Bylaws Changes Proposed for 2017 Election

During the 2017 election that runs from April 15 through May 15, International Lutheran Laymen’s League/Lutheran Hour Ministries’ members who have registered to vote will weigh in on two proposed Bylaws changes in addition to voting for open positions on the Board of Directors. Below is a short explanation of the changes that the Board recommends for adoption and has approved to appear on the ballot.

BYLAWS CHANGE #1
Since the original governance changes were implemented in 2012, the membership has voted for either the office of Chairman or Vice Chairman each year in addition to open Director positions on the Board. Starting with the 2018 election, the Board proposes eliminating the separate election of Chairman and Vice Chairman and giving the Board the authority to appoint these Officer positions annually from among sitting Board members who have been elected by the voting membership (just as the Board already does for the Officer positions of Secretary and Treasurer). This change will:

- Simplify terms of service by placing all 14 Board positions (Officers and Directors) on staggered three-year cycles instead of having two-year terms interspersed for just the Chairman and Vice Chairman.
- Align with Board best practices for most nonprofit organizations today that already appoint all Officer positions from its pool of elected Board members.
- Remove the current system requiring two top candidates to run for the position of Chairman or Vice Chairman in each election, resulting in one of these candidates being eliminated entirely from serving on the Board at that time. This proposed change will allow both candidates to potentially be elected to the Board and then be considered for all four Officer positions by sitting Board members.

The sections of the Bylaws that are affected by this proposed change are listed below. Text to be deleted is indicated by a strikethrough, and text to be added is indicated by an underline. All changes related to this item are indicated in blue.

BYLAWS CHANGE #2
In addition, a number of revisions of a stylistic nature are also included and indicated in red. These changes do not reflect changes to Int’l LLL policies or procedures. Instead, they serve to create internal consistency and linguistic clarity within the Bylaws.

A copy of the full Bylaws can be found online at [www.lhm.org/about/board.asp](http://www.lhm.org/about/board.asp).
PROPOSED CHANGES TO BYLAWS
For Inclusion in 2017 Election

ARTICLE II – Structure

Section B— The League is served by the International Board of Directors which oversees and guides the overall direction of the League and its Lutheran Hour Ministries. Board members must be members of the organization League.

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 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 C—Meetings. The Board will meet as often as specified by Policy, but no less than four times a year, including an annual meeting of the Board as required by Missouri law. Locations, dates, and agendas may be determined by Policy. Major actions of the Board shall be reported to the membership through a timely official communication. A majority of those individuals in office at the time shall be necessary to constitute a quorum and in every case an affirmative vote of a majority of these Board members present at a meeting shall be necessary for the taking of any action. 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 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-proposing nominees to run for positions on the Board of Directors.

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

Section F— Elections

1. Voting - 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 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 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 in two out of three years five people (one-third of the Board Members) are elected or re-elected. and in one out of three years four people are 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. 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. Additional Standards - After one or more intervening years off the Board, a candidate may be reconsidered for the same position-eligible for election to the Board for an additional three-year term. 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. To the extent an amendment to these Bylaws changes the length of time for any term of office, the Board shall, in Policy, decide at what point in time such change becomes effective, whether during an existing term of office or once the existing term of office expires or becomes vacant.

vii. Vacancies - Vacancies in any office 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.

Section G – Officers. The Board of Directors shall elect the officers of the League. Such election shall take place at a duly called and convened meeting of the Board of Directors. The officers of the League shall be a Chairman, a Vice Chairman, a Secretary, and a Treasurer, who are members of the Board of Directors, and whose duties and responsibilities shall be set forth in Board Policy. The positions of Chairman and Vice Chairman must be filled by male members of the Board. No person may simultaneously hold more than one office at a time. In case any office of the League becomes vacant for any reason, the majority of the Directors then in office may elect a member of the Board to fill such vacancy, and the officer so elected shall hold office and
serve until the election of a successor. Each elected officer shall serve a term of one year or until his or her successor shall be elected and qualified.

ARTICLE V – Miscellaneous

Section E - Removal from Office. The members may remove any officer at any time whenever in its judgment the best interests of the League will be served thereby. The members may remove one or more directors or officers elected by them by mail-in ballot in accordance with Article III, Section F of these Bylaws and Section 355.266 of the Revised Statutes of Missouri. A director elected by the Board may be removed whenever in its judgment the best interests of the League will be served thereby by the vote of two-thirds of the directors then in office, however, a director elected by the Board to fill the vacancy of a director elected by the members, may be removed without cause by the members, but not the Board.