track.
- The ELCA, a member of Ecumenical Network for Multicultural Ministries, North America (ENFORMM-NA) will be the host for an international, ecumenical consultation at The Lutheran Center, March 25-27, 2013. ENFORMM is an international and ecumenical network of racially and culturally diverse ministries which seek to recognize, celebrate and empower World Wide Multicultural Ministries in a rapidly changing society. The North American Region of ENFORMM is committed to developing and sharing resources and strategies for the North American context. The March consultation will have approximately 50 participants from the Anglican Church of Canada, ELCA, Evangelical Lutheran Church in Canada, Presbyterian Church in Canada, Presbyterian Church-USA, Tyndale Intercultural Ministries, United Church of Canada, and United Church of Christ.
- In November 2012, the Director for Congregation-based Organizing hosted a 45-participant gathering of the Interfaith Organizing Initiative (IOI), at the Lutheran Center. The IOI brings together representatives from denominations, faith-based community organizing networks, seminaries and foundations, to support the field of Congregation-based Community Organizing. IOI's current focus is to increase the exposure of seminarians to the arts and principles of organizing.

6. Expanding global engagement of this church

- LOWC staff met with the Thuringia Minister of Education, Science and Cultural Affairs as he outlined the German state's plans to commemorate the 500th anniversary of the Reformation in 2017.
- Lutheran Disaster Response worked with the Office of the Bishop and the Global Mission unit to host a delegation from the Lutheran World Federation on their first accompaniment visit following a significant natural disaster. Three representatives visited New York and New Jersey in November/December 2012 after Hurricane and Superstorm Sandy.

Goal Two

The ELCA is contributing to the alleviation of poverty and hunger globally and within the United States, and to achieving just, peaceful and sustainable livelihoods for impoverished and vulnerable people and communities.

1. International development

- LOWC staff collaborated with the World Council of Churches' UN Ecumenical Office in planning and participating at a consultation in October 2012. The purpose was to gather input for a comprehensive advocacy strategy aimed at turning the ecumenical movement into a relevant and trustworthy partner in the discussions on women's rights—particularly in view of religious freedom.
- ELCA Washington Office, along with The Episcopal Church Office of Government Relations, planned and implemented a Global Poverty Ready Bench in December 2012. Five ELCA bishops and ELCA World Hunger staff are members. The gathering used Sudan and South Sudan as a case study to highlight the connections between hunger, lack of development, and conflict. During the December 2012 gathering, the Bishops met with fourteen Members of Congress, an additional eighteen members' offices, leaders from USAID and the State Department, and key activists.
- CSM staff worked with our ecumenical partners at the Interfaith Center on Corporate Responsibility from November through January. There were 21 company dialogues. Some of the issues discussed were the following: hotel chains and human trafficking, pharmaceutical companies and access to medicine in less-developed countries and mining companies and community impact/access to water.

2. Disaster preparedness and response to domestic and international disasters and other humanitarian crises

- In September 2012, LOWC staff, along with Global Mission, ELCA World Hunger and synod staff, participated in a Region 7 global gathering of World Hunger and Malaria leaders in New York.
- In 2013, the ELCA Washington Office worked as a core member of several coalitions (including the Global AIDS Policy Partnership and the InterAction Policy Planning Committee) to advocate for fiscal decisions and budget processes that protect poverty-focused development assistance programs.
- In October 2012, the Director of Advocacy participated in a panel on religious freedom at Anna Maria College, Wooster, Massachusetts with Vicki Kennedy and Rep. Jim McGovern. The panel was moderated by David Forsberg, President and CEO of LSS New England.
- LDR provided funding for ongoing work in North Dakota, Alabama, Upstate New York, Minnesota, Florida and Louisiana.
- Super Storm Sandy work in New York, New Jersey and Maryland continues. To date, \$452,000 has been disbursed or committed for recovery efforts. These monies have been utilized for funding of positions as well as unmet needs. Additional monies will be distributed as needed. LDR anticipates working in these areas for three to five years.
- CSM staff worked with Lutheran Immigration and Refugee Service (LIRS) in the creation and distribution of a resource, *Disaster Preparedness in Migrant Communities: A Manual for First Responders*, to respond to the particular vulnerability of marginalized newcomers.

- The Worship Team worked in partnership with Lutheran Disaster Response staff to prepare worship resources for congregations across this church to use in response to disasters and humanitarian crises.
- LOWC staff were featured as speakers in different forums, including the September 2012 United Nations High Level Forum on a Culture of Peace. Staff discussed peace issues, new partnerships and development.

3. Alleviating poverty and injustice in the United States

- State Public Policy Offices (SPPOs) advocated in state capitols for legislation to alleviate hunger and poverty. During the 2012 legislative sessions, the SPPOs helped secure a number of legislative victories across the country, including a law to authorize drivers' licenses for immigrants in Illinois, halting a predatory "payday" lending bill in Pennsylvania that would have allowed short-term interest rates up to 360 percent APR, and securing \$3 million in New Mexico for a state housing trust fund.
- In November and December 2012, our Corporate Social Responsibility provided information on ten shareholder resolutions to Portico Benefit Services.
- ELCA Washington Office planned and implemented a US Hunger and Poverty Ready Bench (five synodical bishops and the World Hunger director) in December 2012. The Ready Bench had 15 meetings on Capitol Hill, time with prominent faith leaders, and a conference with the Secretary of Agriculture, Tom Vilsack, and senior USDA leaders.
- In February 2012, the ELCA Washington Office worked as a core member of the Circle of Protection to produce a joint letter on fiscal decisions and budget process. It was signed by 100 national faith leaders and is now being used to engage pastors, priests and bishops across the country to advocate for decisions that will protect programs and opportunities for people in poverty.
- CSM is investing in new ministries among people experiencing homelessness, poverty and marginalization in society. Leaders are creating a Network of Homeless Ministries for resourcing, mutual support and interpreting their work in the church. Their work is increasingly ecumenical, asset-based, sacramental and oriented to break the cycles of poverty and marginalization. Recent meetings were held in Philadelphia and at the Lutheran Center.
- CSM staff provided additional funding to Lutheran Immigration and Refugee Service for immigrant detention visitation ministry, advocacy, mentoring and employability project, and strengthening reunification of families.
- The "Stand for Welcome Sunday" worship resource was developed jointly by our Worship Team and LIRS. This resource and messaging has been featured on the LIRS "Stand for Welcome" advocacy initiative received by over 1200 persons via direct email. These messages have urged leaders and congregations to take action for refugees and immigrants.
- The Domestic Hunger grants distributed 352 discretionary grants to congregations, social ministry organizations and community organizations across the United States.
- Community Development Services in collaboration with Northeastern Iowa Synod, Wartburg College, and the City of Waverly, Iowa, provided a city-wide community garden initiative. As of August 14, 2012, the garden had produced 145 pounds of fresh produce for distribution to food pantries and food insecure individuals.
- Community Development, in consultation with the Micah Program, Western Iowa Synod, ELCA congregations, Lutheran Services in Iowa, Episcopal congregations and municipal

agency leaders (e.g. a representative from Senator Tom Harkin's office, the mayor, police chief, school superintendent, and county board supervisor), gathered to assess the magnitude of Sioux City's poverty challenges. Asset mapping and strategic planning was provided during two consultations on August 16 -17, and October 11-12, 2012.

Attendance at these meetings included nine clergy from four denominations, nine staff from local counseling services, and staff leadership from numerous other faith-based social service agencies and non-profits.

4. Alleviating poverty and injustice globally

- LOWC staff briefed the field directors of development and relief programs of The Lutheran World Federation on humanitarian issues taken up by the UN Security Council and on plans by the UN to follow up the Millennium Development Goals.
- LOWC staff continue to advise the Action by Churches Together (ACT) Alliance as they further develop a global advocacy strategy.
- In October 2012, advocacy staff worked with other churches on a letter to Congress calling for hearings to review Israel's compliance with human rights standards under U.S. law as it uses U.S. military assistance.
- The ELCA Washington Office continues to strengthen our call to common communion with The Episcopal Church through its international policy and advocacy portfolio that the two churches share. Presiding Bishop Mark Hanson and Presiding Bishop Katharine Jefferts Schori issued a joint statement for World AIDS Day (December 2012), as one reflection of this shared, ecumenical voice on behalf of the world's most vulnerable.

Goal Four

The churchwide organization is achieving a growing and sustainable revenue base through strengthening mission funding and planned giving.

- **Mission Support income**
 - In the spring of 2010, an initiative to grow disciples, strengthen steward leaders and increase giving in congregations was conceived. This was based on Paul's writing about the Macedonians in II Corinthians 8:1-7. Since that time, 44 synods have become part of the ELCA Macedonia Project. A Rediscover Macedonia website including theme materials for education, response and living the mission is located at www.elca.org/macedonia.

Goal Six

The churchwide organization is characterized by strong and inclusive leadership, a competent and well-supported staff team, efficient and effective systems and processes and a culture of continuous improvement and learning.

- **Systems and process improvement**
 - The ELCA Washington Office has worked closely with Global Mission to plan and implement an advocacy mission trip on food security systems in Mexico for ELCA World Hunger leaders and others. Participants also will attend Ecumenical Advocacy Days in Washington D.C. to advocate for smart U.S. policies that strengthen food security for vulnerable communities around the world.
 - CSM and MIF have agreed to shift primary responsibility for the Stewardship Key Leader (SKL) Program to MIF beginning in April 2013. SKL is a fee-based ministry

that strengthens congregations by helping them raise funds and experience renewal in faith and mission. The SKL program primarily assists congregations in raising funds for new building projects and debt reduction. This new arrangement will significantly increase the marketing capacity of the SKL program and help it to reach more congregations.

- CSM and MIF have agreed that MIF will provide critical accounting and consultation services for National Lutheran Campus Ministries (NLCM), Inc. NLCM, Inc. assists local campus ministries in the management, purchase and sale of their facilities. This arrangement builds on the financial and property management expertise of MIF staff, thereby freeing CSM staff to focus on the core mission of campus ministry.
- In order to unify staff functions and to become more of a force in the advocacy arena, Lutheran Services in America has moved their offices to Washington D.C.

CSM Staffing Update:

- New Staff Hires: DEMs in the following synods: Nebraska, Central-Southern Illinois, Northern Illinois, Rocky Mountain, Minneapolis Area, Southwestern Texas, Alaska and Pacifica.
- The following positions were also filled: Program Director for Young Adult Ministry, Program Director for Youth Ministries, Program Director for American Indian/Alaska Native Ministries, Associate Director for Lutheran Advocacy Ministries of Pennsylvania (LAMP), Coordinator for Stewardship, Program and Coordinator for the Youth Gathering.
- Current vacancies: Director for Missional Leadership - Region 5, Program Director for Domestic Policy and DEM vacancies in the following synods: Virginia and New Jersey.

Global Mission (GM)

Submitted by Rafael Malpica Padilla

The Global Mission unit is responsible for the ELCA's mission outside the United States, and serves as the channel through which churches in other countries engage in mission to our church.

Goal One

The ELCA is an evangelizing, multicultural, multigenerational church growing in faith, and witnessing to God's mission locally and globally, with more people worshipping in new and renewed congregations and living out their faith in the world.

Mission Formation

The Global Mission Gatherings equip groups and teams within congregations to deepen their mission engagement, both globally and locally. The Gathering in Bismarck, ND was well attended with great energy from beginning to end.

At our usual wrap-up time at the end of the event, we walk the participants through things that they can celebrate, tweak, or eliminate in their life, lifestyle and ministry settings because of their participation in the Bismarck Global. The two vignettes paraphrased below capture some of the depth and emotion at this event.

One participant shared that she was one of those folks that was mourning the Bismarck of the past, a Bismarck that represented a quiet and familiar place. She confessed that she felt at times resentful, frustrated and judgmental when she encountered folks that were new to her neighborhood that were from a different culture. It was a powerful moment in the event when she said she was going to try and eliminate her negative attitude. She committed to approaching her neighbors with more empathy as she tried to see below their cultural "iceberg".

The sharing was followed by another participant who said that as a faith community they had prayed about the people leaving their community a couple of years ago. She said that the flow of new immigrants was an answer to this prayer. As emotions of mourning and hope were named publicly, it was a wonderful and powerful moment for the residents in this community and a privilege to witness for those of us that were visiting. Praise be to God!

A local Bismarck television channel reported the following story during their evening news. The story was one among many powerful moments at this event.

<http://www.kxnet.com/story/21316224/encounter-the-neighbor-in-the-stranger-says-lutheran-outreach-organization>

"What happens around those who are coming here because of the oil industry can be something that models how to welcome people who move, for other reasons, and from other parts of the world to other regions. . . . Unlike many other areas in the country, in most of the Midwest, if we don't have immigrants, we don't have hospitals and we don't have schools, because our population is diminishing," said David Vasquez, Campus Pastor of Luther College in Iowa.

With this in mind, Faith Lutheran Church in Bismarck is hosting a "Global" event where the idea is to combine global and local outreach. "Global" encourages people of faith to rethink change and acceptance, especially when it comes to new people—of all backgrounds and origins—moving here.

"There are growing pains. There's no question about it. It will put pressure on our infrastructure to do this, and so part of it is, 'How do we maintain conversation?' And I think churches have a huge role to play in creating those places where we get to know each other and talk through both our differences and our anxieties and our hopes, so that we find a way to move forward together," said Vasquez.

"We're an immigrant church. . . . The encouragement is not how to figure out how to bring people into the pew, but how the congregation goes out into the community to serve," said Sunitha Mortha, Director for Global Formation for the Evangelical Lutheran Church of America.

The takeaway message is to "encounter the neighbor in the stranger." For more information on Global events, you can visit www.elca.org/global.

Africa

In November, Andrea Walker began her work as new area program director in the West Africa region. Global Mission staff along with Northern Texas/Northern Louisiana members, companion to the Evangelical Lutheran Church in Sierra Leone, witnessed the dedication of a new worship space in Freetown, Sierra Leone. Pastors, evangelist and members from all over the country were in attendance.

Asia and the Pacific

The ELCA stands firmly in accompaniment with various Asian churches in their evangelism and mission endeavors. In China, a church of the Lisu ethnic minority in Yunnan Province is being rebuilt with ELCA assistance, with the condition that elements of Lisu culture be incorporated. The new building will be dedicated in November 2013. Likewise, a new church in a Miao (ethnic minority) village in southern Sichuan is receiving ELCA assistance, again with the understanding that Miao cultural pieces will be incorporated. Both of these projects are intended to emphasize ownership of faith by the local people even as they continue to reach out in their own communities.

Meanwhile, the Lutheran Church in Malaysia (LCM) continues to reach out among the Orang Asli (indigenous peoples) of west Malaysia. This, together with the LCM mission in Myanmar, represents some of the ELCA's accompaniment with both domestic and global evangelism efforts implemented by the LCM. And with this, the ELCA has begun in earnest to be with the LCM and other companions in accompanying the three new LWF member churches in Myanmar, assisting in building up capacity for evangelism and diakonia.

Other Asian companions continue to expand their evangelizing mission, and the ELCA walks with them in these efforts. These include the Basel Christian Church of Malaysia's mission among the Chinese in Madagascar; the Lutheran Church in Singapore's outreach in Cambodia, from which a new Lutheran church is being birthed; and linkages made through the ELCA between the Taiwan Lutheran Church and the Protestant church in China.

The Basel Christian Church of Malaysia just celebrated its 130th anniversary. It is a church that was lifted out of the ashes of World War II with the help of Lutherans from the United States. The Lutheran Church in Malaysia is celebrating its 60th anniversary this year, counting back its founding by missionaries from the US. The Lutheran Theological Seminary in Hong Kong is in its centennial year, as it traces its roots to Hubei Province of China.

In addition to these historical connections to mission efforts, there are also renewed or new relationships being formed in a number of places. The Protestant Christian Batak Church (HKBP), a church of conservatively 4.1 million members (some estimates put it at more than 5 million), and other Indonesian Lutheran churches are inviting the ELCA to help strengthen their self-identity as Lutheran. The new Lutheran churches in Myanmar are beginning to understand the notion of a global Lutheran communion. We, as the ELCA, are working together to shape this meaning of communion even as we seek how to relate to this particular country and church context. Also, several churches in India, who have never had any outside church-to-church relationships, are seeking relationships with the ELCA.

Asia is home to economically and politically powerful countries, particularly China and India. Asia has the world's most populous Muslim country, Indonesia. Asia has a country with what may be the most intriguing Muslim political realities, Malaysia. With its many companion relationships in Asia, the ELCA has an opportunity to reflect on what it means to be church in the new global economic and political

realities that are being shaped by Asia. The ELCA can learn about the struggles that define what it means to be a church challenged to live among other faith communities. And the ELCA can better understand how faith shapes politics and what it means to witness in this reality.

In many Asian cultures, relationships are critically important. The church in Asia gives us the opportunity to learn and grow into accompaniment as our relationships with these churches and people grow.

Europe

ELCA Global Mission assisted Interdiac in the inaugural year of a diaconal education program in Central Europe. Interdiac, the diaconal arm of the Evangelical Silesian Church of the Augsburg Confession, has worked together with the Finnish Diaconal Society and the Charles University in Prague to write and create an English language curriculum for training diaconal workers. The ecumenical program has provided education and knowledge of best teaching practices to Orthodox, Lutheran and Reformed church organizations across Central and Eastern Europe. A special focus was developed in the program for work with minority and marginalized people.

Latin America and the Caribbean

The Latin American and Caribbean (LAC) desk has been working with a coordinating team to build the capacity of church leaders in the region so they can produce materials for Christian education. This project comes as an expressed need of the leadership of these churches because of the lack of good Christian education materials. Not only do these materials need to be in Spanish, but they also need to speak to the Latin American and Caribbean context. The coordinating team is composed of three women educators: our missionary in Bolivia, a lay person with experience developing Christian Education curricula with our companion church in Peru and an ELCA Latina. Materials will be online and in hard copy. The project has created excitement in the churches. A link to the GM LAC page will be provided. It is the hope that these materials will also be a resource for the Latino congregations of the ELCA.

Middle East and North Africa

Staff members have been invited to speak in various venues in Illinois, Wisconsin, and Washington, D.C., regarding the ELCA's work in the Middle East. We are pleased that collaboration with Human Resources, our Evangelical Lutheran Church in Jordan and the Holy Land (ELCJHL) companions and Israeli authorities has led to the deployment of four new long-term missionaries for service in Jerusalem. Staff is also collaborating with Missionary Sponsorship on developing support networks for those new personnel. The Peace Not Walls campaign has contributed to the worship life of the ELCA by collaborating with the ACT Palestine Forum to distribute a litany for the International Ecumenical Prayer Vigil for peace in the Middle East. Additionally, staff members have contributed to the work of the Peace Not Walls campaign to develop action alerts related to President Obama's upcoming visit to Israel and Palestine. These action alerts will engage ELCA members in advocacy on global issues.

Goal Two

The ELCA is contributing to the alleviation of poverty and hunger globally and within the United States, and to achieving just, peaceful and sustainable livelihoods for impoverished and vulnerable people and communities.

Africa

East

Evangelical Lutheran Church in Tanzania (ELCT)

The “Meru Diocese Water Points” proposal was funded from World Hunger Year-End Balances. Two parishes will develop safe water points and serve as a pilot project for other water sites in the diocese.

The “Chilungulu Water Scheme in Dodoma Diocese” proposal was funded from World Hunger Year-End Balances to bring potable water to 2500 people in the community through rehabilitation of non-performing water points.

A grant was issued to the Center for Agricultural Development: A partnership between Western Iowa Synod and Southern Diocese. The ultimate goal of this center is to improve the livelihood and dignity of Tanzanian smallholder farmers of the Southern Diocese. This will be accomplished through hands-on demonstration and education opportunities directed at the smallholder farmers. These trained farmers will become area leaders in their communities who share what they have learned with neighboring farmers.

A grant for Emergency Response Capacity Building for the Evangelical Lutheran Church in Tanzania (ELCT) will strengthen the capacity of ELCT Community Leaders in responding to emergencies such as drought and famine.

Malagasy Lutheran Church (MLC)

There was finalization of the Malagasy Lutheran Church (MLC) Partnership Agreement.

Regional/Global

The Rev. John Lunn had a pre-move visit to his new site placement in Arusha, Tanzania. He began his work on February 15, 2013 as the Lutheran Global Health Corps coordinator, working with the Evangelical Lutheran Church in Tanzania (ELCT), Lutheran Church in Liberia, and churches in India to identify potential placement sites for Health volunteers.

Implementation of the new ELCA GM Grant Packet and the ELCA GM Reporting Packet is underway.

West

We are continuing to work with ELCA companions in Cameroon and the Central African Republic (CAR) to train and build capacity for financial management. This work was interrupted on Christmas Eve by the evacuation of all missionary personnel in CAR because of security issues. Plans are for missionaries to return to this work in March 2013.

In Sierra Leone, Global Mission is supporting the strategic planning process through financial and personnel support.

Southern

Alexandra Township in South Africa is an area affected by many challenges such as poverty, lack of proper housing and congested living conditions. The spread of HIV and AIDS and other social issues such as alcohol and drug abuse, domestic violence and poverty have left many children orphaned and vulnerable. After school, many young children roam around the township and in the streets without proper adult supervision; as a result, many children are exposed to several harmful behaviors and

activities. To address these challenges, the Diakonia AIDS Ministry of the Central Diocese offers an after-school program. The program offers nutritious food, help with homework, basic computer skills, arts, sports, and positive adult mentoring. The project keeps young children busy and gives them an opportunity to concentrate on their school work.

Also, the Diakonia AIDS Ministry of the Central Diocese provides basic case management and provisions such as school uniforms and food parcels for children attending the after-school program. The program is supported by a grant from ELCA Global Mission and ELCA mission personnel.

Europe

A new initiative has been undertaken by the Moscow Protestant Chaplaincy (MPC). In 2012, the MPC ended its ongoing soup kitchen program, which the ELCA had long supported. Several of the former service sites had been taken over by the civil authorities, so it was time for the MPC to re-examine its priorities and goals. The leadership recognized that the relocation of its parish ministry site to the Lutheran Cathedral of Sts. Peter and Paul in the heart of Moscow offered the perfect location for finding new ways to support the marginalized, undocumented laborers in the capital city who have limited access to medical services. With the support of volunteer expatriate medical workers, local Russian doctors and a public health professional, the MPC has been able to expand its medical support ministry. A grant from the ELCA provided for the refitting of the lower level of the Cathedral to become a medical clinic.

Latin America

Costa Rica

The Costa Rican Lutheran Church (ILCO) went through a Strategic Planning participatory process that included working with all the communities of faith, members, staff and partners in mission. ILCO invited the international partners to receive the fruits of that process. Bishop Ray Tiemann and Bishop Leonard H Bolick participated in this event as well as Raquel Rodriguez (GM's area program director for LAC) and Stephen Deal (Regional Representative for Central America). The meeting was set up as a Round Table. This Round Table gave us a picture of ILCO's assets and struggling areas. ILCO now needs to create an operational plan that will allow the ELCA to connect to specific areas of mission and ministry in our mutual accompaniment.

Middle East and North Africa

Staff has been working closely with colleagues in Diakonia and partners in the region to identify avenues for delivering aid to the most vulnerable people affected by the ongoing civil war in Syria. The situation there is urgent, as increased settlement expansion and planned development in the key E1 Region of the West Bank threaten both the two-state solution in general and Lutheran interests in particular.

Diakonia

Diakonia's work falls primarily in the context of the second goal of the Churchwide Organization Operational Plan 2011-2013, namely in international development and disaster response. The bulk of Diakonia's time since the last report was spent coordinating the conception of the 2013 World Hunger and Malaria budgets. These are done in collaboration with companion churches and related organizations, through other Global Mission staff, to create a budget that reflects our commitment to our companions and partners as well as our priorities.

In addition, Diakonia engaged in monitoring visits to Kakuma Refugee Camp (Kenya) and its host community where LWF Kenya/Djibouti supports education for Turkana host community children to decrease and prevent child labor, rehabilitation of refugee schools in Kakuma Camp, and the Disaster

Risk Reduction project in the Turkana host community. Diakonia also participated in the LWF South Sudan Annual Roundtable and in the development of the LWF Kenya/Djibouti six-year strategic plan for 2013-2018 and the 2013 annual work plan. Diakonia helped strengthen the relationship between Global Mission and Lutheran World Relief through a half-day consultation in Chicago, and plans to further strengthen the relationship with a two-day consultation in Baltimore. Diakonia represented the ELCA in the Annual LWF Committee for World Service in Rangoon, Myanmar, and participated in monitoring field visits to GM-supported projects in Myanmar and the semiannual ACT Alliance North America Forum.

Diakonia participated in the Lutheran Communion in Southern Africa (LUCSA) Regional Malaria Program Review and Planning Meeting held in Lusaka, Zambia, where it heard reports and participated in the development of 2013 annual malaria work plans from all five country programs. Efforts in 2013 will be focusing on behavior change communication strategies, supporting intensive capacity building, and improving monitoring, evaluating, and reporting skills.

Since November, the ELCA has responded internationally to disasters in Haiti and Cuba following Hurricane Sandy, in South Sudan and Syria as they continue to deal with civil unrest, and in the Philippines following Typhoon Bopha. The ELCA has also continued its strong commitment to disaster preparedness and risk reduction through its support of the LWF Emergency Hubs in El Salvador, Kenya and Nepal, as well as disaster risk education in Indonesia. Diakonia also represented the ELCA at the Lutheran World Federation Haiti Model Village Dedication in Gressier, Haiti, where Lutheran Disaster Response funds have built 150 homes as part of a model community. It also participated with the Lutheran Church of Haiti in planning implementation of the final year of disaster response in that country in response to the 2010 earthquake.

Cross-cutting Programs

The themes of these programs are broad and cut across Goals 1 and 2.

Global Service

There continues to be a number of mission service opportunities through the ELCA. For example, decreasing illness and health from water-borne disease is a priority for the Evangelical Lutheran Church of the Central Africa Republic. Dr. Joe Troester provides technical assistance to its d'Eau project, which teaches hygiene to villagers and builds spring boxes to improve access to safe water. The Rev. Deborah Troester teaches Greek, English, and computer skills to future pastors, and literacy and Bible study to their spouses at the Theological School.

The ELCA has 235 missionaries in service as of February 27, 2013. Following is a listing of the different types:

Long Term	-	84
Contract	-	12
Global Mission Two-Year	-	12
GM Associates	-	24
Seminary Interns	-	3
YAGM	-	56
GM Co-Workers	-	4
Global Sabbatical Professors	-	3
Volunteers	-	37 (8 are Shared Personnel Placements with ELCA synods)

Young Adults in Global Mission

The Young Adults in Global Mission (YAGM) program continues to grow. Currently, there are 56 volunteers serving in eight country programs during 2012-2013. These include a new program in Madagascar and a re-visioned Central Europe program, rooted in companionship with the Evangelical Lutheran Church in Hungary. As the current volunteers pass the halfway point in their year, the candidate selection process for the 2013-2014 program year has begun. We are overjoyed to have received 111 applications with plans to place 60-65 volunteers for the coming year. Looking toward future growth and expansion, the YAGM Program Director, in conjunction with GM Area Program Directors and companion church leaders, has also begun the process of developing a new country program for the 2014 cycle. Although conversations with possible churches continue, we are encouraged by the interest and support of leaders in several companion church bodies in hosting YAGM volunteers.

The YAGM program welcomed a new staff person in 2012. Stephanie Berkas, an alumna of the YAGM program in Southern Africa, is now serving as the YAGM Network and Program Specialist. In addition to providing critical programmatic support, Stephanie's work involves developing an active and dynamic YAGM alumni network. A final new piece for the YAGM program involves fresh collaboration with the Missionary Sponsorship team. The 2013-2014 group of YAGM volunteers will be the first to participate in the Missionary Sponsorship program. While YAGM volunteers will still commit to a \$4,000 per volunteer fundraising effort, we are hopeful that their participation in the Missionary Sponsorship program will allow the story of YAGM service to be told more broadly across the ELCA.

International Leadership Development Program

The core purpose of the International Leadership Development program in the Global Mission unit has been to provide scholarships to individuals selected and endorsed by our global companions for education and training programs. Awards are made available for programs leading to academic degrees, as well as short-term training opportunities and experiential learning in areas in which the companion church or institution requires expertise. Global sabbaticals and post-doctorate research are also supported through this program.

An evaluation of the program was recently conducted among three key stakeholder groups: global companions, former scholarship recipients and ELCA seminaries. More than two-thirds of the companions reported that the International Scholarship program has had a lot of impact in their churches and/or institutions. One hundred percent of the former recipients who answered reported that receiving an ELCA scholarship had substantially impacted their lives. Over seventy percent of ELCA seminary partners agreed that the ELCA should be involved in providing scholarship support for members of international partners to study at ELCA seminaries. Because of the strengths of the program, we believe this is an opportune time to consider how the program can be strengthened going forward. Toward this end, we are currently engaged in a period of discernment about possible program changes. Such changes are being considered internally among GM leaders and in partnership with our seminary colleagues.

A new opportunity will soon be available for current and potential donors to designate the International Scholarship program in their charitable giving. The former Missionary Sponsorship Program has been expanded to include International Scholarships and the Young Adults in Global Mission program. The comprehensive approach to global mission work is reflected in the new title for fundraising efforts, ELCA Global Church Sponsorship. This is a very exciting development and we believe stronger programs will result that will greatly benefit our global companions.

Pending the approval of the Churchwide Assembly, a new initiative, Global Women Leaders, is a project of the 25th Anniversary Appeal. This project will provide learning and training opportunities for global women who are otherwise underserved by traditional means of accessing education and developing their leadership skills.

And finally, The Rev. Dr. Antoinette Yindjara, an ELCA scholarship recipient, was the first woman from the Central African Republic to receive a doctorate in theology.

Global Mission Finances

GM has two main sources of annual funding: the Current Fund (primarily sustained by Mission Support) and the World Hunger Fund. The World Hunger fund is supported with revenue generated by the World Hunger Appeal, of which nearly three quarters of its income is allocated to GM. In order to see the trend, a summary of fund allocations to expenses for three years follows:

In FY2011, the total allocation for GM was set to \$25.7 million (\$12.3 million Current Fund; \$13.4 million World Hunger). However, upon final review of Churchwide income and expense projections, the Administrative Team of the Churchwide Organization was able to provide a year-end allocation of an extra \$690,000 in the Current Fund and \$215,000 in the World Hunger Fund for Global Mission work. In the end, Global Mission expensed \$26.2 million, with \$13 million in the Current Fund and \$13.2 million in the World Hunger Fund.

The FY2012 total budget allocation was set at \$26.2 million (\$12.1 million Current Fund; \$14.1 million World Hunger). This allocation was flat from 2011 actual expenditures. Based on the recent closing of the 2012 books, Global Mission spent \$11.8 million of the Current Fund allocation, and \$14.1 million of the World Hunger fund, for a total of \$25.9 million. This expenditure amount was 98.7 percent of the total allocation of \$26.2 million. Global Mission had agreed to underspend by a small amount after conversation with the Office of the Bishop.

For FY2013, there has been a change in accounting practices for the restricted fund transfers to the Current Fund, which are now included in the Current Fund allocation. This change will affect the Current Fund allocation going forward. The total budget allocation has been \$26.6 million (\$13.2 million Current Fund; \$13.4 million World Hunger). Notwithstanding the change in accounting, the 2013 Global Mission budget currently is slightly below that of 2012. However, with the possibility of some 2012 World Hunger overages, the total expense in 2013 could be similar to that of 2012. Despite fluctuations in funding allocations, Global Mission is steady in its vision to carry out the Churchwide priority of “building capacity for evangelical witness and service in the world to alleviate poverty and to work for justice and peace.”

Mission Advancement (MA)

Submitted by Christina Jackson-Skelton

The Mission Advancement unit is responsible for coordinating this church's communication, marketing, public relations, mission funding, major gifts, planned gifts and constituent data management. The governing description of this unit appears in continuing resolution 16.12.C11.

The work of Mission Advancement (MA) is carried out across five teams – Constituent Support, Marketing Communications, Mission Funding, ELCA Foundation and *The Lutheran* magazine. The focus of the work is on goals three and four of the ELCA Churchwide Organization Operational Plan. A summary of this work and the related objectives are found below.

Goal 3

The churchwide organization is connecting with ELCA members through coordinated messaging and engaging communication that increases their understanding and involvement with God's mission through this church.

Objective 1: Further develop and implement a unified messaging strategy for ELCA's diverse constituencies and audiences.

- The ELCA brand guide has been approved and printed. Copies have been distributed to key stakeholders, including relevant staff and synod communicators. Brandmark resources have been added to the intranet and ELCA.org. Updates to the guide will be made on an as-needed basis.
- Since the Administrative Team's approval in 2011 of the lead message, elevator speech, value statements and other elements, several formal presentations on the identity and messaging tools have taken place among key leadership groups (e.g. ELCA Conference of Bishops, Church Council, directors of evangelical mission) in fall 2012 and into 2013.

Objective 2: Deliver a consistent message regarding ELCA's identity and mission across offices and units of the churchwide organization and in all external communications.

- Systems are in place to ensure that all resources are on brand and message.
- Discovery phase and planning sessions were conducted with Global Mission and Congregational and Synodical Mission staff in the first quarter of 2013.
- Communications for all sub-brands now includes ELCA brand values, whenever possible, in order to connect back to overall ELCA messaging.

Objective 3: Improve the functionality of the website and written information in supporting clear messaging to members, congregations, synods, church agencies and partners.

- ELCA.org Phase I (Strategy) is complete.
- ELCA.org project has moved to Phase 2 (Design and Development). Adair Creative Group has been selected to design and build the website. Work is scheduled for completion in summer 2013.

Objective 4: Utilize all leadership forums and meetings convened by the churchwide organization as opportunities to share our key messages on identity and mission.

- Unveiled messages to all staff at convocation in spring 2012.
- Completed coaching for churchwide representatives to synod assemblies. Talking points for 2013 synod assemblies and Churchwide Assembly are being developed.
- Message and media training with new bishops was completed in June 2012. Additional message training for mission developers, assistants to synod bishops, synod communicators, mission interpreters and synod vice presidents was completed from August-October 2012. ELCA

Conference of Bishops, Church Council and directors for evangelical mission also received messaging overview/training (along with an introduction to the 25th Anniversary and capital campaign) in fall 2012.

Objective 5: Develop a plan to directly involve the presiding bishop in promoting the ELCA's messages in cultivating relationships.

- Key messaging topics for 2012 were developed and shared, as well as an analysis of messages and statements to-date. A 2013 topics document is now underway.
- Presiding bishop's Twitter account was launched at the 2012 Youth Gathering.
- Timely video messages from the presiding bishop are being used to respond to large media events, anchored in ELCA social statements and positions.

Objective 6: Stay abreast of and more effectively utilize new communication technologies and tools.

- The Technology Assessment Team is working with MA to review new technologies and trends.
- Analytical tools will be implemented into the new ELCA.org web pages and downloadable resources.

Objective 7: Improve communication associated with major campaigns and appeals so that the ELCA is first in the mind of members wanting to contribute to World Hunger, Disaster Response and the reduction of malaria.

- Our consultant facilitated focus groups and individual interviews along with survey work that tested constituent impressions about ELCA World Hunger. The consultant report identified some key strength and dynamic challenges.
- The associated strategies call for more than just increasing communications; growing networks and training leaders will be important.
- The ELCA Church Council will consider a resolution to change the percentage allocation of World Hunger funds that are used for fundraising and communications to make it easier to invest in necessary resources to grow this work.

Objective 8: Conduct a review of formal and informal networks to determine how they might be harnessed and better utilized in support of communication, advocacy, information and knowledge sharing and member engagement.

- A cross-unit staff team produced a report on current networks supported by the churchwide organization. Distinct networks identified numbered 100. In 2013, the cross-unit team will consider a strategic approach that includes assessing how the network serves churchwide ministry and how we are meeting the needs and expectations of the networks and their members.

Objective 9: Improve the utility of the ELCA Constituent Information System (ECIS) in capturing and managing member contact information.

- The ELCA groups and Networks cross-unit team completed a survey of all lists and networks throughout the ELCA churchwide office.
- Access has been given to more users in ECIS to start including the congregation relationship to the constituent records.
- An automated process was developed to load any file with a name and address into ECIS without creating duplicates. This process is being used to load multiple existing files into ECIS.
- As part of a commitment to use ECIS as the only database to capture new constituent data, we are now using ECIS as the database to manage all our major event registration, including the

Churchwide Assembly, Glocal events and World Hunger events. We are also working with the World Hunger Team to start capturing and managing their volunteer data in ECIS.

- We are testing a process with the digital media team and IT to start managing all new online newsletter subscriptions in ECIS. This will eliminate the use of Listservs to manage these subscriptions.
- A goal has been established to grant ECIS access to 65 synod users in 2013. They will have the ability to manage rostered leader, congregation, and lay leader data for their synods in ECIS. This will ensure that ECIS will always have the latest and most accurate data for these categories.

Objective 10: Enhance churchwide communication concerning the impact of major appeals, as part of accountability to members and donors, and to further build support.

- Communication around the ELCA Malaria Campaign began transitioning in late 2012 and is slated to continue in the pattern of increasingly reporting not only on the challenges and opportunities to reduce the incidence of malaria, but also the impact of the malaria work on Lutheran companions and partners in Africa. This is being included in mid-campaign promotion through country-specific handouts and a newsletter to update donors on the impact of their gifts. These items began appearing in March 2013.
- Following a comprehensive review of World Hunger in 2012 and the formation of a World Hunger Planning Team, a subgroup on “increasing impact” has been formed to refine plans for increased documentation of impact and coordination with the grants management table called for elsewhere in the operational plan. An increasingly resilient and accessible web and social media platform that links hunger and the broader ELCA ministries is also critical in the recommendations of the consultant. This input has been incorporated in the new design for ELCA.org.

Goal 4

The churchwide organization is achieving a growing and sustainable revenue base through strengthening mission funding and planned giving.

Objective 1: Support synods of the ELCA to maintain or increase mission support received for synodical and churchwide ministries.

- Mission Support income has continued to decline, but at a slower rate.
- We are actively supporting the Macedonia initiative; however, the leadership and process of expanding the number of participating synods is under the Congregational and Synodical Mission unit (CSM).
- A new congregational stewardship toolkit is being developed with CSM.

Objective 3: With the Conference of Bishops and Church Council, establish a system of mutual accountability for mission support that provides for clear expectations and shared responsibility for results.

- A Mission Funding Task Force was created that included a parish pastor, a synod vice president, two synod bishops, two Church Council members, the presiding bishop and one churchwide staff member. A proposal for a new system of Mission Support that raises the level of transparency and accountability, provides for more efficient reporting and sharing of financial results, and encourages conversation among synods of a region was proposed and presented to the Conference of Bishops (CoB) in October 2012. The CoB did not support the proposal and the Church Council did not move it forward, but encouraged continuing conversation and pilots.

Objective 4: Maintain levels of funding for ELCA World Hunger over the 2012 and 2013 fiscal years.

- Income to ELCA World Hunger has been over \$18 million since 2010 and has exceeded the budgeted amount for 2012. This was achieved even as \$6.4 million in gifts for the ELCA Malaria Campaign have been raised under the broad umbrella of World Hunger and during a period of decreases in the number of ELCA congregations and members.

Objective 5: Increase giving to ELCA World Hunger in 2014-15 as a result of strategies adopted during 2012-13.

- A new staff person is being recruited in 2013 to focus on congregational funding and support.
- Contact plans for major donors to ELCA World Hunger, ELCA Malaria Campaign and Lutheran Disaster Response are being developed as key elements of the proposed ELCA 25th anniversary campaign.
- A cross-unit team is working to create a more effective system for monthly giving for rollout in mid-2013.
- Key recommendations for growth in giving to ELCA World Hunger help to shape planning. Increased funding is linked to increased engagement and measurable and reportable impact metrics.

Objective 6: Increase funding commitments for the ELCA Malaria Campaign.

In order to increase funds, we need to raise awareness activities.

- The Malaria Campaign development staff is coordinating with regional gift planners on major gifts for the ELCA Malaria Campaign. Names have been qualified and perspectives shared on where each donor might be lifted up in giving.
- The Malaria Leadership Circle donors receive annual pledge reminders. A semi-annual communication resource is shared with the Malaria Leadership Circle.
- A National Malaria Leadership team was recruited and meets two times a year. Team members were invited for a trip in March 2013 to visit malaria projects in southern Africa.
- A marketing communications strategy was completed for 2012-2013. Story-sharing guidelines have been developed. Communication between teams is fostered through monthly meetings. Reports on impact in southern Africa are distributed to support sharing of stories.
- Story leads and updates for *The Lutheran* magazine are being shared through face-to-face meetings, blog posts and email communications.
- Synod leadership has been identified for nearly all synods. Malaria staff remains in regular communication with synod leaders.
- Campus ministry grants have been given to ten campuses and campus ministries and \$45,000 has been raised so far toward the Sorenson matching challenge.
- All gifts of \$500 or greater receive a special thanks through phone call or written note. The first donor newsletter is planned for April 2013.
- Four individuals are currently active as region volunteers and recruitment continues.

Objective 7: Use ELCA Disaster Response as means for increasing awareness and support for ELCA World Hunger.

- A recommendation and plan for the new Lutheran Disaster Response brand is being implemented, with rollout in spring 2013.
- July 2012 *Lifelines* was reworked as a joint World Hunger and Lutheran Disaster Response communication to emphasize the relation of disaster and hunger response. Further refinement is planned for 2013.

- A plan for disaster-related communications has been formed, establishing communication routines based on severity of disaster and other factors.

Objective 8: Conduct a full review of ELCA World Hunger with the goal of strengthening its profile, positioning and impact.

- The work with the consultant was accomplished and a report and recommendations received. A summary of the outcome has been prepared.
- A new World Hunger Planning Team to work with the World Hunger Steering Committee has been formed and has met for two days of planning on two occasions, in addition to ongoing meetings. The team is working on cross-organizational work plans for World Hunger.

Objective 9: Assess the comparative advantages and opportunities of ELCA World Hunger, in light of current challenges in raising funds and the proliferation of relief and community development organizations appealing to congregations and members.

- Work with the consultant was accomplished, including an assessment of program strengths and areas of opportunity.

Objective 10: Build awareness of the breadth of activities supported by ELCA World Hunger (program, education and advocacy) among congregations, synods and partners, including the interrelatedness of disaster response and rehabilitation.

- The inter-relatedness of disaster and hunger was lifted up in the July issue of *Lifelines* and mailed to over 85,000 individuals who have given to World Hunger or Lutheran Disaster Response in the past three years.
- World Hunger staff met with a representative from *The Lutheran* magazine staff to look at possible story leads and will continue periodic check-ins.
- Marketing plans for hunger and malaria for 2012-13 have been developed and completed. Marketing updates for 2013 are in place.

Objective 11: Develop and implement a comprehensive plan to increase planned giving, major gifts and support for churchwide appeals, including infrastructure and system enhancements.

- Work is advancing to integrate the giving continuum within all the major appeal areas.
- Kalos Legacy Society was changed to an “opt out” from an “opt in” to expand membership. We continue to coordinate articles and advertisements in *The Lutheran* magazine throughout 2013 to reinforce the Kalos message.
- There is an increased effort to receive a memo of intention from significant planned gift donors to help steward major estate gifts.
- An outside vendor has been secured that will provide online planned giving tools for the ELCA website.
- Gift planners are being assisted with a plan for working with congregations to establish mission endowment funds and to help members to contribute gifts to the congregation’s endowment.
- Performance goals and metrics have been established for gift planners, beginning in 2013. These goals will focus on the number of visits made in a variety of categories (identification, cultivation, solicitation, stewardship) for outright gifts, deferred gifts and Fund A, as well as dollar goals.
- A volunteer leadership table was established for malaria and another is anticipated for the ELCA Fund for Leaders (FFL) in fall 2013, prior to the annual FFL banquet. A Bishop’s Advisory Council was also established. Preliminary work has begun to identify leaders for a Campaign

Steering Committee for the proposed 25th anniversary campaign for the ELCA. Steering Committee chairs were identified and accepted the invitation to serve.

Objective 12: Improve the processes for stewarding donors by leveraging data held in the ELCA Constituent Information System (ECIS), designing tools to improve donor recognition and support the donor relationship, and utilizing other available research for identifying constituents with major gift capacity.

- Prospect lists are being generated based on past giving history.
- A prospect identification package was purchased to identify principal, planned and major gift prospects. The donor database was rated based on giving potential.

Objective 13: Seek new funding partnerships and opportunities.

- The ELCA Foundation is working closely with partnerships and other ELCA-related entities to find new ways to support gift planners throughout the country.
- The proposed 25th anniversary campaign would provide new opportunities for collaboration across the church on common goals.

Objective 14: Develop relationship and structure within the Conference of Bishops for collaboration on mission-funding initiatives, including any potential changes to governance documents and processes.

- The CoB Synodical Churchwide Relations Committee (SCRC) was identified as the committee to relate to the Mission Advancement unit. A written report from MA is included in the committee report to the full conference so that there is a record of information sharing and decisions.
- The CoB Executive Committee advised that communications via email with the bishops and their administrative assistants was the appropriate and most effective way for MA to forward important communications. This methodology has been consistently utilized with unclear results.
- The New Congregations and Global Church Sponsorship proposals were vetted with the SCRC and the CoB Executive Committee in February 2011. The proposals were reviewed and affirmed again in October by SCRC and the CoB Executive Committee.
- A proposal for a 25th anniversary campaign for the ELCA was developed at the request of the Mission Funding Task Force for presentation at the October 2012 meeting of the CoB. A vote of support showed all in favor with the exception of three undecided. A paper questionnaire was also developed and the results shared via email with invitations for continuing feedback. Questionnaire results also strongly favored the proposed campaign. The ELCA Church Council affirmed the campaign in principal and directed further development.

Objective 15: Conduct a review of current appeals to assess how well they are aligned with strategic priorities and propose and implement modifications to increase income and impact.

- ELCA World Hunger, Missionary Sponsorship, Mission Founders and Vision for Mission were all repositioned to some degree in 2012 and 2013. Approval has been granted as appropriate.

Ecumenical and Inter-Religious Relations (ER)

Submitted by Donald J. McCoid and Kathryn M. Lohre

This report of the activities of Ecumenical and Inter-Religious Relations, Office of the Presiding Bishop is organized around the various areas of the section's responsibilities and ministry.

Full Communion Relationships **Coordinating Committees**

Formula of Agreement (FOA): Presbyterian Church USA, Reformed Church in America, United Church of Christ

In 2010 the Reformed Church in America (RCA) invited the ELCA, the Presbyterian Church (USA), and the United Church of Christ – partners in The Formula of Agreement – along with the Christian Reformed Church, the Disciples of Christ, and the Moravians “to engage in a consultation on the interpretation and use of Scripture in moral discernment and ethical decision-making.” After completing its third and final meeting in September 2012, in January 2013 the Consultation released its final report, available for download at www.elca.org/ecumenical.

Called to Common Mission (CCM): The Episcopal Church (TEC)

The Lutheran-Episcopal Coordinating Committee (LECC) and the Joint Anglican Lutheran Committee developed Epiphany devotions, available for download at www.elca.org/ecumenical.

The TEC – ELCA Federal and Military Chaplains meeting was held in late October 2012. After meeting with the Lutheran Church–Missouri Synod (LCMS) for years, they withdrew from joint training. On the one hand, many of the chaplains were sad about the LCMS moving away from the ELCA. On the other hand, they remarked about how peaceful the retreat was and how wonderful it was to be able to worship and commune together. Don shared information about *Called to Common Mission* and how it supports our mission and ministry together.

The TEC and ELCA Coordinating Committee meeting was held in Niagara, Canada in early February 2013. Task force reports were received, and updates were shared about the common work of the four churches. Lay presidency and diaconal ministry assessment and response were requested by The Episcopal Church Convention last year. A task force will develop a report. The LECC also met with the coordinating committee from the Anglican Church in Canada and the ELCIC.

The Moravian Church (UMC)

The Lutheran Moravian Coordinating Committee (LMCC) is currently planning its next meeting for July 2013, in conjunction with the Moravian Musical Festival in Bethlehem, Pennsylvania. Following up on the joint meeting with the LECC in May 2012, members of LECC have been invited. Participants will join Bishop Samuel Zeiser in exploring the local context as a model for Lutheran-Moravian reception.

United Methodist Church (UMC)

The ELCA-UMC Coordinating Committee met in Chicago in late October 2012 and determined that its strategic focus for the next period will be on congregational vitality and evangelical outreach. The next meeting, in May 2013 will seek to bring together two or three resource people from each of the respective church bodies, including staff, Directors for Evangelical Mission and their counterparts in UMC, and congregational pastors who are either serving in successful partnership, or who have the potential to do so. Planning for this is already underway. The Coordinating Committee has developed a [template](#) for a day-long local celebration, formation, and theological reflection, using a mini-retreat model. It is available for download at www.elca.org/ecumenical.

Bilateral Dialogues, Discourses, Cooperation, and Ecumenical Guests

ELCA-United States Conference of Catholic Bishops (USCCB) Declaration on the Way

One of the most significant developments in our ecumenical life is the acceptance of our proposal to do a Declaration on the Way (to Unity). The leadership of this effort is being finalized and will include three scholars and a co-chair from both of our churches agreeing on areas where we have agreement. This will be written in the form of a Declaration and affirmed together. It will probably go to the Lutheran World Federation (LWF) and Vatican for further development and acceptance. This will pave the way for a 2017 contribution.

Visit of Bishop Helga Haugland Byfuglien, Church of Norway

On October 10, we received a visit from the presiding bishop of the Church of Norway, Bishop Helga Haugland Byfuglien. Discussion included the recent changes in the relationship between the church and the government in Norway, similar structural changes in both churches, similarities and opportunities between the churches with regard to mission and evangelism and how the events of last summer impacted Christian-Muslim relations.



ELCA, The Episcopal Church, The Evangelical Lutheran Church in Canada, and the Anglican Church in Canada

Representatives from all four church bodies met in Chicago December 17-18, 2012, the third such annual meeting. The ELCA-TEC relationship and growing cooperation in mission and ministry continue to be a model for our Canadian colleagues. We discussed transitivity and ways to address some common areas of concern and advocacy. It is a renewing experience to discuss ministry with colleagues who have a mutual interest and understanding of how we can renew our churches and share together.

Conciliar Relationships

Churches Uniting in Christ (CUIC)

The CUIC coordinating council met in Louisville, Kentucky January 24-25, 2013. Steps will be taken to develop a shared narrative of the history of CUIC as a means to gain mutual understanding around issues of race and ministry. The ELCA is not a member of CUIC, but a partner in dialogue and mission.

National Council of Churches USA (NCC)

The NCC Governing Board met in Washington, D.C., November 13-15, 2012. The Board met to move forward the work of implementing its plans for re-envisioning and restructuring the Council. Members made visits to Capitol Hill during the lame duck session to lobby for a faithful budget and to advocate for people living in poverty, reframing the “fiscal cliff.” On January 22, 2013, Kathryn Lohre participated as NCC president in the Presidential Inaugural Prayer Service at the National Cathedral.

Christian Churches Together – USA (CCT)

The CCT met in Austin, Texas January 29-February 1, 2013 on the issue of immigration. The meeting was timely in light of the Gang of 8’s (bi-partisan group of Congressional leaders) and President’s proposals for immigration reform the same week. Opportunities to hear directly from Dreamers and immigrant workers were part of the conference. A statement was released calling on the churches and elected leaders to act on immigration reform now. It is available at <http://christianchurchestogether.org/>.

World Council of Churches (WCC)

Planning is well underway for the 10th Assembly of The World Council of Churches to be held October 2013 in Busan, Republic of Korea. An online congregational resource has been developed entitled, “Pilgrimage to Busan: A Journey into Ecumenical Christianity.” It is available at

<http://wcc2013.info/en/resources/pilgrimage-to-busan>. It is anticipated that the Executive Committee of the WCC will approve the membership application of the Evangelical Lutheran Church in Jordan and the Holy Land (ELCJHL) at its meeting in March 2013.

Synodical Representatives

The National Workshop on Christian Unity will be held April 8-11, 2013 in Columbus, Ohio. Synodical representatives who comprise the Lutheran Ecumenical and Inter-Religious Representative Network (LERN) will make significant contributions to the workshop and share best practices for ecumenical and inter-religious work in the synods.

Inter-Religious Relations

Bishop Hanson was one of 15 signatories to a letter (sent October 5, 2012) to Congress calling for an end to unconditional US military aid to Israel. The letter created significant tensions with Jewish partners, agencies, and communities, resulting in the cancellation of two national dialogue Roundtables sponsored by the NCC, as well as difficulties in local relations in various places. Bishop Hanson is providing significant ecumenical leadership, engaging with national Jewish partners to tend to relationships, to dialogue about the content of the letter and to restart the dialogue Roundtables.

The ELCA Consultative Panels on Lutheran-Muslim and Lutheran-Jewish Relations met separately and jointly in October 2012. Together, the Panels developed an idea for an interfaith case studies project, with the ultimate goal of publishing a slim volume for congregational use, along with a theological framework for the praxis of inter-religious relations. The project, launched in January 2013, will seek to identify the challenges and opportunities of inter-religious engagement, in addition to theological and practical questions and concerns being raised throughout the church. Cases are being sought from the wide spectrum of inter-religious relations (not only the Abrahamic) and from a variety of ministry contexts, including congregations, campus ministries, community-based ministries, chaplaincies, etc. A call for submissions has been printed in *The Lutheran* with information about how to participate.



On January 10, 2013, Bishop Hanson hosted a meeting with the US Consul General of Israel to the Midwest. This was their first meeting.

Kathryn also participated with Rev. Malpica-Padilla and Robert Smith of GM. Topics of conversation included recognition of the ELCJHL, permits for Augusta Victoria Hospital, concern about the October 5, 2012 letter to Congress and visas for ELCA missionaries.

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Synodical Relations (SR)

Submitted by Walter S. May, Jr.

15.12.F10. Responsibility for Synodical Relations

Responsibility for synodical relations shall be exercised by the Office of the Presiding Bishop to coordinate the relationships between the churchwide organization and synods, render support for synodical bishops and synodical staff, and provide staff services for the Conference of Bishops.

Welcome

On behalf of the Office of the Presiding Bishop and its responsibility for Synodical Relations, I extend a warm welcome to you. We are pleased to provide service and assistance to the Church Council in your ministry and work to strengthen relationships between the Church Council, synods, synodical bishops and the churchwide organization. We thank you for your dedication, commitment and service.

I want to thank my colleagues in the Synodical Relations team. My thanks go to Pastor Eric Wester, who serves as Assistant to the Presiding Bishop, Director for Federal Chaplaincy Ministry. Eric continues, along with Terry Viscardo, to manage our Washington D.C. Bureau for Federal Chaplaincy Ministries. My thanks also go to Marcia Johnson who serves as Program Services Director, Synodical Relations. Marcia Johnson works with New Bishops Formation, Bishops Academy, Vice Presidents Gathering, Assistants/Associates Gathering and other areas within the team. My special thanks are for Gail Liggett-Watson for her work and service, especially for planning, organizing and help in implementing our Conference of Bishops gatherings. Finally, I send my thanks to Tchad Harris, who serves as Coordinator for Synodical Services and plans and coordinates the Administrative Assistants Gathering, manages my travel, assists with the budget, works on updates to the Synodical Relations webpage, along with many other additional duties and responsibilities. As always, I am honored to serve in this role and grateful for the people who work and serve with me. Here are some updates on our work.

Synodical Support

2013 Bishop Elections

Bishop Hanson, Secretary David Swartling and I held a general conference call with the 25 synods holding bishop elections in 2013. David Swartling and I are in the process of coordinating conference calls with these 25 synods in order to review elections and other issues more specifically.

New Bishops Formation

We will be welcoming a minimum of ten new bishops to the COB meeting in fall 2013. The Bishops Formation Committee has spent considerable time planning for the June 24-27, 2013, New Bishops Formation. Ten new bishops means there will be significant transitions in those synods and for the bishops who will be leaving office. We hold you, your synods and your families in prayer.

The Assistants to Bishops Gathering

The Bishops Assistants Gathering will be held in San Antonio, Texas at the Marriott Plaza San Antonio, March 7-10, 2013. The theme for this gathering is, "*Go therefore.....*" *But How? Finding our way in a new Missional Landscape.*

For the first time this gathering has two pre-gatherings and two post-gatherings. The pre-gatherings are: "Child Protection and Sexual Misconduct Prevention" led by Barbara Keller, Phil Harris and David Ullrich. The other is "The Making of the Texan Latino Identity/Post Alamo and the American-Mexican War of 1846-1848" led by Rev. Jay Alanis and Rev. Eliseo Perez-Alvarez. The post-gathering events are "Border Ministry: Migration, Mission, and the Quest for Biblical Justice" led by Paul Baille and "First Call Theological Education Conversation" led by Gretchen Anderson.

The entire gathering will be an opportunity to learn more about border ministry in Texas and Mexico. We look forward to hearing from our three presenters, Kenneth Inskip, Anna Madson and Alan Roxburgh. There will be 112 people in attendance with 33 new assistants.

Bishop's Academy

We are grateful to Bishop Lozada and the people of the Caribbean Synod who welcomed the bishops and spouses with generous and warm hearts! Daisy Machado and Luis Rivera-Pagan were very fine presenters. We had a wonderful evening with the pastors and spouses who live near San Juan. We were welcomed to San Pablos on Epiphany Eve to celebrate the Festival of the Three Kings and share a meal. Several congregations welcomed us for Sunday morning worship and lunch. We visited El Yunque National Forest and had time to relax and enjoy each other's company in the city of Old San Juan. Thanks again to Bishop Lozada for the invitation to come and for a wonderful Academy.

Synod Assembly Participation

In collaboration with Presiding Bishop Mark Hanson, the synodical relations staff has begun preparing for the 2013 synod assemblies. Together we have assigned a churchwide representative to each assembly and will prepare these leaders for their time at assemblies. The assemblies begin in April and run through early July.

The Office of the Secretary and Synodical Relations have created materials to assist synods that will be holding bishop elections. In addition to printed materials, Secretary Swartling and I are in the process of telephone conversations with leaders from the synods that will be holding bishop elections. In these conversations, we will discuss processes that are unique to each synod, answer questions from leaders and gain helpful information to benefit each person who will preside at the elections.

Bureau for Federal Chaplaincy

Our ELCA federal chaplaincy ministries enter 2013 with momentum and strengthened connections in this church and with colleagues of other faith communities. Chaplains present a public witness to the presence and promise of our Lord through Word and Sacrament ministry. They engage a wide range of pastoral and public concerns. Currently, we have 225 pastors and seminary students serving as chaplains and chaplain candidates in the following departments:

- | | |
|----------------------------------|---------------------------------------|
| • Department of Defense | 194 chaplains and chaplain candidates |
| • Department of Veterans Affairs | 32 chaplains |
| • Department of Justice | 5 chaplains |

Within the ELCA, federal chaplaincy ministries deepened connections to the worship life, ethical reflection and global mission engagements of this church. Regarding worship life, in May 2013 we anticipate publication of a new *Prayer Book for the Armed Forces*. In the area of ethics, practicing chaplains in the military and in federal prisons have participated in the 2012 and 2013 annual Lutheran Ethics Gatherings. These gatherings are a time for theologians and academics of this church to interact with military and federal prison chaplains as they consider military ethics and the criminal justice system. Further, the chaplaincy is exploring both direct interactions regarding interfaith engagements around the world and a Horizons internship placement. Further, the chaplaincy bureau is also exploring interactions with young adult ministries. Contact will be made when the new young adult staff member begins.

Our full-communion relationships provide the foundation for deepening ecumenical ties. In 2013, federal chaplains will continue a second year of joint conferences between the ELCA and The Episcopal Church (TEC). In 2012, chaplains benefited from the participation of the two denominational ecumenical officers. In May 2013, the presiding bishops of the ELCA and TEC will visit the spring joint conferences.

Thank you for the opportunity to serve in this capacity. I remain very hopeful for the future of our church, because with God, we are always being made new.

Human Resources (HR)

Submitted by Else Thompson

Human Resources, a section of the Office of the Presiding Bishop, includes staffing, compensation and benefits, payroll, training and development, employee relations, volunteer coordination and art management for the churchwide organization, as well as international staffing and payroll for ELCA missionaries.

The HR web site can be found at www.elca.org/humanresources; information regarding positions in Global Mission can be found at www.elca.org/globalserve.

Goal Six

The churchwide organization is characterized by strong and inclusive leadership, a competent and well-supported staff team, efficient and effective systems and processes and a culture of continuous improvement and learning.

Staff Demographics

As of December 31, 2012, the distribution of the domestic staff for the ELCA Churchwide Office was the following:

Female	58 percent	Clergy and rostered lay	33 percent
Male	42 percent	Lay	67 percent
White	66 percent	Chicago-based	71 percent
People of color	34 percent	Deployed	29 percent

On December 31, 2012 there were 336 employees (325.17 fulltime equivalent positions).

For the Mission Investment Fund, the Women of the ELCA and Lutheran Men in Mission, the separately incorporated units under the umbrella of the Churchwide Organization Personnel Policies, the demographic distribution was the following:

Female	61 percent	Clergy and rostered lay	14 percent
Male	39 percent	Lay	86 percent
White	61 percent	Chicago-based	85 percent
People of color	39 percent	Deployed	15 percent

On December 31, 2012 there were 59 employees in these three entities (58.62 fulltime equivalent positions).

2012 Activity

In 2012, human resources received 728 applications. Total hires from positions advertised was 50; total hires from intern positions advertised was 15. In addition, a number of term contracts were issued and a number of temporary positions were filled. More than 60 persons were separated from employment (this number includes regular positions, completed term contracts and interns).

The number of hires and separations represents a normal and healthy turnover rate for organizations of comparable size.

Training and Development

In response to the ELCA Churchwide Organization Operational Plan 2011 – 2013, HR continues to coordinate the development and rollout of a staff /leadership development process. Four key audiences have been identified. These include all staff, emerging leaders (staff who have expressed an interest and have been identified by supervisors and unit executives or officers for leadership development), senior leaders (staff who report to unit executive directors or officers) and the administrative team.

EVANGELICAL LUTHERAN CHURCH IN AMERICA
CHURCH COUNCIL

April 5-7, 2013

Exhibit K, Part 4

Page 8

Learning opportunities are being identified and developed that will meet the needs of participants and the organization and include a combination of classroom activities, personal assessments of strengths and development opportunities, conversations, reading, project work, mentoring and job rotation.

Research and Evaluation (RE)

Submitted by Kenneth Inskeep

The primary responsibility of the staff of Research and Evaluation (RE) is to provide decision-makers in this church with relevant and useful information through quality empirical research.

Goal One

The ELCA is an evangelizing, multicultural, multigenerational church growing in faith, and witnessing to God's mission locally and globally, with more people worshipping in new and renewed congregations and living out their faith in the world.

RE is continuing to work with Congregational and Synodical Mission (CSM) on a review of the Evangelizing Congregations Mission Plan, including the role of the Directors for Evangelical Mission and in support of an evaluation of the Macedonia Stewardship Project for synods. RE has completed reports on new congregational developments in the ELCA and on the interviewing process designed to identify mission developers. RE also completed its work with CSM based on a survey of staff with regard to working relationships within the unit.

Development work on a questionnaire to assess congregational vitality has been completed. With the help and cooperation of the LIFT Advisory Task Force, plans are being developed to use the questionnaire more extensively in three synods. The questionnaire may also be incorporated into the regular review of congregations receiving redevelopment grants.

RE is also working on a significant candidacy project in Region Nine.

The "Stewards of Abundance" project on seminarian student debt has intensified as the research projects related to the grant are coming to a conclusion. Interviews with students in debt are taking place at each of the seminaries. The interviews are designed to gather firsthand assessments of the sources and the current and anticipated impact of debt on these students. Reports will be forthcoming on the effectiveness of financial counseling with seminarians, on the role of potential debt and income on the decision-making process of young adults who have been encouraged to consider ministry as a career, and on the impact of debt on those who have been in ministry since 2006.

RE, working with the Office of the Secretary, has developed online resources for each of the synods of the ELCA. The resources include, among a host of other items, synods trend reports (membership and finances) and demographic reports focused on the territories of the synods.

RE is beginning work with Portico and measuring the impact of their healthy leaders program on ministry in the ELCA.

RE continues to work on a study of the impact of the 2012 Youth Gathering.

The staff responds daily to requests from members, congregations, synods, and the churchwide staff for information about the members, congregations, synods, and rostered leaders of this church.

The staff also responds daily to questions about the demographic context of the church, including many reports developed to support of work of the Directors for Evangelical Mission in CSM.

Goal Four

The churchwide organization is achieving a growing and sustainable revenue base through strengthening mission funding and planned giving.

RE completed a report on the World Hunger Network.

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Theological Discernment

Submitted by Marcus Kunz

A. What's been happening

1. Social Statements and Messages

Criminal Justice social statement

The Church and Criminal Justice: Hearing the Cries, the proposed draft of a social statement on criminal justice, was finalized by the criminal justice task force at its January 2013 meeting and reviewed by the Conference of Bishops in March (see [Exhibit J](#)). The Program and Services Committee will review the proposed statement, and the Church Council will act on recommending it to the Churchwide Assembly for adoption.

The proposed statement affirms the fundamental principles of the U.S. criminal justice system such as due process of law and the presumption of legal innocence. At the same time, it hears people's cries that reflect the current system's serious deficiencies. Drawing from the Biblical witness to God's wondrously rich forms of love and justice, it expresses a "holy yearning" to address the need for a change in the public mindset and for dramatic reforms in policies and practices.

Women and Justice: One in Christ

A social statement on justice for women was authorized by the 2009 Churchwide Assembly (CA09.03.09e). After delays caused by the redesign of the churchwide organization and staffing reductions, initial work began in 2012. An initial consultation was held in Chicago, January 21-22, 2012. A task force was appointed and met September 28-30 and November 30-December 1, 2012.

The task force has taken the name *Women and Justice: One in Christ* to express more clearly its understanding that the whole church accepts responsibility for addressing injustices that affect women, and that this work is done for the sake of all. In order to allow for adequate time to address the wide range of issues and concerns, the task force is bringing a request to Church Council to postpone presentation of a proposed social statement until the 2019 Churchwide Assembly. More information, including a listing of task force members, is available at www.elca.org/jfwss.

2. Communal Discernment Task Force

In 2008, the Church Council directed the Communal Discernment Task Force "to explore whether there may be better ways for the Evangelical Lutheran Church in America in all its expressions to engage emotional and divisive issues, seek the guidance of the Holy Spirit, and make difficult decisions as a church body in ways that will increase mutual trust, build respect for each other as the Body of Christ, and deepen spiritual discernment." The final report of the task force's findings and recommendations emphasizes the necessity of trust for communal discernment and practices that can contribute toward building a culture of trust in the ELCA. Although the task force's assignment will be completed, it expects that this work of building trust and nurturing communal discernment will continue, and that the Church Council will accept responsibility for its continuation.

3. Addressing Social Concerns Review (ASCR) Task Force

In response to action by the 2011 Churchwide Assembly, the Church Council authorized the Addressing Social Concerns Review (ASCR) task force to review the process for addressing social concerns based on a spirit of communal discernment (CC11.11.78).

In its work the task force has made a distinction between the larger question of how the ELCA *addresses social concerns* and the more focused question of how the ELCA *develops social statements*. This distinction provided a basis for re-imagining the current process. The report coming to the Church Council emphasizes that the ELCA addresses social concerns *in many ways*, including study, preaching and teaching, advocacy, and direct action, as well as through policy resolutions, social messages, and social statements. With respect to the development of a social statement, the task force recommends a process of formal exploration of a particular social concern, authorized by the Church Council, before a decision is made about the most appropriate way(s) of addressing that concern.

B. What difference does it make?

Often I am asked what “theological discernment” means and what the Theological Discernment team in the Office of the Presiding Bishop does. It is easy simply to recite a list of activities. But doing so often feels like a disservice both to the person asking the question and to the work being done. I want to respond here in a way that gives a better account of the organic unity of this work and that is more properly theological.

“The main thing is to keep the main thing the main thing” (attributed to more than one writer). Historically Lutheran Christians have said that “main thing” is the Gospel, the message of God’s mercy in Jesus Christ that the apostle Paul called “God’s power for salvation to all who believe” (Romans 1:16). In giving birth to faith — what Martin Luther called “a living, daring, confidence in God’s grace, so sure and certain that believers would stake their life on it a thousand times” — the Gospel message is making all things new in Christ.

Serving the Gospel’s free course in the life of the world is one way I describe theology’s work in the church’s life. One part of this work is to assist in keeping this main thing the main thing, not simply by keeping our attention and trust squarely in the Gospel, but also by sustaining the connections by which the Gospel message unites our lives and our work in Christ.

One finding of the recent LIFT study that caught my attention in a discussion was a report of disconnection felt by many ELCA members. Although this experience was reported primarily in terms of disconnection with other congregational members and with institutions beyond the local congregation, as I listened I also heard other dimensions of feeling disconnected.

- Church life trapped in “the head” (intellect), disconnected from “the heart and hands” (affections and active service).
- Evangelical witness disconnected from and sometimes even seen in competition with or in opposition to promoting peace and advancing justice for people living with poverty and violence.
- And different ways of serving people in need — charitable relief; community and economic development; education; advocacy — disconnected from or even opposed to each other and from evangelical witness.

This experience of feeling disconnected does not surprise me when the extreme polarization and deep divisions of our nation’s culture wars have also taken root in our church life. This polarization and division holds our imaginations and passions captive to ideologies, alliances, attitudes and behaviors that contribute to even deeper division.

The Gospel, however, announces the reconciliation we have in Christ and the connection we have to each other in Christ. It liberates our imaginations and passions to serve generously and joyfully, and to discover the ways that all of it flows from God’s mercy in Christ and from the Gospel message proclaimed in his name.

- We are one body in Christ, one community of faith, whatever our institutional affiliations.
- Life joined in baptism to Christ’s death and resurrection is a faith lived with head *and* heart *and* hands.
- The witness of faith in Christ finds expression in evangelical preaching *and* in confident, daring, generous service to the neighbor.
- Christ’s love flows into many ways of serving those in need, not just one.

“Christ’s love takes hold of us and moves us,” Paul wrote to the Corinthians, “so that those who live no longer live for themselves, but for the One who died and was raised for them” (2 Corinthians 5:14-15). One part of theological discernment is to recognize how Christ’s love liberates our imaginations, passions and abilities in this life of faith and how this flows through and unites all of us and all of our work. The work reported above could be seen only as isolated activities directed toward a specific institutional problem or goal. More fully and deeply understood, however, it serves the Gospel’s free course in the life of the world by helping us to see and embrace the connectedness or unity in Christ of who we are and what we are doing.

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Church Council Member Synod Visit Summary

The Church Council of the Evangelical Lutheran Church in America is committed to building relationships between the churchwide organization and synods, congregations, and institutions and agencies. According to the “Report on Governance” prepared for the 2005 ELCA Churchwide Assembly by the Church Council of the Evangelical Lutheran Church in America (2004), “Church Council voting members . . . interact with synods in their region in various ways, including attending at least one synodical council meeting per year, visiting congregations, and participating in synodical assemblies, especially in years when a synod is nominating people to the Church Council.”

At its November 2011 meeting, members of the Church Council prepared assignments for “[Church Council contacts with synods: 2011-2013](#).” The chart with the assignments is in Net Community under the Current Information tab.

Members are encouraged to report on synod visits regularly. A notebook including the full texts of reports submitted is available on the materials distribution table. Following is a summary of the reports received since the November 2012 meeting of the Church Council.

<u>Synod Name</u>	<u>Representative</u>	<u>Event</u>	<u>Date of Event</u>
Nebraska	Susan Langhauser	Synod Council	11/29-30/12
Region 6	Paul Archer	Region 6 Global Gathering	11/12/12
SE Michigan	Paul Archer	Synod Council	12/8/12
Indiana/Kentucky	Vicki Garber	Synod Council	11/17/12
NW Ohio	Vicki Garber	Synod Council	12/8/12
NW Washington	Mark Johnson	Synod Council	1/26/13
NW Lower Michigan	Paul Archer	Synod Council	2/2/13
SE Michigan	Paul Archer	Synod Council	2/9/13

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Church Council Member Ecumenical Visit Report

Name: Stephen R. Herr
Meeting: The Executive Council of The Episcopal Church
Place: Linthicum Heights, Maryland
Date: February 25-27, 2013

The Executive Council of the Episcopal Church met February 25-27, 2013 in the Conference Center at the Maritime Institute in Linthicum Heights, Maryland. It was an honor to serve as the ELCA liaison to the Executive Council and I was warmly received by our sisters and brothers in Christ. The Council demonstrated its commitment to our full communion agreement by involving me in their committee work and plenary sessions. I was given voice in the sessions and was also allowed to remain for executive sessions. Throughout the meeting the members of the council, the staff, and Presiding Bishop Jefferts Schori expressed their commitment to our common call to mission.

The council is the counterpart of the ELCA Church Council and serves as The Episcopal Church's board of directors with legislative responsibilities. The Executive Council is comprised of thirty-eight members. The General Convention (similar to the ELCA Churchwide Assembly) elects twenty members (four bishops, four priests or deacons and twelve laypersons) at their triennial meeting and the nine Provinces elect eighteen members. Members serve three-year terms and can serve up to six years. The council is supported by a talented, energetic and collegial staff.

The Executive Council conducts its work in plenary sessions and through five standing committees. Those committees are Governance and Administration for Ministry, Advocacy and Networking for Mission, Finances for Mission, World Mission, and Local Ministry and Mission. I was able to attend the former three and plan on attending the latter two at the next meeting. Committees met following the opening plenary and Eucharist.

Some of the significant agenda items, decisions, and announcements included:

- The 78th General Convention will take place in Salt Lake City, Utah on June 25-July 3, 2015.
- The Episcopal Youth Event (EYE) will be held July 9-13, 2014 in Philadelphia.
- An update on the rebuilding efforts in Haiti, especially regarding Trinity Cathedral was received.
- The council voted to provide financial support to the South Carolina Diocese.
- Amendments were made to the 2013 budget.
- Theological and educational programming in Latin American and the Caribbean received additional funding.
- Advocacy issues were discussed including the issues of pay equity and gun violence.
- The council heard of the Economic Justice Loan Committee's intention to invest in the Bank of Palestine.

Current TEC liaison to the ELCA Church Council, Stephanie Cheney, and former TEC liaison Lelanda Lee helped to orient me to the ministry and work of the Executive Council. The council will meet at the Lutheran Center in October 2013. The staff and council spoke to me about the possibilities of connecting with ELCA staff members and potentially ELCA Church Council members when they come to Chicago in October. Their visit is an excellent opportunity for the ELCA and the TEC to strengthen our common ministry and mission.

Respectfully submitted,
Stephen Herr

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**Church Council Committees
2013 – 2015/2017 Preferences**

Please indicate your preferences for service on the committees of the Church Council. Use a scale of 1 to 4 (1 being the committee on which you would *most* like to serve and 4 being the committee on which you would *least* like to serve).

For Continuing Members of the Church Council

Name _____

_____ Budget and Finance Committee

_____ Legal and Constitutional Review Committee

_____ Planning and Evaluation Committee

_____ Program and Services Committee

A number of other committee assignments, including the Board Development Committee and the Audit Committee, also may be made by the chair of the Church Council. A sign-up form for additional opportunities for service will be provided following the Churchwide Assembly.

**PLEASE RETURN TO JOHN HESSIAN
BEFORE THE END OF THE MEETING**

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Publishing House of the ELCA (Augsburg Fortress)

Submitted by Beth A. Lewis

Strategic Focus

We continue to implement our strategy emphasizing the creation of innovative, high quality, market-leading, group-use worship, music and faith formation resources for congregations and text/reference resources for higher education.

Resources for Congregations

One of our most exciting new resources for 2013 is [*Prelude Music Planner*](#), a web-based subscription resource for church musicians! Church musicians on our staff created *Prelude* to help fellow church musicians spend more time making music and less time planning for it. Here are a few features:

- *Prelude* allows church musicians to create plans easily in just a few clicks. Quickly browse hundreds of pieces based on lectionary days, keywords, skill level and more. Everything needed to create comprehensive plans is accessible from one place.
- Use date, day, voicing, skill level and other filters to help you quickly find the right music for your worship. Simply drag the anthem or other work you want to use into a folder on the screen. Planning couldn't be easier!
- Discover and purchase new music in *Prelude's* multi-publisher library. Download complete pieces to your computer instantly. With audio and full sheet music previews, you can feel confident in your new music purchases. You may also preview sheet music and listen to audio before purchasing.
- You may organize your church's existing music library by adding it to your *Prelude* library. When you do this, you'll have a fully integrated planning system.

Augsburg Fortress is offering free 14-day trials for *Prelude Music Planner* and free webinars for an overview. Specific questions also can be answered during the webinars. For more information or to sign up for these free offerings, go to <http://Preludemusicplanner.org>.

In addition to our extremely popular [*Spark Sunday School*](#) that has been offered for the past several years, in 2012 we launched two new Sunday school resources for kids:

[*Holy Moly!*](#) (Sunday school for preschool-grade 4)

[*Connect!*](#) (Sunday school for "tweens" kids in grades 5 & 6)

New content has been added in 2013 for both of these faith formation resources for kids.

Over the past few years, we have launched several innovative print- & video-based confirmation and youth resources that have been very well received by youth and their leaders! These include:

[*re:form*](#)

[*re:form Traditions*](#) (with versions for Lutheran, Reformed & Methodist traditions)

[*re:form Ancestors*](#) (Old Testament & New Testament)

Our first ecumenical introduction to Christianity resource was launched from sparkhouse in August 2012. [*animate.faith*](#) is not only being used in traditional small group and adult forum settings, but also in non-traditional faith formation settings such as "theology on tap" gatherings in pubs or coffee shops. Pastor Nadia Bolz-Weber, outstanding preacher at the 2012 ELCA Youth Gathering, is one of the seven featured teachers on the *animate.faith* video. In August 2013, a second resource will be published, *animate.bible*. In addition to Nadia, other teachers on *animate.bible* will include Phyllis Tickle, Rachel Held Evans & Bishop Will Willimon.

You can find samples of both the print and video content for all of these sparkhouse resources at wearesparkhouse.org

Resources for Higher Education

In November 2012, [Fortress Press](#) announced a new brand and logo at the AAR/SBL (teaching theologians) conference. However, more important than the brand re-launch is our investment in Fortress Press. We have added editors and expect to publish more books (both print & a variety of digital formats) per year over the next few years in three primary areas: Fortress Education (textbooks); Fortress Academic (monographs); and Fortress Reference. You can learn more about our Fortress Press publishing plans at [fortresspress.com](#). A few of the many new resources from Fortress Press that have published since the November 2012 Church Council meeting are the following:

[History of New Testament Research](#), Volume Three, From C. H. Dodd to Hans Dieter Betz, William Baird, Both*

[The Theology of Martin Luther](#), A Critical Assessment, Hans-Martin Barth, Both

[Empowering Couples](#), A Narrative Approach to Spiritual Care, Duane R. Bidwell, Both

[Leviticus and Numbers](#), Athalya Brenner and Archie Chi Chung Lee, Editors, Both

[Soundings in Cultural Criticism](#), Perspectives and Methods in Culture, Power, and Identity in the New Testament, Francisco Lozada Jr., Greg Carey, Editors, Both

[Listening to Popular Music](#), Christian Explorations of Daily Living, Don H. Compier, Both

[Creator God, Evolving World](#), Cynthia Crysdale and Neil Ormerod, Both

[Ethics](#), A Liberative Approach, Miguel A. De La Torre, Both

[Matthew](#), Nicole Wilkinson Duran and James P. Grimshaw, Editors, Both

[Changing Horizons](#), Explorations in Feminist Interpretation, Elisabeth Schüssler Fiorenza, Both

[Comparative Religious Ethics](#), Everyday Decisions for Our Everyday Lives, Christine E. Gudorf, Both

[American Civil Religion](#), Gary Laderman, Digital only

[Blessed Are the Consumers](#), Climate Change and the Practice of Restraint, Sallie McFague, Both

[Blessed Are the Consumers--A Fortress Digital Preview](#), Practicing Restraint in a Culture of Consumption, Sallie McFague, Digital only

[Theologians in Their Own Words](#), Edited by Derek R. Nelson, Joshua M. Moritz, and Ted Peters, Both

[Caiaphas the High Priest](#), Adele Reinhartz, Print only

[Can Only One Religion Be True?](#) Paul Knitter and Harold Netland in Dialogue, Robert B. Stewart, editor, Both

How to know what we're publishing

We use a wide range of digital means to communicate and build interest communities around our various faith formation, worship and higher education resources. You may follow us via a number of [digital social media](#) communities, sign up for our [free eNewsletters](#), register for our many [free educational webinars](#), read [Beth Lewis' One Mission blog](#), or use our free ecumenical lectionary preaching blog, [The Hardest Question](#).

Summary

Thank you for your interest in and continuing support of our ministry of publishing! If we may assist you in finding the resources you need, please check our websites or don't hesitate to contact our Customer Care team at 800-328-4648 or your assigned [Congregational Resource Representative](#). We welcome suggestions from our partners in ministry from across this church. Please send your ideas to Beth Lewis at ceo@augsborgfortress.org.

* Both indicates both print and digital

Augsburg Fortress, Publishing House of the ELCA Digest of Board Actions

Submitted by Beth A. Lewis

Date of Board Meeting: December 18, 2012

Category 1: Policies with an impact beyond the unit which require Church Council approval.
None

Category 2: Policies related to the day-to-day functioning of the unit or to the specific mandate of the unit.

Executive Session action

Voted to approve the Augsburg Fortress annual operating budget for fiscal year 2013.
(ES/PH.12.12.05)

Category 3: Other procedures and board actions.
None

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Portico Benefit Services, a Ministry of the ELCA

Submitted by Jeffrey D. Thiemann

The following updates reflect the work of Portico Benefit Services on behalf of this church and those we serve.

Member and Employer Engagement

Portico has made fundamental enhancements in how we interact and communicate with employers and members. Both employers and members now have portals to which they can go to view and update information. Of course, phone and email avenues of contact still remain.

- *EmployerLink*. Released in April 2012, *EmployerLink* had 99 percent adoption by the end of 2012. Over 36 percent of registered organizations made online payments, with more than 250 employers making the switch to online payments each month.
- *myPortico*. Released in August 2012, *myPortico* (members) had 43 percent adoption, with 5,478 registered members by the end of 2012.

Investment Returns

Diversification across asset classes and investment manager changes produced very good results for 2012. The 60e fund, the most popular fund in our plan, exceeded our investment performance benchmark by 244 basis points (2.44 percent), well above the long-term target of being 75 basis points (.75 percent) above a simple 60/40 benchmark.

We have updated the retirement fund performance reporting format for plan members. Members now see the retirement fund performance as well as the median return of retail mutual funds included in comparable Lipper classification groups. This information provides members with additional visibility on the relative performance of the retirement funds, which have produced very competitive results overall and over time.

Stewardship

Operating and capital expenses were both under budget for the year 2012. As a result, our retirement plan ratio was 70 basis points (.70 percent), under our target of 78 basis points (.78 percent). At 10.9 percent, our health plan expense ratio was under the target of 11.1 percent. In external benchmarks, we continue to be among the most efficient stewards of health care dollars in the entire nation.

Seminary Pilot

A pilot project with multiple health plan options offered to the ELCA seminaries and implemented by Luther Seminary provided valuable experience in preparation for Health Care Reform changes in 2014. As we develop the health plan strategy for 2014, we will be able to use the lessons learned from the Luther Seminary pilot to create a scalable solution and positive experience for our members and sponsoring employers.

ELCA Philosophy of Benefits

Much work has gone into revision of the ELCA Philosophy of Benefits. Many thanks to the ELCA Church Council, the ELCA Church Council Advisory Task Force on the ELCA Philosophy of Benefits, the Administrative Team of the Churchwide Organization, Portico Board of Trustees, the Conference of Bishops and Secretary Swartling for the collaborative work. The Portico Board of Trustees, at its recent February meeting, endorsed the work and direction relative to the ELCA Philosophy of Benefits, including the forwarding of the proposed revised document to the ELCA Church Council for review and endorsement in-concept at its April 2013 meeting. * Subsequently, Portico intends to have representation at synod

* See Portico Digest of Board Actions, Exhibit P, Part 2b.

assemblies to share information about the ELCA Philosophy of Benefits and to receive feedback, which will inform ongoing work on the document prior to presenting it to the ELCA Church Council at its August 2013 meeting.

Health Care Reform

Portico sees its work to lead the ELCA through transition in 2013 as a significant and very important undertaking. We intend to do that by educating and informing employers and plan members via webinars, presence at synod assemblies, online tools and printed information. The goal is to complete the design and rollout of the 2014 plan options for enrollment at the end of 2013 and activation on January 1, 2014.

Portico Benefit Services Seminary Scholarship Endowment Fund

At the February meeting of the Portico Board of Trustees, a resolution was passed which establishes The Portico Benefit Services Seminary Scholarship Endowment Fund through the ELCA Fund for Leaders. A whereas in the resolution reads: *Whereas, the Board of Trustees desires to support the financial well-being of future leaders of this church by creating a scholarship fund through the ELCA Fund for Leaders, funded with voluntary contributions from trustees, advisors, employees, members, and others;*. Once the fund reaches \$25,000, distributions will be made to support future leaders of this church. As the fund grows, greater distributions will be made. I am pleased to inform you that at the February 24 worship service held at the Board of Trustees meeting in the Lutheran Center Chapel, a generous seed offering from trustees, advisors, and Portico staff resulted in gifts totaling \$18,350. We do expect quick and sustained growth of this fund as it is one more way to express support of the ministry of this church.

Additional Initiatives for 2013

I see 2013 as a year of leadership. Portico will lead the ELCA through Health Care Reform. We will build on 2012 to lead members to financial well-being. We will create a long-term vision for Portico that will define our continued leadership role to deliver on our mission to empower whole-person well-being for life. Some additional initiatives include:

- **Formulate engagement strategy** with our members to empower their well-being;
- **Implement a new record keeper** so as to serve members even better;
- **Implement long-term care insurance** for our members;
- **Implement group life insurance** to offer our members;
- **Wellness maximization analysis** so as to evaluate all of our wellness programs and vendors, and roll out a strategy and timeline to maximize wellness; and
- **Explore revenue opportunities** that could help offset costs either by bringing in revenue or expanding our membership base.

Assistant to the President for Church Relations

Pastor Bob Berg will be retiring on May 31, 2013, having served Portico and its ministry since 2007. I am pleased to inform you that Bishop Harold "Huck" Usgaard, from the Southeastern Minnesota Synod, has agreed to serve as Assistant to the President for Church Relations starting on October 1, 2013. Pastor Usgaard will assist me and be available to serve the expressions of this church and its members.

Portico Benefit Services Digest of Board Actions

Submitted by Jeffrey D. Thiemann

Meeting Date: February 22-24, 2013

Category I: Policies with an impact beyond the unit which require Church Council approval.

Adopted resolution concerning trustee terms recommended from Portico Governance and Elections ad hoc committee to be forwarded to the ELCA Church Council and Churchwide Assembly for review and adoption in August 2013.

Adopted resolution proposing Pamela S. Moench (United Methodist Church) as a full communion partner church nominee to be elected by the Churchwide Assembly in August 2013. The Nominating Committee was delegated the authority to identify a second full communion partner church nominee, and staff was directed to forward full communion partner church nominee(s) to the Office of the Secretary of the ELCA.

Approved resolution concerning endorsement of direction regarding the ELCA Philosophy of Benefits, to be forwarded to the ELCA Church Council for review and endorsement at its April 2013 meeting.

Category II: Policies related to the day-to-day functioning of the unit or to the specific mandate of the unit.

Plan Amendments

Approved amendments to ELCA Flexible Benefit Plan – Sections 4.02, 4.04, 5.05, 5.06, to reflect a slight change in the way amounts will be billed and allocated – flexible spending account amounts were initially allocated per pay period. In August, the plan language was changed to allocate monthly. Portico has decided to go back to the initial allocation method – a per pay period allocation. In addition, Portico has decided to reinstate the 31-day/no break in service rule which was deleted in August 2012. (Approval by President)

Approved an amendment to the ELCA Retirement Plan – Section 10.01, to allow a member to have up to six (6) annuities. This change is being made because when a clergy member annuitizes, he or she may have both housing allowance eligible and non-housing allowance eligible money, each of which must be paid as a separate annuity for tax-reporting purposes. (Approval by President)

Approved an amendment to the ELCA Medical and Dental Benefits Plan – Section 4.06, to allow additional adult children of sponsored members to be covered under the health plan. (Approval by President)

Approved an amendment to ELCA Master Institutional Retirement Plan – Section 8.04, to allow a member to take a hardship withdrawal in order to pay for certain relatives' funeral expenses. This is a standard provision in most retirement plans. (Approval by President)

Approved amendments to the ELCA Retirement Plan for The Evangelical Lutheran Good Samaritan Society – Section 4.01 and 8.04. (Approval by President)

Section 4.01. This amendment was requested by the Employer – the Employer will no longer make required contributions for a member who has not completed 1,000 hours of service or who is not employed on the last day of the plan year due to disability.

Section 8.04. This amendment allows a member to take a hardship withdrawal in order to pay for certain relatives' funeral expenses. This is a standard provision in most retirement plans.

Resolutions/Actions

Approved the resolution to amend the 2013 Budget.

Category III. Other procedures and board actions.

Approved the resolution creating a Portico Benefit Services Seminary Scholarship Endowment Fund.

Received the Report on the 2013 Conflict or Duality of Interest.

Received the Report on Action taken at Thendra Annual Meeting.

Received the Portico Benefit Services February 2013 Management Report.

Adopted the resolution acknowledging the resignation of the Rev. Duane C. Pederson as advisor to the Board of Trustees of Portico Benefit Services.

**RESOLUTION OF BOARD OF TRUSTEES OF
PORTICO BENEFIT SERVICES APPROVING RECOMMENDATIONS
FOR
TRUSTEE ELECTIONS AND COMMITTEE ASSIGNMENTS**

WHEREAS, the Board of Trustees of Portico Benefit Services nominates candidates for election to the Board of Trustees of Portico Benefit Services and forwards such slates to the churchwide nominating committee for action by the ELCA Churchwide Assembly; and

WHEREAS, the ELCA Churchwide Assembly will be meeting on a triennial instead of a biennial basis beginning in 2013; and

WHEREAS, the process for nominating and electing trustees to the board and committee positions must be changed to be consistent with such triennial meetings and consistent with the practices of other separately incorporated ministries of this church; and

WHEREAS, the trustees established an ad hoc committee to recommend changes to Portico's governance and board structure, and the ad hoc committee's recommendations are described in the document "Recommendations for Internal Elections and Committee Assignments" dated February, 2013, attached hereto and made a part hereof.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees approves the six recommendations from the ad hoc committee described in the document attached hereto and made a part hereof.

BE IT FURTHER RESOLVED, that the recommended changes will go into effect after the ELCA Churchwide Assembly approves changes to trustee terms at its August 2013 meeting.

BE IT FURTHER RESOLVED, that the trustees direct staff to make the appropriate changes to Portico's bylaws to be approved by the ELCA Church Council at its August 2013 meeting.

BE IT FURTHER RESOLVED, that the trustees direct staff to review and revise all appropriate committee charters before the August 2013 board meeting, and to bring revised drafts of committee charters to each affected committee at the August 2013 meeting for final review and approval.

PORTICO BENEFIT SERVICES
Recommendations for Internal Elections and Committee Assignments
February 2013

In response to the modifications recommended by the Board of Trustees and the ELCA Church Council to the governing provisions for election and terms of office of the trustees of Portico Benefit Services, subject to approval by the ELCA Churchwide Assembly in August 2013, the following policies will be continued or adopted, or modifications made, regarding the election and terms of office of the officers of the Board, officers of the committees of the Board, and membership on the Executive Committee (collectively referred to as "Leadership Positions"):

1. Length of Each Internal Reorganization Cycle. The Board will continue to elect trustees to Leadership Positions every two years, in odd-numbered years, beginning in 2013. The term of each Leadership Position will commence on the later of (a) the beginning of the November Board of Trustees meeting following the election and (b) the election to such position by the Board of Trustees, and will continue until a successor has been chosen and qualified.
2. Limitations on Leadership Positions by FCP Trustees. A trustee who is a member of a congregation of a church with which the ELCA is in full communion ("FCP Trustee") is eligible to serve in any Leadership Position except for (a) the Chairperson and Vice Chairperson of the Board of Trustees, (b) the Chair and Vice Chair of the Nominating Committee, and (c) the Chair and Vice Chair of the Appeals Committee. An FCP Trustee is eligible to serve in any other Leadership Position.
3. Term Limits for Specified Positions. A trustee may not serve more than two terms as the Chairperson of the Board of Trustees and not more than three terms in any other single Leadership Position. If a trustee is elected to fill a vacancy in any Leadership Position for less than one-half of the term, such partial term shall not be taken into account in applying the applicable term limit.
4. Composition of the Executive Committee. The Executive Committee shall consist of the three Board officers, *i.e.*, Chairperson, Vice Chairperson, and Secretary, and two at-large trustees. If the most recent Chairperson of the Board continues to serve as a trustee following the conclusion of the Chairperson's term of office, one of the two at-large positions on the Executive Committee should be made available to the last retiring Chairperson for a period of up to two years immediately following the conclusion of that Chairperson's term, notwithstanding any applicable term limits. Consistent with the current Bylaws, at least one member of the Executive Committee (but not more than two members) shall be a plan member.
5. Modification of the Treasurer Position. Upon the expiration of the term of the current Treasurer (elected in 2011), the Treasurer shall no longer be elected from among the trustees. The Board of Trustees shall instead elect a Treasurer from among the Staff Officers on such terms and conditions at the Board, in its sole discretion, shall determine.
6. Nominating Committee Processes. The Nominating Committee should continue to use a survey of the then-current trustees to identify candidates for all Leadership Positions during the next two-year term. The process by which the Nominating Committee evaluates the survey results and nominates trustees for Leadership Positions, as well as the process by which nominees are elected, should be designed so as to be as open, fair, and transparent as practicable. The Nominating Committee may continue its historic practice of reporting to the Board one nominee for a Leadership Position, but should do so only in a case where that nominee has received a majority of the survey votes. If no single trustee has received a majority of the survey votes for a particular leadership position, the Nominating Committee should take other actions, which may include a follow-up survey of the trustees or the nomination of two or more trustees for the same position, in order to ensure that the final election reflects the fully-informed judgment of the Board of Trustees. The Nominating Committee should be prepared to report to the Board of Trustees the nature of, and reasons for, any departures from these policies. In all cases, write-in candidates will be permitted.

Lutheran Men in Mission (LMM)

Submitted by Doug Haugen

The vision of Lutheran Men in Mission is for every man to have a growing relationship with Jesus Christ through an effective men's ministry in every congregation. Lutheran Men in Mission lives out that vision through the resources we publish, the events we produce and ongoing leadership development.

Events

Lutheran Men in Mission conducted a *One Year to Live* retreat in Poynette, Wisconsin in November 2012. *One Year to Live* is a retreat model developed by Lyman Coleman in cooperation with Lutheran Men in Mission. The retreat is designed to help men take an honest look at their faith, what is keeping them from experiencing God more fully, and what they believe God is calling them to do for the rest of their lives within the safety of a small group. The retreat is completely "lay-led" as all the small group facilitators and staff members have been participants in earlier retreats. Over 500 men have now experienced the *One Year to Live* weekend. The intent is to eventually bring this to every synod.

Planning is underway for the Lutheran Men in Mission Assembly (business meeting) July 17-18, 2014 and the Lutheran Men's Gathering, July 18-20, 2014. Both events will take place at the Loews Vanderbilt Hotel in Nashville, Tennessee.

Leadership

Lutheran Men in Mission recently conducted a *Building Men for Christ* workshop in Gladstone, Minnesota. *Building Men for Christ* is training designed help rostered and lay leaders, male and female, to see ministry with and to men as an integral part of overall congregational ministry. The workshops focus on ways to reach and activate men for the congregation's ministry and outreach. Like *One Year to Live*, this one-day workshop continues to spread to new areas. Three hundred fifty-eight leaders have now been trained at 20 events. Please go to www.lutheranmeninmission.org for the updated schedules of *One Year to Live* and *Building Men for Christ*.

Resources

The *Master Builders Bible for Men* continues to be our strongest resource, with over 54,000 in circulation. Along with the study questions written in the margins, what makes this resource unique is the thirty-two page section for men's ministry leaders.

LMM continues to distribute *El Nuevo Testamentos* to Spanish-speaking ministries through our synod and congregational men's ministries.

ManTalk is a deck of playing cards designed to help men engage in meaningful (and fun) conversation. Four categories of questions deal with relationships, sports and leisure, lessons and reflections, and ethics and spirituality.

The most recent issue of the *foundations* newsletter focused on how to do Rites of Passage with fathers and sons. *foundations* is distributed to approximately 8,000 men.

New Staff

Lutheran Men in Mission is in the final stages of interviewing for the position of Program Director. This deployed position will focus on building and training LMM's leadership network.

Income

Thanks to God, working through our generous donors, LMM's gift income in 2012 grew by more than 33 percent over 2011. Our goal is for similar growth in 2013 as we continue to grow.

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Mission Investment Fund of the ELCA

Submitted by Eva M. Roby

Financial Update

The Mission Investment Fund (MIF) grew again in 2012 and continued to maintain its tradition of financial strength and stability. Total assets rose to \$663.4 million as of December 31, 2012, up from \$642.4 million at year-end 2011. Net assets, or equity, rose to \$184.8 million at December 31, 2012, up from \$179.2 million at year-end 2011. Our capital ratio rose to almost 28 percent, and MIF continues to rank among the strongest and best-capitalized church extension funds in the country.

Total investment obligations increased to \$473.5 million as of December 31, 2012, up from \$458.3 million at year-end 2011. The number of total investors in the Mission Investment Fund grew to 14,728, with 10,569 individual investors, 3,386 congregations and 773 ELCA-related ministries.

Outstanding loans increased to \$450.5 million at December 31, 2012, up from \$446.0 million at year-end 2011. At December 31, 2012, MIF had 761 outstanding loans, the same number as at the end of 2011.

Loans and Real Estate

MIF benefited from a strengthening economy in 2012 and a focus on the retention of existing customers. Both investment obligations and loans outstanding grew in 2012. We funded \$70 million in new loans in 2012, up from \$58 million in 2011. Applications for new loans remained strong, and the total loan amount requested increased to \$144.5 million in 2012, up from \$133.5 million the previous year, aided in part by increased activity by ELCA-related ministries.

Our delinquency ratio (the percentage of total loans 90 days or more past due) decreased to 1.53 percent as of December 31, 2012, from 2.34 percent at year-end 2011. We monitor these loans diligently and work closely with these borrowers to return their payments to the terms of their original loan as quickly as possible.

As of December 31, 2012, MIF held approximately \$19 million in real estate, net of an \$8 million reserve for losses. Of the \$19 million, \$8 million continues to be held for future sale to congregations for their use, with the balance being held for sale to third parties. Through December 31, 2012, MIF purchased two new properties and sold eight properties.

Marketing

As always, our marketing efforts remain focused on increasing awareness of MIF and increasing the participation of ELCA congregations, members and ministries. MIF takes a multi-channel approach, communicating via website, direct mail, email blasts, quarterly newsletters, print and digital advertising, our Annual Report and representation at ELCA meetings and events. The September 2012 launch of our new website, www.mif.elca.org, resulted in an impressive increase in the number of visits to our site as well as the number of unique visitors. Our Fall 2012 advertising campaign in markets with high concentrations of ELCA members delivered strong results in initial market research.

Key Initiatives

MIF devoted much of 2012 to drafting a new strategic plan for 2013 through 2015 as a guide for our business going forward. MIF's Board of Trustees approved the final strategic plan at its meeting in October 2012. MIF will measure its progress and success against four strategic goals:

1. Achieving an increased market share and awareness among ELCA congregations, their members and related ministries resulting in growth in loans and investments;
2. Developing and improving the range, quality and accessibility of products and services in response to customer needs and preferences;

3. Maintaining our traditional and consistent record of financial strength and stability; and
4. Investing in ongoing development of people, systems and structures as a foundation for organizational effectiveness, accountability and sustainability.

We are also making progress toward implementing a new core operating system in 2013. The new system will assure greater efficiency and enhance the overall customer experience.

Partnerships

MIF continually collaborates with our ELCA partners on key initiatives to help grow the church. For instance, we provide annual support for new-start congregations: \$1.5 million in 2012 and \$2 million for 2013. We also reach out to partner churches around the world. In 2012, we assisted the Evangelical Lutheran Church in Jordan and the Holy Land (ELCJHL) by providing a loan for the church's \$1.5 million project to build a pilgrimage and retreat center at Bethany-beyond-the-Jordan, the site of Jesus' baptism, on land bestowed on the ELCJHL by the Kingdom of Jordan.

Looking Ahead

We are encouraged by the increases in our loan balances and investment obligations as well as continued growth in total assets and net assets. We are committed to maintaining the strength and stability of MIF, and we look forward to working on the goals set forth in our new strategic plan.

Women of the ELCA

Submitted by Linda Post Bushkofsky

The women's organization continues its strong ministries in global education, scholarships, racial justice, grants, Bible study, cross-cultural immersion and stewardship. The organization's award-winning publications – *Gather*, *Interchange* (*Intercambio*), *Café*, and its two websites – assist and inspire the women of the church. The work of the churchwide staff of Women of the ELCA is to support the organization's participants as they live out our mission of mobilizing women to act boldly on their faith in Jesus Christ.

The organization's yearlong celebration of its 25th anniversary began in June 2012. Following are some highlights.

- The organization launched a special 25th anniversary appeal with 50% of the total offerings designated for the ELCA Malaria Campaign; those dollars will be earmarked for medicine, clean water and advocacy efforts. Roughly \$85,000 has been received in the appeal as of the end of February.
- A limited edition pewter ornament celebrating the anniversary is available, with \$6 of the \$12 purchase price going to the appeal.
- An anniversary trip to Liberia occurred late in 2012, with participants meeting with 1,000 women in congregations, many of whom are connected with Women of the ELCA through the long-standing grants made available through the organization. The delegation met with Ellen Johnson-Sirleaf, president of Liberia; Leymah Gbowee, peacemaker; and Vabah Gayflor, Liberia's Minister of Labor; among others.
- Celebrations and observances have occurred across the church in a variety of ways.

This summer *Gather* magazine will be offering a three-session study on hunger, "All Who Hunger, Gather Gladly," written by Audrey Novak Riley, former magazine staff who is now associate program director for ELCA World Hunger. The 2013-2014 Bible study, "In Good Company: Biblical Stories of Women," has been written by the Rev. Kay Ward, the first female bishop of the Moravian Church in North America. This will also be the first Bible study in the magazine's history written by someone other than a member of the ELCA.

The organization continues its support of the 1,000 Days Movement, an action taken at the Eighth Triennial Convention (2011), which advocates for better nutrition for women and children in the 1,000 days between a woman's pregnancy and her child's second birthday. Among other things, we have been promoting Lenten materials created by Bread for the World and the Women of Faith for the 1,000 Days Movement, the latter of which we are a leading participant.

The organization's health initiative, Raising Up Healthy Women and Girls, has added a new global component, a seed grant program called A World of Healthy Women, Healthy Girls. With this seed grant program, the organization will assist our partner women's organizations in supporting local women and girls to focus on their emotional, spiritual and physical health. During the 25th Anniversary trip to Liberia, two seed grants were presented to the National Lutheran Church Women Fellowship of the Lutheran Church in Liberia.

A few quick notes:

- On February 24, 2013, the organization marked Bold Women's Day. Women across the church celebrated the bold women of their congregations and communities. Bold Women's Day grew from the organization's mission of mobilizing women to act boldly on their faith in Jesus Christ.
- The churchwide executive board announced a special drive to increase Katie's Fund to \$1,000,000 by July 2014 (at the triennial gathering). Katie's Fund (the Katharina von Bora Luther Endowment Fund) supports leadership development, global connections and living theology.

- Rachel's Day will be observed on May 5. This day will bring awareness to the alarming number of children killed by gun violence and was called for by the Third Triennial Convention (1996), following a model created by Bethel Lutheran Church (Chicago, Ill.).
- Registration for a cross-cultural immersion experience on the Chippewa Cree Indian Reservation in Box Elder, Montana, will soon open. The event is scheduled for September 21-26, 2013.
- A new line of sterling silver jewelry featuring the organization's logo is now available, created by Deirdre Olson of Deirdre Handcrafted Jewelry (Minneapolis, Minnesota). Go to www.womenofthelca.org and click on "shop now" to view and purchase a necklace, charm, pin or earrings.
- Participants are actively supporting LWR's 2013 Quilt Challenge (designed to grow the number of quilts made in a year by 25 percent). Churchwide staff of Women of the ELCA are participating too, devoting time each week to creating quilt tops and assembling quilts.
- Planning for the Ninth Triennial Gathering continues; registration opens this coming September. The event will be held in Charlotte, North Carolina, July 2013.

Additional information about Women of the ELCA can be found at any of these locations:

- www.womenofthelca.org
- www.boldcafe.org
- [www.Facebook.com/womenofthelca](https://www.facebook.com/womenofthelca)
- [www.Twitter.com/womenofthelca](https://www.twitter.com/womenofthelca)
- www.Pinterest.com/womenofthelca

2013 Churchwide Assembly Schedule

Day/Time	Event
Sunday, August 11	
11:00 a.m.	Church Council Executive Committee
12 noon – 1:00 p.m.	Executive Committee Lunch
1:00 p.m. – 2:00 p.m.	Joint meeting: Conference of Bishops, Synod Vice Presidents and Church Council
2:00 – 4:00 p.m.	Church Council
5:00 p.m.	Church Council, Conference of Bishops and Synod Vice Presidents Joint Worship
After worship	DINNER for Church Council, Conference of Bishops, Synod Vice Presidents and Churchwide Organization leadership
Monday, August 12	
	Breakfast on own
8:30 a.m.	Nominations desk open
8:30 a.m. – 11:30 a.m.	Church Council
10:00 a.m.	Registration desk open
12:00 p.m. – 1:00 p.m.	LUNCH
1:30 p.m. – 3:00 p.m.	Orientation and e-binder training
3:30 – 5:45 p.m.	PLENARY SESSION ONE <i>Anticipated: organization of the assembly; adoption of rules and order of business; first ballot for presiding bishop</i>
6:00 – 7:15 p.m.	DINNER
7:30 – 9:00 p.m.	HOLY COMMUNION
9:30 p.m.	<i>Deadline for removal from en bloc of responses to synodical resolutions</i> <i>Deadline for substitute responses to synodical memorials</i>

Tuesday, August 13	
TBD	Portico Run, Walk n' Roll; Stretch and Pray Breakfast on own
7:00 a.m.	Memorials Committee
7:30 a.m.	Registration desk open
8:00 a.m.	Nominations desk open <i>Deadline for proposed questions for the nominees for presiding bishop</i>
8:00 - 10:30 a.m.	PLENARY SESSION TWO <i>Anticipated:</i> election report of first ballot for presiding bishop, report of vice president and Church Council; report of the memorials committee; 2014-2016 budget presentation; 25 th anniversary campaign introduction
11:00 a.m.	<i>Deadline for nominations from the floor</i> <i>Deadline for removal from en bloc of election and CBCR amendments</i> <i>Deadline for withdrawal of name from ballot for presiding bishop</i>
11:00 a.m.-12:00 p.m.	HOLY COMMUNION
12:00 – 1:00 p.m.	LUNCH
1:15 – 2:00 p.m.	Bible study (small groups)
2:15 p.m. – 4:30 p.m.	PLENARY SESSION THREE <i>Anticipated:</i> second ballot for presiding bishop; consideration of elections and CBCR amendments; introduction to social statement on criminal justice; report of the memorials committee; election report of second ballot for presiding bishop; orientation to hearings
5:00 – 6:00 p.m.	Hearings 25 th anniversary campaign, Budget, Social Concerns Review, Social Statement on Criminal Justice, Healthcare Reform
6:00 – 7:00 p.m.	DINNER
7:00 – 8:00 p.m.	Hearings World Hunger, Missional Planning, Women and Justice Social Statement Process Update, ELCA Malaria Campaign

Wednesday, August 14	
TBD	Portico Run, Walk n' Roll; Stretch and Pray Breakfast on own Rehearsal for nominees for presiding bishop
6:30 a.m.	Executive Committee meeting
7:30 a.m.	Registration desk open
8:00 - 10:30 a.m.	PLENARY SESSION FOUR <i>Anticipated:</i> distribution of biographical information for nominees for presiding bishop; Q&A forum with nominees for presiding bishop; speeches by the seven nominees; third ballot and election report for presiding bishop; first common ballot
11:00 a.m.-12:00 p.m.	HOLY COMMUNION
12:00 – 1:00 p.m.	LUNCH
1:00 p.m.	<i>Deadline for non-germane resolutions;</i>
2:30 p.m.	<i>Deadline for first common ballot</i>
1:15 – 2:00 p.m.	Bible study (small groups)
2:15 p.m. – 6:00 p.m.	PLENARY SESSION FIVE <i>Anticipated:</i> nominees for presiding bishop respond to questions; fourth and fifth ballots for presiding bishop; election reports of fourth and fifth ballots; response from presiding bishop-elect; college corporation meetings; first ballot for secretary; report of reference and counsel committee; greetings from federal chaplains and introduction of the <i>Armed Forces Prayer Book</i>
6:00 p.m.	<i>Deadline for amendments to criminal justice social statement and implementing resolutions</i> <i>Deadline for amendments to 2014-2016 budget proposal</i> <i>Deadline for separate consideration (removal from en bloc) of recommended constitutional amendments.</i>
6:30 p.m.	Dinner on own
6:30 p.m.	Seminary, College and University Presidents' Reception College receptions

Thursday, August 15	
TBD	Portico Run, Walk n' Roll; Stretch and Pray Breakfast on own
7:30 a.m.	Registration desk open
8:00 - 10:30 a.m.	PLENARY SESSION SIX <i>Anticipated:</i> elections report of first ballot for secretary and first common ballot; report of memorials committee; report of the presiding bishop; report of the secretary; presentation of <i>Servus Dei</i> to secretary; election report of first common ballot; second common ballot; report of reference and counsel committee
11:00 a.m.	<i>Deadline for removal of name from secretary ballot</i>
11:00 a.m.-12:00 p.m.	HOLY COMMUNION
12:00 – 1:00 p.m.	LUNCH
1:00 p.m.	<i>Deadline for second common ballot</i>
1:15 – 2:00 p.m.	Bible study (small groups)
2:15 p.m.- 6:00 p.m.	PLENARY SESSION SEVEN <i>Anticipated:</i> report of the treasurer; report of MIF; second ballot for secretary; greetings from full-communion partners, interfaith partners, agencies and others; election report of the second common ballot; report of the memorials and the reference and counsel committees; election report of second ballot for secretary
	Dinner on own

Friday, August 16	
TBD	Portico Run, Walk n' Roll; Stretch and Pray Breakfast on own Rehearsal for nominees for secretary
7:30 a.m.	Registration desk open
8:00 a.m.-10:30 a.m.	PLENARY SESSION EIGHT <i>Anticipated:</i> distribution of biographical information for secretary; secretary nominees' forum (Q&A); third ballot and election report for secretary; consideration of the 2014-2016 budget; consideration of the social statement; report of the ad hoc committee and implementing resolutions
11:00 a.m.-12:00 noon	HOLY COMMUNION
12:00 noon – 1:00 p.m.	LUNCH
1:15 p.m. – 2:00 p.m.	Bible study (small groups)
2:15 p.m. – 6:00 p.m.	PLENARY SESSION NINE <i>Anticipated:</i> speeches by nominees for secretary; fourth and fifth ballots for secretary; election reports of fourth and fifth ballots for secretary; response from secretary-elect; report of World Hunger and LDR; report of the ad hoc committee; general constitutional amendments; consideration of and commitment to 25 th anniversary campaign; greetings from WELCA and LMM; report of reference and counsel
6:30 p.m.	25 th Anniversary of the ELCA banquet

Saturday, August 17	
TBD	Portico Run, Walk n' Roll; Stretch and Pray Breakfast on own
7:30 a.m.	Registration desk open
8:00 a.m. – 10:30 a.m.	PLENARY SESSION TEN <i>Anticipated:</i> report of reference and counsel committee; report of memorials committee; honoring Church Council class of 2013
11:00 a.m. – 12:30 p.m.	HOLY COMMUNION (Installation of secretary)
12:30 p.m. – 1:30 p.m.	LUNCH
1:45 p.m. – 4:00 p.m.	PLENARY SESSION TEN <i>Anticipated:</i> unfinished business; announcement of 2016 CWA; closing

ELCA PHILOSOPHY OF BENEFITS
(Draft endorsed by Portico Philosophy of Benefits Task Force)(032213)

INTRODUCTION

Since the inception of the Evangelical Lutheran Church in America (ELCA), the health and well-being of ordained ministers, rostered lay leaders, and other lay employees have been underlying priorities of this whole church and a principal focus of the work of Portico Benefit Services, a ministry of the ELCA, (Portico) (formerly known as the Board of Pensions of the ELCA). These priorities carry with them a foundation in the theology of this church, a legacy from predecessor church bodies, and a history involving the evolution of benefit programs. In an effort to identify foundational principles undergirding its benefit programs and to recognize changes in this church and in society, the Board of Pensions in 2004 approved an ELCA Philosophy of Benefits Report. Since then even more dramatic changes have occurred, and Portico has revisited and revised the ELCA Philosophy of Benefits to reflect these new realities.

The ELCA Philosophy of Benefits consists of four interrelated parts:

- Introduction
- Statement of Purpose
- Guiding Principles
- History and Context

The ELCA Philosophy of Benefits is intended to inform and assist all expressions of this church and related institutions and agencies (including social ministry organizations, seminaries, colleges, universities, and separately incorporated ministries) as they evaluate and implement benefit programs – both those provided by Portico and others – from the perspective of the sponsoring organization and the plan participant. The Guiding Principles are intended as just that – they are *not* mandated requirements, but principles that recognize the importance of benefits to the health and wellness of this whole church and its leaders.

STATEMENT OF PURPOSE

“The Church is a people created by God in Christ, empowered by the Holy Spirit, called and sent to bear witness to God’s creative, redeeming, and sanctifying activity in the world.”¹ To participate in God’s mission, the ELCA engages in ministry that includes calling forth, equipping, and supporting rostered leaders and others for service in this church and related institutions. As part of its ministry, the ELCA is committed to seek a sufficient, sustainable livelihood for all and believes that employers have a responsibility to treat employees with dignity and respect. These basic principles should be reflected in employees’ remuneration, including benefits.² This church also believes that “health is central to our well-being, vital to

¹ ELCA constitutional provision 4.01.

² ELCA Social Statement, “Sufficient, Sustainable Livelihood for All” p.9.

relationships, and helps us live out our vocations in family, work, and community.”³ Thus, this church is committed to the principle that “healthy leaders enhance lives” and the recognition that benefits are an investment in the ministry of this church.⁴ Therefore, ELCA congregations, synods, the churchwide organization, and related institutions and agencies are called upon to provide rostered church leaders (both clergy and lay) and lay employees with health, retirement, disability, death, and other benefits that will enhance health and well-being and protect employees and their families against significant financial loss.

In implementing this Philosophy of Benefits, the design and administration of benefit programs should respond to changing societal and economic realities affecting the ministry of this church, as well as national trends in financial markets, the cost and delivery of medical care and other benefits, and the regulatory landscape. Benefits also should be administered efficiently in order to both enhance the well-being of rostered leaders and lay employees and capture value and savings where possible. At the same time, rostered leaders and lay employees are stewards of benefits provided to them and are called upon to use them wisely to improve their health and well-being for the sake of ministry.

Portico, a separately incorporated ministry of the ELCA, has the responsibility “to provide church retirement and other benefit plans.”⁵ These plans and all benefits provided to rostered leaders and lay employees should reflect the ELCA Philosophy of Benefits.

GUIDING PRINCIPLES

1. Benefits are an investment in God’s ministry as carried out through the lives of rostered leaders and lay employees.
 - Healthy pastors, diaconal ministers, associates in ministry, deaconesses, and other lay employees contribute constructively to healthy congregational life and ministry in this church. Healthy leaders with adequate benefits are an asset to this whole church.
 - This church is in partnership with those who carry out its work and is committed to “compensate all people we call or employ at an amount sufficient for them to live in dignity”⁶ during their working lifetime. This commitment to dignity continues into retirement.
2. Benefits should support and enhance the unique needs of this church.
 - It is important that rostered leaders are able to respond to the call of God in their lives wherever they are located. As a result, to the extent reasonably possible, benefits should be designed and administered to facilitate the call process.

³ ELCA Social Statement, “Caring for Health: Our Shared Endeavor”, p.1.

⁴ In this context, “health” includes not only physical well-being, but also social/interpersonal well-being, emotional well-being, intellectual well-being, spiritual well-being, and financial well-being. The ELCA Philosophy of Benefits recognizes that appropriately designed and administered benefits programs facilitate health and wellness of the whole person.

⁵ ELCA constitutional provision 17.20.

⁶ ELCA Social Statement, “Sufficient, Sustainable Livelihood for All”, p.10.

- Mobility is facilitated when the person responding to a call knows what his/her benefits will be and how they will be provided.
 - By providing benefit plans that operate consistently on a national scope, the ELCA, through Portico, helps those responding to a call from a different geographical area and provides consistency in the design and administration of plan characteristics.
3. Benefits should include retirement, health, disability, death, and other benefits, and be available to rostered leaders and lay employees.
 - Benefit plans should seek to guard against significant loss, recognizing that no benefit program can provide complete protection against all risks and negative financial outcomes.
 - Other benefits may be provided by employers, consistent with the letters of call, terms of employment, and these guiding principles.
 - Part-time employment is a reality in many contexts and poses challenges in the provision of benefits. If full benefits cannot be provided, benefit options should be negotiated and adjusted fairly to recognize the needs of both the employer and the rostered leader or lay employee.
 4. Benefits should include coverage for the immediate family members of rostered leaders and lay employees.
 - Healthy leaders – both rostered and lay -- presuppose healthy families.
 5. Retirement, health, disability, death, and other benefit plans should be bundled.
 - Providing a program of benefits helps to ensure that rostered leaders and lay employees are protected against significant financial loss from a variety of risks.
 - A uniform bundled approach provided by Portico enhances mobility by providing consistency across this church.
 - This bundled approach also protects the financial integrity and viability of the health and other benefit plans.
 - In some circumstances, health coverage may be waived. Such waivers should occur based upon informed choice and consistent with the other guiding principles, particularly principles 3 and 4.
 6. Employers and plan members should share the cost of retirement, health, and other benefits.
 - Although employers are expected to pay the majority of benefit costs through plan contributions, plan members are expected to participate in the benefit costs through plan design and features.
 - Plan members are encouraged to take an active stewardship role in managing their financial well-being by contributing their own funds, in addition to those contributed by the employer, toward accumulating retirement income.
 - Both employers and plan members should take into consideration and balance their respective needs with regard to the ministry and health and wellness of covered individuals and this church.

7. Plan design and features should provide flexibility and options which recognize both the needs of the employer and plan members.
 - The overall goal of this church's benefits program "is to provide adequate coverage for all employees within a cost structure that is manageable by congregations and other employers."⁷
 - Although plan design and features should provide flexibility, they should be consistent with these guiding principles and not be used to achieve savings by simply shifting benefit costs to employees.
 - A call to rostered leaders and terms of employment for lay employees should include other benefits (such as vacation and continuing education) consistent with synod or other applicable guidelines.
8. Pricing for health, disability, death, and other benefits should reflect both the community nature of the plans as well as risk variation among plan members.
 - Pricing for health, disability, death, and other benefits should directly reflect the benefit costs (claims and administration) incurred by plan members. By pooling these costs, Portico enables both large and small employers to benefit from the more stable experience of a large group.
 - Pricing should be sufficient to pay plan benefits and expenses and to maintain an appropriate level of plan surplus.
 - Benefit costs generally vary by the risk characteristics of plan members, such as age, family size, and geographic location. It may be necessary to reflect these variations in the plan pricing schedules.
9. Benefits should be communicated to employers and plan members in an understandable and timely manner.
 - An understanding regarding coverages and options is important for both employers and plan members to make informed choices and to evaluate how benefits contribute to furthering member health and well-being.
 - Benefit changes should be clearly communicated so that plan members have an opportunity to acknowledge, ask questions, and adapt to the changes.
 - Employers and plan members should avail themselves of opportunities to obtain information about benefits in order to understand and utilize them in a manner that practices good stewardship and enhances health and well-being.
10. Benefit plans should be administered efficiently in order to achieve savings where possible.
 - Professional skills should be employed to design and implement efficient benefit plans consistent with legal requirements and competitive with the marketplace.

⁷ Report and Recommendations of the Commission for a New Lutheran Church, June 25, 1986, p. 178

- Professional skills should be employed in contracting with qualified external administrative partners and providers who deliver services efficiently and consistent with the values of the ELCA.
- The ELCA should explore partnering with other churches when beneficial, forming purchasing coalitions to obtain best market administrative pricing. When mutually beneficial to all parties, the ELCA should offer benefits to other faith based organizations, thereby helping to manage its administrative effectiveness.

HISTORY AND CONTEXT

The historic record of Lutherans in the United States reflects a commitment to the compassionate care of clergy and lay employees through the provision of benefit programs. These programs evolved over time. In the earliest days, benefits focused primarily on the financial needs of elderly clergy who were no longer able to serve, as well as widows and orphans of deceased clergy. Subsequently, benefits evolved into a package of health, disability, survivor, retirement, as well as other benefits that are in place today in the ELCA. In order to provide context for the updated ELCA Philosophy of Benefits, it is useful to review the evolution of benefit programs and the current context in this church and society as a whole.

A. The Legacy

The ELCA Philosophy of Benefits is rooted in the legacy of ELCA predecessor church bodies. This legacy evolved in a number of stages.⁸

The first stage involved developing funded programs of retirement benefits for clergy and their spouses to replace aid to needy pastors. To achieve this goal, predecessor church bodies adopted defined contribution plans. These plans reflected the principle that seeking to meet a pastor's need for income in retirement was not an act of charity, but rather a benefit that had been earned through the pastor's active ministry. During this stage of development, disability coverage and a term-insurance "family protection benefit" also were incorporated into many plans. Plans covering lay church workers also were developed.

The second stage in the evolution of the ELCA Philosophy of Benefits involved health plans. Medical benefits were provided in both The American Lutheran Church plan, beginning in 1961, and the Lutheran Church in America, starting in 1963. The goal in both plans was to provide adequate medical coverage for clergy and lay workers in every setting of service to prevent catastrophic losses.

The third stage in shaping of the ELCA Philosophy of Benefits involved protection of assets for the well-being of plan members. This stage emerged as the result of work accomplished by the Commission for a New Lutheran Church. As a result of its efforts, the new

⁸ The history of benefit programs in the ELCA and its predecessor church bodies is described in detail in Lowell G. Almen, *More to the Story: The Legacy and Promise of Lutheran Pension and Benefit Plans* (2010).

Board of Pensions was incorporated separately from the ELCA in order to provide asset protection of members' plans.

The fourth stage in the evolution of the ELCA Philosophy of Benefits was shaped by the development of a more unified set of plans. This was manifested in several ways. Prior to the merger that formed the ELCA, levels of benefits and contribution methods in the predecessor churches differed for clergy and laity. The ELCA began with a goal of providing the same level of benefits for clergy and lay plan members. In addition, the various plans offered by the Board of Pensions were bundled in order to protect plan members as well as the ELCA Pension and Other Benefits Program itself.

The fifth stage in the evolution of the ELCA Philosophy of Benefits involved a conceptual shift in the Board of Pensions from being a transaction based organization to being a relationship-based organization. Increasing emphasis was placed on service responsiveness to the concerns and needs of members. This transition saw the creation of a greater range of investment funds as options for members and the end of mandatory annuitization. This stage also saw an increasing emphasis on health and wellness. Through the leadership of Portico and collaborative efforts in this church, the focus on individual relationships and the health and wellness of plan members has continued to increase.

B. The 2004 ELCA Philosophy of Benefits Report

With this background, the Board of Pensions beginning in 2003 initiated a review of the history and governing documents of this church in order to articulate a foundational philosophy of benefits. In addition to a review of documents, input was obtained from a wide variety of leaders in this church, including the churchwide organization, synod bishops, seminary presidents and finance directors, and others. The result of this effort was a paper entitled "ELCA Philosophy of Benefits Report, 2004".

The 2004 ELCA Philosophy of Benefits Report articulated five guiding principles which the Board of Pensions' staff had been using in the administration of the ELCA's comprehensive benefit program. The guiding principles were described as follows:

1. Plan participation – All church workers should be sponsored in the ELCA benefits program. The ELCA churchwide office, ELCA synods, ELCA seminaries and the Board of Pensions set an example for the whole church by sponsoring all employees, lay as well as clergy, in the program. ELCA synods also set a standard for benefits by encouraging congregations to sponsor their rostered leaders. For other ELCA employers, sponsorship is at the discretion of the individual employer.
2. Level of benefits – The benefits program should provide adequate financial protection in the event of illness, injury, disability, retirement or death. The program's cost-sharing features should recognize the relatively low salaries paid to many church workers. Benefits should compare favorably to those available to professionals in other denominations and in secular employment.

3. Bundled program – The Board of Pensions should bundle four plans – health, retirement, disability and survivor – and offer them as a package.
4. Contribution policy – The monthly cost of the program should be affordable and paid entirely by congregations and other sponsoring employers.
5. Sharing of health costs – The cost of the health benefits program should be shared on a basis that takes into account differences in congregations' and other employers' ability to pay, with employers of greater means paying more in order to help employers of lesser means within their synods.

These guiding principles provided a framework for the work of the Board of Pensions in 2004. However, in their application, benefit programs have not remained fixed. Thus, in applying these principles, ELCA congregations, synods, the churchwide organization, other employers, and plan members have had to grapple with a number of realities involving both the contexts of individual ministries and the ever-evolving marketplace. For example, contribution rates for the retirement plan were adjusted, with different rates authorized for different employers and categories of employees. In the health plan, a multiple-tier structure was developed (for member, member and spouse, and member, spouse, and children), coverages were added and modified, and out-of-pocket limits were adjusted for various types of benefits. As the result of efficient management, contributions for health care has increased over time, but not at the rate of the escalation of health costs in American society as a whole. Contribution rates and benefits in the survivor and disability plans also have evolved over time.

C. The Need for Review in 2013

While considerations in society and in the ELCA have raised questions regarding the need to re-visit the 2004 ELCA Philosophy of Benefits Report, the enactment of the Patient Protection and Affordable Care Act in March 2010 represents a sea change in the environment for providing health care benefits. Key provisions of this legislation take effect on January 1, 2014, and these necessitate revision of that document. Under health care reform, taxpayers will be required to have health coverage; health insurance exchanges will become operational at the state or regional level; and federal subsidies will be available to help qualifying individuals and families purchase coverage in a health insurance exchange. These changes will cause ELCA employers, and employers in related agencies and institutions, to think differently about how health benefits are provided to employees. Furthermore, individual circumstances will vary depending on the size of the employer, employee household income, the local marketplace in the exchanges, and other factors.

Even without health care reform, employer provided health coverage has evolved significantly since 1987—and markedly so in the past decade. Employees of corporations now routinely choose a health plan that meets their family needs from among several options. The marketplace has seen a shift in economic responsibility to employees—either through higher deductibles or higher cost (premium) sharing requirements.

Additionally, economic turmoil in the United States beginning in 2008 and the uneven recovery since then, as well as the changing demographics of the ELCA, have put increasing economic pressure on congregations, synods, the churchwide organization and other institutions and agencies related to this church. Portico frequently receives inquiries about adding more flexibility to plan design and reducing costs. In response to a request from ELCA seminary presidents, Portico developed a pilot program in 2012 involving options for health care coverage in anticipation of the implementation of health care reform. This experience has informed the development of the revised ELCA Philosophy of Benefits.

Neither the vocation of rostered leaders and lay employees nor the mission of congregations and other ministries that they serve has changed. Nor has the mission of Portico. Current realities, however, call for re-visiting and updating the ELCA Philosophy of Benefits. In doing so, this church and Portico are committed to providing benefits that both address the needs of ELCA congregations, synods, the churchwide organization, related institutions and agencies, and rostered leaders, lay employees, and their families and recognize the realities of the contexts of their ministries. The ELCA Philosophy of Benefits provides the framework for that work.



Benefit Services | A Ministry of the ELCA

MEMO

DATE: March 22, 2013

TO: ELCA Church Council

FROM: The Rev. Jeffrey Thiemann, President and CEO

SUBJECT: 2014 ELCA Health Plan Options

At Portico's Board of Trustees February 2013 meeting, the Board reviewed the proposed 2014 health plan strategy that will allow for the long-term sustainability of the ELCA health plan. We discussed the reasons for continuing to offer an ELCA health plan (wellness programs that promote long-term well-being, short and long-term price advantages, call mobility, etc.) and the anticipated market changes as a result of the Patient Protection and Affordable Care Act of 2010 (PPACA). We concluded the presentation by asking the Board of Trustees for their opinions on the health plan options, employer requirements and age rating concepts that are integral to the 2014 strategy.

Since that meeting, I have met with the Conference of Bishops and the ELCA Administrative Team in Chicago to present the health plan strategy and the updated ELCA Philosophy of Benefits. These conversations were supportive of Portico's work and the 2014 strategy. Outlined below are the three significant changes to the ELCA health plan we envision making in response to PPACA in 2014: plan options, employer requirements and age rating, on which we now have had input from Portico's Board of Trustees, the Conference of Bishops, and the ELCA Administrative Team in Chicago.

Plan Changes

The proposed health plan options are similar in structure to the current ELCA health plan, but the value of each option will vary. Each of the four options will be similar in actuarial value to the open market exchange metallic plans (Bronze, Silver, Gold, and Platinum). We have developed preliminary names for the new options (Minimal, Basic, Preferred, Premier) with input from the Conference of Bishops and the Administrative Team in Chicago. It is also important to note that the Preferred option is very close in value and design to the current ELCA health plan. The preliminary plan options are shown below.

2014 ELCA Plan Options - Preliminary

Single Coverage (36% of members)*					
	Current	Minimal	Basic	Preferred	Premium
Plan Type	PPO	HDHP	HDHP	PPO	PPO
Deductible	\$1,000	\$4,500	\$2,000	\$1,000	\$500
Coinsurance	85%	80%			
OOP Max	\$3,600	\$6,000	\$4,000		
Rx costs	\$8/\$43/\$69	80%		\$8/\$43/\$69	
Seed \$	\$0 (HRA)	\$0 (HSA)		\$0 (PWA)	\$250 (PWA)
Wellness \$	Yes (up to \$500)				
2013 Rate**	\$7,605	\$5,589	\$6,542	\$7,467	\$8,072

Current plan is very similar to Preferred plan

2014 ELCA Plan Options - Preliminary

Family Coverage (32% of members, 26% in Member & Spouse Coverage)					
	Current	Minimal	Basic	Preferred	Premium
Plan Type	PPO	HDHP	HDHP	PPO	PPO
Deductible	\$2,000	\$9,000	\$4,000	\$2,000	\$1,000
Coinsurance	85%	80%			
OOP Max	\$7,200	\$12,000	\$8,000	\$8,000	\$8,000
Rx costs	\$8/\$43/\$69	80%		\$8/\$43/\$69	
Seed \$	\$0 (HRA)	\$0 (HSA)		\$0 (PWA)	\$500 (PWA)
Wellness \$	Yes (up to \$1,000)				
2013 Rate	\$19,012	\$13,972	\$16,355	\$18,668	\$20,180

Current plan is very similar to Preferred plan

* Includes dental cost. Actual rates for employers vary by rate class, employer salary and include minimum and maximums

Employer Requirements

The second significant change included employer requirements to offer all four options and select one option funding level prior to member open enrollment. The requirement to offer all four options will simplify communication and administration, and facilitate the call process (i.e., an employee will be allowed to remain in their current option if they have a change of call during the year). In addition to offering four options, employers will be asked to select one option to fund at 100% of the plan cost. Once an employer makes that decision, the employee will be allowed to enroll in that option, or if they enroll in a higher value option than is funded by their employer, the employee will be asked to pay the remaining balance. This additional cost will be deducted from the employee's payroll check and the employer will send the entire balance to Portico on a monthly basis.

Also important to note is that the Preferred option will be the default for any employer that does not make an election. The Preferred option was chosen because it is very similar to the current ELCA health plan and it has met the needs of a majority of employers for a number of years. Making this design option the default simplifies the decision making process for employers. Defaulting to the Preferred option discourages the "run to the cheap" mentality and encourages employers to consider the whole picture if choosing a lower cost option.

Portico's role in "promoting" the Preferred option over another option is still being considered. Assuming that the ELCA Church Council will "endorse as a benchmark the proposed health plan option that approximates the current level of benefits provided by the ELCA health plan, and to encourage congregations, synods, the churchwide organization, other ELCA-related organizations, and other interested persons to advocate for selection of this plan option" (from proposed actions for the April 2013 ELCA Church Council meeting), we will develop our communications to reflect that encouragement. We will encourage synods to adopt guidelines with respect to benefit levels like they do today for compensation, and we would be happy to provide consultation to synod offices in the creation of these guidelines. While we recognize the need and desire for some employers to offer a lower cost (and lower value) option, we feel it is important for employers to consider their synod guidelines, discuss the decision with their synod offices, and understand the additional cost burden being placed on their employees if choosing a lower cost option.

Age Rating

The third significant change is introducing age rating to the pricing methodology in 2014. Age rating is the differential pricing of plans based solely on the age of the member. In many of today's individual markets, rates are determined using a 5:1 age rating ratio. This would mean that a plan that costs \$200 for the youngest age group (for example, a 20 year old), would cost five times that amount or \$1,000 for an older age group (for example, a 64 year old). PPACA created a maximum 3:1 age rating ratio for 2014 Exchange plans. In order for the ELCA health plan to keep the young people in the ELCA risk pool, we believe it is necessary to introduce age rating to the 2014 pricing methodology. Without this change, employers with younger employees than the current ELCA average (age 52) would likely have a lower cost plan available to them in the Exchange. Changing the pricing methodology will allow the ELCA health plan to compete financially and will support the plan's long-term viability.

While it is our intent to create a pricing structure that is similar to the Exchange plans, we are not legally required to follow the Exchange pricing rules. In February, we discussed the possibility of using a 2:1, 2.5:1 or 3:1 age rating ratio for the 2014 ELCA health plan. We are also considering whether to continue to offer defined compensation-based contributions with minimums and maximums. While no final decisions have been made, we are scheduling employer meetings and tracking market expectations to better understand the future decisions of employers as they compare the ELCA health plan costs to the Exchange plan costs.

Our primary objective for the 2014 pricing methodology is to retain a viable ELCA risk pool by discouraging employers with young and healthy employees from leaving the ELCA health plan for the Exchange plans. Our secondary objective is to minimize the impact that these changes will create for some employers. Our final pricing methodology will balance these competing objectives while ensuring the long-term sustainability of the ELCA health plan.

Next Steps

On March 20, there was a teleconference meeting of the Products and Services Committee was held to answer any additional questions and to ask for their recommendation. As a result of this meeting, the Committee unanimously voted to recommend approval of the resolution concerning endorsement of direction regarding the ELCA Medical and Dental Benefits Plan by the full Board of Trustees. This action will be taken by electronic vote and the results of that vote will be reported at the April 2013 ELCA Church Council meeting.

At the April 2013 of the ELCA Church Council, we are asking you to vote to endorse the direction of the changes outlined above: four plan

2014 ELCA Plan Options - Preliminary

Single Coverage (36% of members)*					
	Current	Minimal	Basic	Preferred	Premium
Plan Type	PPO	HDHP	HDHP	PPO	PPO
Deductible	\$1,000	\$4,500	\$2,000	\$1,000	\$500
Coinsurance	85%	80%			
OOP Max	\$3,600	\$6,000	\$4,000		
Rx costs	\$8/\$43/\$69	80%		\$8/\$43/\$69	
Seed \$	\$0 (HRA)	\$0 (HSA)		\$0 (PWA)	\$250 (PWA)
Wellness \$	Yes (up to \$500)				
2013 Rate**	\$7,605	\$5,589	\$6,542	\$7,467	\$8,072

Current plan is very similar to Preferred plan

* Spouse and dependent tiers follow single coverage foundational principles (deductibles, OOPmax are 2x single plan features)

** Includes dental cost. Actual rates for employers vary by rate class, employer salary and include minimum and maximums

Note – Health Care terminology is provided in the appendix

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2014 ELCA Plan Options - Preliminary

Family Coverage (32% of members, 26% in Member & Spouse Coverage)					
	Current	Minimal	Basic	Preferred	Premium
Plan Type	PPO	HDHP	HDHP	PPO	PPO
Deductible	\$2,000	\$9,000	\$4,000	\$2,000	\$1,000
Coinsurance	85%	80%			
OOP Max	\$7,200	\$12,000	\$8,000	\$8,000	\$8,000
Rx costs	\$8/\$43/\$69	80%		\$8/\$43/\$69	
Seed \$	\$0 (HRA)	\$0 (HSA)		\$0 (PWA)	\$500 (PWA)
Wellness \$	Yes (up to \$1,000)				
2013 Rate	\$19,012	\$13,972	\$16,355	\$18,668	\$20,180

Current plan is very similar to Preferred plan

* Includes dental cost. Actual rates for employers vary by rate class, employer salary and include minimum and maximums

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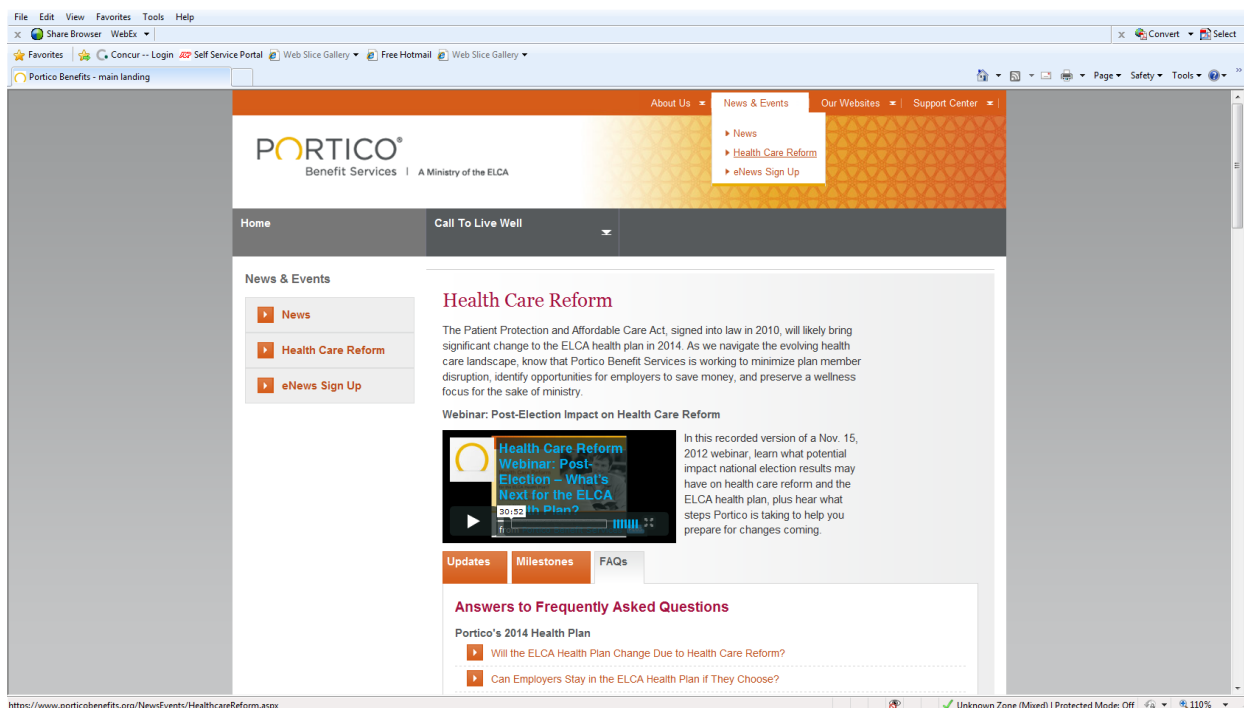
options, employer decisions and age rating principles. These changes will allow the ELCA health plan to be sustainable over the long-term so that Portico can continue to meet the unique needs of the ELCA for the sake of ministry. We are also asking the ELCA Church Council take a position for this church by endorsing health benefits that approximate the current level of benefits provided by the ELCA health plan.

In order for us to develop the systems and communications to lead the ELCA through the changes required by PPACA, we need endorsement of these changes April 2013.

Health Care Reform: Answers to Frequently Asked Questions As of February 28, 2013

To access the Health Care Reform FAQs:

1. Visit www.PorticoBenefits.org
2. Click *News & Events*
3. Select *Health Care Reform*
4. Click the *FAQs* tab



Portico's 2014 Health Plan

Will the ELCA Health Plan Change Due to Health Care Reform?

Yes. We expect the 2014 ELCA health plan to continue to enhance our leaders' well-being, facilitate the call process, and support ministry throughout this church. The 2014 plan will be similar to today, but with options that give employers more flexibility in offering coverage. Plan details should be finalized later in 2013.

Can Employers Stay in the ELCA Health Plan if They Choose?

Absolutely. We believe employers will find better value in the 2014 ELCA health plan than in comparable exchange plans.

Why Should Employers Stay in the ELCA Health Plan?

As a ministry of the ELCA, Portico understands the unique benefit needs of this church. We design and administer benefits to support and enhance ministry. We believe the ELCA health plan will offer competitive price and coverage compared to exchange plans. We expect our plan to:

- Cost less than an equivalent exchange plan in 2014, given the likelihood that many individuals previously denied coverage due to pre-existing conditions will enroll in exchange plans.
- Offer employers more flexibility in 2014.
- Offer benefits that may not be included in exchange plans — for example, health care advocacy, the Mayo Clinic Health Assessment, health coaching, wellness incentives, ELCA NurseLineSM, dental coverage, fitness discount program, vision and hearing discount programs, and access to a large selection of in-network doctors.

Why Might an Employer Choose an Exchange Plan Instead of the ELCA Health Plan?

Some employers may be able to save money if their employees obtain coverage through an exchange and qualify for federal subsidies. Of course, along with cost, employers should evaluate the non-financial advantages of the ELCA health plan. Portico will provide resources to help employers make this decision.

Can Members Be Covered Through an Exchange Plan and Still Participate in the ELCA Retirement Plan?

Yes. While we expect to continue bundling our health, retirement, disability, and survivor plans in 2014, a member purchasing federally subsidized health coverage through an exchange will likely be able to waive ELCA health coverage. That would make the member still eligible for the ELCA Retirement Plan. We expect to finalize these provisions later in 2013.

What Would be the Impact to the ELCA Health Plan if Many Members Join an Exchange Plan?

Our membership is large enough — more than 25,000 sponsored members and dependents — that the ELCA health plan should remain viable even if a substantial number of people were to leave the plan. We believe the health plan will provide value to members and employers by maintaining a manageable risk pool (for example, retaining “healthy” members).

To remain competitive with health plans in the exchanges, we expect to offer more coverage options and potentially adopt alternative pricing methodologies. In addition to providing value to current members, this flexibility is likely to attract new members and employers.

ELCA Perspective on Benefits

How Does Health Care Reform Align with the ELCA's Perspective on Benefits?

Portico is working with an advisory task force of church leaders to review and revise the ELCA Philosophy of Benefits. The new Philosophy of Benefits will establish guiding principles for decisions about health coverage at the synod and congregational levels. We plan to share our progress on the Philosophy of Benefits at 2013 synod assemblies in the spring, and anticipate ELCA Church Council approval later in 2013.

Will The Call Process Require Congregations to Provide ELCA Health Coverage?

Portico is working with an advisory task force of church leaders to review and revise the ELCA Philosophy of Benefits. This will help inform how health coverage fits into the call process. While the current practice of coverage facilitates clergy mobility, we also believe that, in some situations, it may make sense for a pastor to secure federally subsidized health coverage through an exchange.

Will ELCA Health Plan Members Have to Pay Part of the Monthly Contribution in 2014?

Not necessarily. This is one of the questions Portico will address in the coming months. Our discussions will offer direction on how costs might be shared. It's possible that the 2014 ELCA health plan could include alternative pricing methodologies, again as a result of Health Care Reform and the exchanges.

Will Employees of the Churchwide Organization or Synod Offices be Able to Buy Health Insurance Through an Exchange?

The ELCA's constituting documents require the following employers to sponsor their employees in the ELCA benefits program:

- Synod offices
- ELCA seminaries
- The Lutheran Center
- Portico Benefit Services

A change would require action by the ELCA Church Council.

Coverage Decisions

Who Will Make Coverage Decisions?

Employers (individual congregations and organizations) will be responsible for deciding whether to offer ELCA health coverage to their employees, within the context of the ELCA Philosophy of Benefits.

- If an employer offers ELCA health coverage: The employees could still choose to purchase coverage through an exchange, but won't be eligible for a federal subsidy.
- If an employer does not offer ELCA health coverage: The employees will need to purchase their own coverage through an exchange. Based on household income, some

employees will qualify for a federal subsidy, and some will need to pay the full cost of coverage.

We'll equip employers with as much information as we can to help make health coverage decisions later in 2013. In many organizations, it may be appropriate for employers and employees to work together to understand and make health coverage choices.

What is Considered Minimum Value and Affordable Coverage?

Health care reform legislation defines "minimum value" as providing at least 60% of the actuarial value of the cost of benefits. "Affordable coverage" means the employee-paid premium for single coverage does not exceed 9.5% of that individual's household income. For the majority of members, the 2014 ELCA health plan will offer minimum value and affordable coverage.

Will Employers be Able to Reimburse Their Employees for Purchasing Health Insurance Through an Exchange?

Yes. Employers may reimburse employees for their health care costs. However, keep in mind that extra compensation may have tax implications for both employer and employee. Another option for employers may be contributing money for their employees to a health reimbursement arrangement (HRA). Portico is awaiting further guidance on the use of HRAs.

Will Employers Have to Cover All Their Employees?

Health care reform legislation requires that employers employing over 50 full-time equivalents must offer health coverage or else they face a penalty/tax that must be paid to the government. Full-time equivalents include full-time employees (those working at least 30 hours/week) and a portion of part-time employees. Portico will be providing support for employers to determine whether they have over 50 FTEs or not. This tool will be available later in 2013.

Will Employers Have to Cover Part-time Employees?

No. Health care reform legislation does not require employers to offer health coverage to part-time employees (those working less than 30 hours /week). We expect the ELCA health plan's current [definition of eligible employees](#) to remain the same.

What Happens if a Large Employer Doesn't Offer Health Coverage?

Employers with 50 or more full-time equivalent (FTE) employees will face penalties if they don't offer health coverage to more than 95% of their full-time employees (those working 30+ hours a week). For 2014, the penalty is \$2,000 for every employee beyond 30 FTEs. Employers will need to be careful about how they count employees. For example, if a church and preschool are considered one employer, all FTEs from both organizations must be included. Hours worked by part-time employees are also included. Portico will provide guidance to help employers make this calculation.

Exchanges

What is an Exchange?

An exchange is a place where individuals go to buy health insurance.

How Can I Find Out About My State's Exchange?

We expect each state to have a website with details about its exchange. The [Kaiser Family Foundation](#) and [Enroll America](#) websites are also good resources for state exchange information.

What if My State Won't Create an Exchange?

An exchange will be available in each state. In states that decide not to create their own exchange, the federal government will manage one on the state's behalf.

Will Individuals be Able to Purchase Coverage Through Another State's Exchange?

Portico is tracking state exchange rules and will share updates as we learn more. We're watching to see how states will handle individuals living near a state border. We're also waiting for details about individuals who move between states.

Will Individuals Lose the Advantages of Group Pricing in an Exchange?

Individuals will not be individually rated in an exchange plan. Rates will reflect the experience of a group. However, we expect the group experience in exchange plans to be less healthy — and more expensive — than a comparable group of ELCA health plan members, given the likelihood that many individuals previously denied coverage due to pre-existing conditions will enroll in exchange plans.

Will Dental, Vision, and Prescription Drug Coverage be Part of Exchange Plans?

Dental, vision, and wellness benefits are not currently required in exchange plans. Prescription drug coverage is required.

Exchange plans must cover essential health benefits in the following 10 categories:

- Ambulatory patient services
- Emergency services
- Hospitalization
- Laboratory services
- Maternity and newborn care
- Mental health and substance use disorder services, including behavioral health treatment
- Pediatric services, including oral and vision care
- Prescription drugs
- Preventive and wellness services and chronic disease management
- Rehabilitative and habilitative services and devices

Will Portico be an Insurer in the Exchanges?

No. Portico does not currently plan to offer ELCA health coverage through the state exchanges.

Will Insurance Premiums be Tax-deductible When Paid Through an Exchange?

No. Premiums paid through an individual exchange will be paid with after-tax dollars and will not be tax-deductible.

Can an Employer Purchase Coverage Through a SHOP (Small Employer Health Options Program) Exchange?

Yes, though a SHOP exchange may provide only limited value, as federal subsidies will not be available through a SHOP exchange. In addition, we expect the ELCA health plan to cost less than an equivalent SHOP exchange plan in 2014. Rules related to the SHOP exchange continue to be released. We will help employers compare their options when more information is available.

Subsidies

What is a Federal Subsidy?

Also referred to as a premium tax credit, a federal subsidy will help eligible individuals pay for health insurance purchased through an exchange. If a federal subsidy doesn't cover the entire premium, the individual must pay the difference.

Who Will be Eligible for a Federal Subsidy?

Anyone will be able to purchase health coverage through an exchange, but only individuals who meet these criteria may receive a federal subsidy:

- No access to an employer health plan that meets health care reform legislation's definitions of minimum value and affordable coverage, and
- Household income is below 400% of the federal poverty level

This table lists 400% of the federal poverty level for 2012.

Household Size	2012 Federal Poverty Level	400% of 2012 Federal Poverty Level
1	\$11,170	\$44,680
2	\$15,130	\$60,520
3	\$19,090	\$76,360
4	\$23,050	\$92,200
5	\$27,010	\$108,040
6	\$30,970	\$123,880
7	\$34,930	\$139,720
8	\$38,890	\$155,560
9	\$42,850	\$171,400
10	\$46,810	\$187,240

Which Tax Year Will be Used to Determine Household Income?

We're still awaiting guidance on which earnings year will be used to determine household income and the resulting federal subsidies available to individuals.

How Much Money Will a Federal Subsidy Provide?

The dollar amount of federal subsidies available to eligible employees will be based on the following:

- Household income (Modified Adjusted Gross Income on their tax return) as a percentage of the federal poverty level
- The second-lowest-cost of the silver plans available to you

It's too early to know exact subsidy amounts because 2013 federal poverty levels have not yet been set, and we don't expect to know pricing for the exchange plans until fall 2013. However, the [Kaiser Family Foundation website](#) lets you run an estimate.

How Will a Federal Subsidy be Applied?

A federal subsidy will be distributed in the form of a premium tax credit that individuals receive when filing their taxes. Some individuals may be eligible to receive the credit in advance, in which case the federal subsidy will go directly to the insurer and the individual will pay the difference.

Is Housing Allowance Included in Household Income?

No. When calculating federal subsidy eligibility, money excluded from your federal gross income as housing allowance is not considered part of household income.

Are Employer Contributions for Health, Retirement, Disability, and Survivor Benefits Included in Household Income?

No. The amounts an employer pays to Portico to provide ELCA health, retirement, disability, and survivor benefits for an employee will not affect the employee's federal subsidy calculation.

Will Federal Subsidies be Available to Part-time Employees?

Yes. Federal subsidy eligibility will not vary based on full- or part-time employment.

Retirees, Adult Children, Veterans

Will Health Care Reform Affect ELCA Medicare-Primary Coverage in 2014?

Portico will continue to offer ELCA Medicare-Primary health coverage in 2014.

Will Health Care Reform Affect Dependents Between the Ages of 21 – 26?

We expect the ELCA health plan's current [definition of eligible children](#) to remain the same in 2014.

Will Health Care Reform Affect Veterans?

The White House submitted a brief document describing the impact of health care reform legislation on veterans. This document included the following statements:

- “The Act does not impact VA health care. Veterans eligible for VA health care remain eligible under health reform — nothing in the legislation affects veterans’ access to the care that they currently are receiving. The Department of Veterans Affairs retains full authority over the VA health care system.”
- “The Act includes provisions to ensure that veterans are provided additional choices for high-quality and affordable care. The legislation allows veterans receiving VA health care to also enroll in an insurance plan through the bill’s health insurance exchanges.”

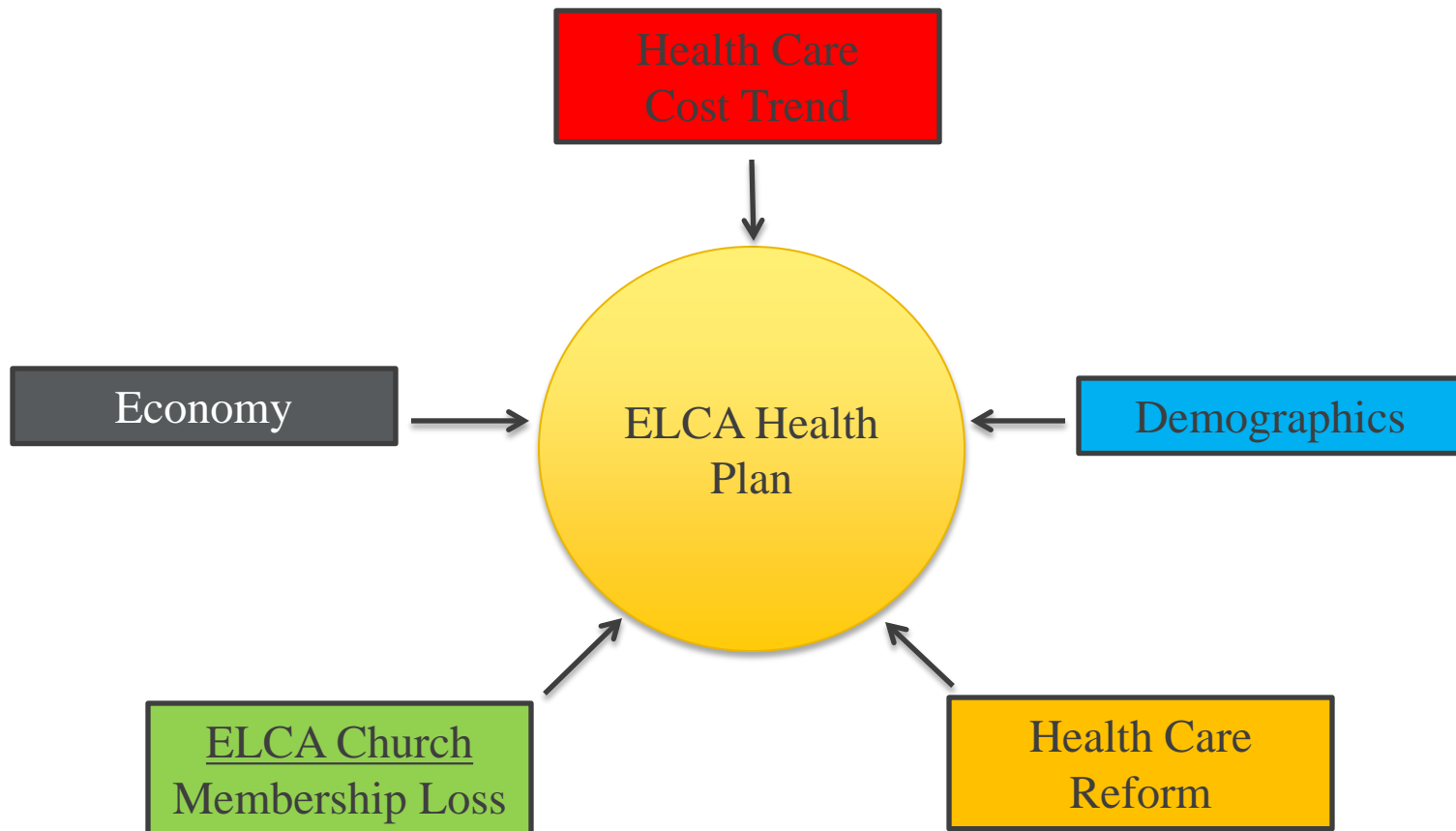
Leading the ELCA through Health Care Reform

April 2013

ELCA Church Council



Pressures on ELCA Health Plan



Why should Portico provide benefits?

1. 2014 Price advantages (if no access to subsidy)
2. Future price advantages
3. Wellness
4. Ministry focused benefits
5. Mobility advantages (i.e., deductible transfer)
6. External market uncertainty
7. Additional benefit features
 - Dental and vision coverage
 - Broad provider access
 - Health care advocate support

What if we don't make plan changes?

- Employers with younger and/or healthier employees could/will leave the ELCA plan
 - Exchange plans will have lower costs for...
 - Younger (age rating)
 - Healthier (who opt for less rich designs)
- If young and healthy are not in the ELCA plan...
 - ELCA average cost will increase
 - More employers with young and healthy will leave
 - Higher cost in following year
- Unless we require all employees to purchase Portico coverage, the “no change scenario” is not sustainable

Implications

- ELCA Philosophy of Benefits update
- Significant health plan changes
 - Multiple plan options
 - Member cost sharing
 - Age rating

ELCA Philosophy of Benefits: Statement of Purpose

- Benefits aligned with the purpose and values of the ELCA
- Benefits support ministry
- Calls for responsive designs and administration
- Calls plan members to be wise stewards of their benefits
- Describes Portico's role, as defined by the ELCA

ELCA Philosophy of Benefits: Guiding Principles

- Foundational principles: Benefits should -
 - Be understood as an investment in ministry
 - Support the unique needs of church
 - Guard against significant financial loss
 - Include coverage for family members

ELCA Philosophy of Benefits: Guiding Principles

- Benefit design principles: Benefits should –
 - Be bundled
 - Share costs between employer and plan members
 - Provide flexibility
 - Reflect pricing risk variation

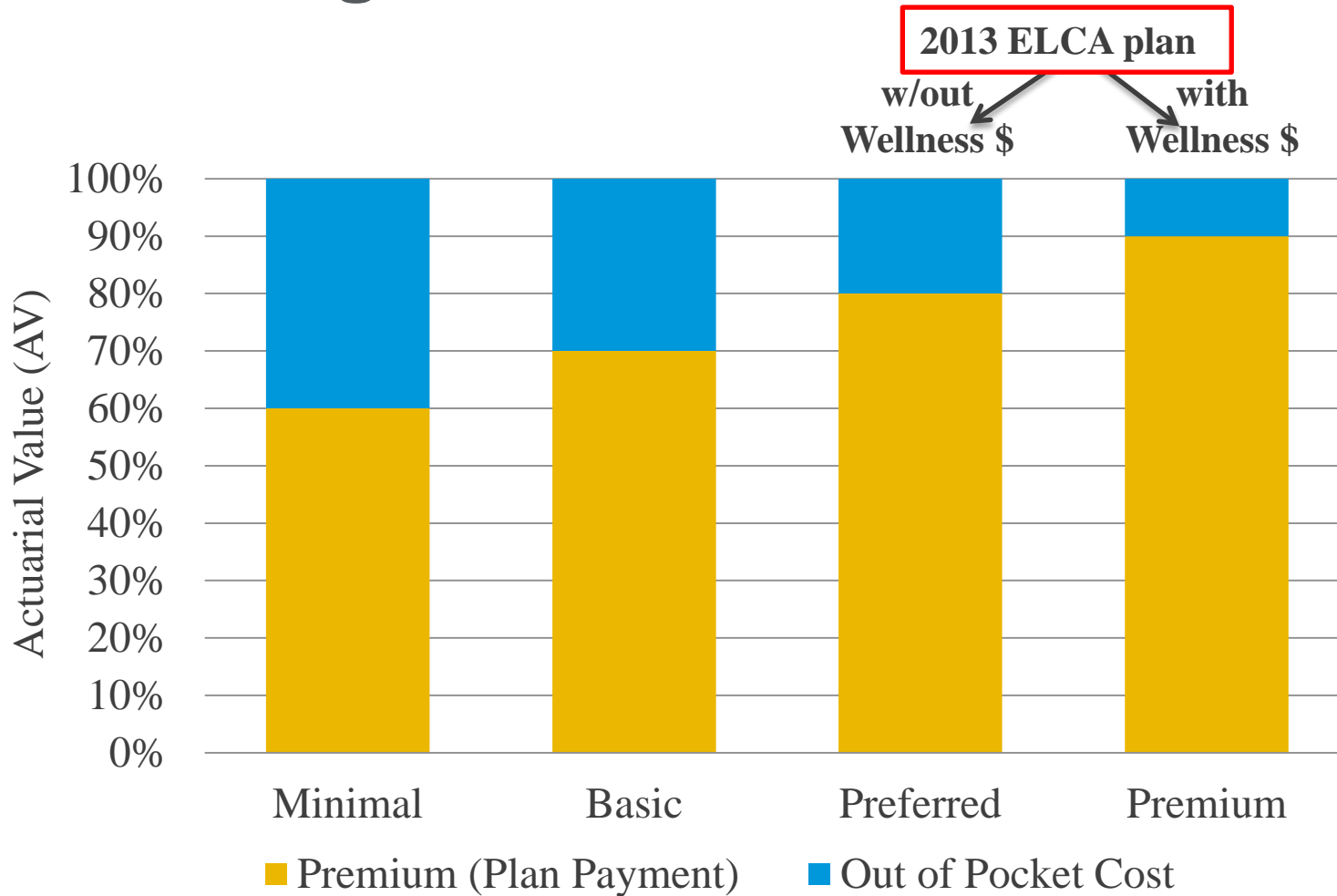
ELCA Philosophy of Benefits: Guiding Principles

- Administrative principles: Benefits should -
 - Be communicated timely and understandably
 - Be administered efficiently

Changes to the ELCA Health Plan

- Multiple plan design options
 - Guiding principle #7:
Plan design and features should provide flexibility and options which recognize both the needs of the employer and plan members.

2014 Design Considerations



2014 ELCA Plan Options - Preliminary

Single Coverage (36% of members)*					
	Current	Minimal	Basic	Preferred	Premium
Plan Type	PPO	HDHP	HDHP	PPO	PPO
Deductible	\$1,000	\$4,500	\$2,000	\$1,000	\$500
Coinsurance	85%	80%			
OOP Max	\$3,600	\$6,000	\$4,000		
Rx costs	\$8/\$43/\$69	80%		\$8/\$43/\$69	
Seed \$	\$0 (HRA)	\$0 (HSA)		\$0 (PWA)	\$250 (PWA)
Wellness \$	Yes (up to \$500)				
2013 Rate**	\$7,605	\$5,589	\$6,542	\$7,467	\$8,072

Current plan is very similar to Preferred plan

* Spouse and dependent tiers follow single coverage foundational principles (deductibles, OOP max are 2x single plan features)

** Includes dental cost. Actual rates for employers vary by rate class, employer salary and include minimum and maximums

Note – Health Care terminology is provided in the appendix

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2014 ELCA Plan Options - Preliminary

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Seed \$	\$0 (HRA)	\$0 (HSA)		\$0 (PWA)	\$500 (PWA)
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2013 Rate	\$19,012	\$13,972	\$16,355	\$18,668	\$20,180

Current plan is very similar to Preferred plan

* Includes dental cost. Actual rates for employers vary by rate class, employer salary and include minimum and maximums

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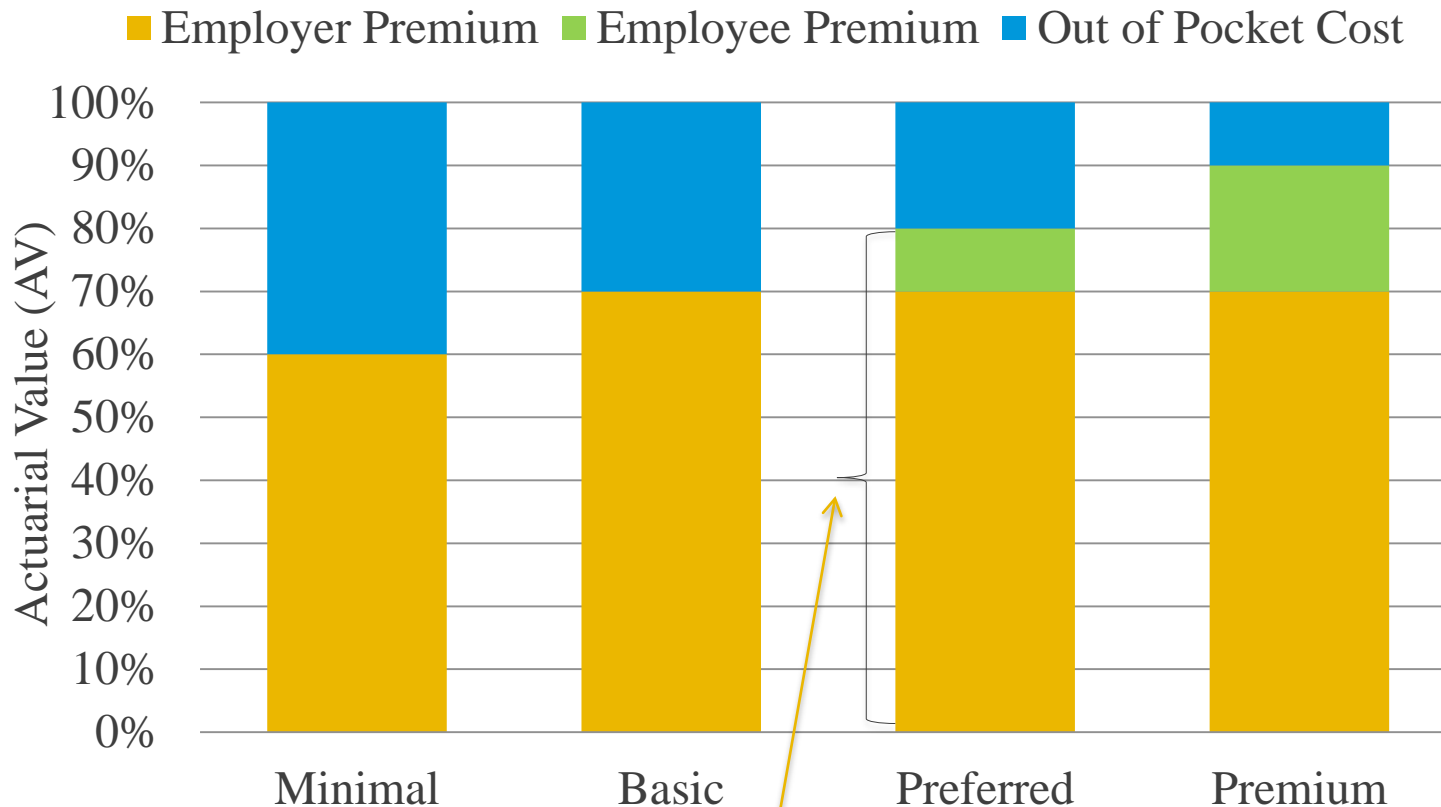
Changes to the ELCA Health Plan

- Member cost sharing
 - Guiding principle #6:
Employers and plan members should share the cost of retirement, health, and other benefits.

2014 ELCA Designs: Preliminary

- Employers will:
 - Be required to offer all four plans, but
 - Need to select one of four levels of employer funding options – 100% of Minimal, Basic, Preferred or Premium plan costs
 - Members may select higher level of coverage, but pay the difference

2014 Plan Options – Funding Example Employer Funds at Basic Plan Level

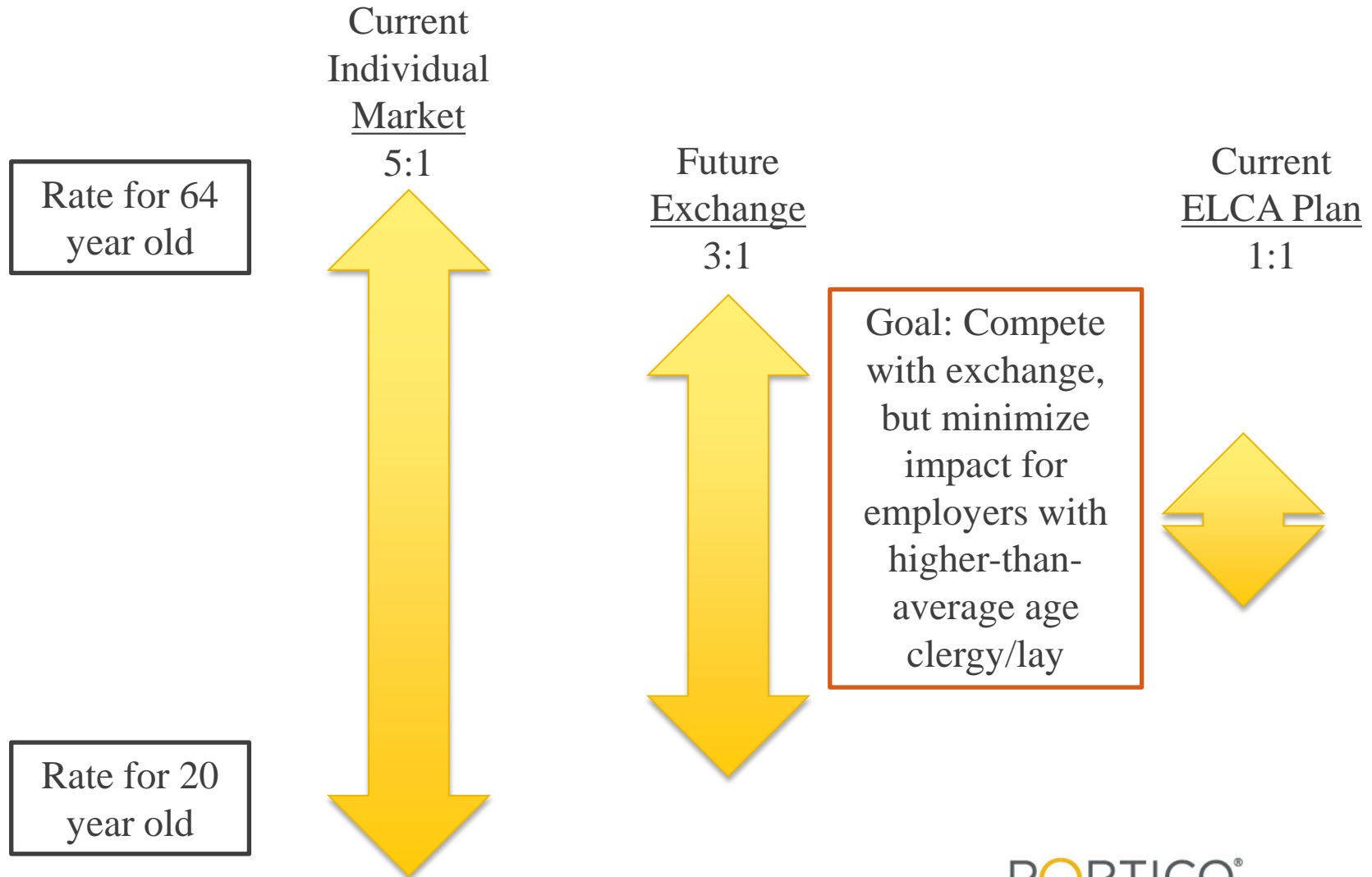


Note: Most employers cover 100% of PPO (Preferred) plan today – This is intended to be the default option in 2014

Changes to the ELCA Health Plan

- Rates that vary by age
 - Guiding principle #8:
Pricing for health, disability, death, and other benefits should reflect both the community nature of the plan as well as risk variation among plan members.

Pricing Methodology - Age Rating Ratios



Age Rating – Impact to Employers

\$ perspective: Number of employers impacted by age rating

Age Ratio	Winners and Losers based on +/- \$2500 threshold*		
	Winners	Neutral*	Losers
2.0:1	634	4,044	962
2.5:1	1,048	3,388	1,204
3.0:1	1,241	3,091	1,308

% perspective: Number of employers impacted by age rating

Age Ratio	Winners and Losers based on +/- 10% threshold*		
	Winners	Neutral*	Losers
2.0:1	1,197	2,711	1,732
2.5:1	1,320	2,292	2,028
3.0:1	1,415	1,979	2,246

Next Steps

- ELCA Church Council in April
- Synod Assemblies
- Portico Board of Trustees
- Conference of Bishops
- ELCA Church Council for final approval of 2014 plans in August 2013

Appendix – Health Plan Terminology

- **HDHP – High deductible health plan:** These plans have restrictions (i.e., individuals with medical and pharmacy expenses must meet minimum deductibles prior to any plan cost sharing)
- **PPO – Preferred provider organization** – These type of plans are the most popular plans on the market today. They offer broad access to providers, but individuals may be required to pay more if visiting an out-of-network provider
- **HSAs – Health savings accounts:** These accounts are available to individuals in a HDHP. The account is owned by an individual (not the employer) and are
- **PWA – Personal Wellness Account:** Similar to HSAs, these are accounts that individuals can use to pay for future health care expenses. In today's Portico plan, individuals earn PWA dollars by completing various wellness activities. Note – PWAs are sometimes referred to as HRA – Health reimbursement accounts
- **Seed \$** – This is an employers contribution to an individual's HSA or PWA account
- **Deductible** – This is the amount an individual must pay before sharing costs with plan
- **Coinsurance** – This is the % of payments that the plan will pay for. The remaining % is paid for by the individual. These are similar to copay plans, but instead of a defined dollar amount that an individual is responsible for, the individual pays a % of the provider charges.
- **Out-of-pocket maximum** – This is the maximum annual amount that an individual will have to pay for health care expenses during the year

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Memo to: ELCA Church Council

From: Carlos Pena, Vice President
Mark Hanson, Presiding Bishop
Jessica Crist, Chair, Conference of Bishops

Re: Leadership Tables Conversation Sunday morning

As you know, the Church Council Executive Committee has been meeting with the Conference of Bishops Executive Committee and the Staff Administrative Team since August, and will be meeting again immediately following this Church Council meeting. Interestingly, until August of 2012, the 3 leadership groups of our church (known as the 3 Tables) had not met together. As we prepare for the 25th Anniversary of the ELCA, we thought it appropriate for the 3 groups to meet together to imagine the future of the ELCA.

We are inviting you into this conversation on Sunday morning of the Church Council meeting. We have some documents for you—to let you know what we have already done, and to engage you in the conversation. Last month the Bishops were invited into a conversation as well, at the Conference of Bishops meeting. Feedback from both the Church Council and the Conference of Bishops will be helpful as the 3 Tables meet later in the week and continue our work on imagining the future of the ELCA.

We look forward to the conversation with you on Sunday!

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Background on the Creation of a Narrative for the ELCA as it moves toward 2020 and beyond

Over the past several months under the leadership of the Presiding Bishop, Chair of the Conference of Bishops and Vice President of the ELCA, the “3 Leadership Tables” participants have convened to discuss how their combined leadership could move the ELCA forward as it thinks about being a vibrant and growing church for the year 2020 and beyond. The tables are made up of

- The executive committee of the Church Council
- The executive committee of the Conference of Bishops
- The senior executive administrative team under Bishop Hanson

The first two meetings were focused on these questions

- How might we as three leadership tables coming from different parts of the church, begin to develop better communication and intentionally work together as leaders in the ELCA
- How do we think about the ELCA now and what it could become as we move toward 2020
- What kind of leadership and training is required to move the ELCA toward that 2020 goal of a vibrant and growing church
- How can additional voices be added to the conversation

Out of those conversations, a commitment evolved to work together as a leadership team to move the ELCA forward. From that commitment and in consultation with the leadership of Bishop Hanson, Bishop Crist and Vice-President Pena the concept for moving this work forward was to envision the ELCA in an ongoing “narrative” rather than trying to envision an “end-point” story line. The commitment to such a process is firmly planted in the understanding that this church faces numerous challenges, but is built on a solid foundation. Therefore, it is the commitment of the ELCA to frame this work within the many assets and gifts of abundance given, some of which have already been uncovered and many of which are still to be discovered.

A Narrative for the whole ELCA

What is a narrative? It is about telling, listening and understanding. It is not so much a story, but as Judy Gombita (8/18/11) writes...think of it as being like a giant tapestry that is continuously being woven, viewed and

commented upon by various stakeholders...it comprises, the history of organizations, research and development, goals, values, success and failures, key players and relationships.” It is deeply rooted in the past, but relevant to the needs of the present day and for a future time. It allows for the ELCA to see the “big picture” with ideas from many voices while also reflecting the reality of that picture lived out every day in communities across the nation and the globe. As we move forward into a different time and space for the church, the narrative will help us grapple with the question: How effective are we as a whole church ecology (congregations, synods, churchwide, social ministry organizations, seminaries, colleges etc...) doing ministry together?

How do we get there?

Using the eight value statements already created from the Mission and Vision Statements of the ELCA, we work to build a new narrative for the present as we move toward the future. The values statements articulated by the ELCA create a first-level narrative about a renewable and evolving church that is rooted firmly in its theology and also dedicated—through faith---to “rolling up our sleeves and getting to work” to pursue justice and peace in the world.

Now the ELCA---its operational entities and its members---is pondering the best way for living fully into the ELCA Vision, Mission, Purpose and Values Statements as it moves toward 2020 and beyond. How can the ELCA move toward this goal? What does it take? What configuration of activities, commitments and actions enable the great ideas to take shape and make a practical difference? As the tapestry continues to be woven, what are the big ideas and innovations, what direction do we seek to move forward? As this new narrative takes shape, this becomes a second level narrative that moves us toward 2020 and will serve to galvanize the mission, inspire the members and connect more effectively with the broader community we serve.

The ELCA Values Statements form a “theory of action” and are easily understood: thereby creating a powerful device to use in this quest for strategy and practical action as the tapestry continues to be woven together. The following is a way forward that will spark both ELCA leaders and members to continue creating the new narrative that will include strategic pathways that bridge the current activities and the lofty goals that are staked out in the ELCA’s Vision, Mission and Purpose Statements. A variety of

processes will be devised to dig deeper into the Values Statements that can accommodate a number of different ELCA audience configurations from the Church Council to congregations to individual members.

Structure of the Work

The structure of this work will be simple in design, but complex enough to capture all of the voices through a variety of conversations. We will build conversations in which many people/voices can be heard and then blended together for a strong view of how the ELCA can evolve and what leadership is needed to take it forward. The collection of these conversation results will be brought to the “3 leadership table” as they take on the “editor/curator” role. Within these conversations to produce this woven narration tapestry, many smaller narratives will be built that fit the work of a congregation, community, synod, churchwide while, the curator role is needed to flesh out the wider narrative to become the framework for a plan of action for the ELCA in its full ecology. In the final stages, the wider narrative will be shared with the Church Council and Conference of Bishops to gain their ownership and support.

Examples of Conversation Groups

- Conference of Bishops
- Church Council
- Assembly
- People of Color Leadership and Congregations
- Immigrant/Refugee Communities
- Youth
- Young Adults
- Women Leaders/Activists
- Pastors and Leaders from Large Congregations
- Lutheran Colleges/Universities
- Activists
- People on the Margins brought together by LSS
- Seminarians

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The Conference of Bishops List of Assets

The participants formed small groups for 10 minutes to identify the assets of the ELCA, to write key words about them on pieces of paper, and to post the papers on the walls of the room. The key words included the following:

Three interdependent expressions
ELCA colleges
Ecumenical partnerships/relationships
Commitment to include
Accountability of leaders
Intellectual rigor
10,000 congregations
Lutheran Social Services
Funding new development
Global partnerships
Rostered leaders
Diversity and cohesion of the Conference of Bishops
Local congregation "Centers for Mission"
Theology of Cross
Emphasis on grace
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The baptized
The sacrament contains the entire treasure of the church
Leadership willing to embrace a new future
Threat of scarcity driving us to our assets
Global church relationships
Passion for poor and social justice SMOs
Youth gatherings
Youth discipleship coaches
Young Adults in Global Mission (YAGM)
Leadership, when it is truly, not artificially, shared
The margins: the marginalized nature of many synods; the riparian of the church; where mutation, evolution and creativity is the norm
ELCA missionaries and missions around the world (LWF & LWR)
Outdoor ministries (camps)
World Hunger Appeal and its sharing of income across the world
Confessional identity
Financial wealth (untapped)
Global partners
Bible camps
Companion synod relationships

Emerging Congregations
Worship resources
Global engagement
Global Mission personnel
Education members and institutions
Our properties
World Hunger program
Ecumenical relationships
Word of grace
LGBT leaders: unusually focused; know how to flourish in changing world; have chosen to be in this church;
networked and realistic
Attempting to speak to changing world – knows needs to change
4,000,000 people – significant size
Ecclesiology
Number of leaders who understand theology – spirituality connection
Ecumenical interfaith willingness
Honesty about issues/faith
Awareness of need for change
Lutheran Services in America
Disaster response
Camps
Social ministry agencies
Communal Conference of Bishops
Young pastors
Global companions
Women/men leadership Social statements
Creative, energetic, young pastors
Partnerships, connections
Liturgical and confessional traditions
Pension plan
Colleges
Seminaries
Word and sacrament
Campus ministry
26 colleges/universities
Disaster response – trust and efficiency
Colleges
Theology
Leadership formation
Outreach to be an inclusive community
Worship life
Elders
Ecumenical partnerships
Property
Communal – going out and walk with the people struggling
Heritage
Anti-hunger ministry
Immigrant church

10,000 mission outposts
Lutheran World Federation
Predominance of word and sacrament
Openness to gay and lesbian people
Shared leadership (... at our best)
“Vocation” theology
Inclusive to all
Ecumenical relations
Global relationships: LWR; LWF; companion synods; global missionaries
Generous members supporting specific ministries: malaria; hunger; LDR; etc.
Variety of avenues for theological education
Colleges and universities of the church
Social ministry networks
Our ecclesiology: relationships; interdependence
Not afraid of “contamination” or “getting our hands dirty”
Commitment to inclusivity
Full communion relationships, ecumenical bridge
Three-fold expression of church
The Lutheran magazine
Trained leadership
Concept of adiaphora
Immigrant ancestry
The depth and breadth of the faith of small town and rural congregations
The creativity and energy of the rural church
The generosity of a generation nearing the end of life
The resilience and adaptability of rural congregations
The mentoring of the next generations of leaders by rural congregations
Augsburg Fortress
Courageous decision-making polity
LSA and all its institutions
Global synods
Lutheran Immigration and Refugee Service
Proclamation of grace
Advocacy
Anti-poverty advocacy
National presence – all states and Caribbean
Mark Hanson
Willingness to be “wrong”
Distinctive identity
Growing confidence that now is the time for a Christ-centered community of radical hospitality
An ecology of an interdependent ecosystem
Standards for roster education
Lutheran Volunteer Corps
Global connections
Social service organizations: immigrants; refugees; care for poor
4 million baptized living out faith in daily life
Identifiable institutions
Ecumenical efforts and openness
Commitment to lay leadership
Relationship to scripture

Grace
Love for the world
Commitment to youth
Analytical and organizational insight
Quilters
Christo-centric
Honor diversity
New young missional pastors
Hunger appeal
Where I live, we have never been at the center of our culture any way
Lots of valuable real estate
Gifted women
As strangers come to learn about us, they find us interesting
10,000 communities of faith where the Good News of Jesus
Welcoming (hospitality)
Theology of the cross
Living word of God: incarnate; proclaimed; recorded; lived
Many who love this church and are very gifted
A great variety of ages
Many different gifts/talents
Shared leadership
Scattered throughout the country and world
Wonderful institutions: social ministries; colleges; seminaries
1 in 55 Americans receive social service/health care from a Lutheran provider
Youth gatherings: national/international; history; service and witness
Publishing
Campus ministries: settings of higher education; head, heart, vocation around Jesus' community
Thinking and deliberation, able to wrestle thoughtfully
Christ's promises: the Kingdom will come
A church grounded locally connected, globally and ecumenically
Openness to the Spirit being sent
Capacity for growth
Leadership of laity



ELCA VALUE STATEMENTS

April 2013

We are a church...

... that belongs to Christ. There is a place for you here. We believe God calls each of us by name. Christ's church is not ours to control, nor is it our job to sort, divide, categorize or exclude. Whenever we feel compelled to "draw the line" in our lives, we must acknowledge as Lutherans that Jesus always stands on both sides of that line.

... whose unity is in Jesus Christ, who gathers us around word and water, wine and bread. Because we are grounded in God's love and forgiveness, we are equipped to live and serve here and now, in the world, with all its complexities, tensions and ambiguities. We have the courage to explore the world as saints and sinners, knowing we will never take God somewhere God has not already been.

... that believes Jesus is God's "Yes" to us. Our lives can be a "Yes" to others. The "Yes" of Jesus Christ compels and empowers us to be open and accessible within any community, within any context.

... that believes God is calling us into the world — together. We don't have to do it alone, and we don't have to do everything. Each of us has a unique story, and we are part of a larger story that makes up the ELCA. We work through our congregations, synods and partners, and the churchwide organization. Together, we achieve things on a scale and scope that we could never do otherwise.

... that rolls up our sleeves and gets to work. We do God's work in the world — restoring and reconciling communities. We pursue justice and seek peace no matter how long the journey or wide the chasm.

... that is a catalyst, convener and bridge builder. Our faith calls us to see the world as interdependent. The ELCA has become a force for connection, working across denominations, faiths, organizations and sectors, locally and globally. We're a welcome partner because we respect the perspectives and strengths of others and share a common vision to uphold human dignity.

... that is energized by lively engagement in our faith and life. "Our faith is a living, busy, active, mighty thing," said Martin Luther. We continually strive for a deeper understanding of what the death and resurrection of Jesus Christ means for the world. Doing so puts us right where God wants us to be: in the thick of life.

... that is deeply rooted — and always being made new. Our roots are in Scripture, tradition and the Lutheran Confessions, as well as in the vibrant communities and rich histories of our congregations. These roots are an ongoing source of nourishment; they enable us to be a church, guided by the Holy Spirit, that is both resilient and always being reformed.

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