MINUTES

BOARD OF DIRECTORS MEETING
INTERNATIONAL LUTHERAN LAYMEN’S LEAGUE

Online                                    Friday, April 17, 2020

In attendance: Phillip Johnson, Chairman; Gene Partlow, Vice Chairman; Janice Wendorf, Secretary; Jack Ficken, Treasurer; Richard Gast; Gretchen Jameson; Jonathan Laabs; Mick Onnen; Leonard Pranschke; Robert Rauscher; Edith Schoepp; Kurt Senske; Karen Soeken; Douglas Werth; LHM CEO Kurt Buchholz, Ex Officio; Pastoral Advisor Rev. Bill Tucker, Ex Officio; LLL-Canada Managing Director Lisa Jackson, Advisory; LCMS Synodical Liaison Daniel McMiller, Advisory; LCC Synodical Liaison James Schnarr, Advisory

01 Phillip Johnson, Chairman, opened the meeting at 9:10 AM with prayer.

M2019/20-35 Motion was made to approve the consent agenda, including: April 2020 Board Agenda and January 2020 Board Meeting Minutes.

Motion was seconded and carried by voice vote.

02 Kurt Buchholz, CEO, led the President & CEO’s report.

  • CEO Buchholz reported on the organizational response to COVID-19, including the ability quickly to deploy many employees to remote work. The shift to much ministry taking place in the digital mission field, both in North America and internationally, has made the shift much easier as well. Unique programming and asks related to the situation have seen good results. The organization closed on a loan that qualifies for the CARES Act Paycheck Protection Program.
  • CEO Buchholz provided an overview of current organizational key performance indicators, some of which have been impacted by COVID-19 but are assumed to rebound after the situation has become more regularized. He reported on an effort in the next fiscal year to study the next level impact of LHM’s work through those people who are represented by the equipped number.
  • Jeff Craig-Meyer, Vice President of Constituencies, reported on the CONNECT Initiative, including an update on the case statement.
  • Lisa Jackson, Managing Director of LLL-Canada, reported on their recent activity. Prior to the pandemic, Managing Director Jackson had started personally attending many church and LLL meetings to share about LHM resources. In order to enforce that same interaction digitally, they have created videos and are sharing existing resources via social media. They are continuing usage and translation of resources as usual, and their trip to LHM-Nicaragua in January went well.
  • CEO Buchholz introduced a presentation on FY2021 budget and strategy, which were developed assuming normal situations but with contingency planning for where adjustments could be made if needed. Much of the next budget is focused on setting up future programming, including The Hopeful Neighborhood Project, and growth for success.
Vice President Craig-Meyer provided an update on positive financial trends resulting from the SENT Initiative, which have prepared LHM for its next phase. He reported that significant budgetary changes in Constituent Services reflect increased investment in planned giving, the launch of the CONNECT Initiative, and the launch of The Hopeful Neighborhood Project.

Tony Cook, Vice President of Global Ministries, reported on significant changes represented in the Global Ministries budget: financial independence for LHM-Brazil, additional staffing for The Hopeful Neighborhood Project, the hiring of an administrative assistant, and new staff for LHM-Puerto Rico.

Jay DeBeir, Executive Vice President & COO, reported on significant changes in the Executive and Ministry Services budgets, representing the areas of technology and tracking improvements to better support of ministry activity.

Jack Ficken, Treasurer, invited David Lanius, CFO to report on current finances and the proposed budget for FY2021.

- CFO Lanius reported that current finances are running a bit behind budget in both income and expenses and presented the proposed surplus budget for FY 2020-2021. The Board discussed and asked questions.

M2019/20-36 Motion was made on behalf of the Budget & Finance Committee to approve the FY2020-2021 annual financial plan as presented.

Motion carried by voice vote.

M2019/20-37 Motion was made to go into Executive Session.

Motion was seconded and carried by voice vote.

M2019/20-38 Motion was made to go out of Executive Session.

Motion was seconded and carried by voice vote.

Bill Tucker, Pastoral Advisor, led a devotion reflecting on what Easter teaches us about how we can show love in the time of COVID-19.

James Schnarr, LCC Liaison, brought an update on the work of LCC. He reported that he was grateful to be with the Board after missing several meetings and reported being impressed by and grateful for LHM's work and partnership.

Daniel McMiller, LCMS Liaison, reported that LCMS missionaries are all doing well and able to remain in close communication, with only a small number of missionary families evacuated related to COVID-19. Travel and event restrictions are similar to those in place for LHM staff. Missionary recruitment has slowed down in the situation but continues. He has been encouraging more frequent interaction between LCMS regional directors and their counterparts at LHM.
Chairman Johnson thanked Liaisons Schnarr and McMiller for their reports and their time.

Chairman Johnson reported on the recent Board monitoring trip to observe ministry activity conducted by LHM staff and partners throughout the Middle East. Chairman Johnson, Treasurer Ficken, and Douglas Werth participated on behalf of the Board, and Kelly Keithly participated on behalf of the LHM Foundation Board of Trustees.

Chairman Johnson introduced a discussion of LHM's Global Ends Policies as included in the Board's policy manual. Greater discussion will take place at the Board’s October 2020 meeting.

Chairman Johnson reported that the Executive Committee met twice since the January 2020 Board meeting, including one meeting to approve the organization’s CARES Act Paycheck Protection Program loan.

M2019/20-39 Motion was made on behalf of the Board Development Committee to revise the Board policy manual as follows:

- **Strike (delete) policy 4.1.2**
- 4.2: Strategic Planning: CEO will not fail to operate without a multi-year strategic plan *reported to and accepted by the Board*
- 4.3 adding two words to current policy to read: CEO will not fail to have *and enforce* adequate personnel policies providing information on treatment of staff as well as outlining appropriate behavior of staff.
- 4.3.2 Whistleblower Policy: The CEO will not fail to implement and communicate to all staff a Whistleblower Policy *to report to appropriate higher authority within the organization any illegal or unethical conduct within the organization*.
- 4.3.3 Performance Reviews: The CEO will not fail to ensure that all full-time employees receive a performance review *at least annually*.
- 4.3.4 Conflict of Interest; The CEO will not fail to establish (Omit *an effective*) a written Conflict of Interest Policy for the staff.
- 4.4 Compensation and Benefits: With respect to employment, compensation, and benefits to employees, consultants, contract workers, and volunteers, the CEO will not cause or allow jeopardy to financial integrity or to *the public image of the organization*. The CEO will not fail to review policies related to wages, salaries, employee benefits, and working conditions.
- 4.5 Financial Planning/Budgeting: The CEO will not fail to develop an annual budget *for consideration and approval by the Board*. The CEO will not cause or allow financial planning for any fiscal year or remaining part of any fiscal year to
deviate materially from the Board’s Ends Policies (replacing priorities) or risk financial jeopardy to the organization.

- **4.6 Reimbursements:** The CEO will not fail to abide by organizational guidelines for business expense reimbursement. The Board wants to affirm Christian family oriented attitudes, values, and lifestyles through the inclusion of the CEO’s spouse in business travel and events. These expenses, deemed by the CEO as fulfilling a bona fide business purpose, **shall be reimbursed.** These expenses are not considered taxable income. Annually, spousal international trips are limited to one and domestic trips are limited to two, unless otherwise approved by the Board.
  
  *Delete policy 4.12*

Motion carried by voice vote.

**M2019/20-40** Motion was made on behalf of the Board Development Committee to make additions to Policy 2.14 Board Calendar:

- **July add:**
  - Gift Acceptance Policy
- **April add:**
  - Report and acceptance of the Strategic Plan
  - Presentation of CEO succession plan in Executive Session

Motion carried by voice vote.

Committee Chair Wendorf reported that a subgroup from the Board Development Committee crafted recommendations for potential bylaw changes, to be considered for inclusion in the next election.

13 Gretchen Jameson, Chair of the Compensation & Evaluation Committee, reported on the committee’s work and recommended policy changes.

**M2019/20-41** Motion was made on behalf of the Compensation & Evaluation Committee to change policy 4.9:

### 4.9 Succession Planning

To protect the organization, the CEO will not fail to plan for effective emergency and long term succession planning.

- **4.9.1** The CEO will not fail to identify to the Board on an annual basis and to prepare one or more internal executives to take over as a temporary or interim CEO should such an unforeseen situation arise.
- **4.9.2** The CEO will not fail to create a development plan for one or more internal executives as part of the organization’s long term CEO succession planning process. Said development plan(s) including the identified executive(s) will be shared with and reported on to the board on an annual basis.

Motion carried by voice vote.
Committee Chair Jameson reported that the committee also suggests future discussion of whether a philosophy of compensation for staff and the CEO should be clearly stated in the policy manual, to ensure consistency between how both are compensated and evaluated.

14 Secretary Wendorf, Chair of the Election Committee, reminded the Board of the election schedule. Results should be received by May 20 so a committee meeting will be scheduled soon after that. She reported that a Missouri voting quota for non-profits has already been met.

15 Chairman Johnson, Chair of the Fund Development Committee, reported that the committee had not met. He reminded Board members of the requirement that all Board members retain voting member status.

16 Karen Soeken, Chair of the Nominations Committee, reported that the Board member skills matrix will be updated after the election results are finalized and requested feedback on matrix target numbers.

17 Werth, Board Representative to the LHM Foundation Board of Trustees, reported on their April 16 meeting, which included discussion of the current market situation.

M2019/20-42 Motion was made to approve the Resolution to Bestow Speaker Emeritus of The Lutheran Hour Title to the Rev. Dr. Dale A. Meyer

WHEREAS the Rev. Dr. Dale A Meyer served as Speaker of The Lutheran Hour for 12 years, sharing the Gospel with hundreds of thousands of listeners throughout North America, and
WHEREAS he is now preparing to retire from faithful service as President of Concordia Seminary, and
WHEREAS the title of Speaker Emeritus of The Lutheran Hour has previously been given to the Rev. Dr. Oswald C.J. Hoffmann and the Rev. Dr. Kenneth R. Klaus,
RESOLVED, that the Board of Directors bestow upon the Rev. Dr. Dale A. Meyer the title of Speaker Emeritus of The Lutheran Hour, in recognition of his service to Lutheran Hour Ministries and the Church.

Motion was seconded and carried by voice vote.

M2019/20-43 Motion was made to approve the Resolution of Appreciation for the Service of Leonard Pranschke

WHEREAS Leonard Pranschke has faithfully served as a member of the Board of Directors of the International Lutheran Laymen's League from 2013 to 2020, and
WHEREAS he has served with dedication and commitment for the work of the Board of Directors, and
WHEREAS he has also supported the goal of Bringing Christ to the Nations--and the Nations to the Church;
Be it resolved that the Board of Directors on behalf of the International Lutheran Laymen's League/ Lutheran Hour Ministries offer sincere and heartfelt appreciation to
Leonard Pranschke for his service to God, this organization and its ministries in his capacity as a Board member, and
Be it further resolved that the Board of Directors asks for God's blessings on his further service to our Lord and Savior, Jesus Christ, and
Be it finally resolved that on this date of April 17, 2020, the Board of Directors affirms and wholeheartedly supports this resolution.

Motion was seconded and carried by voice vote.

M2019/20-44 Motion was made to approve the Resolution of Appreciation for the Service of Richard Gast
Whereas Richard Gast has faithfully served as a member of the Board of Directors of the International Lutheran Laymen's League from 2012 to 2020, and
Whereas he has served with dedication and commitment for the work of the Board of Directors, and
Whereas he has also supported the goal of Bringing Christ to the Nations--and the Nations to the Church;
Be it resolved that the Board of Directors on behalf of the International Lutheran Laymen's League/ Lutheran Hour Ministries offer sincere and heartfelt appreciation to Richard Gast for his service to God, this organization and its ministries in his capacity as a Board member, and
Be it further resolved that the Board of Directors asks for God's blessings on his further service to our Lord and Savior, Jesus Christ, and
Be it finally resolved that on this date of April 17, 2020, the Board of Directors affirms and wholeheartedly supports this resolution.

Motion was seconded and carried by voice vote.

M2019/20-45 Motion was made to approve the Resolution of Appreciation for the Service of Janice Wendorf
Whereas Janice Wendorf has faithfully served as a member of the Board of Directors of the International Lutheran Laymen's League from 2012 to 2020, and
Whereas she has served with dedication and commitment for the work of the Board of Directors, and
Whereas she has also supported the goal of Bringing Christ to the Nations--and the Nations to the Church;
Be it resolved that the Board of Directors on behalf of the International Lutheran Laymen's League/ Lutheran Hour Ministries offer sincere and heartfelt appreciation to Janice Wendorf for her service to God, this organization and its ministries in her capacity as a Board member, and
Be it further resolved that the Board of Directors asks for God's blessings on her further service to our Lord and Savior, Jesus Christ, and
Be it finally resolved that on this date of April 17, 2020, the Board of Directors affirms and wholeheartedly supports this resolution.

Motion was seconded and carried by voice vote.
18 The Board’s future meeting schedule was discussed. The Board agreed to meet an extra day in October 2020 for purposes of discussing Global Ends Policies.

**M2019/20-46** Motion was made to approve the meeting schedule as discussed.

**Motion was seconded and carried by voice vote.**

19 Future meeting schedule:
- July 23-24, 2020 – St. Louis, MO
- October 16-17, 2020 – St. Louis, MO
- January 15, 2021 – Online
- April 23, 2021 – St. Louis, MO
- July 22-23, 2021 – St. Louis, MO
- October 22, 2021 – St. Louis, MO
- January 14, 2022 – Online
- April 22, 2022 – St. Louis, MO

20 Secretary Wendorf offered a closing prayer at 4:30 PM.

**M2019/20-47** Motion was made to adjourn the meeting.

**Motion was seconded and carried by voice vote.**

Respectfully submitted by,

Janice Wendorf, Secretary