Notice of Proposed Amendments
to the Bylaws of Lutheran Services in America

The LSA Board of Directors, at its January 2014 Meeting, adopted the following recommendation as a proposed Bylaw amendment:

- That the Members amend the Bylaws to allow a new Associate Membership class. The Board would create criteria under which certain organizations that are not eligible for membership may participate in LSA events and activities and receive other benefits.

In addition, the ELCA and The LCMS proposed technical changes in the titles of their respective units referenced in the LSA Bylaws. The LSA Board of Directors voted unanimously to recommend to the Members that the amendments be approved. Both the ELCA and The LCMS have formally approved the Bylaws change.

These amendments will be placed before the Membership of Lutheran Services in America, Incorporated for vote at the April 30, 2014 Annual Meeting of the membership, following written concurrence of the two church bodies.

More information may be found on the LSA website at www.lutheranservices.org/lsa_annual_meetings.

Under Article XVII (Amendments of the Bylaws), any amendments to the LSA Bylaws recommended by the Board of Directors to the Membership of Lutheran Services in America, Incorporated, require an affirmative vote of the majority of the Class A members present at an Annual or Special meeting along with the written concurrence of the Class B members. The content of any proposed amendments must be included in the notice of such meeting, which must be sent no less than thirty days prior to the meeting.

In order to widely distribute information about the need and opportunities provided by the amendments recommended by the Board of Directors, LSA will use various electronic messages as well as this required Notice mailed to all Class A members.

These proposed amendments will be placed before the membership at the LSA Annual Meeting in Omaha, Nebraska on Wednesday, April 30, 2014. If the members vote to amend the Bylaws, the LSA Board of Directors’ Board Policy Manual will be revised to reflect those amendments.
Quick Summary of Proposed Bylaw Amendments:

1. Add an Associate Member class for certain organizations that are not eligible for membership as defined in these Bylaws. This class would allow such organizations to participate in LSA events and activities and receive other benefits. The Board of Directors is responsible for establishing the specific criteria and procedures for Associate Membership and will ensure that any candidate for Associate Membership: 1) is an organization; 2) that has a substantial and continuing connection with the Lutheran tradition; and 3) is engaged in the provision of services on a not-for-profit basis. The Board may not grant Associate Members any of the governance rights of LSA members as set forth in the Bylaws; nor are Associate Members to be regarded as “members” of the Corporation for legal purposes.

2. Technical changes in the name of the units of the Evangelical Lutheran Church in America (ELCA) and The Lutheran Church-Missouri Synod (LCMS) that are referenced in the Bylaws.

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ARTICLE II
MEMBERS

Section A. Classes of Members. The Corporation shall have Class A and Class B members. As provided in Article IX of these Bylaws, the Corporation may establish criteria for “Associate Members,” whose relationship with LSA shall be governed exclusively by that Article. “Associate Members” as defined under Article IX shall not be considered members of the Corporation for purposes of the rights or powers conferred by these Bylaws or the law of Maryland.

Section B. Class A Members. Class A members shall be all social ministry organizations that are, from time to time, affiliated as Social Ministry Organizations by the Church in Society program-appropriate unit of the Evangelical Lutheran Church in America (ELCA) or that are, from time to time, recognized as Recognized Service Organizations by the Board for Human Care Ministries-appropriate unit of The Lutheran Church-Missouri Synod (LCMS). In the event that an LCMS recognized parent organization has subsidiary organizations separately recognized by The Lutheran Church-Missouri Synod, the parent organization will serve as the sole LSA Class A voting member. If a Class A member ceases to be so affiliated or recognized, it thereupon ceases to be a Class A member of the Corporation.

ARTICLE III
MEETINGS OF THE MEMBERS

Section F. Written Concurrence of Class B Members. The written concurrence of the Class B members, as required in these Bylaws, shall be given in a manner to be determined by the Class B members. The Church in Society program Evangelical Lutheran Church in America, on recommendations of the appropriate unit of the Evangelical Lutheran Church in America, shall make such determination on behalf of the Evangelical Lutheran Church in America, and the Board for Human Care Ministries of The Lutheran Church-Missouri Synod, on recommendations of the appropriate unit of The Lutheran Church—Missouri Synod, shall make such determination on behalf of The Lutheran Church-Missouri Synod.
ARTICLE V
BOARD OF DIRECTORS

Section A.  Number. The Board of Directors shall be composed of nine (9) directors elected by the Class A members of the Corporation and nine (9) directors appointed by the Class B members of the Corporation and two (2) Class C directors elected by the Class A and Class B members of the Board of Directors.

Section C.  Class B Directors.

1.  The Evangelical Lutheran Church in America shall appoint six (6) of the nine (9) Class B directors, and The Lutheran Church-Missouri Synod shall appoint three (3) of the nine (9) Class B directors. The Class B directors shall be (a) the Executive Director of the Church in Society program appropriate unit of the Evangelical Lutheran Church in America, or such person named by the ELCA for this position, serving ex officio with vote, (b) five (5) directors appointed by the Evangelical Lutheran Church in America, including a representative of a synod of the Evangelical Lutheran Church in America, (c) the Executive Director of the Board for Human Care Ministries of appropriate unit of The Lutheran Church—Missouri Synod, or such person named by the LCMS for this position, serving ex officio with vote, and (d) two (2) directors appointed by The Lutheran Church-Missouri Synod, including a representative of a district of The Lutheran Church-Missouri Synod.

2.  Each Class B director (other than the Executive Director of the Church in Society program appropriate unit of the Evangelical Lutheran Church in America, or such person named by the ELCA for this position, and the Executive Director of the appropriate Board for Human Care Ministries of The Lutheran Church-Missouri Synod, or such person named by the LCMS for this position) shall be appointed to a term of office of three (3) years. No Class B director (other than the Executive Director of the Church in Society program appropriate unit of the Evangelical Lutheran Church in America, or such person named by the ELCA for this position, and the Executive Director of the Board for Human Care Ministries appropriate unit of The Lutheran Church-Missouri Synod, or such person named by the LCMS for this position) may serve more than two (2) consecutive full terms or seven (7) consecutive years. The Executive Director of the Church in Society program appropriate unit of the Evangelical Lutheran Church in America shall serve as a Class B director so long as he or she serves as such Executive Director, and the Executive Director of the Board for Human Care Ministries appropriate unit of The Lutheran Church-Missouri Synod shall serve as a Class B director so long as he or she serves as such Executive Director or such named person by the LCMS for this position remains appointed by the LCMS.
ARTICLE IX
ASSOCIATE MEMBERS

Section A. Creation of class. The Board of Directors may establish criteria and procedures through which certain organizations that are not eligible for membership as defined in Article II of these Bylaws may participate in LSA events and activities, and receive other benefits available to members.

Section B. Eligibility for Associate Membership. The Board of Directors is responsible for establishing the specific criteria and procedures for Associate Membership, but should the Board create such a category, the Board shall ensure that any candidate for Associate Membership: (1) is an organization; (2) has a substantial and continuing connection with the Lutheran tradition; and (3) is engaged in the provision of services on a not-for-profit basis.

Section C. Rights and benefits of Associate Membership. The Board shall determine the specific benefits of Associate Membership. But the Board may not grant Associate Members any of the governance rights of LSA members, as set forth in Article II. Associate Members are not “members” of the Corporation for legal purposes.

ARTICLE IX
FISCAL YEAR

The fiscal year of the Corporation shall be established by the Board of Directors.

ARTICLE XI
BANKS AND LEGAL DOCUMENTS

The Corporation shall maintain accounts with such banking institutions as the Board of Directors may from time to time determine. All checks, drafts, bills of exchange, notes or other obligations or orders for the payment of money and all other legal or contractual documents shall be signed in the name of the Corporation by such person or persons as the Board of Directors may from time to time designate by appropriate resolution.

ARTICLE XII
BONDING

Each officer of the Corporation and those members of the staff, as the Board of Directors requires, shall be bonded by a surety company for the safeguard of funds, securities, and records. The amount of the bond shall be fixed by the Board of Directors. Cost of the bond shall be borne by the Corporation.

ARTICLE XIII
FINANCIAL RESPONSIBILITY

The Corporation shall be solely responsible for the management and fiscal affairs of the Corporation and for the payment of any debts and liabilities incurred by the Corporation. The members of the Corporation shall not be liable for the debts and obligations of the Corporation.
ARTICLE XIV
INDEMNIFICATION

Section A. Persons Indemnified.

1. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to or witness in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he/she/it is or was a member, employee, agent, trustee or any officer of the Corporation against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him/her in connection with such action, suit, or proceeding to the fullest extent permitted under Maryland law, as from time to time in effect. Such right of indemnification shall not be deemed exclusive of any other rights apart from the foregoing provisions of this paragraph. The provisions of this Article XIII XIV shall be deemed to be a contract between the Corporation and each member, trustee, and officer who serves in such capacity.

2. The Corporation may indemnify any person who was or is a party or is threatened to be made a party to or witness in any threatened, pending or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative by reason of the fact that he/she/it is or was an employee or agent of the Corporation and is or was serving at the request of the Corporation, as a member, trustee, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him/her in connection with such action, suit, or proceeding to the extent and in the manner set forth in and permitted by Maryland law, as from time to time in effect. Such right of indemnification shall not be deemed exclusive of any other rights to which any such person may be entitled apart from the foregoing provisions of this Article XIII XIV.

Section B. Insurance. The Corporation shall acquire and maintain adequate policies of insurance to insure the indemnifications required by this Article XIII XIV.

ARTICLE XV
CONFLICT OF INTEREST

Any possible conflict of interest on the part of a director shall be disclosed to the Board of Directors on an annual or more frequent basis. When any such conflict of interest becomes a matter for action by the Board of Director, such director(s) with a conflict of interest shall not vote on the matter. The director(s) with a conflict of interest may, however, briefly state a position on the matter and answer pertinent questions asked by other directors. The minutes of all actions taken on such matters shall clearly reflect that the requirements of this Article have been met.

ARTICLE XVI
SEAL

The Board of Directors may, as it shall deem appropriate, provide a corporate seal.
ARTICLE XVII
DISSOLUTION

The Corporation may be dissolved in the manner provided in the Articles of Incorporation of the Corporation and the Associations article of the Annotated Code of Maryland by an affirmative vote of the majority of the Class A members and with the written concurrence of the Class B members at an Annual or Special meeting, provided that notice of the proposed dissolution is contained in the notice of such meeting.

ARTICLE XVIII
AMENDMENTS

The Articles of Incorporation and these Bylaws of the Corporation may be amended by an affirmative vote of the majority of the Class A members and with the written concurrence of the Class B members at any Annual or Special Meeting of the members, provided that notice of the content of the proposed amendment is included in the notice of such meeting.