

ANNUAL MEMBER MEETING  
MATERIALS AND EXHIBITS  
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## **AGENDA FOR ANNUAL MEETING AND AWARD CEREMONY**

Tuesday, January 30, 2024 12:15 PM to 1:30 pm EST  
CEO Summit

- I. Call to Order  
Colleen Frankenfield, Chairperson, Board of Directors, Lutheran Services in America, Incorporated
- II. Opening Prayer  
John Moeller, President and CEO, Inspiritus
- III. Welcome and a Look Forward – Strengthening Our Work Together  
Alesia Frerichs, President and CEO Lutheran Services in America
- IV. Approval of Agenda  
Colleen Frankenfield

### **RECOMMENDED ACTION**

**That the Agenda for the 2024 Lutheran Services in America Annual Meeting be approved as presented.**

- V. Minutes of the January 24, 2023 Lutheran Services in America Annual Meeting  
Colleen Frankenfield

### **RECOMMENDED ACTION**

**That the Minutes of the 2023 Lutheran Services in America Annual Meeting be approved as presented.**

- VI. Report of the Chairperson  
Colleen Frankenfield

Financial Report for Lutheran Services in America Fiscal Year 2023

Report of the Governance Committee

### **RECOMMENDED ACTIONS**

That David Trost be elected to a first term on the Board of Directors beginning July 1, 2024, and David Duea to a first full-term beginning July 1, 2024. David completed the remainder of an unexpired term from October 2021 to June 2024.

- VII. Lutheran Services in America Fiscal Year 2025 Budget  
Colleen Frankenfield

### **RECOMMENDED ACTION**

**That the Lutheran Services in America Fiscal Year 2024 Budget be adopted as presented**

- VIII. Presentation of Fourth Annual Lutheran Services in America Leadership Awards.

- IX. Closing Prayer  
Rev. Linda Norman Chief Financial Officer and Vice President for  
Administration, Mission Investment Fund.
- X. Adjournment of Meeting  
Colleen Frankenfield

## **Minutes of the 2023 Annual Meeting**

Of the Membership of Lutheran Services in America, Incorporated  
Tuesday, January 24, 2023/1:00 PM to 1:30 PM MT

### **I. Call to Order**

Mr. Darrell Gordon, President and CEO of Wernle Youth & Family Treatment Center and Chair of the Lutheran Services in America Board of Directors, welcomed the attendees to the Annual Meeting. He announced the presence of a quorum and called the Meeting to order at 1:00 PM.

### **II. Opening Prayer**

John Moeller, President and CEO of Inspiritus gave the opening prayer.

### **III. Approval of Agenda**

#### **Motion**

**ADOPTED**

*That the Agenda for the 2023 Lutheran Services in America Annual Meeting be approved as presented.*

### **IV. Minutes of the January 25, 2022 Lutheran Services in America Annual Meeting**

#### **Motion**

**ADOPTED**

*That the Minutes of the 2022 Lutheran Services in America Annual Meeting be approved as presented.*

### **V. Report to the Chairperson**

Darrell Gordon provided a brief report of the Chairperson.

### **VI. Financial Report for the Lutheran Services in America Fiscal Year 2022**

Mr. Darrell Gordon, reported on the Lutheran Services in America financial report for FY 2022. He noted that the audited financial statements were provided in the Annual Meeting section of the program. The independent auditing firm, CliftonLarsonAllen, LLP, performed an audit of Lutheran Services in America as of June 30, 2022 and 2021.

The audit represented a clean opinion with no material weaknesses or significant deficiencies. No internal control letters were issued. The Audit Committee membership consisted of Kristen Gay (Chair), Eric Gurley, Jeffrey Thiemann, and outside members, Chris Reighard, SVP Finance and Planning, Allegheny Lutheran

Social Ministries and Kirby Nickerson, Chief Financial Officer, Lutheran Services Carolinas.

## **VII. Report of the Governance Committee**

Darrell Gordon referenced the Annual Meeting materials and on behalf of the Board of Directors brought the following motions that were moved and seconded:

<b>Motion</b>	<b>ADOPTED</b>
<i>That Kristen Gay be elected to a second three-year term on the Board of Directors</i>	

<b>Motion</b>	<b>ADOPTED</b>
<i>That the voting decisions for Member CEOs to be elected to the Board of Directors for the 2021 virtual Annual Membership Meetings be confirmed: That Darrell Gordon and Adriene Iverson be elected to a second three-year term on the Board of Directors (July 1, 2021-June 30, 2024)</i>	

<b>Motion</b>	<b>ADOPTED</b>
<i>That the voting decisions for Member CEOs to be elected to the Board of Directors for the 2022 virtual Annual Membership Meetings be confirmed: That Colleen Frankenfield be elected to a second three-year term on the Board of Directors and that Eric Gurley be elected to a first term on the Board of Directors (July 1, 2022—June 30, 2025)</i>	

## **VIII. Lutheran Services in America Fiscal Year 2024 Budget**

Rev. Jeffrey Thiemann, President and Chief Executive Officer of Portico Benefit Services and Treasurer of Lutheran Services in America, presented the Lutheran Services in America FY 2024 Budget. He referenced the proposed budget provided to the membership in the Annual Meeting materials.

He noted the proposed revenue for FY 2024 is \$6.10 million with expenses of \$6.08 million for a positive net income of \$22,200. The budget includes no increase in member dues. The Board of Directors recommended the FY 2024 budget, as presented, to the Lutheran Services in America membership for approval.

Rev. Jeffrey Thiemann received no questions from the Membership on the Lutheran Services in America FY 2024 Budget

A motion to approve the Fiscal Year 2024 Budget was moved and seconded.

*That the Lutheran Services in America Fiscal Year 2024 Budget be adopted as presented.*

### **IX. Remarks from the President and CEO and Presentation of Lutheran Services in America Leadership Awards**

Charlotte Haberaecker, President and CEO of Lutheran Services in America welcomed and thanked the members for attending the 2023 Lutheran Services in America Annual Membership Meeting. Charlotte honored Pat Savage on her upcoming retirement from Allegheny Lutheran Social Ministries and for her tireless service for Lutheran Services in America. Pat received a gift from Lutheran Services in America in appreciation of her support, commitment and dedication as past Chair of the Board of Directors and Chair of the Development Committee

Lutheran Services in America continued a new tradition that was launched in 2021, to recognize three distinguished members in the network for their exceptional work and leadership and for exemplifying the network's core values.

Charlotte Haberaecker then introduced Dan Brown and Blake Brown of the Lutheran Church Extension Fund to present the Third Annual Lutheran Services in America Award winners.

The Innovator Award was presented to Lutheran Services Florida Health Systems and Dr. Christine Cauffield for its work to address the region's shortage of paraprofessionals with the skills and competencies to work with people at risk for behavioral health challenges. The Micah Award was presented to Paul Miles and the We Raise Foundation for its work to address justice, mercy and equity and exemplify the spirit of Micah 6:8. The Paragon Award: The Ken Daly Award for Excellence in Mentorship was presented to Ted Goins of Lutheran Services Carolinas for providing guidance, coaching and experience to lift up the next group of leaders. Each received a gift from Lutheran Services in America in appreciation of their work and service.

### **X. Closing Prayer**

Rev. Kathie Bender Schwich of Advocate Aurora Health led the closing prayer.

### **XI. Adjournment of the Meeting**

Darrell Gordon thanked the membership and adjourned the meeting at 1:30 pm.

Respectfully submitted.

A handwritten signature in black ink, reading "Darrell Gordon". The signature is written in a cursive style with a large, looped "D" and a long, sweeping "G".

Darrell Gordon  
Chair, Lutheran Services in America Board of Directors

**LUTHERAN SERVICES IN AMERICA, INCORPORATED**  
**FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2023 AND 2022**



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**LUTHERAN SERVICES IN AMERICA, INCORPORATED**  
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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Lutheran Services in America, Incorporated  
Washington, DC

### Report on the Audit of the Financial Statements

#### ***Opinion***

We have audited the accompanying statements of financial position of Lutheran Services in America, Incorporated (the Organization), as of June 30, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



**CliftonLarsonAllen LLP**

Baltimore, Maryland  
October 10, 2023

**LUTHERAN SERVICES IN AMERICA, INCORPORATED**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 2,028,753	\$ 2,109,252
Short-Term Certificates of Deposit	650,000	650,000
Pledges Receivable	8,500	25,450
Accounts Receivable	151,457	58,417
Prepaid Expenses	<u>29,626</u>	<u>46,482</u>
Total Current Assets	2,868,336	2,889,601
<b>ASSETS LIMITED AS TO USE</b>		
Cash Held for Managed Networks	119,326	130,459
Restricted Cash Held for Grant	<u>2,663,626</u>	<u>3,444,417</u>
Total Assets Limited as to Use	2,782,952	3,574,876
<b>INVESTMENTS</b>		
Long-Term Certificates of Deposit	500,000	500,000
Mutual Funds	2,505,705	2,306,171
Deferred Compensation Assets	<u>47,323</u>	<u>69,324</u>
Total Investments	3,053,028	2,875,495
<b>RIGHT-OF-USE ASSETS - LEASES</b>	27,231	133,397
<b>FIXED ASSETS</b>		
Information Technology	2,995	2,995
Less: Accumulated Depreciation	<u>2,995</u>	<u>2,995</u>
Total Fixed Assets	<u>-</u>	<u>-</u>
Total Assets	<u><u>\$ 8,731,547</u></u>	<u><u>\$ 9,473,369</u></u>

See accompanying Notes to Financial Statements.

**LUTHERAN SERVICES IN AMERICA, INCORPORATED**  
**STATEMENTS OF FINANCIAL POSITION (CONTINUED)**  
**JUNE 30, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable and Accrued Expenses	\$ 408,008	\$ 206,082
Operating Lease Liabilities	16,397	108,011
Deferred Dues Revenue	<u>350,621</u>	<u>602,535</u>
Total Current Liabilities	775,026	916,628
<b>DEPOSIT LIABILITIES</b>		
Deposits Held for Managed Networks	119,326	130,459
<b>LONG-TERM LIABILITIES</b>		
Deferred Compensation	47,323	69,065
Operating Lease Liabilities, Net of Current Portion	<u>-</u>	<u>22,896</u>
Total Long-Term Liabilities	<u>47,323</u>	<u>91,961</u>
Total Liabilities	941,675	1,139,048
<b>NET ASSETS</b>		
Without Donor Restrictions:		
Unrestricted	1,991,509	1,842,803
With Board Designations	<u>2,845,189</u>	<u>2,738,930</u>
Total Net Assets Without Donor Restrictions	4,836,698	4,581,733
With Donor Restrictions	<u>2,953,174</u>	<u>3,752,588</u>
Total Net Assets	<u>7,789,872</u>	<u>8,334,321</u>
Total Liabilities and Net Assets	<u>\$ 8,731,547</u>	<u>\$ 9,473,369</u>

See accompanying Notes to Financial Statements.

**LUTHERAN SERVICES IN AMERICA, INCORPORATED**  
**STATEMENTS OF ACTIVITIES**  
**YEARS ENDED JUNE 30, 2023 AND 2022**

	2023					2022				
	Without Donor Restrictions	With Board Designations	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Board Designations	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUES, CONTRIBUTIONS, AND OTHER SUPPORT</b>										
Membership Dues	\$ 905,157	\$ -	\$ 905,157	\$ -	\$ 905,157	\$ 876,750	\$ -	\$ 876,750	\$ -	\$ 876,750
Events - Conferences and Training	267,532	-	267,532	-	267,532	184,275	-	184,275	-	184,275
Service Fees and Others	190,911	-	190,911	-	190,911	113,954	-	113,954	-	113,954
Interest and Dividend Income	37,163	166,111	203,274	41,351	244,625	21,107	43,606	64,713	16,625	81,338
Realized and Unrealized Gain (Loss)	8,751	124,290	133,041	-	133,041	(20,638)	(433,442)	(454,080)	-	(454,080)
Contributions - ELCA	346,000	-	346,000	-	346,000	346,000	-	346,000	-	346,000
Contributions - LCMS	35,000	-	35,000	-	35,000	35,000	-	35,000	-	35,000
Contributions - Individuals and Organizations	318,185	-	318,185	-	318,185	268,201	-	268,201	-	268,201
Contributions - Other	-	-	-	-	-	-	44,730	44,730	-	44,730
Grants	-	-	-	3,364,000	3,364,000	-	-	-	4,449,025	4,449,025
Total	2,108,699	290,401	2,399,100	3,405,351	5,804,451	1,824,649	(345,106)	1,479,543	4,465,650	5,945,193
Net Assets Released from Restrictions:										
Satisfaction of Board Designations	184,142	(184,142)	-	-	-	139,124	(139,124)	-	-	-
Satisfaction of Fundraising Restrictions	42,536	-	42,536	(42,536)	-	138,369	-	138,369	(138,369)	-
Satisfaction of Program Restrictions	4,162,229	-	4,162,229	(4,162,229)	-	2,520,396	-	2,520,396	(2,520,396)	-
Total Revenues, Contributions, and Other Support	6,497,606	106,259	6,603,865	(799,414)	5,804,451	4,622,538	(484,230)	4,138,308	1,806,885	5,945,193
<b>EXPENSES</b>										
Program Services:										
Creating Member Solutions	4,608,453	-	4,608,453	-	4,608,453	2,944,076	-	2,944,076	-	2,944,076
Leadership Development and Convenings	308,758	-	308,758	-	308,758	183,879	-	183,879	-	183,879
Raising Visibility for Lutheran Social Ministry	288,827	-	288,827	-	288,827	444,458	-	444,458	-	444,458
LSA Advocacy/Public Policy	223,527	-	223,527	-	223,527	184,255	-	184,255	-	184,255
Total Program Services	5,429,565	-	5,429,565	-	5,429,565	3,756,668	-	3,756,668	-	3,756,668
Supporting Services:										
Management and General	659,738	-	659,738	-	659,738	531,446	-	531,446	-	531,446
Fundraising	259,597	-	259,597	-	259,597	223,308	-	223,308	-	223,308
Total Supporting Services	919,335	-	919,335	-	919,335	754,754	-	754,754	-	754,754
Total Expenses	6,348,900	-	6,348,900	-	6,348,900	4,511,422	-	4,511,422	-	4,511,422
<b>CHANGES IN NET ASSETS</b>	148,706	106,259	254,965	(799,414)	(544,449)	111,116	(484,230)	(373,114)	1,806,885	1,433,771
Net Assets - Beginning of Year	1,842,803	2,738,930	4,581,733	3,752,588	8,334,321	1,731,687	3,223,160	4,954,847	1,945,703	6,900,550
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 1,991,509</u>	<u>\$ 2,845,189</u>	<u>\$ 4,836,698</u>	<u>\$ 2,953,174</u>	<u>\$ 7,789,872</u>	<u>\$ 1,842,803</u>	<u>\$ 2,738,930</u>	<u>\$ 4,581,733</u>	<u>\$ 3,752,588</u>	<u>\$ 8,334,321</u>

See accompanying Notes to Financial Statements.

**LUTHERAN SERVICES IN AMERICA, INCORPORATED**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2023**

	2023								
	Program Services					Supporting Services			
	Creating Member Solutions	Leadership Dev and Convenings	Raising Visibility	LSA Advocacy/ Public Policy	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total Expenses
<b>EXPENSES</b>									
Staff Compensation and Benefits	\$ 968,472	\$ 116,718	\$ 230,707	\$ 197,579	\$ 1,513,476	\$ 279,794	\$ 190,831	\$ 470,625	\$ 1,984,101
Travel	83,025	4,306	532	311	88,174	40,982	4,145	45,127	133,301
Professional Services Purchased	745,395	3,100	20,700	-	769,195	280,483	39,612	320,095	1,089,290
Financial Expenses	-	4,725	-	-	4,725	19,889	1,631	21,520	26,245
Event - Facilities and Programs	4,550	156,953	-	-	161,503	-	-	-	161,503
Office and Related Expenses	11	668	-	-	679	122,551	-	122,551	123,230
External Communications	27,467	551	10,915	5,283	44,216	15,676	497	16,173	60,389
Printing and Mailing	247	9,960	647	-	10,854	2,954	402	3,356	14,210
Telecom and Information Technology	19,872	102	2,279	-	22,253	67,537	-	67,537	89,790
Programmatic Subgrants to Members	2,661,611	-	-	-	2,661,611	-	-	-	2,661,611
Other Expenses	915	-	374	-	1,289	930	3,011	3,941	5,230
Allocated	96,888	11,675	22,673	20,354	151,590	(171,058)	19,468	(151,590)	-
<b>Total Expenses</b>	<b>\$ 4,608,453</b>	<b>\$ 308,758</b>	<b>\$ 288,827</b>	<b>\$ 223,527</b>	<b>\$ 5,429,565</b>	<b>\$ 659,738</b>	<b>\$ 259,597</b>	<b>\$ 919,335</b>	<b>\$ 6,348,900</b>

See accompanying Notes to Financial Statements.

**LUTHERAN SERVICES IN AMERICA, INCORPORATED**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2022**

	2022								
	Program Services					Supporting Services			
	Creating Member Solutions	Leadership Dev and Convenings	Raising Visibility	LSA Advocacy/ Public Policy	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total Expenses
<b>EXPENSES</b>									
Staff Compensation and Benefits	\$ 854,252	\$ 68,158	\$ 183,595	\$ 156,980	\$ 1,262,985	\$ 255,888	\$ 184,586	\$ 440,474	\$ 1,703,459
Travel	18,609	3,110	171	-	21,890	9,852	525	10,377	32,267
Professional Services Purchased	559,309	3,155	224,815	-	787,279	182,851	11,476	194,327	981,606
Financial Expenses	-	4,523	-	-	4,523	17,305	143	17,448	21,971
Event - Facilities and Programs	6,500	94,670	-	-	101,170	-	-	-	101,170
Office and Related Expenses	-	-	-	-	-	122,547	9	122,556	122,556
External Communications	2,832	690	10,968	9,428	23,918	16,951	4,307	21,258	45,176
Printing and Mailing	34	818	671	-	1,523	7,560	396	7,956	9,479
Telecom and Information Technology	18,161	948	1,132	-	20,241	82,116	-	82,116	102,357
Programmatic Subgrants to Members	1,385,556	-	-	-	1,385,556	-	-	-	1,385,556
Other Expenses	2,195	-	-	-	2,195	2,524	1,106	3,630	5,825
Allocated	96,628	7,807	23,106	17,847	145,388	(166,148)	20,760	(145,388)	-
<b>Total Expenses</b>	<b>\$ 2,944,076</b>	<b>\$ 183,879</b>	<b>\$ 444,458</b>	<b>\$ 184,255</b>	<b>\$ 3,756,668</b>	<b>\$ 531,446</b>	<b>\$ 223,308</b>	<b>\$ 754,754</b>	<b>\$ 4,511,422</b>

See accompanying Notes to Financial Statements.



**LUTHERAN SERVICES IN AMERICA, INCORPORATED**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED JUNE 30, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ (544,449)	\$ 1,433,771
Adjustments to Reconcile Change in Net Assets to Net Cash (Used)/Provided by Operating Activities:		
Realized and Unrealized (Gain) Loss on Investments	(133,041)	454,052
Deferred Compensation	22,001	(26,620)
Effects of Changes in Operating Assets and Liabilities:		
Pledges Receivable	16,950	55,050
Accounts Receivable	(93,040)	3,105
Prepaid Expenses	16,856	(10,819)
Accounts Payable and Accrued Expenses	193,582	(83,886)
Deferred Compensation	(21,742)	26,361
Deposit Liabilities	(11,133)	25,464
Deferred Revenue:		
Dues Revenue	(251,914)	376,788
Grant Revenue	-	(57,000)
Net Cash Provided (Used) by Operating Activities	<u>(805,930)</u>	<u>2,196,266</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of Investments	<u>(66,493)</u>	<u>(500,958)</u>
Net Cash Used by Investing Activities	<u>(66,493)</u>	<u>(500,958)</u>
<b>NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH</b>	(872,423)	1,695,308
Cash, Cash Equivalents, and Restricted Cash - Beginning of Year *	<u>5,684,128</u>	<u>3,988,820</u>
<b>CASH, CASH EQUIVALENTS, AND RESTRICTED CASH - END OF YEAR *</b>	<u><u>\$ 4,811,705</u></u>	<u><u>\$ 5,684,128</u></u>

\* Cash, Cash Equivalents, and Restricted Cash include the Organization's Cash and Cash Equivalents, Cash Held for Managed Networks, and Restricted Cash Held for Grant on the Statements of Financial Position.

See accompanying Notes to Financial Statements.

**LUTHERAN SERVICES IN AMERICA, INCORPORATED**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023 AND 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Background**

Lutheran Services in America, Incorporated (the Organization) is one of the largest health and human services networks in the country, with a membership of over 300 independent Lutheran nonprofit organizations throughout the United States and the Caribbean, with combined revenue of \$23 billion. The Organization connects and empowers its member organizations to transform the lives of the 1 in 50 Americans it serves each year by establishing strong partnerships, securing financial and technical resources to drive change, and amplifying our voice. Each member organization is separately governed and is responsible for its own operations. The Organization is affiliated with the Evangelical Lutheran Church in America (ELCA) and The Lutheran Church-Missouri Synod (LCMS).

**Basis of Accounting and Presentation**

The financial statements of the Organization have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities. The financial statement presentation is in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, *Not-for-Profit Entities*, as amended by Accounting Standards Update (ASU) 2016-14. Under ASC 958, as amended, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: those without donor restrictions and those with donor restrictions.

Net assets without donor restrictions are those net assets that are not subject to donor-imposed restrictions. They do include board-designated net assets, whose use has been restricted by the Organization's board of directors. The Organization had \$2,845,189 and \$2,738,930 in board-designated net assets at June 30, 2023 and 2022, respectively.

Net assets with donor restrictions are subject to donor stipulations that limit the use of their contributions. Donor restrictions may result in time or purpose restricted net assets, where the use of contributions is limited by donor-imposed stipulations that either expire by the passage of time or when used for specified purposes. Donor restrictions may also result from endowed net assets, where the donor stipulations neither expire by the passage of time nor can be fulfilled or otherwise removed by the Organization's actions. The Organization had no endowed net assets with donor restrictions at June 30, 2023 and 2022.

The term "fiscal year" is used at times in these financial statements. Such reference refers to the year in which June 30 falls.

**Use of Estimates in Preparing Financial Statements**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**LUTHERAN SERVICES IN AMERICA, INCORPORATED**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023 AND 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Cash and Cash Equivalents**

The Organization considers all short-term investments which are to be used for operations and have a maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents include \$150,000 of maturing certificates of deposits at June 30, 2023 and 2022 that previously were classified as short-term or long-term.

**Certificates of Deposit**

The investment in certificates of deposit are with the Mission Investment Fund of the ELCA with original maturities from 1 to 4 years as deemed appropriate by management to provide the necessary cash management flexibility. The certificates of deposit can be redeemed prior to maturity upon incurrence of a penalty. Certificates are stated at cost basis which approximates fair value.

**Pledges Receivable**

Unconditional pledges receivable are recognized as revenue in the period acknowledged. Conditional pledges are only recognized when the conditions on which they depend are substantially met. Unconditional pledges receivable are carried at fair value less an estimate made for doubtful pledges based on a review of all outstanding pledges on an annual basis. Management determines the allowance for doubtful pledges by using the historical experience applied to an aging of pledges. Pledges are written off when deemed uncollectible. No allowance was considered necessary at June 30, 2023 and 2022.

**Accounts Receivable**

Accounts receivable are primarily receivables for royalties and amounts due from member and affiliated organizations. The Organization provides for losses on accounts receivable using the allowance method. The allowance is based on experience and other circumstances which may affect the ability of members and others to meet their obligations. No allowance was considered necessary at June 30, 2023 and 2022.

**Assets Limited as to Use**

*Managed Networks:* The Organization facilitates collaboration among its members for the purpose of advancing the ministries of the members. The collaborative groups are called Networks. The Organization provides fiscal agent services for some of these Networks, which are referred to as Managed Networks in the financial statements. Cash held for managed networks and the related deposit liability was \$119,326 and \$130,459 at June 30, 2023 and 2022, respectively.

*Cash Held for Grant:* The Organization has set up a separate bank account to segregate from other revenue sources the money it has received related to a grant from the Margaret A. Cargill Philanthropies.

**LUTHERAN SERVICES IN AMERICA, INCORPORATED**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023 AND 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Fixed Assets**

All individual acquisitions of equipment in excess of \$3,000 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Information technology consists of computer equipment and software applications. These assets are depreciated on the straight-line method over their estimated useful lives, which is three years. Purchased equipment is carried at cost. Donated equipment is carried at fair value at the date of donation, if sufficient fair market value can be evidenced.

**Leases**

In accordance with FASB ASC 842, *Leases*, as amended by ASU 2016-02, which the Organization elected to adopt for its fiscal year ended June 30, 2019, operating leases are included in operating lease right-of-use (ROU) assets, other current liabilities, and operating lease liabilities in the statement of financial position. Operating lease ROU assets and liabilities are recognized at the commencement date based on the present value of the lease payments over the lease term. Since the Organization's leases do not provide an implicit rate, the Organization has used a five-year risk-free rate of 2.73% for calculation of the interest component of the liability calculation. Lease expense is recognized on a straight-line basis over the lease term.

**Grants Payable**

Grant commitments are charged to operations at the time the grants are approved. Grants are paid to a grantee at the time of authorized action by the grantee to fulfill the terms of the grant. There were no grants payable as of June 30, 2023 and 2022.

**Revenue Recognition**

The financial statements of the Organization have been prepared in accordance with FASB ASC 606, *Revenue from Contracts with Customers*, as amended by ASU 2014-09.

Membership dues, event revenue, and service fees are recognized as revenue in the fiscal year to which they relate. Membership dues that are received in advance are recorded as deferred revenue.

Contributions and grants are recognized in accordance with ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 958)*. Contributions and grants that are restricted by the donor are reported as increases in net assets with donor restrictions in the reporting period in which the revenue is recognized. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. However, small contributions restricted by donors for broad program may be reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or when a purpose restriction is accomplished) in the reporting period in which the revenue is recognized. Conditional promises to give are not recognized until the conditions and barriers on which they depend have been met.

**LUTHERAN SERVICES IN AMERICA, INCORPORATED**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023 AND 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Programs**

*Raising Visibility for Lutheran Social Ministry:* The Organization champions Lutheran social ministry by building valuable connections, amplifying their voice and empowering its members in their mission to answer God's call to love and care for our neighbor. By telling a clear and compelling story through a unified voice, the Organization leads a network of 300 connected, strong and thriving Lutheran social ministries and raises critical issues, programs and the positive impact on the one in 50 people in America they reach each year.

*Creating Member Solutions:* The Organization creates the environment for its national network to learn, grow and thrive and to transform the lives of people and communities across the country. The Organization leverages the power and knowledge of its network in ways that strengthen community leaders, build capacity and foster learning and accountability. The Organization convenes its network members to sustain and expand their valued services by establishing national partnerships with philanthropy, academia, healthcare, and others to address the most critical challenges people face today. And, the Organization leads learning collaboratives to bring together members with shared challenges and opportunities to craft innovative solutions that advance a healthier, more equitable future for children, youth and families, people with disabilities, older adults and others experiencing need.

*Leadership Development and Convenings:* The Organization unites one of the largest and most broad-based networks of health and human services providers in the United States. The Organization mobilizes its network through collaborations with outside experts from the worlds of academia, philanthropy, healthcare, and the private sector. Working with its members and strategic partners, the Organization stimulates thinking and action on complex, challenging issues affecting people across the country. Through its collaborations, the Organization leads programs to support communities and empower people to lead their best lives.

*Advocacy and Public Policy:* The Organization amplifies the faith-based voice of its \$23 billion network through advocacy on policy matters affecting children, families, older adults, people with disabilities, veterans, refugees and others experiencing need in the United States. The Organization's advocacy campaigns mobilize its network members to urge their Congressional representatives to support policies and funding to improve equitable outcomes, enhance the health and well-being of people in America and strengthen the nonprofit sector. The Organization is a trusted resource for legislators and their teams and a critical partner with all levels of government, health systems and regulatory decision makers.

**Functional Expenses**

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities. Certain categories of expenses are attributable to more than one program or supporting function and, therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include telecom and information technology, occupancy, and office expenses. All expenses are allocated based on total salary costs, whose distribution to programs is determined based on the Organization's time reporting system.

**LUTHERAN SERVICES IN AMERICA, INCORPORATED**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023 AND 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Income Taxes**

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) as an organization that is not a private foundation. The Organization is generally exempt from federal and state income taxes. Unrelated business income may be subject to federal and state income taxes. Management believes that it has no material uncertain tax positions that would require recognition under the accounting codification guidance.

**NOTE 2 FAIR VALUE MEASUREMENTS**

The Fair Value Topic of the FASB Codification (the Codification) defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and sets out a fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Inputs are broadly defined as assumptions market participants would use in pricing an asset or liability. The three levels of the fair value hierarchy are described below:

*Level 1* — Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access at the measurement date.

*Level 2* — Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than observable quoted prices for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

*Level 3* — Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used must maximize the use of observable inputs and minimize the use of unobservable inputs.

**LUTHERAN SERVICES IN AMERICA, INCORPORATED**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023 AND 2022**

**NOTE 2 FAIR VALUE OF INVESTMENTS (CONTINUED)**

In determining the appropriate levels, the Organization performs a detailed analysis of the assets and liabilities that are subject to the fair value disclosures of the Codification.

Following is a description of the valuation methodologies used for assets measured at fair value at June 30, 2023 and 2022.

*Mutual Funds* — Valued using identical or similar assets or liabilities in active markets that the Organization has the ability to access at the measurement date.

The following summarizes the Organization's investments using fair value measurements at June 30:

		2023		
		Level 1	Level 2	Level 3
Mutual Funds		\$ 2,505,705	\$ 47,323	\$ -
Total		\$ 2,505,705	\$ 47,323	\$ -

  

		2022		
		Level 1	Level 2	Level 3
Mutual Funds		\$ 2,306,171	\$ 69,324	\$ -
Total		\$ 2,306,171	\$ 69,324	\$ -

Included in the market value totals above are \$47,323 and \$69,324 related to the 457(b) plan as of June 30, 2023 and 2022, respectively.

**NOTE 3 PLEDGES RECEIVABLE**

Pledges receivable are due to be collected in the following periods:

	2023	2022
Less Than One Year	\$ 8,500	\$ 25,450
Total	\$ 8,500	\$ 25,450

**LUTHERAN SERVICES IN AMERICA, INCORPORATED**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023 AND 2022**

**NOTE 4 MARGARET A. CARGILL PHILANTHROPIES GRANTS**

In October 2020, the Organization received notification of a grant from MACP to expand direct services to reach families in crisis through Children, Youth, and Families initiative. Beginning January 1, 2021, the grant provides a maximum of \$4,250,000 in funding over three years. Under the terms of the grant, each year's funding was conditional, based upon the acceptance by MACP of the Organization's annual report for the previous grant year. The Organization received the first \$1,650,000 in funding in December 2020 and recognized this amount as grant revenue in January 2021 upon the beginning of the first grant year. The Organization received the second year's funding of \$1,650,000 in November 2021 and recognized this amount during the year ended June 30, 2022 upon meeting the grant conditions. The Organization received the third year's funding of \$950,000 in November 2022 and recognized this amount during the year ended June 30, 2023 upon meeting the grant conditions.

In November 2021, the Organization received notification of a phase 3 grant from MACP to expand direct services to address gaps in care for underserved and isolated older adults in rural communities. Beginning January 1, 2022, the grant provides a maximum of \$4,800,000 in funding over three years with terms and conditions like those of the first three grants. The Organization received the first \$2,490,000 in funding in December 2021 and recognized this amount as grant revenue in January 2022 upon the beginning of the first grant year. The Organization received the second year's funding of \$1,310,000 in October 2022 and recognized this amount as grant revenue during the year ended June 30, 2023 upon meeting the grant conditions.

**NOTE 5 NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are available for the following purposes:

	2023	2022
Creating Member Solutions:		
Margaret A. Cargill Philanthropies	\$ 2,153,414	\$ 3,424,885
ELCA - RIL Transformation	425,137	-
Weinberg: Connect Home Program	129,838	201,132
ELCA - LSCE	80,000	-
ELCA - LSEE	80,000	-
OASIS	59,785	59,785
Thrivent	-	42,536
CTA Foundation	24,000	20,000
ELCA Community Development	1,000	4,250
Total	<u>\$ 2,953,174</u>	<u>\$ 3,752,588</u>



**LUTHERAN SERVICES IN AMERICA, INCORPORATED**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023 AND 2022**

**NOTE 5 NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)**

Donors typically do not provide specific time frames in which to use contributions, but the Organization anticipates that the majority of its net assets with donor restrictions will be released over the next 12 to 36 months.

**NOTE 6 NET ASSETS RELEASED FROM RESTRICTIONS**

All net assets released from donor restrictions were for programmatic purposes, and the amounts were as follows during the years ended June 30:

	2023	2022
Margaret A. Cargill Philanthropies	\$ 3,572,821	\$ 2,129,573
Weinberg: Connect Home Program	321,295	98,868
ELCA - LSCE	80,000	80,000
ELCA - LSEE	80,000	80,000
ELCA - RIL Transformation	74,863	-
Thrivent	42,536	138,369
We Raise Foundation	-	45,000
Annie E. Casey Foundation	-	42,253
Consumer Technology Association Foundation	20,000	25,000
Twin Lakes Berg Memorial Fund	10,000	10,000
Board Development	-	6,649
ELCA: Community Development	3,250	3,053
Total	<u>\$ 4,204,765</u>	<u>\$ 2,658,765</u>

Of these assets, \$4,194,765 was used to fund Creating Member Solutions program, and \$10,000 was used to fund Leadership Development and Convenings programs.

**NOTE 7 BOARD-DESIGNATED FUNDS**

At its April 2021 meeting, the board of directors created two board-designated funds, which are included within Net Assets Without Donor Restriction on the statement of financial position and statement of activities:

*Strategic Investment Fund* — To provide a reserve available to make investments in infrastructure to support the Organization, pursue new business or partnership opportunities, or otherwise use the funding to advance the mission and sustainability of the Organization.

*Quasi-Endowment Fund* — To provide ongoing support for the annual budget.

**LUTHERAN SERVICES IN AMERICA, INCORPORATED**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023 AND 2022**

**NOTE 7 BOARD-DESIGNATED FUNDS (CONTINUED)**

At June 30, net assets with board designations were:

	<u>2023</u>	<u>2022</u>
Strategic Investment Fund	\$ 2,344,236	\$ 2,161,774
Quasi-Endowment Fund	500,953	577,156
Total Board-Designated Funds	<u>\$ 2,845,189</u>	<u>\$ 2,738,930</u>

**NOTE 8 LEASE COMMITMENTS**

The Organization leased its Washington, DC, headquarters office under a 66-month lease that commenced January 1, 2013. It initially was to end on June 30, 2018. The Organization amended the lease to extend the term for 63 months through September 30, 2023. The lease provided for base monthly rentals of \$8,664, subject to annual escalation provisions. In February 2019, the lease was amended again to incorporate space adjacent to its office, with a base monthly rental of \$9,908.

Total rent expense, including all leases, for the years ended June 30, 2023 and 2022 was \$116,968 and \$116,779, respectively.

The Organization made \$108,664 and \$105,384 in cash payments for the years ended June 30, 2023 and 2022, respectively.

The weighted-average term remaining on the operating leases as of June 30, 2023 is 0.25 years, and the weighted-average discount rate is 2.73%.

Future minimum rental payments required under noncancellable operating leases having initial or remaining lease terms in excess of one year at June 30, 2023 are as follows:

<u>Year Ended June 30,</u>	<u>Amount</u>
2024	<u>\$ 20,547</u>
Total	20,547
Less: Present Value Discount	<u>(4,150)</u>
Total Lease Liability	<u>\$ 16,397</u>

The Organization amended the lease a third time in September 2023 to extend the term for an additional 65 months through February 2029. The amended lease provides for base monthly rent of \$11,591, subject to annual escalation provisions.

**LUTHERAN SERVICES IN AMERICA, INCORPORATED**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023 AND 2022**

**NOTE 9 RETIREMENT PLAN**

The Organization has established a 403(b) retirement plan (the Plan). Employees who work 20 or more hours a week and have attained age 18 are eligible to participate in the Plan. Employees may make contributions to the Plan up to the maximum amount allowed by the IRS. The Organization provides a matching contribution of 100% of participant contributions, up to 3% of annual salary as of June 30, 2023. All contributions to the Plan are 100% vested immediately. The Organization recorded employer match expenses of \$41,304 and \$38,399 for the years ended June 30, 2023 and 2022, respectively.

In January 2020, the Organization established a 457(b) deferred compensation plan for its president and chief executive officer. Under this plan, assets set aside by the employee are held in trust by the Organization but are subject to claims by the Organization's general creditors. The Organization does not make any contributions to this plan.

**NOTE 10 CONCENTRATION OF CREDIT RISK**

The Organization maintains its cash in one commercial bank. Balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to specified limits. Balances in excess of FDIC limits are uninsured. The balance on deposit was \$25,771 and \$807,039 at June 30, 2023 and 2022, respectively.

Cash equivalents and certificate of deposits are maintained with the Lutheran Church Extension Fund of The Lutheran Church — Missouri Synod, and the Mission Investment Fund of the ELCA. These accounts are uninsured. The balances on deposit with these entities as of June 30, 2023 and 2022, amounted to \$4,863,614 and \$6,072,391, respectively.

**NOTE 11 CONCENTRATION OF REVENUE**

The Organization recognized grant revenue of \$2,260,000 and \$4,140,000 during the years ended June 30, 2023 and 2022, respectively, from MACP, as described in Note 4. This represented 39% of total revenue in 2023 and 70% of revenue in 2022. As provided by the grants, the Organization would make subgrants to members totaling \$1,594,566 of 2023 MACP revenue and \$3,040,822 of 2022 MACP revenue. The remainder of the MACP grants are primarily spent on consulting, training, and personnel costs.

Additionally, contributions to the Organization from ELCA accounted for 20% and 6% of total revenues in 2023 and 2022, respectively.

**LUTHERAN SERVICES IN AMERICA, INCORPORATED**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023 AND 2022**

**NOTE 12 LIQUIDITY**

As provided by the Organization's board standing policies, the Organization seeks to maintain a minimum reserve of cash and equivalents plus short-term investments equal to at least 50% of the current year's budget, not counting expenses budgeted to be funded by grants. The Organization's Investment Policy Statement further defines the Organization's investment objectives so that all funds held in its Operating Fund and its Short-Term Reserve Fund are available to meet this board-specified objective.

Under its policies, the Organization's reserve target and the amount of its reserves as of June 30 were:

	2023	2022
Targeted Reserve	\$ 1,210,400	\$ 1,025,833
Actual Liquidity - June 30	\$ 3,178,753	\$ 3,259,252

The Organization's financial assets due within one year of the date of these financial statements that are available for general expenditures, including grant-funded activities, are as follows:

Total Assets - June 30	\$ 8,731,547	\$ 9,473,369
Less:		
Prepaid Expenses	29,626	46,482
Mutual Funds *	2,505,705	2,306,171
Deferred Compensation Assets	47,323	69,324
Right-of-Use Asset	27,231	133,397
Cash Held for Managed Networks	119,326	130,459
Net Assets With Donor Restrictions	2,953,174	3,752,588
Financial Assets Without Donor Restrictions	<u>\$ 3,049,162</u>	<u>\$ 3,034,948</u>

\* Mutual funds could be made available to meet financial obligations, if necessary.

**NOTE 13 LUTHERAN CONNECTION, INC.**

From 2017 through June 30, 2019, the Organization operated a program called LSA Senior Connect. All revenue for the program came from the member organizations who participated in it.

In April 2019, a new nonprofit corporation, Lutheran Connection, Inc. (LCI), was established as a separate entity by eleven participating member organizations and the Organization to take over the program beginning on or after July 1, 2019. The purpose of LCI is to promote better health and health care for senior citizens. LCI is governed by a board of directors independent of the Organization that is composed of one member from each of the participating member organizations and one member from the Organization. LCI maintains its own books and records, and it is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

**LUTHERAN SERVICES IN AMERICA, INCORPORATED**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023 AND 2022**

**NOTE 14 SUBSEQUENT EVENTS**

Management evaluated subsequent events through October 10, 2023, the date the financial statements were available to be issued. Events or transactions occurring after June 30, 2023, but prior to October 10, 2023 that provided additional evidence about conditions that existed at June 30, 2023, have been recognized in the financial statements for the year ended June 30, 2023. Events or transactions that provided evidence about conditions that did not exist at June 30, 2023, but arose before the financial statements were available to be issued, have not been recognized in the financial statements for the year ended June 30, 2023.

Report of the Governance Committee  
**to the Membership of Lutheran Services in America  
at the Annual Meeting: Tuesday, January 25, 2024**

In accordance with its Bylaws, Lutheran Services in America has a Board of Directors consisting of 10 to 13 members that includes:

- Four to six Chief Executive Officers of Lutheran social ministry organizations elected by the Membership at the Annual Membership meeting
- Four to six members elected by the Board of Directors
- One representative from the Evangelical Lutheran Church in America and one representative from The Lutheran Church-Missouri Synod

All Board members except those from the two national church bodies can serve for a maximum of two full three-year terms, in accordance with the Bylaws.

The Governance Committee's responsibilities include development and recommendation to the Membership of a slate of Chief Executive Officer candidates from Lutheran social ministry organizations. Pursuant to the Board's Standing Policies, the Committee is assisted by appointed non-Board member Chief Executive Officers of Lutheran social ministry organizations. The Committee also identifies and recommends candidates for election by the Lutheran Services in America Board of Directors. The Governance Committee recommended to the Board of Directors the individual identified below as the nominee for election at the Annual Meeting of members.

**Chief Executive Officer Nominations for Recommendation to the Lutheran Services in America Membership**

The current unexpired term (October 2021 to June 2024) for David Duea ends June 30, 2024, and he is eligible for a first term. The Board of Directors recommends that David Duea be elected to a first term on the Lutheran Services in America Board.

In addition, David Trost be elected to a first term on the Board of Directors beginning July 1, 2024

**Three-Year Terms** *July 1, 2024 – June 30, 2027*

**David Duea** *(First Term)*

CEO, Lutheran Community Services Northwest

**David Trost** *(First Term)*

President & CEO, St. John's United

Respectfully Submitted,

Jane Isaacs Lowe (Chair)

David Duea

Colleen Frankenfield

Kevin Robson

## LUTHERAN SERVICES IN AMERICA, INCORPORATED PROPOSED BUDGET FOR ANNUAL MEETING

### OVERVIEW

Lutheran Services in America (“LSA”) is entering Fiscal Year (“FY”) 2025 in a strong financial position. The FY 2025 budget proposes \$6,636,100 in revenue and \$6,617,900 in expenses, which would result in net income of \$18,200. The FY 2025 budget as proposed does not currently include a request to the board for additional funding release from the Strategic Investment Fund.

Highlights of the FY 2025 budget compared to the FY 2024 budget include:

- Stable **unrestricted contributions, membership fees, and programs/services**
- Higher **investment returns** due to a higher portfolio balance (≈ \$50,000 total)
- Higher **restricted (grant) revenue** due to ongoing new business development efforts and the natural life cycle of existing grants ending (e.g., MACP RAAN) and new grants starting (e.g., MACP FSI) (≈ \$300,000 total)
- Higher **staff costs** due to hire lags in FY 2024 (gaps between a budgeted position vs. when the position is filled) plus one additional position added in FY 2025 (principally funded by grants) (≈ \$175,000 total) and a higher merit rate adjustment of 4.5% (as opposed to historical trend of 3%).
- Higher **professional service costs** due to additional grants.
- Additional **investments in systems**, including Raisers Edge, bank lock box fees, and switching our online giving platform from Network for Good to Engaging Networks (≈ \$52,000 total)

Regarding the cash position of LSA in FY 2025, highlights include:

- Strong **balance sheet** with \$490,403 in the Strategic Investment Fund as of November 30, 2023, for the board to make strategic investments to expand the infrastructure and pursue new business and partnership opportunities for Lutheran Services in America along with a board-restricted Quasi-Endowment Fund to support the annual budget and a Long-term Reserve Fund.
- Strong **cash position and reserves** on top of its Long-Term Reserve Fund and board-restricted Quasi Endowment. Lutheran Services in America’s cash position as of November 30, 2023, including cash and cash equivalents of \$1,902,488, investments in CDs of \$1,300,000, and mutual funds of \$2,611,856, for a total of \$5,814,343 (not including restricted cash held for grants of \$2,399,584). Per the Board Standing Policies, dated January 19, 2023, (Chapter 5, 2.D.), “*The President shall maintain unrestricted cash reserves or investments of at least one half of the current year’s annual operating budget, excluding any expenses for projects funded from temporarily restricted accounts.*” This target is \$1,190,300 for FY 2025 and it was \$1,098,450 for FY 2024, so the target should be safely met in both years.

The proposed **FY 2025 revenue budget** of \$6,636,100 is \$534,000 higher than FY 2024 due to the winning of the Margaret A. Cargill Philanthropies Family Stabilization Initiative (MACP FSI) and the UnitedHealthcare (UHC) grants starting mid-year in FY 2024 (with a full year of activities in FY 2025), and an anticipated renewal of FY 2025 MACP Rural Aging Action Networks (MACP RAAN).

The proposed **FY 2025 expense budget** of \$6,617,900 is \$538,000 higher than the FY 2024 budget principally due to the two new grants having full project years in FY 2025 and incurring additional project expenses, along with additional minor investments in organizational systems.

## **HIGH-LEVEL DETAILS OF THE FY 2025 BUDGET**

**REVENUE** - The FY 2025 budget proposes \$6,636,100 in total revenue, an increase of approximately \$534,000 compared to the FY 2024 budget.

***Unrestricted Donations:*** Unrestricted donations are recognized upon receipt of the donation, and we anticipate the same levels of donations from organizations and individuals of \$450,000 as in FY 2024.

***Church Body Support:*** Church body contributions are also recognized upon receipt, and we anticipate the same levels of contributions from the ELCA of and the LCMS. We appreciate and tremendously value this long-standing collaborative relationship and support between our organizations.

***Membership Fees:*** Membership fees are also recognized upon receipt, and we anticipate the same levels of contributions from member organizations of \$900,000 in FY 2025 that we received in FY 2024.

***Programs / Services / Events:*** The FY 2025 budget assumes an in-person CEO Summit in 2025, with slightly reduced sponsorships than in FY 2024 but with higher event and hotel-related costs as well, with a \$270,000 budget.

***Grant Revenue:*** The total FY 2025 restricted (grant) budget of \$4,237,300 includes the two now fully operational grants won mid-year in FY 2024 - the UnitedHealthcare (UHC) and Margaret A. Cargill Philanthropies Family Stabilization Initiative (MACP FSI). It also includes an estimated new FY 2025 MACP Rural Aging Action Network (MACP RAAN) replacement grant starting mid-year), and the realization of new business development efforts that will result in additional funding mid-year. Overall, the grant revenue in FY 2025 is slightly lower than FY 2024 due to the anticipated lower amount of regrantsing dollars this year over next year, due to grant cycles.



**EXPENSES** - The FY 2025 budget proposes \$6,617,900 in total expenses. When subtracting out re-grants, the net expenses are \$5,175,000, which is an increase of approximately \$1,194,000 compared to the FY 2024 budget and an increase of approximately \$667,000 compared to the FY 2024 projections.

***Salaries & Benefits:*** With the addition of new programs, resulting in additional grant funding for positions, and indirect funding to cover support costs, a new position was added in FY 2024 Director of Housing Solutions. In addition, instead of the standard 3-4% increase for health insurance, we have budgeted an 18% health insurance increase as communicated by LSA's health insurance brokers as a heads-up for continually increasing health costs, especially in FY 2025. The FY 2025 salaries and benefits budget of \$2,625,600 is higher than the FY 2024 budget by \$116,000.

***Grant Related Expenses:*** Due to the new grants described above under "Grant Revenue", there are additional expenses in FY 2025 that aren't in the FY 2024 budget, resulting in expenses such as travel, professional services, and project-related salaries being higher in FY 2025's budget. However, this is offset by the reduction in re-grants in FY 2025 as noted above in "Grant Revenue".

## **PROPOSED FY 2025 LSA BUDGET**

The proposed budget for FY 2025 is shown on the following page, along with the audited actual results for FY 2023 and the approved budget and projected results for FY 2024.

# Lutheran Services in America Financial Reports

\$(000's)

	Fiscal Year 2023 Actual	Fiscal Year 2024 Budget	Fiscal Year 2024 Projection	Fiscal Year 2025 Budget
<b>REVENUE</b>				
<b>Contributions - Cash</b>				
ELCA	346.0	346.0	347.7	350.0
LCMS	35.0	35.0	35.0	35.0
Organizations & Individuals	360.7	450.0	450.0	450.0
<b>Membership Fees</b>	905.2	900.0	927.0	900.0
<b>Add Support: Member Organizations</b>	-	100.0	-	-
<b>Programs &amp; Services</b>				
Events	267.5	302.0	252.0	270.0
Berg Memorial	10.0	10.0	10.0	10.0
Services delivered	181.8	150.8	193.3	157.0
<b>Other Sources</b>				
Investments	45.9	39.6	39.6	106.7
Royalties & all other	9.1	6.5	6.5	-
Reimbursed expenses	-	3.0	3.0	-
Investment Portfolio				
Variable Strategic Investment Release	76.2	-	100.0	-
Annual Quasi-Endowment Release	107.9	110.0	110.0	120.1
<b>Sub-total - Unrestricted Sources</b>	<b>2,345.4</b>	<b>2,452.9</b>	<b>2,474.1</b>	<b>2,398.9</b>
<b>Grants</b>				
CTA Foundation	20.0	-	24.0	18.0
ELCA - LSCE, LSEE, RIL Transformation	238.1	576.2	745.0	499.1
United Healthcare	-	-	421.5	1,018.5
MACP Cost-Share (Non-Chargeable)	29.7	30.0	30.0	30.0
MACP - Rural Aging Action Network (RAAN)	1,519.0	2,394.8	2,254.8	389.3
MACP - Family Stabilization Initiative (FSI)	2,024.1	382.6	1,143.1	1,370.7
Weinberg	321.3	137.7	128.3	-
Other Grants	-	128.0	-	-
NEW - MACP - RAAN				509.2
NEW - FY25 NEW Unknown				402.5
<b>Sub-total Temp. Restricted Sources</b>	<b>4,152.2</b>	<b>3,649.3</b>	<b>4,746.6</b>	<b>4,237.3</b>
<b>TOTAL REVENUE</b>	<b>6,497.6</b>	<b>6,102.2</b>	<b>7,220.7</b>	<b>6,636.1</b>
<b>EXPENSES - Natural Categories</b>				
<b>Human Resources</b>				
LSA Staff	1,984.1	2,509.5	2,243.7	2,625.6
Professional Services	1,089.3	726.2	1,411.0	1,587.0
<b>Sub-total - Human Resources</b>	<b>3,073.4</b>	<b>3,235.7</b>	<b>3,654.7</b>	<b>4,212.6</b>
<b>Travel</b>	133.3	159.4	243.3	241.9
<b>Events</b>	161.5	228.9	228.9	270.1
<b>External Communications &amp; Relationships</b>	60.4	67.4	72.1	76.7
<b>Office &amp; related</b>	123.2	138.3	156.2	159.3
<b>Printing &amp; Mailing</b>	14.2	15.8	15.8	16.5
<b>Telecom &amp; Info. Tech.</b>	89.8	97.2	99.0	134.2
<b>Financial Expenses</b>	26.2	31.9	32.2	57.8
<b>All Other Operating Expenses</b>	5.2	5.8	5.8	5.8
<b>Re-Grant To Members</b>	2,661.6	2,099.5	2,616.5	1,443.0
<b>TOTAL EXPENSES</b>	<b>6,348.9</b>	<b>6,080.1</b>	<b>7,124.5</b>	<b>6,617.9</b>
<b>NET -- REVENUES LESS EXPENSES</b>	<b>148.7</b>	<b>22.2</b>	<b>96.2</b>	<b>18.2</b>

## Detailed Assumptions of LSA's Revenue and Expense Categories

### Revenue

- **Contributions from the ELCA and LCMS** – The budget assumes that core support continues at \$350,000 from the ELCA and \$35,000 from the LCMS, the same as in FY 2024 and similar to FY 2023.
- **Contributions from Organizations and Individuals** – The FY 2025 budget is on-par with the FY 2024 budget and is \$89,000 higher than FY 2023.
- **Membership Fees** – The \$900,000 amount is consistent with prior years.
- **Events** – The FY 2025 budget of \$270,000 assumes an in-person CEO Summit with on-going corporate sponsorships.
- **Services Delivered** - The FY 2025 budget of \$157,000 is the revenue anticipated from the Lutheran Services in America - Disability Network (LSA DN) to reimburse LSA for the Director position and administrative support it provides to the network.
- **Other Sources** – The FY 2025 budget of \$226,800 includes estimated income from the investment portfolio of \$106,700 (based on an average of \$3,783,007 at average earnings of 2.51%) and the Annual Quasi-Endowment Release from the Investment Portfolio of \$120,100.
- **Grants** – The total FY 2025 restricted (grant) budget of \$4,237,300 includes the two now fully operational grants won mid-year in FY 2024 - the UnitedHealthcare (UHC) and Margaret A. Cargill Philanthropies Family Stabilization Initiative (MACP FSI). It also includes an estimated new FY 2025 MACP Rural Aging Action Network (MACP RAAN) replacement grant starting mid-year), and the realization of new business development efforts that will result in additional funding mid-year. Overall, the grant revenue in FY 2025 is slightly lower than FY 2024 due to the anticipated lower amount of regranting dollars this year over next year, due to grant cycles (regranting occurs at the beginning of grant cycles).

### Expense

- **LSA Staff** – The \$2,625,600 budget for 18 staff ) estimates \$116,000 higher staff costs in FY 2025 compared to FY 2024 due to:
  - Hire lag cost savings in FY 2024 not being included in FY 2025 (gaps between a staff leaving vs. when the position was ultimately filled).
  - One new position was added in FY 2025 (principally funded by grants).
  - An 18% health insurance increase (instead of the standard 3-4% increase) as communicated to LSA by their insurance brokers.
  - A standard 4.0% increase to dental insurance, in-line with routine annual dental insurance premium increases.
  - A standard 4.5% annual merit increase to keep staff's salaries in-line with inflation and keep the salaries within the competitive market.

The budget is based on the anticipated annual cost of each position, including salaries plus all payroll taxes, health and welfare benefits, and retirement plan matching. Overall FY 2025 projected tax and benefits costs are approximately 18.8% of salaries.

- **Professional Services** – The FY 2025 budget of \$1,587,000 is \$861,000 higher than the FY 2024 budget and only \$176,000 higher than the FY 2024 projections due to two new grants being awarded in FY 2024 that require higher external resources (professional services), such as the UnitedHealthcare grant. Of the FY 2025 budget of \$1,587,000, \$1,226,601 is directly associated with and will be directly charged to grants, and the \$360,399 balance is for LSA outsourced costs related to the annual audit, monthly accounting services, annual exempt state registrations, and the fractional CFO.
- **Travel** – The travel budget for FY 2025 of \$241,900 is \$83,000 more than the FY 2024 budget but is on-par with the FY 2024 projections. The travel budget was increased in FY 2024 due to the new UnitedHealthcare and MCAP FSI grants, which have also been included in the FY 2025 budget. The FY 2025 budget also continues to include an equivalent amount as in prior years for staff and board member's travel. Grant-related travel is \$171,913 of the proposed total FY 2025 travel budget, or 71%.
- **Events** – The \$270,100 FY 2025 budget assumes an in-person CEO Summit in 2025, with slightly reduced sponsorships than in FY 2024 but with higher hotel-related expenses, including lodging, A/V, food, food and beverage, event planning, and speaker fees and travel.
- **External Communications and Relationships** – The small FY 2025 budget of \$76,700 (comparable to prior years) provides for LSA's memberships in national organizations, the cost of Board of Directors meetings, and support of LSA's member reception at the LeadingAge conference.
- **Office Related** – The budget of \$159,300 in FY 2025 provides for the LSA rent, office equipment lease, office supplies, and other miscellaneous office expenses. The budget is \$21,000 higher than the FY 2024 budget and only \$3,000 higher than the FY 2024 projections due to increased Adobe Subscribers at the time of renewal.
- **Printing and Mailing** – The FY 2025 budget of \$16,500 is only marginally higher than the FY 2024 budget or FY 2024 projection and it's due to slight increases in the mailing costs for LSA's Annual Report, CEO Summit materials and other printed materials.
- **Telecommunications and Information Technology** – Telephone, outside IT and network support, computers, and software comprise this group. The FY 2025 budget of \$134,200 is \$37,000 higher than the FY 2024 budget primarily due to a \$25,000 investment in a new system called Raiser's Edge (an online customer relationship management – CRM – platform) and \$10K additional fees by CommunityIT Tech Support (the annual increase to their contract).
- **Financial (Banking) Related** – This expense includes depreciation, bank and credit card fees, insurance, and non-employment taxes. The proposed FY 2025 budget is \$57,800 which is an increase of \$26,000 from the FY 2024 budget.

This increase is principally due to two investments: (1) \$5,000 in a bank lock box to support the fundraising efforts and improve internal controls by having the donations mailed directly to a bank lock box; and (2) \$22,000 to replace our online giving platform from Network for Good (Bonterra) to Engaging Networks with more functionality and support. It is offset by a \$1,000 decrease in our corporate insurance.

- **All Other Operating Expenses** – This small annual budget in FY 2025 of \$5,800 (equal to prior years) includes e-commerce expenses and de minimis expenses that are not classified elsewhere.
- **Re Grants to Member Organizations** – The proposed budget of \$1,443,000 in FY 2025 is composed of three re grants: MACP RAAN (existing) for \$1,890,324, MACP FSI (new in FY 2024) of \$171,686, and the Weinberg EMR Enhancement to Members Grant for \$37,500.

### ***Assumptions per Board Policy***

- **Staffing Levels:**  
The FY 2025 budget is based on 18 FTEs. One of the 18 positions is paid for by the LSA Disability Network.
- **Return on investments:**  
2.51%, not counting the Quasi-Endowment Fund.
- **Capital Spending:**  
LSA's policy is to capitalize equipment and custom software expenditures exceeding \$3,000. No FY 2025 expenditures requiring capitalization are predicted.
- **Board Reserve Target:**  
The required reserve for FY 2025 is \$1,190,300, which LSA expects to meet through its cash, investments in cash equivalents, and certificates of deposits. The required reserve requirement for FY 2024 was \$1,098,450.
- **Cash and CD Projection:**  
The sum of Lutheran Services in America's unrestricted cash and cash equivalents and its certificates of deposit are as follows:

#### **Per FY 2023 Audit:**

Cash and Cash Equivalents	\$2,028,753
Investments in CDs	\$650,000
Total	<u>\$2,678,753</u>

#### **Actual, on November 30, 2023**

Cash and Cash Equivalents	\$2,224,050
Investments in CDs	<u>\$1,200,000</u>
Total	\$3,424,050

<b>Projected on June 30, 2024</b>	\$2,124,953
Cash and Cash Equivalents	<u>\$1,150,000</u>
Investments in CDs	\$3,274,953

<b>Projected on June 30, 2024 per proposed budget</b>	\$2,060,953
Cash and Cash Equivalents	<u>\$1,150,000</u>
Investments in CDs	\$3,210,953

- **Long Term Reserve Fund:**

LSA's Long-term Reserve Fund had a balance of \$150,493 on November 30, 2023. This Fund is fully invested in a balanced mutual fund, and although it could be used to meet cash flow needs, it is not included in the calculation of the Board-required reserves.

**LSA's Proposed Member Dues Structure for FY 2025**  
**July 1, 2024 – June 30, 2025**  
*Same Dues Structure as 2024 (No Dues Increase)*

Annual Consolidated Operating Expense Budget (\$ in millions) <b>From the most recently completed fiscal year. Total combined budget for all affiliated and subsidiary organizations.</b>	Sustainer Minimum dues that contribute to our shared work	Futurist Dues that open new opportunities for members to strengthen our service capacity	Catalyst Dues that expand services such as leadership development, funding opportunities, advocacy, and telling our story more broadly <b>Add your target.</b>
<= 1.0	140	160	160 + \$ _____
> 1.0 - 2.0	220	250	250 + \$ _____
> 2.0 - 3.0	370	420	420 + \$ _____
> 3.0 - 4.0	510	585	585 + \$ _____
> 4.0 - 5.0	660	750	750 + \$ _____
> 5.0 - 7.5	1,005	1,145	1,145 + \$ _____
> 7.5 - 10.0	1,395	1,595	1,595 + \$ _____
> 10.0 - 15.0	2,175	2,500	2,500 + \$ _____
> 15.0 - 20.0	2,970	3,405	3,405 + \$ _____
> 20.0 - 30.0	4,700	5,390	5,390 + \$ _____
> 30.0 - 40.0	6,430	7,360	7,360 + \$ _____
> 40.0 - 50.0	8,300	9,500	9,500 + \$ _____
> 50.0 - 60.0	10,145	11,615	11,615 + \$ _____
> 60.0 - 70.0	12,000	13,735	13,735 + \$ _____
> 70.0 - 80.0	13,845	15,845	15,845 + \$ _____
> 80.0 - 90.0	15,680	17,960	17,960 + \$ _____
> 90.0 - 100.0	17,540	20,075	20,075 + \$ _____
> 100.0 - 200.0	19,785	22,630	22,630 + \$ _____
200 +	22,055	25,235	25,235 + \$ _____

**BOARD OF DIRECTORS ROSTER  
FY 2024  
Lutheran Services in America, Incorporated**

Officer	Director Name Class and Term	Organization Title and Postal Address	Other Contact Info Voice, Cell, Fax, Email
<b>CHAIRPERSON</b>  First Term 2023-2024	<b>MS. COLLEEN FRANKENFIELD</b>  CEO Member Term I July 2019 – June 2022 Term II July 2022 – June 2025	<b>President and CEO</b> Lutheran Social Ministries of New Jersey 3 Manhattan Dr. Burlington, NJ 08016-4119	609 699-4101 484-680-0612 (cell) 609 386-7191 (fax) <a href="mailto:cfrankenfield@lsmnj.org">cfrankenfield@lsmnj.org</a>
<b>VICE CHAIRPERSON</b>  First Term 2023-2024	<b>MR. ERIC GURLEY</b>  CEO Member Term I July 2022 – June 2025	<b>President and CEO</b> Immanuel 1044 N. 114th Street, Suite 500 Omaha, NE 68130	402-547-9594 <a href="mailto:egurley@immanuel.com">egurley@immanuel.com</a>
<b>SECRETARY</b>  First Term 2023-2024	<b>DR. KRISTEN GAY</b>  CEO Member Term I July 2020 – June 2023 Term II July 2023 – June 2026	<b>President and CEO</b> Gemma Services 512 Township Line Road Plymouth Meeting, PA 19462	610-825-4440 <a href="mailto:KGay@gemmaservices.org">KGay@gemmaservices.org</a>
<b>TREASURER</b>  First Term 2023-2024	<b>MR. WILLIAM ANDREWS</b>  Elected Member Term I April 2023 – March 2026	<b>Vice President and Worldwide Director (Ret.)</b> 126 Turvey Ct Chapel Hill, NC 27514	570-369-3728 (cell) <a href="mailto:wcandrews99@gmail.com">wcandrews99@gmail.com</a>
	<b>MR. DAVID DUEA</b>  CEO Member Term July 2021 – June 2024 (Beginning October 2021 to complete remainder of unexpired term)	<b>President &amp; CEO</b> Lutheran Community Services Northwest 4040 S 188th St Ste 300 Seatac, WA 98188-5070	206-901-1685 253-318-4048 (cell) <a href="mailto:DDuea@lcsnw.org">DDuea@lcsnw.org</a>
	<b>MR. DARRELL R. GORDON</b>  CEO Member Term I July 2018 – June 2021 Term II July 2021 – June 2024	<b>President &amp; CEO</b> Wernle Youth & Family Treatment Center 2000 Wernle Road PO Box 1386 Richmond, IN 47375	765-966-2506 765-939-4522 (cell) <a href="mailto:dgordon@wernle.org">dgordon@wernle.org</a>



Officer	Director Name Class and Term	Organization Title and Postal Address	Other Contact Info Voice, Cell, Fax, Email
	<b>MS. JANE ISAACS LOWE</b>  <b>Elected Member</b> <b>Term I Jan. 2018 – Dec. 2020</b> <b>Term II Jan. 2021 – Dec. 2023</b> <b>Term III Jan. 2024 – Dec. 2024</b>	<b>Foundation Program Director (Retired)</b> 2601 Pennsylvania Ave. Apt 912 Philadelphia, PA 19130	484-437-5360 (cell) <a href="mailto:jisaacslowe@gmail.com">jisaacslowe@gmail.com</a>
	<b>REV. BARBARA LUND</b>  <b>ELCA Member</b> <b>Term began April 2023</b> <b>Term by Tenure of ELCA Office</b>	<b>Senior Director, Operations and Innovation, ELCA</b> Service and Justice Home Area 8765 W. Higgins Road, Chicago, IL	1.800.638.3522 x5071 <a href="mailto:Barbara.Lund@elca.org">Barbara.Lund@elca.org</a>
	<b>DR. ANTONIO M. OFTELIE</b>  <b>Elected Member</b> <b>Term I April 2019 – March 2022</b> <b>Term II April 2022 – March 2025</b>	<b>Executive Director of Leadership for a Networked World</b> Harvard University 465 Nicollet Mall, 1812 Minneapolis, MN 55401	617-909-4173 (cell) <a href="mailto:Aoftelie@seas.harvard.edu">Aoftelie@seas.harvard.edu</a>
	<b>MS. PAULA PHILLIPPE</b>  <b>Elected Member</b> <b>Term I Jan. 2024 – Dec. 2027</b>	<b>Self-Employed Consultant</b> 221 1st Ave NE #20 Minneapolis, MN 55413	612-730-8443 (cell) <a href="mailto:pphilippe62@gmail.com">pphilippe62@gmail.com</a>
	<b>REV. KEVIN D. ROBSON</b>  <b>LCMS Member</b> <b>Term began December 2017</b> <b>Term by Tenure of LCMS Office</b>	<b>Chief Mission Officer, LCMS</b> The Office of National Mission 1333 S. Kirkwood Road St. Louis, MO 63122	314-996-1411 314-604-4281 (cell) <a href="mailto:kevin.robson@lcms.org">kevin.robson@lcms.org</a>
	<b>REV. JEFFREY D. THIEMANN</b>  <b>Elected Member</b> <b>Term I July 2020 – June 2023</b> <b>Term II July 2023 – June 2026</b>	<b>President and CEO (Ret)</b> Portico Benefit Services 800 Marquette Ave, Suite 1050 Minneapolis, MN 55402	612-486-2660 (cell) <a href="mailto:jthiemann@gmail.com">jthiemann@gmail.com</a>
<b>Board Adjunct</b>			
<b>THEOLOGIAN IN RESIDENCE</b>	<b>TBC</b>  <b>Board Appointed /ELCA Rotation Year 1 / Calendar Year 2024</b>		