2016 Election: Proposed Bylaws Changes

During the 2016 election that runs from April 20 through May 30, International Lutheran Laymen’s League/Lutheran Hour Ministries’ members will vote on three proposed Bylaws changes, in addition to open positions on the Board. Below is a short explanation of the changes that the Board of Directors recommends for adoption and has approved to appear on the ballot.

Proposed Change #1
- As part of the governance changes implemented in 2012, the membership elected an entirely new Board of Directors to replace the Board of Governors that had been in place under the previous structure. To create staggered terms allowing for as seamless a transition as possible, one-third of the Board (other than Chairman and Vice Chairman) served for one year, one-third served for two years and one-third served for three years. Now that the initial terms have expired, all references to the transitional terms would be eliminated from the Bylaws since they will not apply for future elections. In the Bylaws sections on pages 2-4, these changes are indicated in red.

Proposed Change #2
- As a membership organization incorporated in Missouri, the International Lutheran Laymen’s League is required by state law to have at least 10% of its membership vote during an election for it to be considered valid. Not meeting this requirement in a given year would result in funding an additional election at significant cost. After having more than 17% of our membership vote in 2012, voter participation has decreased the past three years to between 11% and 12% each year, which led to costly follow-up communications being produced to help surpass the 10% level. To assure that the Int'l LLL continues to meet Missouri's 10% requirement, the addition of voter registration allows for a voting membership to be formed each year. The 10% requirement would then only apply to those who have registered to vote. In the Bylaws sections on pages 2-4, these changes are indicated in blue.

Proposed Change #3
- In recent years, many nonprofit organizations (including LHM) have changed the title of their top staff position from “Executive Director” to “President & CEO.” Changing this title can positively influence an organization’s internal and external perceptions, its culture and its financial growth. In addition to updating this title throughout the document, the Board would be given authority to make appropriate changes to the chief staff member’s title in the future without requiring additional revisions to the Bylaws. In the Bylaws sections on pages 2-4, these changes are indicated in green.
The sections of the Bylaws that are affected by the proposed changes are listed below and color coded as identified on page 1. Text to be deleted is indicated by a strikethrough, and text to be added is indicated by an underline.

A copy of the full Bylaws can be found online at www.lhm.org/2016election.

AMENDED AND RESTATED BYLAWS

Adopted at 2010 Int’l LLL Convention; Revisions approved in 2012 election.
Color-coded insertions and deletions shown below reflect the proposed changes to be voted on during the Spring 2016 election conducted with all active members of the Int’l LLL/Lutheran Hour Ministries.

ARTICLE II—Structure

Section A—Elections to the Board, changes to the Articles of Incorporation and Bylaws, and major matters which the Board deems necessary for approval by the membership or which are required to be submitted to the Members members by Missouri law, shall be submitted to all members for a ballot vote to those members who are at the time registered to vote in accordance with these Bylaws.

Section C—The Board shall select an Executive Director, individual who, under its supervision and direction, shall carry on the general affairs of the League. The Executive Director This individual shall hold the title of “President & CEO” (or such other title as is designated in Board Policy), and shall be a member of the staff of the League. It shall be his or her duty to approve the expenditure of the monies appropriated by the Board in accordance with the budget approved by the Board. The Executive Director President & CEO shall make an annual report and periodic reports to the Board concerning the operations of the League. He or she shall comply with all orders from the Board. All employees shall report and be responsible to the Executive Director President & CEO. He or she shall perform such other duties as may be determined from time to time by the Board.

Section D—Districts shall be integral parts of the League even though they may be separately incorporated. The articles of incorporation, (if incorporated) constitution and bylaws (and any amendments thereof) of each district shall be in harmony with the purposes and objectives of the League and shall become effective only after approval as spelled out in policies of the Board.

The district may be divided into geographic zones or divisions as determined by the district’s governing board. Each zone’s or division’s articles of incorporation, constitution and bylaws and amendments, as well as geographic divisions, programs and activities, are subject to the review and approval of the Executive Director President & CEO.

The programs and activities of all districts and zones shall in all respects a) be in harmony with the purposes and objectives of the League, b) support efforts, interests, time or funds from the Int’l LLL’s programs and activities, and c) not jeopardize the Int’l LLL’s tax exempt status nor subject the Int’l LLL to possible legal or financial liability. All other matters of form and function of Districts and zones shall be spelled out in the policies of the Board of Directors.

All districts and zones are intended to be included in the League’s I.R.S. group exemption letter as of the date of adoption of these Bylaws and shall continue to be included until the Board decides otherwise.

ARTICLE III—Board Composition and Functions

Section B—Board Composition. The Board is made up of fourteen (14) elected individuals: a Chairman, Vice Chairman, and twelve (12) other Board Members. A Secretary and a Treasurer shall be chosen from the 12 other Board Members. A Pastoral Advisor who is an ordained clergyman in good standing with the LCMS or LCC and a member of the League shall be appointed by the Board to serve as the spiritual leader of the Board and as a non-voting member. The Executive Director President & CEO is an ex officio member with voice but no vote on the Board. At least one elected member of the Board will be a resident of Canada and a member of an LCC congregation. Liaisons from the LCMS and LCC, as approved by the Board, may attend and speak at meetings of the Board, but carry no vote.
Section E—Committees. The Board shall form six standing committees: the Audit Committee; the Budget and Finance Committee; the Board Development Committee; the Fund Development Committee; the Compensation and Evaluation Committee (dealing with the Executive Director, President & CEO and potential employee matters); and the Nominations Committee. At least two members of each committee will be elected Board Members, and other members of the League may be appointed from outside the Board by a majority of the Directors. Other committees of short duration may be formed by the Board with specific functions. All committees report to the Board. All committees shall adhere to the requirements of Sections 355.376 to 355.401 of the Revised Statutes of Missouri, which govern meetings, action without meetings, notice and waiver of notice, and quorum and voting requirements of the Board, which apply to committees of the Board and committee members as well, pursuant to Section 355.406 of the Revised Statutes of Missouri. The Board may designate one or more standing or special Committees to direct the business of the Corporation. Each such Committee may exercise the authority granted to it by the Board’s enabling resolution.

1. The Audit Committee shall assist the Board in fulfilling its oversight responsibilities. The Audit Committee shall consist of no less than three members who possess a basic understanding of finance and accounting and be able to read and understand fundamental financial statements, and at least one member of the Audit Committee shall have accounting or related financial management expertise. The Audit Committee shall meet no less than two times per year and have those authorities spelled out in policy.

2. The Nominations Committee shall consist of five members: the chairman shall be selected by the Board; two Board Members shall be selected whose term of office extends to include the appointment period, who are nominated by the Chairman of the Board and approved by the Board; and two additional members of the League appointed from outside the current Board (these may be former Board members) who are nominated by the Chairman of the Board, with Board approval. The committee serves for a 12-month period from the time of appointment. The committee will follow Board Policy and specific criteria for selecting nominees to run for positions.

3. The Nominations Committee will establish procedures for nomination by petition of members for candidates for all elected positions, such procedures to be approved by the Board. The Board also has final approval on the slate of candidates presented by the Nominations Committee.

Section F—Elections

1. Voting - Members. Eligible members of the League shall have authority to vote for the election of Directors, and officers other than the Secretary and Treasurer, and to vote on any proposal submitted for consideration at convention, to the membership. In order to be eligible to vote, a member must register to vote with the League corporate office during the year of the election pursuant to the procedures set forth in Board Policy, and must comply with the balloting and voting procedures set forth in Board Policy. Official ballots shall be sent to members who are registered to vote and returned according to the procedures required by Section 355.266 of the Revised Statutes of Missouri. Each member entitled to vote shall be entitled one (1) vote on all matters properly submitted to the membership. Except as otherwise provided by law, by the Articles of Incorporation or by these Bylaws, all action shall be decided by a majority vote of the members casting votes on a particular matter.

2. Procedures and Terms of Office

i. Chairman and Vice Chairman - A multi-slate ballot of at least two male members will be prepared by the Nominations Committee under the guidance of the Board for qualified men for the positions of Chairman and Vice Chairman. These individuals will be elected for a two-year term of office and may be re-elected to a second consecutive term.

ii. Board Members - A multi-slate ballot will be prepared by the Nominations Committee under the guidance of the Board for capable men and women to serve as Board Members. The term of office for the 12 positions of the Board shall be three years, and an individual may run for consecutive re-election only once. Terms are on a staggered basis, so that each year four people (one-third of the Board Members) are elected or re-elected. Because the League is an auxiliary of LCC, it is imperative that at least one Board seat always be filled by a nominee who is a Canadian resident and a communicant member of a congregation located in Canada. When the Canadian Board member’s seat is up for re-election, there shall be at least two Canadian nominees for the Canadian Board member seat.

iii. Initial Term of Office - There will be twelve members of the Board elected during the initial national election, with one of the twelve members being a Canadian resident. To create the stagger in the terms of office for the Board, one third (1/3) of the Board members (other than the Chairman and Vice Chairman) shall serve a one-year term, one third (1/3) of the Board members shall serve a two-year term and one third (1/3) of the Board members shall serve a three-year term. These initial terms do not count toward the term limits specified above. The initial stagger shall be determined at the first Board meeting following the national election and will be done by drawing the numbers one, two or three in alphabetic order of the Board...
members. There will be four number ones, four number twos and four number threes to determine the initial years of service of a Board member. Because the League is an auxiliary of LCC, it is imperative that at least one Board seat always be filled by a nominee who is a Canadian resident and a communicant member of a congregation located in Canada. This shall mean that for the initial election there shall be at least two Canadian nominees for the Canadian Board member seat. When the Canadian Board member’s seat is up for re-election, there shall be at least two Canadian nominees for the Canadian Board member seat.

iii. iv. Secretary and Treasurer - Candidates shall be selected from sitting members on the Board. The Nominations Committee shall present the candidates and shall prepare a ballot containing the names of the recommended candidates. The term of office shall be one year and there is no limit on number of re-elections.

iv. v. Additional Standards - After one or more intervening years off the Board, a candidate may be reconsidered for the same position. In the case of any person appointed by the Board to fill a vacancy, the partial term will not count towards the two-term limit. Each term of office is to coincide with the League’s fiscal year.

v. vi. Vacancies - Vacancies in any of the offices occasioned by death, resignation, disqualification, incapacity, or any reason other than normal expiration of term of office, shall be filled by election by the Board. A person elected to fill a vacancy shall serve for the unexpired portion of the term of office to which he has been elected and qualified. The length of time served by any officer elected to fill a vacancy shall be disregarded in determining the number of terms to which an individual may be elected to such office of the League. In the event a vacancy shall occur in the office of Chairman, the Vice Chairman shall succeed to the office of Chairman and serve out the unexpired term.

ARTICLE IV – Conventions and Conferences

Section C - Petition and Appeal. Members of the League may bring forth a formal petition to the Board at any time, requesting consideration of an important matter for the well-being of the organization. A petition must contain the verified signatures of at least 300 active members, indicating their complete addresses. The matter may be taken up by the Board for consideration and action. If the Board chooses not to consider the petition, then the petitioners may present an appeal to the Chairman of the Board for automatic consideration at the next convention. Members assembled in convention must vote by simple majority to present the petition to the entire membership for a final vote. If presentation of the petition passes, then a ballot shall be drafted and sent to all members who are then registered to vote in accordance with these Bylaws. Ballots must be returned within 40 days of being sent. A 2/3rds majority of returned ballots shall be necessary for passage.