

# Concordia University System

## Board of Directors

### Policy Manual

April 2026



## Contents

0. Introductory Matters .....	2
0.1. Preface.....	2
0.2. Mission Statements .....	3
0.3. Refocused Purpose and Goals of Concordia University System: .....	4
1.0. Desired Outcomes Policies .....	5
1.1. Groups to be served .....	5
1.2. Concordia University System Functions and Outcomes .....	5
1.3. Lutheran Identity and Mission Outcomes Standards .....	7
1.4. Ecclesiastical Visitation .....	7
2.0. Concordia University System Board of Directors .....	9
2.1. Concordia University System Board Membership: .....	9
2.2. CUS Board Self-Governance Policies .....	10
2.3. CUS Board Conflicts of Interest: Contractual Relationships .....	11
2.4. CUS Board Governing Policies .....	11
2.5. CUS Board Outcomes Policies Review .....	12
2.6. CUS Board Officers and Elections .....	12
2.7. CUS Board Standing and Special Committees .....	12
2.8. CUS Board Governing Process.....	13
2.9. CUS Board Audit and Finance Committee.....	16
2.10. Emergency Actions .....	17
3.0. Board and Staff Relationship Policies .....	17
3.1. Staff Responsibilities .....	17
3.2. Manner of Delegating .....	17

3.3. Actions Requiring Concordia University System Board Approval.....	18
3.4. Policy Based Approvals Actions (delegated to the CUS President).....	19
3.5 Executive Accountability.....	19
3.6 Monitoring by Management Reports.....	19
3.7 Monitoring by Direct Monitoring.....	20
3.8 Annual Evaluation of the CUS President.....	20
3.9 Not Meeting Executive Expectations.....	20
4.0 Executive Expectations Policies .....	21
4.1 General Expectations .....	21
4.2. Financial Condition of the CUS Office .....	21
4.3. CUS Office Budgeting, Advancement, and Funding.....	22
4.4. Financial Summary Reports.....	22
4.5. CUS Office Organization and Personnel .....	23
4.6. CUS Board Strategic Planning.....	23
4.7. National Academic Strategy .....	23
4.8 Communication with Other Synod Agencies .....	23
Appendix A:.....	24

## **0. Introductory Matters**

### **0.1. Preface**

The 2023 LCMS Convention, in response to the culmination of the collaborative process set forth by the 2019 Resolution 7-03, “To Direct a Collaborative Process to Propose a New Governance Plan,” adopted 2023 Resolutions 7-04B (“To Revise Bylaws to Revisit and Renew Relationship of Colleges and Universities with the Synod”), 7-05A, (“To Bring accountability to Concordia Boards of Regents and to Improve Doctrinal Fidelity and Amenability to Ecclesiastical Supervision”); and 7-06 B (“To Support Colleges and Universities of the Concordia University System”) in response, their intention being to respond effectively—with realism, faithfulness, and hopefulness—to decades of higher education change in the Synod’s university system.

The *Preamble* to Resolution 7-04B summarizes the sweeping changes that have taken place over the years. At the same time the preamble also recognizes and intends that the universities remain “institutions of the Church” devoted to “faithfully serving the Church and their students,” building upon the strength that differentiates the Synod and its universities from other churches and universities—“the

full and pure confession of Jesus who is never ‘in the way’ but in every sense is ‘the Way.’”

The new governance plan builds upon the hard and forward-looking work of the 7-03 Committee during its four years between the 2019 and 2023 Synod conventions and upon the committee’s shared conviction that there is great promise and potential in the currently remaining Concordias that will not only sustain but increase their unique and indispensable contributions to the commission mission of the Synod, this centered in the committee’s common conviction that there is great promise in the Concordias for maintaining a close two-way connection with the Synod and by working in concert with each other.

## **0.2. Mission Statements**

The mission and message of the Concordia University System remains the same. The viability and prosperity of this new governance plan is tied to the Synod’s and the universities’ focus on and performance of a shared mission unique in the field of higher education, that is, universities that believe, teach, and confess the Word of God, the Lutheran Confessions, and the formal doctrinal statements and resolutions adopted by the Synod. Such Mission statements begin with Article II of the Synod’s Constitution, and also include other statements of particular importance to the Concordias:

### Synod Constitution Article II Confession

The Synod, and every member of the Synod, accepts without reservation:

1. The Scriptures of the Old and New Testament as the written Word of God and the only rule and norm of faith and practice.
2. All the Symbolical Books of the Evangelical Lutheran Church as a true and unadulterated statement and exposition of the Word of God, to wit: the three Ecumenical Creeds, (the Apostles’ Creed, the Nicene Creed, the Athanasian Creed), the Unaltered Augsburg Confession, the Apology of the Augsburg Confession, the Smalcald Articles, the Large Catechism of Luther, the Small Catechism of Luther, and the Formula of Concord.

### LCMS Mission Statement (1998)

In grateful response to God’s grace and empowered by the Holy Spirit through Word and Sacraments, the mission of The Lutheran Church—Missouri Synod is vigorously to make known the love of Christ by word and deed within our churches, communities, and the world.

### Higher Education: Statement of Purpose (1986 Convention)

The colleges, universities, and seminaries of The Lutheran Church—Missouri Synod exist to supply the higher education services needed to accomplish the mission of the church.

Strongly committed to the Lutheran concept of vocation, synodical colleges and universities are liberal arts institutions which provide a Christ-centered spiritual and value-oriented environment for men and women who will be Christians in the church and in secular occupations.

The objectives of the Synod include the recruitment and education of professional church workers. Therefore, central to the system of synodical higher education is the preparation of those who are called to serve through preaching, teaching and related vocations. Professional preparation for the pastoral ministry is the special assignment of the Synod's seminaries.

Concordia University System: Mission and Purpose (1992)

Concordia University System builds national identity, enables cooperative endeavors, and enhances the strength of the colleges and universities of The Lutheran Church—Missouri Synod as they engage students of diverse ages and cultures in quality, Christ-centered, value-oriented, Lutheran higher education for lives of service to church and community.

### **0.3. Refocused Purpose and Goals of Concordia University System:**

The primary entity to introduce and put into practice the refocused purpose and goals adopted by the Synod in convention is the Concordia University System Board of Directors, although other Synod entities have key roles (LCMS President's Office; Concordia University System Institution Advisory Council; Concordia University System Boards of Regents; Concordia University System Council of Members; *et al.*). The overall purpose and goals will be:

1. To refocus Concordia University System as "Ecclesiastical Visitor," the CUS Board henceforth *leaving* business, property, and legal aspects of the Synod's universities to the Board of Directors of the Synod while *retaining* full responsibility for the doctrine, practice, and ecclesial mission matters of the Concordia University System.
2. To sustain and strengthen what have always been the chief aims of CUS, namely to set forth and realize a vision for the schools' role in the mission of the Synod and to advocate the schools' provision of church workers to preeminently *Lutheran* higher education programs and campuses.
3. To transmit Lutheran values more effectively, guiding institutions in expressing *Lutheran identity* in all spheres of college/university life that will include bold confession (Const. Art. III 1–2) and quality Christian education (Const. Art. III 5).
4. To enhance accountability of the Synod's colleges/universities and their boards of regents by carefully vetting of nominees for boards of regents (Bylaw 3.10.6.2.1) and by regular and faithful use of the churchly tradition of *visitation* and *ecclesiastical supervision* (cf. Bylaws 1.2.1 [j]; 3.3.1.1.1; 3.3.1.2; 3.6.6; Const. Art. 12 7).
5. To assume the prescribed active role, acting in concert with the Committee for Convention Nominations, in commending highly qualified potential regents for election and appointment to college/university boards of regents (Bylaw 33.6.6.1 [1])

and, along with the Board of Directors of the Synod, provide for training for all elected and appointed regents (Bylaw 3.10.6.2.2).

6. To provide enhanced quality education to college students (Bylaw 3.6.6).
7. To assist in supplying the schools and system with adequate capital and students (2023 Convention Res. 7-06B).

## **1.0. Desired Outcomes Policies**

### **1.1. Groups to be served**

The Concordia University System Board serves the following groups:

1. The five CUS institutions of higher education and their boards of regents as they serve their students and constituencies.
2. The five CUS institutions as a systemic educational enterprise, and the two seminaries as partners in higher education.
3. The Lutheran Church—Missouri Synod in general.
4. The larger context of society. <sup>[1]</sup><sub>[2]</sub>

### **1.2. Concordia University System Functions and Outcomes**

The function of Concordia University System and its Board of Directors was changed by the 2023 Synod Convention and has become one solely of theological oversight and coordination, guiding the Synod's colleges and universities in their expression of Lutheran identity and missions in all spheres of campus life. To do so, the Concordia University System Board of Directors:

- (a) will define and adopt Lutheran Identity and Mission Outcomes Standards (Bylaw 3.6.6.4) in harmony with Holy Scripture, the Lutheran Confessions, and the doctrinal resolutions and statements of the LCMS; (see also section 1.3 below)
- (b) will couple the Standards with visitation of Synod colleges and universities, including, in particular, church worker preparation programs (Bylaw 3.6.6.1 (a));
- (c) will maintain policies governing and supervising the performance of, such Synod visitation (Bylaw 3.6.6.1 [a]);
- (d) will review and approve new implementations and discontinuance of programs of study leading to professional church work in the interest of the institution(s) and the Synod (Bylaw 3.6.6.1 [b]);
- (e) will participate in facilitating the processes of president selection (Bylaw 3.10.6.8.2) and of prior approval for appointments to theology faculties (Bylaw 3.10.6.9.2);

(f) will create and maintain a Model Operating Procedures Manual for Faculty and Administration Complaints and Appeal of Termination (Bylaw 3.6.6.1 [d]);

(g) will monitor, inquire into, and report to the President of the Synod regarding the ongoing faithfulness of Synod's colleges and universities to the doctrine, practice, and objectives of the Constitution of the Synod (Bylaw 3.6.6.1 [e]; LCMS Const. Art. II and III);

(h) will monitor and report to the Synod on enrollment, graduation, placement, and retention rates in church worker training programs and advise schools on the Synod's worker needs and opportunities for coordination (Bylaw 3.6.6.1 [f]);

(i) will receive, revise, and recommend for adoption by conventions proposals for creating, revising, or renaming programs of study and certification for commissioned ministry (Bylaw 3.6.6.1 [g]);

(j) will report to and respond in each convention *Workbook* to a strategic report prepared by the CUS Institution Advisory Council summarizing the state of and outlook for church worker preparation and confessional Lutheran lay education, campus, and ethos (Bylaw 3.6.6.1 [h]);

#### Assistive and Coordinative Roles of the CUS Board

(k) will assist the Synod and its schools in articulating and advancing the schools' unified public confession and application of the church's doctrine and practice, coordinating with the Synod's Board of Directors in advancing of common rights to free exercise of confession under the Constitution and other applicable laws of the United States of America (Bylaw 3.6.6.1 [i]);

(l) will develop and administer, subject to Synod Board of Directors' policies, designated financial resources designated to assist the schools (Bylaw 3.6.6.1 [j]);

(m) will regularly convene school presidents and other leadership to advocate for and facilitate the schools' coordination, cooperation, and consolidation of operations, providing mutual benefit and strength through intentional cooperative and collaborative activities, the CUS Board not assuming operational or financial responsibility (Bylaw 3.6.6.1 [k]);

(n) will, after receiving input from the President, Secretary, Institution Advisory Council, and boards of regents, serve as a resource for recruitment of potential regents, offering in nomination (e.g., Bylaw 3.12.3.4 [c]) and suggesting for appointment those suitably qualified (Bylaw 3.6.6.1 [l]);

(o) will serve as a resource for regents' development of and mandatory training in governance skills and their growth in aspects of governance related to Standards' expectations (Bylaw 3.6.6.1 [m]);

(p) will serve as a resource for the development of lists of potential teaching and administrative personnel (Bylaw 3.6.6.1 [n]);

(q) will, together with districts, congregations, local boards of regents, and national efforts, promote

student recruitment for both professional church work and lay higher education (Bylaw 3.6.6.1 [o]); and (r) will participate with the Board of Directors, Council of Presidents, and respective boards of regents of the Synod in determinations to consolidate, relocate, separate, or divest a college or university (Bylaws 3.6.6.1 [p]; 3.10.6.5).

### 1.3. Lutheran Identity and Mission Outcomes Standards

The Concordia University System Board of Directors is required, after input from its Institution Advisory Council, to define and adopt the Lutheran Identity and Mission Outcome Standards (“Standards”), a regularly published policy document containing standards for ecclesiastical visitation and affirmation of institutions and of programs leading to candidacy for commissioned ministry or to preparedness for seminary study (2023 Bylaw 3.6.6.4).

[Note: According to the third *Resolved* of Section B of 2023 Res. 7-04b, “CUS shall, not later than Sept. 1, 2024, release the first operational edition of the institutional Lutheran Identity and Mission Outcomes Standards”; followed by the fourth *Resolved* that CUS “shall release the first edition of uniform standards for the commissioned ministry and pre-seminary programs offered by Synod colleges and universities” also by Sept. 1, 2024; with a summary report of the first visitation and reaffirmation process for each institution and program “to be prepared and available to the Synod not later than 20 weeks prior to its 2026 convention.” (2023 *Proceedings*, p. 179)]

The Standards, in general terms, are to:

1. express the Synod’s expectations for its college or university (Bylaw 3.6.6.4 [a]);
2. support both *formative* (engage the institutions in self-study and outside evaluation) and *summative* (can reach the conclusion that the expected Standards have not and cannot reasonably be expected to be reached, resulting in the institution or program losing its right to prepare church workers) (Bylaw 3.6.6.4 [b]);
3. be supplemented by the CUS Board of Directors by developing and maintaining supplement program standards specific to types of programs intended to result in candidacy for one of the Synod’s categories of study (Bylaw 3.6.6.4 [c]);
4. be made publicly available as determined by Concordia University System (Bylaw 3.6.6.4 [d]).

### 1.4. Ecclesiastical Visitation

LCMS colleges and universities are required to undergo Synod visitation on the basis of Lutheran Identity and Mission Outcome Standards (Bylaw 3.6.6.4). These visitations are to take place as follows [with greater detail provided in the 2023 LCMS *Handbook* [Bylaws 3.6.6.4.1 and 3.6.6.4.2]:

1. take place at least once in each Synod national convention cycle, intended to evaluate

- present performance and advance initiatives in pursuit of the Standards. Additional focused reviews are possible at any time (Bylaw 3.6.6.4.1 [a]);
2. allow the Concordia University System to place an institution or program under a notice of concern if the institution or program is at risk of not fulfilling the Standards (Bylaw 3.6.6.4.1 [b]);
  3. allow Concordia University System to place an institution on probation for up to three years. An institution not in compliance can no longer declare graduates qualified for placement (Bylaw 3.6.6.4.1 [c]).
  4. allow Concordia University System to place a program on probation for up to a one year period. If substantial progress has been made, probation may be extended. A program not in compliance is no longer affirmed by the Synod and its graduates cannot be declared qualified for initial placement nor the program commended as suitable for pre-seminary preparation (Bylaw 3.6.6.4.1 [d]) and is not “in good standing with the Synod” for purposes of these Bylaws (Bylaw 3.6.6.4.1 [e]).

#### Procedures for Formal Ecclesiastical Visitation

The President of the Synod, as the chief ecclesiastical officer of the Synod, is required to officially visit or cause to be visited all the educational institutions of the Synod at regular intervals to exercise supervision over the doctrine taught and practiced in those institutions, in addition to the regular visitation conducted through the Concordia University System (Bylaws 3.3.1.1.1 [c][2]; 3.3.1.2 [a]).

After input from its Institution Advisory Council, the CUS Board of Directors shall implement and maintain policies governing, and shall supervise, the process of regular formal visitation for the Synod’s colleges and universities on the basis of the Lutheran Identity and Mission Outcomes Standards (Bylaw 3.6.6.4.2), provided in detail in Bylaw 3.6.6.4.2 (a) to (f) in the 2023 *Handbook* of the Synod, summarized in brief as follows.

- (a) In preparation for visitation, each institution and church work program provides a written report evidencing compliance with the Standards and especially addresses any issues, the self-study to be delivered to and reviewed by Concordia University System (Bylaw 3.6.6.4.2 [a]).
- (b) A visitation team assembled by Concordia University System reviews and studies the self-study report before visiting the institution and interacting with its board of regents, administration, faculty, campus ministry staff, and students, the visitation facilitated by the institution, its church work and pre-seminary programs receiving specific attention (Bylaw 3.6.6.4.2 [b]).
- (c) The visitation team prepares its report and provides it to Concordia University System and the institution within 60 days of the visit’s conclusion. Concordia University System, after allowing 60 days for the institution’s response in writing, either (1) affirms without concerns; or (2) affirms with concerns; or (3) places the institution or program on probation; or (4) disaffirms or initiates withdrawal of affirmation; or (5) initiates further investigation by the same or a new visitation team (Bylaw 3.6.6.4.2 [c]).
- (d) The institution may within 30 days submit a written appeal/response to Concordia University System’s determination, to be considered and

acted upon within 30 days of its receipt, its determination final and not subject to further appeal (Bylaw 3.6.6.4.2 [d]).

(e) Within the same 30 days or seven days of a CUS negative action on the requested appeal, the institution may provide a corrective action plan and request that the Concordia University System grant a delay of up to six months before publication of the negative visitation result to allow initiation of the corrective action plan. Concordia University System may require a summary of the action plan composed by the institution and approved by Concordia University System, to be published with any revised visitation outcome (Bylaw 3.6.6.4.2 [e]).

(f) The visitation status of each institution and its programs, together with summary reports of visitation reviews, imposition(s) of notice or probation, and any withdrawal(s) of affirmation, are made available to the Synod through a publicly accessible website (Bylaw 3.6.6.4.2 [f]).

### Composition of Visitation Teams

Visitation Teams of not less than four and not more than seven members are assembled and organized by Concordia University System, to include representation from peer boards of regents, administrations, and faculties, a district president having ecclesiastical supervision of peer institution faculty, and representation drawn from member congregations and ministerium of the Synod who are representative of their interests in the institutions. The Institution Advisory Council, the Council of Presidents, the Board for National Mission, the Synod Board of Directors, the Concordia University System Board of Directors, and the LCMS President may nominate visitors (Bylaw 3.6.6.4.2 [g]).

(a) An institution receiving a visitation team receives notification in advance of the membership of the team. Team members may be challenged by the institution or any member of a team on the basis of actuality or the appearance thereof. A procedure for responding to such a challenge within 30 days is to be provided by Concordia University System. A finding of such partiality or appearance thereof disqualifies a team member from participation, to be replaced (or not) by Concordia University System (Bylaw 3.6.6.4.2 [h]).

(b) Concordia University System assisted by its Institution Advisory Council provides training for members of visitation teams according to policies established triennially by Concordia University System (Bylaw 3.6.6.4.2 [i]); see also 3.6.6.1 and 3.6.6.3).

(c) Direct costs of the visitation process are borne by the institution visited, as regulated by a schedule devised by Concordia University System after input from the Institution Advisory Council (Bylaw 3.6.6.4.2 [j]).

## 2.0. Concordia University System Board of Directors

### 2.1. Concordia University System Board Membership:

- **Ten Voting Members** (See Bylaw 3.6.6.2 for details):
  - Two ministers of religion—ordained, elected by the Synod
  - One minister of religion—commissioned, elected by the Synod
  - Two laypersons elected by the Synod

- Four laypersons appointed by the above-elected members
- The President of the Synod or his representative
- **Nonvoting Members** (see Bylaw 3.6.6.2 for details):
  - One district president appointed by the Council of Presidents
  - One representative designated by the Synod Board of Directors
  - One representative designated by the Synod’s CTCR
  - The Chief Mission Officer of the Synod or his representative
  - One university president designated by the Institution Advisory Council
  - One university board chair designated by the Institution Advisory Council

Qualifications of CUS Board of Directors members:

“Persons elected or appointed to the Concordia University System Board of Directors should have demonstrated familiarity with and support of Synod colleges and universities, shall strongly and demonstrably articulate and support the confession and doctrinal positions of the Synod, and shall have demonstrated a high degree of two or more of the following qualifications or background experiences: theological acumen, an advanced degree, higher education administration, higher education accreditation, professional church worker education, administration of or legal counsel to complex organizations, religious nonprofit law, higher education law, or the strengthening of the mission of the Synod’s congregations and schools. The President of the Synod (or a designee) and the Secretary of the Synod (or a designee) shall review and verify that nominees are qualified to serve as stated above.”  
(Bylaw 3.6.6.2.1)

## 2.2. CUS Board Self-Governance Policies

CUS Board of Directors members have a responsibility to our Lord Jesus Christ, The Lutheran Church—Missouri Synod, fellow board members, boards of regents, faculties, staff, students, the Concordia University System Members, and the LCMS Board of Directors. CUS Board of Directors members:

1. will attend board meetings regularly, not missing two consecutive meetings. Board members will also participate in ongoing training, special briefings, policy decision-making, and self-evaluation.
2. will make every effort to be prepared for board meetings and will strive to make informed decisions based on information that is known to be complete and accurate.
3. will be familiar with the relationship of the policies of this board (regarding doctrine, practice, ecclesial mission) to the policies of the LCMS Board of Directors (regarding business, property, legal) and all expectations of such in the current LCMS *Handbook*. <sup>[1]</sup><sub>[SEP]</sub>
4. will honor all decisions after the board has fully discussed and resolved them, while respecting the right of individuals to hold differing opinions. In extraordinary circumstances, as where a board decision may stand in violation of a board member’s conscience, the secretary will enter a brief minority viewpoint into the minutes.
5. will relate to other board members with integrity, honesty, and straightforwardness.

6. will invest personal energy, skills, and resources in the purposes and objectives of the board.
7. will identify and report board actions and conditions that run counter to these board self-governance policies.
8. will bring to the immediate attention of the CUS President any condition or action believed to be inconsistent with executive expectations policies.
9. will keep board documents and discussion confidential unless given permission by the board acting as a whole. However, members and staff may share board policy manuals, board-approved minutes, and audited financial statements, provided that any board discussion or information related to these documents remains confidential.
10. will sign the Synod's "Conflict of Interest Statement" annually, as required by 2023 Synod Bylaw 1.5.2 (c).
11. will exercise good judgment in avoiding real or apparent conflicts of interest in discussion and voting; deciding difficult situations by vote. At all times the board shall adhere to the Synod's conflict of interest policies.

### **2.3. CUS Board Conflicts of Interest: Contractual Relationships**

To avoid actual or apparent conflicts of interest, CUS Board of Directors members should enter into paid or contractual relationships with CUS institutions with great care and only after consultation with their colleagues on the CUS Board.

1. Business relationships between CUS Board members and CUS institutions existing prior to the member's appointment or election to the CUS Board shall be disclosed at the time the member is elected or appointed to the CUS Board. Continuing relationships shall be reported on at least annually at the CUS Board's fall meeting.
2. Existing relationships that have not materially changed and those that were initially requested by a board of the Synod will normally be permitted to continue.
3. Proposed new business relationships between CUS Board members and CUS institutions shall be disclosed in writing to all members of the CUS Board (via the CUS President) as soon as the board member is offered the opportunity to enter into such a relationship.
4. Both in the case of existing and new relationships, the CUS Board shall identify the scope of activities for which the CUS Board member may be required to recuse himself or herself from voting. This may be done when the relationship is initially disclosed or on a case by case basis as issues come before the CUS Board.

### **2.4. CUS Board Governing Policies**

The CUS Board of Directors shall maintain written policies of the following types.

1. Desired Outcomes: These are affirmative statements setting forth the purposes, effects, and acceptable costs of operations.
2. Board Self-Governance: These are statements setting forth the nature of the board's own tasks and procedures.

3. Board and Executive Relationships: These are clarifying statements about the delegation and monitoring of management.
4. Executive Expectations: These statements identify what the board expects of the CUS President.
5. Institution Operations: These policies are specific applications of board policy to the operation of all CUS institutions. They state principles of good practice and set basic policy for governance and management at the institutions. A separate *Institution Policy Manual* exists for these policies.

## **2.5. CUS Board Outcomes Policies Review**

The CUS Board of Directors shall review on a regularly scheduled basis the range and scope of all desired outcomes policies to determine their effectiveness, appropriateness, and relevance to changing conditions and needs.

## **2.6. CUS Board Officers and Elections**

1. Officers of the CUS Board of Directors shall be a chairman, a vice-chairman, a secretary-treasurer, an assistant secretary, and an assistant treasurer.
2. The board shall elect its officers during the first meeting that follows each regular LCMS convention. Their terms of office shall ordinarily be for three years.
3. The number of votes received by individuals will not be announced or recorded.
4. Responsibilities of the officers shall be those normally associated with these positions.
5. Executive Committee of the board: The chairman, vice-chairman, secretary-treasurer, one voting board member appointed by the board, and the CUS President (nonvoting advisory) shall constitute the Executive Committee of the board. The Executive Committee may act on behalf of the board in all matters delegated to it by specific action or by policy of the board, the board receiving a report of actions of the Executive Committee during its next meeting (LCMS Bylaw 1.5.3.2 [b]).

## **2.7. CUS Board Standing and Special Committees**

The CUS Board of Directors may use committees (Synod Bylaw 1.5.3.4), but always consistent with the following policies.

1. Committees shall not do staff work nor perform any duties that have been delegated to the staff.
2. Committee responsibilities shall flow directly from the board's responsibilities, shall be set forth in formal written instructions with a specific period for existence, and shall not impinge upon responsibilities delegated to the CUS President.
3. Committees shall have no executive or deciding authority and may act on behalf of the board only when specifically empowered by the plenary board.
4. Committees shall not manage any entity or part governed by the board.
5. The creation of standing committees shall be reported to the President and Board of Directors of the Synod (Bylaw 1.5.3.4).

## 2.8. CUS Board Governing Process

1. The CUS Board of Directors serves under the Holy Scriptures as the written Word of God, the Lutheran Confessions, LCMS doctrinal statements and resolutions, and the LCMS Articles of Incorporation, Constitution, and Bylaws, noting in particular the confession of faith (Const. Art. II Confession) and desired outcomes of the Synod (Article III Objectives). The board as a whole, and each member, will publicly uphold and support Holy Scripture as the written Word of God, the Lutheran Confessions, LCMS doctrinal statements and resolutions, the LCMS *Handbook*, and LCMS convention resolutions.
2. The CUS Board also commits itself to conformity with professional standards of good practice in all areas of operation, especially academic excellence, matters of doctrine and practice, ecclesial mission, and human relations.

### Meetings

#### Board Business Calendar

#### September

- Review
  - Board Policy Manual §§ 1.-2.
- Monitor
  - financial report
  - strategic plan
  - funding strategy
  - academic strategy
  - management reports
- Action
  - Review state of higher education

#### November

- Review
  - Board Policy Manual § 3.
- Monitor
  - financial reports
  - strategic goals
  - management reports
- Action
  - evaluate board performance

## January

- Review
  - Board Policy Manual § 4.
- Monitor
  - financial reports
  - review financial audits (if completed)
  - annual budget preliminary discussion
  - management reports
- Action
  - finalize evaluation of board performance
  - initiate evaluation of executive performance

## April/May

- Review
  - IAC and Institution Manuals
- Monitor
  - financial reports
  - review financial audits (if not completed in January)
  - annual budget
  - personnel policy
  - annual review of the institutions
  - management reports
  - advancement strategy
- Action
  - finalize evaluation of executive performance
  - accept budgets

3. *Robert's Rules of Order* (most recent edition) is the authority for conducting board business, unless on a particular point *Robert's Rules of Order* contradicts the Holy Scriptures or the current *LCMS Handbook*.
4. At any meeting, the presence of a majority of the voting board members in office shall constitute a quorum.
5. The CUS Board shall not permit absentee voting.
6. The CUS Board may vote between regularly scheduled meetings to process prior approvals, determine changes in meeting time/place, or conduct other business as deemed appropriate by the chair of the board and the CUS President. If the vote is by surface mail, fourteen calendar days shall be allowed for board members to receive the documentation and reply. If the vote is by electronic means, seven calendar days shall be allowed for polling if the documentation is sent by email and fourteen calendar days shall be allowed if the documentation is sent by surface mail.

7. During a vote by surface mail or by electronic means, if any voting member requests a conference call to discuss the proposed action, that request shall be granted automatically. The call shall be conducted as soon as feasible. Any votes already cast are thereby nullified and the official action shall be determined during the conference call.
8. No substitutes may attend in the place of voting or advisory members.
9. Visitors may attend only if invited by the plenary board.
10. All members of the CUS Board shall make every reasonable effort to attend meetings scheduled for attendance in person in order to facilitate camaraderie and full participation in the agenda items and campus events. In situations where attendance in person is impossible or unreasonable, the chair shall have the authority to permit attendance via electronic means. The member shall inform the chair and the CUS staff as soon as possible so that arrangements can be made. The member participating electronically is expected to participate in the entirety of the block of time between scheduled breaks to minimize distractions and interruptions.
11. The CUS Board shall declare an executive session to discuss sensitive and confidential issues. Executive sessions shall include voting and non-voting board members. Executive staff may be invited to remain. Any member may be asked to leave if the subject matter presents a conflict of interest.

#### Board Activities

12. All activities of the CUS Board and/or its officers, committee(s), or members shall relate to the specific responsibilities of the board as formally adopted at board meetings and in keeping with the responsibilities required by the Synod's *Handbook*.
13. The CUS Board shall exercise its governing authority as a whole. No individual board member may exercise such authority except as instructed by the board.
14. The board shall review its policies for adequacy in the areas of ethics, prudence, and compliance with standards enumerated in "Governing Process" above. The board's policies are to be active and dynamic. They are intended to be refined regularly in recognition of changes made by conventions to the Synod's *Handbook* and the changing context within which Lutheran higher education functions.
15. The CUS Board will pass resolutions for specific actions only when the action is within the scope of policies assigned to the board as specified by these policies, by the Concordia University System Bylaws, by the LCMS *Handbook*, or by law. The board may employ a consent agenda to deal with routine items covered under established policies.
16. Whenever the CUS Board acts regarding executive actions, it does so through policy development when possible. Any actions taken or contemplated by the CUS President, or any which may be or have been approved through the CUS President, will only be considered in relation to the appropriate governing policies. The board will only review the policies for their soundness as a matter of ethical and prudent behavior and conformity with Holy Scripture, the Lutheran Confessions, and LCMS doctrine. The board shall rewrite policies when appropriate.
17. Only a CUS Board member, the CUS President, or an appropriate governing board or commission of the Synod may request a review of specific policies. However, the responsibility

- for effective and appropriate policies never rests with an entity other than the board.
18. The CUS Board shall establish policies relating to its own executive financial authority, outlining expectations for the accuracy of financial records, for budget development, and for control of assets.
  19. The CUS Board shall systematically monitor compliance with the fiscal policies.

## 2.9. CUS Board Audit and Finance Committee

1. The CUS Board's Audit and Finance Committee consists of three board members with voting status (appointed by the board) who shall have voting status on the committee, one representative designated by the LCMS Board of Directors (if any) who shall have nonvoting status on the committee, and CUS executive staff who shall be nonvoting advisory participants. The CUS Board chair shall be an *ex officio* member of the committee.
2. Committee members serve three-year terms that run concurrent with the terms of board officers.
3. The committee shall select a chair whose term of office runs concurrent with his/her three-year term of service on the committee. The chair may serve an indefinite number of terms.
4. At least two members of the Audit and Finance Committee shall be financial professionals with either (a) professional credentials in accounting or auditing, or (b) five years of experience in a leadership position that involves interpretation and decision-making based on financial statements.
5. Audit and Finance Committee members will be knowledgeable regarding:
  - generally accepted accounting principles and financial statements;
  - applying such generally accepted accounting principles in connection with the accounting for estimates, accruals, and reserves;
  - preparation and auditing of financial statements;
  - internal controls and procedures for financial reporting; and
  - audit committee functions.
6. The CUS Board may call upon its Audit and Finance Committee to assist the CUS President with fiscal matters.
7. Any CUS Board member may attend the committee's meetings.

### Finance Duties

The Audit and Finance Committee meets in conjunction with each CUS Board meeting to:

8. Make recommendations to staff regarding the content and timing of financial reports in formats that enhance the board's understanding of financial details.
9. Review fiscal reports as presented in the "Audit and Finance Committee Agenda" and report to the board in plenary session any variances to stated policy.
10. Provide discussion and insights that the CUS President may utilize when monitoring each institution's compliance with the *Institution Policy Manual*.
11. Monitor the CUS President's compliance with CUS Board Policy 4.2 ("Financial Condition of the CUS Office").

## Audit Duties

The Audit and Finance Committee meets at least annually to:

12. Review the Audit and Finance Committee policies in this manual, recommending any changes to the board for approval.
13. Assist staff in evaluating the choice of external auditors in cases where CUS Board approval is required (as outlined in the *Institution Policy Manual*).
14. Oversee the preparation of reports for the CUS Board of Directors and the LCMS Board of Directors (CUS Office audit, summary financial report including the CUS Office and the institutions, and the summary report of institutional audits).
15. Present an audit report to the plenary CUS Board.

### 2.10. Emergency Actions

A situation may arise that requires action by the Concordia University System Board of Directors when the degree of urgency does not allow sufficient time to organize a conference call.

1. The CUS President shall confer with the chair of the CUS Board. If the chair is unavailable, the president shall confer with another member of the Executive Committee. The purpose of this conference is to determine whether it is feasible to organize a conference call of the CUS Board.
2. If there is not sufficient time to organize a plenary conference call meeting, the president and the board officer shall determine whether the issue is primarily financial or non-financial. If the issue is primarily financial, the Finance and Audit Committee is empowered to act on behalf of the board. If the issue is primarily non-financial, the Executive Committee is empowered to act on behalf of the board.
3. The entire board shall be informed of the situation and the outcome at the earliest practical opportunity.

## 3.0. Board and Staff Relationship Policies

### 3.1. Staff Responsibilities

Each member of the CUS Office executive staff will publicly uphold and support the Holy Scriptures, the Lutheran Confessions, official LCMS doctrinal statements, the LCMS *Handbook*, and LCMS convention resolutions, including all doctrinal resolutions.

### 3.2. Manner of Delegating

1. The CUS Board empowers the CUS President to take all actions and make all administrative decisions that are deemed necessary to attain organizational results, except: (a) violation of law, applicable regulations, orders of courts, or commonly accepted business and professional ethics; and (b) those that would violate the expectancies identified in the “Executive Expectations

Policies.”

2. Except for specific assignments to committees, consultants, or officers, the CUS Board normally shall delegate authority only to the CUS President. Any other subordinate party operating with the authority of the board shall receive that authority from the CUS President.
3. The CUS Board normally shall not address issues of routine staff activity. The CUS President may develop guidelines, rules, or procedures and may make decisions in any way deemed fitting so long as he upholds board policies.
4. The authority of the CUS President stems from the CUS Board, and shall begin where the explicit pronouncements of the board end. Except as required by board policy constraint or law, decisions of the CUS President ordinarily do not require approval by the board.
5. Where CUS Board approval is required, the CUS President will bring a recommended action to the board. Unless specifically reserved as a unique board decision, the board will review the appropriate policies and approve any action that falls within them.

### **3.3. Actions Requiring Concordia University System Board Approval**

The CUS Board of Directors reserves certain actions for specific board approval:

1. Modifications to the CUS *Board of Directors Policy Manual* (except for grammatical and stylistic corrections).
2. Final approval of the triennial convention report, convention overtures, and proposed bylaw changes.
3. Consent for a board of regents to call for nominations for candidates for an institutional presidency (LCMS Bylaw 3.10.6.8.2 [a][2]).
4. Nomination of candidates for the position of president of a university (LCMS Bylaw 3.10.6.8.2 [b][4]).
5. Appointment of a replacement for a board of regents member who was elected by the Synod in convention (LCMS Bylaw 3.10.6.2.3 [c]).
6. Maintenance of policies that guide the board standing committees and evaluation of the committees' performance.
7. Adoption of, after input from the Institution Advisory Council, the Lutheran Identity and Mission Outcome Standards (LCMS Bylaw 3.6.6.4).
8. Approval of the formula for distributing the Synod grants (“subsidy”).
9. Annual selection of a firm to audit the CUS national office accounts.
10. Receive, revise, and recommend to conventions of the Synod for approval a new church vocation program proposed for recognition as a rostered church vocation (LCMS Bylaw 3.6.6.1 [g]).
11. Issuance of tax-exempt bonds by an institution.
12. Approval of the CUS President’s position description, within parameters established by the LCMS Department of Human Resources.
13. Appointment of the CUS President, within the context of the process for making the appointment as prescribed by the Board of Directors of the Synod and the LCMS *Handbook* (Bylaw 3.6.1.5).
14. Review and approval of the CUS President’s annual goals and desired outcomes.

15. Granting of “Recognized Service Organization” status to entities referred to the CUS for consideration, based on the evaluative criteria in use by the Office for National Mission at the time when the application is received (LCMS Bylaw 6.2.2–6.2.3).
16. Participate in the consolidation, relocation, separation, or divestiture of a CUS college or university after requirements of LCMS Bylaw 3.6.6.1 (p) have been met.

### **3.4. Policy Based Approvals Actions (delegated to the CUS President)**

The board delegates its authority for approval in the following areas to the CUS President, to the extent that the items comply with board policies and serve to attain the “CUS Outcomes.”

1. *Institution Policy Manual* (always subject to board review and revision).
2. Institutional budgets.
3. Institutional choices of external audit firms, monitoring, and ensuring compliance with policies in the *Institution Policy Manual* regarding external auditing.
4. Policies and formats for collecting and publishing Concordia University System statistics.
5. Lists of potential faculty.
6. Formal visits to institutions and reports on the state of the institutions.
7. Academic programs (LCMS Bylaw 3.6.6.1[b]).
8. Off-site academic programs.
9. Employment of staff in accordance with the human resources policies of the LCMS Board of Directors.

### **3.5 Executive Accountability**

The CUS President shall be accountable to the board for the following responsibilities.

1. Relating with integrity, honesty, and straightforwardness to the board.
2. Achievement of the desired outcomes through personal and staff action as established in “CUS Functions and Outcomes.”
3. Executive and staff compliance with the “Executive Expectations Policies.”
4. Provision of adequate counsel to the board through personal and staff action, including social, legal, or other changes relevant to the board’s decision areas.
5. Defining and refining the CUS President’s position description within the personnel constraints.

### **3.6 Monitoring by Management Reports**

Management Reports are periodic statements and overviews that provide information and counsel to the board on programs, trends and developments that may affect its work and which report on executive compliance with board policies. The CUS President shall report annually on the spiritual life condition and trends in LCMS higher education, as well as on trends in the academic community.

### **3.7 Monitoring by Direct Monitoring**

In order to confirm adherence of the executive and staff to board policy, the CUS President shall provide the following items to the board.

1. A detailed annual report on the attainment of the desired outcomes of the board.
2. Current annual operating budgets of the institutions and of the Concordia University System. Current personnel policies and revisions as they occur.
3. Explanation of new LCMS higher education organizational structures.
4. Explanation of changes to the CUS President's position description as they are developed.
5. Current strategic plan and academic strategy, at least annually.
6. Reviews of each institution in relation to their attainment of outcomes and expectations policies.
7. Updates from the standing committee for commissioned minister colloquy.
8. Updates regarding significant changes and needs in the preparation of church work students for service in the Synod.
9. An annual presentation of trends in institutional financial indicators.

### **3.8 Annual Evaluation of the CUS President**

The chairman of the board will determine the format and process to perform the annual review and evaluation of the CUS President, based on procedures and forms provided by the LCMS Department of Human Resources. (See also LCMS Bylaw 3.6.1.5.) The CUS President shall perform or oversee performance reviews of the CUS Office staff.

### **3.9 Not Meeting Executive Expectations**

The board shall not tolerate exceptions to policies, including even one-time exceptions. If an action is acceptable under certain conditions, then the board shall write those conditions into the policies. The CUS President is to take initiative and responsibility to monitor, inform, correct, and develop preventive systems.

1. Whenever an expectation has not been met, the CUS President shall notify the board immediately. If the board finds that the CUS President has not met an expectation, it shall inform the CUS President.
2. When the "Executive Expectations Policies" have not been met, the board will focus on corrective action. If the failure is immediately correctable, the CUS President shall take the necessary actions within policies and report those actions and their results to the board. The board will strive not to take upon itself authority for the correction of unmet executive expectations, but will rather work through the CUS President.
3. If the failure is not immediately correctable, the CUS President shall establish and implement corrective actions, reporting them and seeking approval of a deadline for complete correction from the board. The CUS President will continue to report in a timely fashion on the actions taken and their results until the failure is corrected. The CUS President will give immediate

notice when it is recognized that a deadline will be missed, and provide a new plan of action if the delay is excessive.

4. The CUS President is limited only by the “Executive Expectations Policies” regarding the resources (internal or external) that he may employ to correct the failure. However, the CUS President is always accountable for the use of those resources.
5. The CUS President shall develop or improve processes to avoid recurrence of any unmet expectations. The board shall review any expectation policy that has been unmet for adequacy as a test for ethics, prudence, and compliance with Holy Scriptures, LCMS doctrine, and all governing documents.
6. The board shall not dictate what are appropriate executive actions except for compliance with policies. The board shall rewrite policies when appropriate.
7. The board will not enact any punitive actions, other than what is appropriate in an annual or other performance review as prescribed through LCMS International Center personnel policies. The board reserves the right to call for a performance review at any time it deems necessary.

## **4.0 Executive Expectations Policies**

### **4.1 General Expectations**

1. The CUS Office staff will act at all times, when representing the organization, in a manner that is ethical, prudent, and consistent with the doctrine, Constitution, and Bylaws of the LCMS (see the Synod’s “Conflict of Interest Policy,” LCMS Bylaw 1.5.2).
2. The expectations in this section (“Executive Expectations Policies”) are dependent upon the efforts of the CUS President to achieve the desired outcomes policies. Unless stated here, all actions are acceptable.
3. If the CUS President has concerns about an institution’s performance in an area covered by these policies, he shall counsel with the institution’s president. If that proves unsatisfactory, the CUS President shall bring the concern to the attention of the chair of the board of regents. If the two preceding steps are not successful, the CUS President shall bring the concern to the attention of the CUS Board. <sup>[L]</sup><sub>[SEP]</sub>

### **4.2. Financial Condition of the CUS Office**

In order to operate the CUS Office in a sound and prudent fiscal manner, the CUS President may not jeopardize the financial strength of the organization.

The CUS President shall:

1. Not operate the office with a negative cash flow for more than six consecutive months.
2. Deposit excess operating funds against the CUS Line of Credit.
3. Allocate available financial resources to colleges and universities in a way that is consistent with

the board-established rules.

4. Not allow the debt to rise to an unserviceable level. If the debt approaches a level that is unserviceable, the CUS President shall report that condition immediately to the CUS Board and the Board of Directors of the Synod.
5. Follow the “Generally Accepted Accounting Principles” (GAAP). <sup>[1]</sup><sub>[SEP]</sub>

### **4.3. CUS Office Budgeting, Advancement, and Funding**

With respect to planning fiscal events (budgeting for all or any remaining part of a fiscal period), the CUS President may not jeopardize either the programmatic or the fiscal integrity of the organization.

The CUS President shall develop:

1. Budgeting that contains sufficient detail to enable reasonably accurate projection of revenues and expenses, separation of capital and operational items, cash flow, and subsequent audit trails.
2. Budgeting that is built on sound assumptions about financial conditions. The financial assumptions include (but are not limited to) the following: allocation of funds from the Synod’s budget; grants, bequests, and other third source income; and personnel compensation scales.
3. Budgeting that plans for expenditures less than conservative revenue projections in a given fiscal year.
4. Budgeting that is consistent with board-stated priorities in its allocation among competing budgetary needs.
5. A budget before the fiscal year begins.
6. National advancement plans at least once every three years.
7. National advancement plans that are an integral part of the strategic plans.
8. National advancement plans that focus on outcomes.
9. National advancement plans that consider and react to social, political, and economic factors.
10. National advancement efforts that are consistent with financial or budgetary constraints.
11. A funding strategy at least once a year.
12. Capital fund drives that: have a clear purpose; have a relationship to outcomes or criteria for institutional viability; have adequate funds and personnel to support the drive; and do not cause excessive competition between institutions.
13. A procedure that ensures that no gift, grant, or endowment is contrary to the board’s desired outcomes or is too restrictive.

### **4.4. Financial Summary Reports**

1. The CUS Office is responsible for preparing a summary end-of-year financial report, based on the “Statement of Financial Position,” “Statement of Activities,” and “Statement of Cash Flows” from institutions.
2. The CUS Office is responsible for presenting a fiscal and management letter summary report to the LCMS Board of Directors in a format that meets the expectations of the LCMS Board of Directors.

#### **4.5. CUS Office Organization and Personnel**

In defining or reorganizing the management structure and personnel of the CUS Office, the CUS President shall ensure that:

1. The structure has a positive effect on desired outcomes.
2. The structure takes into consideration its impact on other Synod entities' needs and missions.
3. The structure takes into consideration its impact on the individual institutions and does not distort institutional identity.
4. The structure does not deviate from LCMS International Center personnel policies.
5. Positions are carefully defined and accurately reflect the responsibility and tasks given to the position. The position description of the CUS President does not allow him to assume authority that is clearly delegated to some other entity.
6. Adequate resources are available for someone to be successful.

#### **4.6. CUS Board Strategic Planning**

In setting the direction and action plans of the CUS Board, the CUS President shall ensure that:

1. A work plan is developed at least once every three years, and is reviewed for continued adequacy every year.
2. Plans are responsive to the changing climate and conditions that affect higher education in the Synod.
3. Plans consider each individual institution.
4. Plans consider financial impact.
5. Plans consider the markets within which the Concordia University System and individual institutions operate.

#### **4.7. National Academic Strategy**

The CUS President shall ensure that:

1. The overall academic and curriculum strategy is reviewed at least once every three years.
2. The overall academic and curriculum strategy considers the efficiency and effectiveness of CUS desired outcomes and purposes.

#### **4.8 Communication with Other Synod Agencies**

The CUS President shall communicate regularly with the Council of Members, boards of regents, institutional administrations, the LCMS Council of Presidents, and the Board of Directors of the Synod.

## Appendix A:

### Recent Major Changes to this Manual

February 2013

Added section 4.6, “Risk Endowment Fund” to replace deleted section in *Institution Manual*.

May 2014

Added section 2.7.10 regarding meeting attendance by telephone.

February 2020

2019 LCMS Convention Res. 7-01A renamed the “President’s Board” the “Concordia University System Advisory Council” with added responsibilities (LCMS Bylaw 3.6.6.5).

February 2024

Extensive additions and changes have been introduced to the Manual as a result of 2023 Convention Resolutions 7-04B, 7-05A, and 7-06B, introducing and putting into practice the refocused purpose and goals adopted by the Synod, the overall purpose and goals being to refocus the Concordia University System as “Ecclesiastical Visitor,” leaving business, property, and legal aspects of the Synod’s universities to the Board of Directors of the Synod while *retaining* full responsibility for doctrine, practice, and ecclesial mission matters of the Concordia University System. Most affected were 2019 Bylaws 1.2.1; 3.3.1.1; 3.3.4.10; and 3.10.6–3.10.6.7.