

**Board of Directors
Minnesota South District
December 5, 2006**

Minnesota South District Mission Statement

The purpose of the Minnesota South District is to glorify God by: 1) assisting congregations in building up the body of Christ, and 2) providing mission vision, leadership and opportunities to the people and congregations of the District, so that all people might be reached with the saving Gospel and become disciples of Jesus Christ.

OPENING DEVOTION

Rev. Klemet Preus, 4th Vice President, led the opening devotion. His devotion was based on the Old Testament reading from the previous Sunday (Jeremiah 33:14-16). He noted the following: A branch growing from the stump is a symbol of God bringing life out of the midst of death. God works best with things that are dead, as he does with us. The text declares that God Himself becomes the branch, the life of His people, which He fulfilled in Jesus Christ. This divine branch is the great symbol of hope for God's people.

PARLIAMENTARY OBLIGATIONS

Call to Order

The meeting was called to order at 10:17 a.m. by the president, Dr. Lane Seitz, in the name of the Father and of the Son and of the Holy Spirit.

Roll Call

Board Present: Lane Seitz, Daryl Gehlbach, Lu Clemmensen
Klemet Preus, Mark Johnson, Robert Van Gundy, Glen Meints,
Gerhard Bode, Tom Braun, Dale Ortloff, Steve Krause,
Larry Griffin, James Heining, John Moorhouse, Ted Tews,
Evan Schiller, Robert Schulze, Scott Halvorson, Karl Baumann,
Lynn Henry, Richard Eyerly

Staff Present: Thomas Acton, Kurt Fuhr, Peter Meier

Excused: David Roth

Guest: Ms. Carol Olson

Adoption of Agenda

Dr. Seitz distributed copies of the revised agenda, which was adopted as presented.

Approval of Minutes

It was moved, seconded and carried to approve the minutes of the September 22, 2006, Board meeting as printed.

Correspondence (no items)

VISIONING/STUDY ITEMS/PRESENTATIONS

Blue Ribbon Task Force for Funding the Mission

President Seitz introduced Ms. Carol Olson, a member of St. John, Woodbury, and also a member of the Blue Ribbon Task Force for Funding the Mission. She shared with the Board her experiences with the committee.

Rev. Peter Meier, Assistant to the President for Missions, walked the Board through the report, inviting discussion of and responses to the Task Force recommendations.

“IT’S TIME TO FISH” MISSION INITIATIVE REPORT

Rev. Peter Meier distributed copies of a brochure, a prayer card and a list of suggestions on how to promote and carry out the campaign within the congregation. He also encouraged the Board members to individual participation. He reported that as of November 5, just under \$40,000 has been raised since the convention.

POLICY REVIEW AND FORMATION

(no items)

INFORMATIONAL AND DECISION ITEMS

Mission Committee (no decision items)

Finance Committee

1. Employee Protection (Whistleblower) Policy

It was moved, seconded and carried to adopt the Employee Protection (Whistleblower) Policy as presented. (See Appendix A.)

2. 2007 Budget

The committee presented the proposed budget for 2007. Ms. Lu Clemmensen, District Treasurer, explained that some changes were adopted after the proposed budget was printed. She provided the Board with corrected figures:

page 1, last column, surplus (deficit) line item should be: \$ (288,219)
page 3, last column, "Metro Hispanic" line item should be:\$ 12,300
page 3, last column, "Total Subsidies" line item should be:\$ 623,380

It was moved, seconded and carried to adopt the 2007 Minnesota South District Budget as corrected.

Ministerial Health Committee (no decision items)

Schools/Commissioned Ministers Committee (no decision items)

Congregational Services Sub Committee (no decision items)

Communications Committee (no decision items)

Constitution and Membership Committee (no decision items)

Continuing Education Committee (no decision items)

Endowment Committee (no decision items)

Administration

1. Approve Constitutions (C), and/or Bylaws (BL)

It was moved seconded and carried to approve the constitutions (C) and bylaws (BL) of the following congregations:

- a) Good Shepherd, North Mankato, MN (C/BL)
- b) Berea, Richfield, MN (C/BL)
- c) Holy Cross, Prior Lake, MN (C/BL)
- d) St. Paul, Waseca, MN (C/BL)
- e) St. John, Norwood Young America, MN (BL)

It was moved, seconded and carried to approve the Articles of Incorporation, constitution and bylaws of Hope Lutheran High School, Winona, MN.

2. Set 2007 Housing Allowances

It was moved, seconded and carried to set the 2007 housing allowances as requested by the following individuals:

Rev. Lane Seitz	\$ 30,000	Mr. David Roth	\$ 29,000
Rev. Peter Meier	\$ 48,000	Rev. Martin Teigen	\$ 20,000
Rev. Thomas Acton	\$ 51,880	Rev. Monte Meyer	\$ 20,000

3. Report from the Theological Convocation Task Force

Rev. Larry Griffin, 2nd Vice President, distributed to the Board copies of the report and recommendations of the Theological Convocation Task Force. The report is as follows:

“We recommend that the MNS District Board of Directors continue to sponsor a series of theological convocations.

“The purpose of these convocations would be to "guard and strengthen the spirit of unity and the bond of peace in our District by:

- a) exposing areas of agreement in doctrine and practice, and
- b) working to resolve areas of disagreement

“We recommend that the first issue to be studied and debated would be Holy Communion theology and practice. We recommend that the format include one main presenter and two reactors, and that at the end of the day, the participants would have the opportunity to "weigh in" on the issue of the day.”

It was moved, seconded and carried to receive the Task Force report and approve its recommendations.

4. Christ the Redeemer, Wells, Escrow Fund

Note: Board Policy 4.14 in the Policy Manual governs this action. When a congregation dissolves without notice any funds are held in escrow for two years in order to pay any outstanding debts. At the end of the two-year period the remaining funds are distributed per policy guidelines.

It was moved, seconded and carried to transfer the Christ the Redeemer, Wells, escrow fund to the Rural Ministry Fund.

The Treasurer reported that the escrow fund totals \$71,864.38.

5. Change the September 2007 Board Retreat and Meeting Date

It was moved, seconded and carried to change the September 2007 retreat and meeting date to September 17-18.

6. District Committee Appointments

It was moved, seconded and carried to ratify the following changes and additional committee appointments:

Mission Committee:	Rev. Mark Johnson
Schools and Commissioned Ministers:	Rev. Lyle Fritsch
	DCE Aimee Schutz

Finance Committee:	Mr. Dale Ortloff Rev. Robert Gehrke
Ministerial Health:	Ms. Lynn Henry
Constitution & Membership	Mr. Harold Kenow (advisory)
Camp Omega Board:	Mr. John Moorhouse

7. Questions to be Addressed to Mr. Ron Schultz at February Board Meeting

No questions were received at this time. Anyone with questions may send them to President Seitz by January 2, 2007. A reminder will be mailed to the Board members with these minutes.

REPORTS

Treasurer's Report

Lu Clemmensen walked the Board through the Treasurer's Report dated November 15, 2006. She explained a number of items and answered Board members' questions. The report was filed subject to audit.

LCEF Loan Activity Report and Delinquent Loan Report

Kurt Fuhr reviewed the LCEF report on loans. He reported on the progress that has been made on the delinquent loans. He also provided the annual review of all loans above \$1,000,000.

Questions Regarding Reports (none)

Special Reports (none)

ROUNDTABLE

(1) Steve and his wife have a prospective son-in-law #2. (2) Mark asked for prayers on behalf of Mt. Calvary School, which has been affected by a newly opened charter school and all our District schools. (3) Peter and his family will spend Christmas in Taiwan with his daughter Jenny, who is a long-term missionary there. (4) Jim recently attended the Breakthrough Conference of the Stephen Ministries in St. Louis and found it very helpful. (5) Scott announced that his son and daughter-in-law are expecting their first child, however his son will soon be deployed to Kuwait and most likely will be unable to be present at the birth. (6) Dale explained that due to irregularities in an EKG his father is unable to undergo a scheduled follow-up surgery. The doctors are trying to find out what is happening. (7) Kurt's daughter Sarah is going to Amsterdam. (8) Larry and his wife are expecting their third grandchild. (9) Karl's pastor has taken a call to a congregation in Oklahoma. (10) Ted announced that his son and daughter-in-law had a girl on Saturday. (11) Daryl asked for prayers of thanks and healing following the successful heart surgery of his niece Maggie.

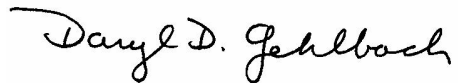
MEETING ADJOURNED/CLOSING PRAYER

Rev. Preus offered the closing prayer.

It was moved, seconded and carried to adjourn the meeting.

Dr. Seitz declared the meeting adjourned at 1:43 p.m.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Daryl D. Gehlbach". The signature is written in black ink and is positioned above the typed name.

Daryl D. Gehlbach, Secretary

4.16 Employee Protection (Whistleblower) Policy

If any employee reasonably believes, in good faith, that some activity, policy or practice of the Minnesota South District of the Lutheran Church—Missouri Synod (the "Minnesota South District") violates any laws, regulations, codes or other public mandates ("laws"), the employee must file a written complaint with the District President or the First Vice-President of the District. Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

It is the intent of Minnesota South District to adhere to all laws that apply to it and the purpose of this policy is to support the organization's goal of legal compliance. The help of all employees is necessary to achieving compliance with various laws. An employee is only protected from retaliation if the employee brings an alleged unlawful activity, policy, or practice to the attention of the Minnesota South District as provided in this policy and provides the Minnesota South District with a reasonable opportunity to investigate and correct the alleged unlawful activity.

The Minnesota South District will not retaliate against an employee who, in good faith, makes a protest or raises a complaint against some activity, policy or practice of the Minnesota South District or of another individual or entity with whom the Minnesota South District has an ecclesiastical or business relationship if the employee has a reasonable belief that the activity, policy or practice is in violation of any law. Likewise, the Minnesota South District will not retaliate against an employee who, in good faith, discloses or threatens to disclose to a supervisor or a public body any activity, policy, or practice of the Minnesota South District that the employee reasonably believes is in violation of any law.

An employee who retaliates against someone who has reported an alleged unlawful activity, policy or practice in good faith is subject to discipline up to and including termination of employment. Any allegations that are not made in good faith or that are known to be false when made will be viewed as a serious disciplinary offense.

My signature below indicates my receipt and understanding of this policy. I also verify that I have been provided with an opportunity to ask questions about the policy.

Adopted 12/5/2006