

Lutheran Church-Canada

Task Force on Cost-Efficient, Sustainable Seminary Education

Final Report

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Table of Contents

EXECUTIVE SUMMARY	3
1. INTRODUCTION AND HISTORICAL BACKGROUND	4
2. OVERVIEW OF PRESENT SEMINARY OPERATIONS	9
2.1 Concordia Lutheran Seminary - Edmonton (CLS)	9
2.2 Concordia Lutheran Theological Seminary - St. Catharines (CLTS)	14
3. REVIEW OF INPUT RECEIVED	20
3.1 Input from Members of the Synod	20
3.2 Input from the Synod Board of Directors and Executive Staff	21
4. REVIEW OF ALTERNATIVES	23
4.1 Close both Seminaries and Send Seminarians to the LCMS	23
4.2 The Single Seminary Option	25
4.3 Close both seminaries and begin a new seminary in a new location	26
4.4 Merge of some or all seminary programs at Concordia University College.	27
5. RECOMMENDATIONS	30
1. Seminary Training As Core Objective	30
2. Continued Use of Edmonton and St. Catharines Sites	30
3. Amalgamation and Integration	30
4. Total full-time faculty workload	34
5. Use of Smart Classrooms	37
6. Centralized Support Services	38
7. Distributed Learning	39
8. New Name	42
9. Bylaw Revisions	43
6. CONCLUSION	45
APPENDIX 1: PROJECTED "BEST-CASE" BUDGET FOR COMBINED SEMINARY OPERATIONS	47

Executive Summary

One of the core objectives of the Synod is to “recruit and train pastors, deacons, and other professional church workers and provide opportunity for their continuing growth.” (Handbook, Constitution III. 3). Our Lord has truly blessed seminary education in Canada. However, this success has not been without challenges. The 2008 Convention of Lutheran Church–Canada (LCC) adopted Resolution 08.3.04, to implement a cost efficient seminary program for LCC. In response to this, the Board of Directors established this Task Force with a main goal of providing the Board of Directors with a series of recommendations that will lead to providing cost-efficient theological education for the church.

This final report provides an overview of the current system, key recommendations for a cost efficient, sustainable seminary program, together with cost projections the Task Force recommends be contractually obligated between each of the two seminaries and Lutheran Church–Canada in a Memorandum of Understanding and Agreement to accomplish the key Task Force recommendations including:

- Lutheran Church–Canada and its membership be encouraged to continue and grow their support for seminary training as a core objective of the Synod.
- Seminary education be continued at both Edmonton and St. Catharines sites.
- The administration and operations of Concordia Lutheran Theological Seminary – Ontario and Concordia Lutheran Seminary Edmonton be integrated such that there would be a single president and administration, single budget and non-overlapping academic program for seminary education in Lutheran Church–Canada, and ultimately the two seminaries be amalgamated with a single Board of Regents.
- The total full-time faculty workload equivalent not exceed five professors, including the president, who will also be expected to teach as necessary.
- ‘Smart classrooms’ be used as much as possible to facilitate simultaneous joint classes between the two campuses.
- Various administrative and support functions such as accounting, development and recruitment be centralized.
- Our seminaries begin a Distributed Learning MDiv/Theological Diploma Pilot Program combined with its existing classroom-based MDiv program.
- In due course, a new name be chosen for the integrated seminaries.
- The Synodical Bylaws of LCC be followed, and if necessary be amended to allow a more direct relationship between the Board of Directors and the Board of Regents, such that current ambiguities noted by the Task Force be clarified.

It is our prayer the recommendations contained herein will lead to a new day in seminary education where the support for and the sustainability of seminary education will increase; where our Synod will *value* seminary education as its founders envisioned. The Task Force also prays that while the changes recommended herein will be challenging to implement, the seminaries themselves will embrace anew their mission and strive to work together in good faith to be good and faithful stewards of the treasures, talents and time entrusted to their care.

1. Introduction and Historical Background

Before there was a Synod there were seminaries.

When the forebears of Lutheran Church–Canada first arrived in North America the first priority was to establish seminaries. A log cabin seminary was constructed in 1839 in Perry County Missouri, fully eight years in advance of the founding of The Lutheran Church-Missouri Synod (LCMS) in 1847. A second seminary was established in 1846 to continue to meet the pastoral needs of congregations.

North of the 49th parallel we note a similar history. Resolution 6.08A of the 1975 Convention of The Lutheran Church – Missouri Synod authorized Concordia Theological Seminary in Springfield (Fort Wayne) ... “to establish an extension program in Ontario at a site to be approved by the Ontario District in convention” As a result Concordia Lutheran Theological Seminary (CLTS) in St. Catharines, Ontario began offering classes in the fall of 1976. A sister seminary, Concordia Lutheran Seminary (CLS) opened its doors in 1984. Resolution 6-02 of the 1981 LCMS Convention "To Authorize Lutheran Church–Canada (LCC) to Determine the Location of Seminary Education in Canada," gave LCC which was at the time still a federation of districts within the LCMS the freedom to opt for either one seminary or two and decide on the location(s). The only stipulation being, if LCC opted for two seminaries, one seminary would be in St. Catharines. Subsequently LCC (federation), in its convention in November 1981, adopted resolution 81-06-01B "To Adopt Edmonton, Alberta, as the Location for the Western Seminary." Thus both of Lutheran Church–Canada’s seminaries were fully operational before LCC held its founding convention as an independent church body in 1988.

Before there was a Synod there were seminaries. Indeed, one of the core objectives of the Synod is to “recruit and train pastors, deacons, and other professional church workers and provide opportunity for their continuing growth.” (LCC Handbook, Constitution III. 3)

As Lutheran Church–Canada has grown into a fuller understanding of its mission in the world, a key element of that work has always been the training of indigenous pastors in each of its mission outposts. In Ukraine, in Nicaragua, and in South East Asia before there were synods there were seminaries, staffed in large part by pastors and professors from LCC. Though much has changed since the days when the confessional Lutherans first immigrated to North America, one of the core values of those pioneers remains unchanged – the proper training of confessional Lutheran pastors in their own culture to proclaim the Gospel of Jesus Christ to the people of that culture and to the ends of the earth.

To be sure, the seminaries established in Canada have been a great blessing to the Synod and its people. As of September 2010 some 155 of the 243 active parish pastors in LCC are graduates either the St. Catharines or Edmonton seminaries. Table 1 shows where our graduates are presently serving:

Table 1: Status of Graduates from CLS and CLTS

Status	Seminary	Total
Active Parish Pastors	CLS	80
	CLTS	75
Candidate Status	CLS	3
	CLTS	5
Emeritus (retired)	CLS	5
	CLTS	15
Military Chaplain	CLS	2
	CLTS	2
Serving in Administrative Positions	CLS	3
	CLTS	5

However, at the same time as the Synod has realized great blessings from its seminaries questions have been raised within LCC on a regular basis concerning its seminaries. Overtures have been regularly submitted to various Conventions asking that action be taken to restructure, reorganize and re-evaluate seminary education in Canada.

For example, prior to the 1999 Synod Convention an overture was submitted to the Convention asking the Synod to re-evaluate the need for two seminaries. The Convention however passed a resolution affirming the need for both schools.

WHEREAS we believe it is important as an indigenous church body to be self sufficient in providing parish pastors, professors, and other ordained clergy for Lutheran Church–Canada (LCC); and

WHEREAS recruitment possibilities are significantly enhanced with two seminaries; and

WHEREAS our seminaries are cost efficient in preparing men for the pastoral ministry; therefore be it

RESOLVED that LCC give thanks to God for the blessing of these two excellent institutions; and be it further

RESOLVED that LCC in convention commend its seminaries for the work they do in preparing men for the pastoral ministry; and be it finally

RESOLVED that LCC in convention affirm its commitment to both seminaries.

At the 2002 Synod Convention overtures asking for a review of the previous convention’s decision to continue with two seminaries were declined. However, this Convention established the “Task Force on the Delivery of Theological Education” mandated by Resolution 02.2.03. This task force, composed of representatives from the

Boards of Regents and the faculty of the three educational institutions of the Synod, presented its interim report to the 2005 Synod convention. Considerable time was devoted in the work of that Task Force to the question of the number and location of seminaries for Lutheran Church–Canada. The task force concluded that “the question may not be one of consolidating the institutions, but rather determining how we can better provide theological education in the future.” It recommended further study be given to the concept of “The Development of a Model for Theological Education in a Small Church.” Unfortunately, a number of factors including a lack of funds prevented additional research from being conducted and no further action was taken on the recommendations of this task force.

In the triennium between the 2005 and 2008 Synodical Conventions both seminaries underwent times of great change. Vacancies were filled in the presidencies of both seminaries, enrolment shrank and the financial health of both schools declined. The most dramatic of the financial changes occurred at St. Catharines where the accumulated operating deficit grew by \$270,250 in the 2007-2008 fiscal year, increasing the long term debt of the seminary by about 70%. In Edmonton operating deficits also created challenges eroding the surpluses that had been accumulated over several previous years. In the months leading up to the 2008 Convention it was estimated the accumulated operating debt of the two seminaries stood at nearly \$800,000.

Concern over the viability of the seminaries lead the Board of Directors of the East District to submit the following overture to the Convention:

“WHEREAS the seminaries of Lutheran Church–Canada continue to face new challenges and opportunities as they seek to sustain their service to our Synod in training pastors and church workers; and

WHEREAS financial support for operating two seminaries continues to diminish as expenses continue to rise; and

WHEREAS student enrolment at both seminaries continues to remain stagnant for the foreseeable future; and

WHEREAS an opportune time now exists, because of vacancy in the office of President of Concordia Lutheran Theological Seminary in St. Catharines, for the Synod to consider the efficiency and stewardship of maintaining two separate administrative structures; therefore be it

RESOLVED that the Synod adopt a single administrative structure governing both seminaries; and be it further

RESOLVED that the Commission on Constitutional Matters and Structure make the necessary Handbook changes to bring this about; and be it finally

RESOLVED that the Board of Directors of Synod be empowered to implement these changes during the next triennium with the approval of this convention.

This overture was reviewed, amended, and after much debate, the following resolution was adopted by the Convention:

Resolution 08.3.04 To implement a cost efficient seminary program for Lutheran Church-Canada Ref: Overture 3.11, Reports 3, 20, 21 and institutional Reports (p. E50 of Convention Workbook)

WHEREAS the seminaries of Lutheran Church–Canada continue to face new challenges and opportunities as they seek to sustain their service to our Synod in training pastors and lay people; and

WHEREAS Synod is unable to materially increase its financial support for operating the two seminaries; and

WHEREAS student enrolment at both seminaries has declined from the 1990s and on a combined basis has remained stable for the last 4 years; and

WHEREAS cost effective technological advances exist to creatively deliver theological education, including video conferencing, web-based delivery and distance education; and

WHEREAS the two seminaries have an accumulated deficit of \$800, 000.00 and the average cost of operating the seminaries over the last 6 years has exceeded revenue by \$96,612.00 per year; and

WHEREAS our partner churches in Australia and Brazil face similar issues of geography and yet each maintains a single seminary; therefore be it

RESOLVED that Lutheran Church–Canada create a cost efficient seminary program for the training of pastors for Lutheran Church–Canada; and be it further

RESOLVED that the Board of Directors implement a plan to fulfill this resolution, including bringing forward to the next Synodical convention amendments to the constating documents and Handbook of Synod; and be it finally

RESOLVED that the Board of Directors provide semi-annual progress reports to the constituency of our Synod through the *Canadian Lutheran*.

In response to this resolution the Board of Directors of LCC at its October 2008 meeting established the Task Force on Cost-Efficient, Sustainable Seminary Education. The first meeting

of the Task Force was held in Winnipeg January 19, 2009 where the following Terms of Reference were adopted:

Mission of Task Force

- To provide Lutheran Church–Canada’s Board of Directors with a series of recommendations that will lead to providing cost-efficient theological education for the church.

Timeframe

- 2009 research and analysis
- 2010 report & recommendations to the Board of Directors
- 2011 report to Synodical Convention

Outcomes: The Task Force will deliver to the Board of Directors

- An overview of the current system
- Recommendations for a cost efficient, sustainable, seminary program
- Projections of cost and consequences
- An implementation timeline

It bears noting at this early stage of this report that while the establishment of this Task Force comes at very important time in the history of our Synod, LCC is by no means the only church body undertaking a review of its seminary education programs. We have watched with particular interest the developments in the United States as the LCMS has examined its seminary training. At Concordia Seminary, St. Louis, for example the financial situation was such that for the fiscal year beginning July 1, 2009 the institution was forced to reduce costs by \$6,000,000, reducing its budget by approximately 25%. One of the measures adopted to achieve this goal was the offering of early retirement to all faculty and staff aged 55 or older who had been with the seminary for five years. To prevent the faculty and the programs of the seminary from being decimated many of the affected faculty were re-hired in a limited capacity on a stipendiary basis.

We have also attempted as best as possible to monitor developments beyond our ecclesiastical family. In the wake of the 2008 economic crisis, the Association of Theological Schools (ATS) convened a one-day think tank that brought together chief financial officers from member schools and experts in theological education to consider institutional viability and financially stressed schools. In preparation for that meeting the ATS surveyed its schools and their finances. Of those who responded 63% indicated they have made immediate cuts in their budgets. Of those schools, 12% were forced to reduce their budgets by more than 10%. In spite of these cuts only 45% of respondents expected to end the 2008-2009 fiscal year with a balanced budget. To compound matters 68% of respondents reported the value of their endowment funds decreased by at least 21%.

2. Overview of Present Seminary Operations

Following its initial meeting, the Task Force conducted site visits at both seminaries as well as at Concordia University College of Alberta to solicit the input of the Synod's educational institutions themselves and to gain an overview of the current situation at the seminaries.

Following those initial visits the Task Force has had ongoing conversations with both seminaries and has asked for and received additional detailed information. The findings from these site visits and subsequent discussions are set forth below.

2.1 Concordia Lutheran Seminary - Edmonton (CLS)

- **Corporate Structure:** Concordia Lutheran Seminary was established by an Act of the Alberta Legislature in 1984. One year later the Act was amended to give CLS the right to grant degrees in Divinity.
- **Property and Physical Plant** The seminary is situated on land owned by "Lutheran Church–Canada, the Alberta British Columbia District" Its building was dedicated in 1991 and there are no outstanding debts in regard to the construction of the building.
- **Academic Program:** CLS is accredited by the Association of Theological Schools (ATS) to offer the Masters in Divinity degree (MDiv), a professional degree recognized in North America particularly as the normative degree for the pastoral ministry. In 2004 the accreditation of the MDiv was extended for 10 years (the longest term possible) and the following particular strengths of the seminary were noted by the ATS:
 - Sense of mission and close relationship to the church
 - Strong sense of community among faculty staff and students
 - Consistent support of the church for the seminary
 - An excellent facility
 - An excellent faculty to student ratio
 - A well-crafted field education and vicarage program

However, in addition to these important positive comments concern was raised over a number of other issues including faculty work-load and an aging donor base. The ATS also raised concern about whether LCC with its comparatively small size will have the resources in the future to maintain two seminaries. Also as a result of the accreditation process CLS discontinued its Masters of Theological Studies (MTS) degree due to ongoing low enrolment in the program.

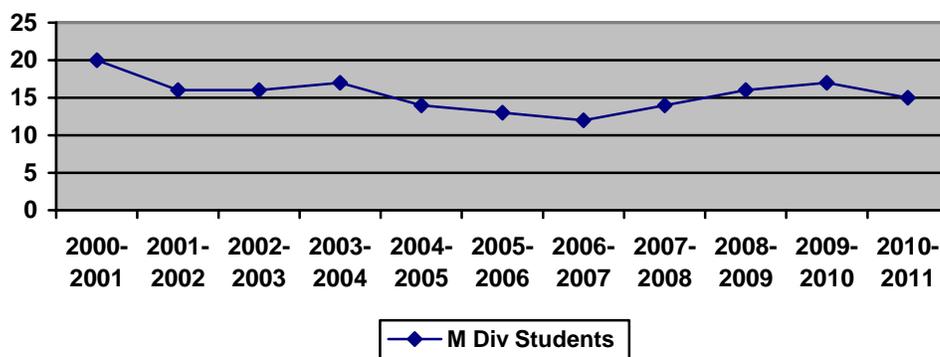
In addition to offering all the courses necessary for the MDiv degree CLS also provides education to various students enrolled in the Pastors with Alternate Training (PAT) program and to individuals seeking to become pastors in LCC via colloquy.

A unique element of the program at CLS is the Missionary Study Centre. Founded in 1997 to serve as concrete evidence of the Seminary's commitment to the spreading of the Gospel throughout the world, the Centre is funded by a \$200,000 grant from the Schwan Foundation.

- **Faculty and Staff:** Rev. Dr. Manfred Zeuch was installed as the fifth President of the seminary in March 2007. In addition to the president there are three full-time faculty members at CLS, two of whom have earned doctorates while the third is in process of completing his doctoral studies. Support staff consists of a full-time registrar/director of recruitment; a full time development officer, a full time administrative assistant to the President, a full time administrative assistant to the director of development, a full time library clerk, a part-time treasurer and a part-time director of music.
- **Enrolment:** After declining in the early years of this decade, enrolment in the MDiv program appears to have stabilized.

NOTE: The Task Force recognizes that both seminaries offer courses and programs beyond the MDiv degree. However as the MDiv is the “flagship” program of the seminaries and a bell weather of the overall health of the institution, we have chosen to report only those enrolment figures for both seminaries in this report.

Figure 1: MDiv Enrolment CLS 2000-2001 -- 2010-2011 Academic Year



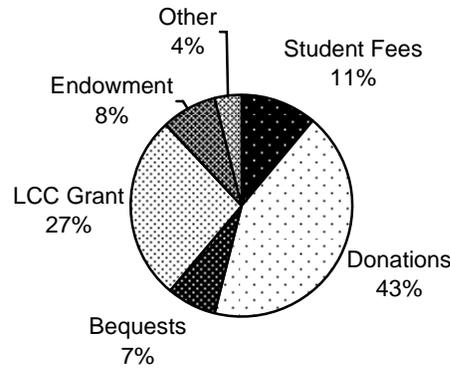
- **Recruitment:** CLS has at its doorstep a tremendous asset in its recruitment efforts. Situated across the street from Concordia University College of Alberta it is able to target some of its recruitment efforts at young men enrolled in the pre-seminary program offered at CUCA. At any given time approximately one third to one half of the student body at the seminary are students who earned all or part of their undergraduate degree at CUCA.
- **Donor Base** numbers of unique donors by district are shown in Table 2

Table 2: Annual CLS Donors by LCC District

	2000	2001	2002	2003	2004	2005	2006	2007	2008
ABC	542	601	678	602	1035	790	743	744	664
Central	424	512	648	671	827	744	656	600	590
East	37	33	30	27	46	44	39	40	24
Other	50	54	47	46	103	72	60	33	46

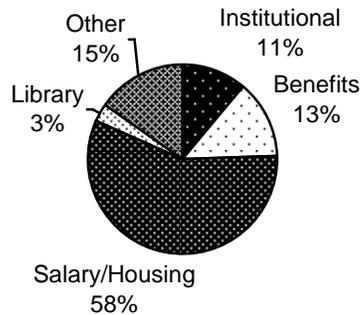
- **Income:** From what sources does the seminary receive its funding? As shown in Figure 2, nearly two-thirds of the funding for the Edmonton Seminary comes either from the Synod or from individual donations.

Figure 2: Average Income Sources by Source CLS



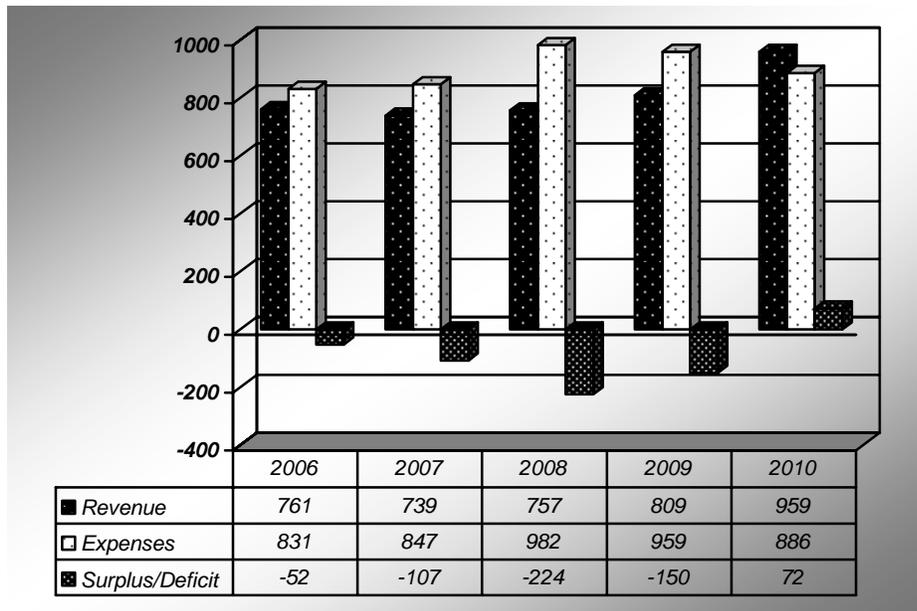
- **Expenses:** Where does the money go? To no one's surprise the bulk of the seminary's expenses are directed toward the costs of staffing. The results shown in Figure 3 (from the fiscal year ended June 30, 2008) reflect the historic averages.

Figure 3: Average Expenses by Area CLS



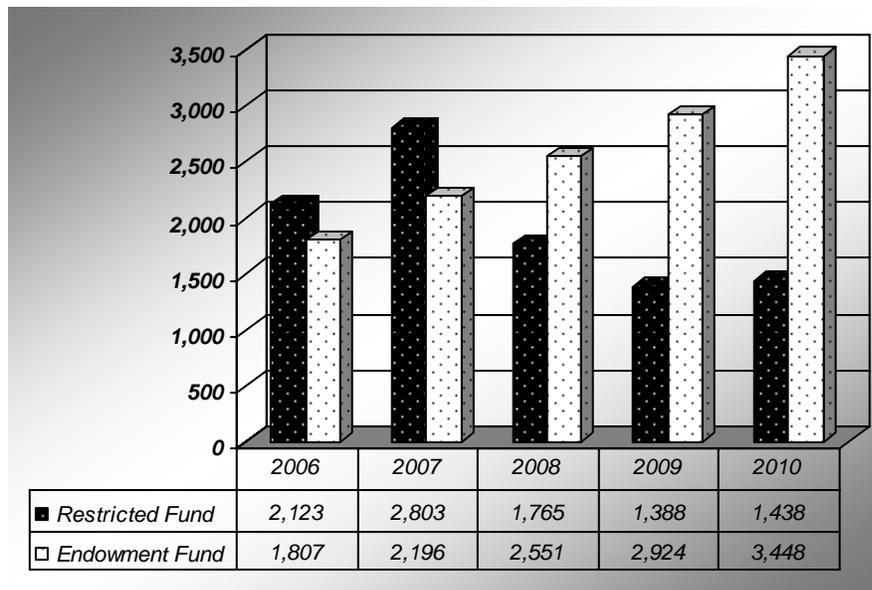
- **Operating Results:** Figure 4 depicts the revenue and expenses of CLS for the past five fiscal years. It is important to note while operations in 4 of the past 5 years have resulted in deficits, reserves from previous years' operations have offset these deficits.
NOTE: for the purposes of this report only the General Fund income and expenses are noted. Donations to and transfers from Restricted funds are not shown. All amounts represent thousands of dollars.

Figure 4: Operating Revenue and Expenses CLS 2006-2010



- Foundation:** An understanding of the financial position of either seminary is not complete without reference to the funds held in reserve and in the endowment funds owned by each institution. At CLS the balance in the restricted fund has decreased over the past five years as cash has been transferred to offset operational losses. However at the same time the value of the endowment fund has continued to grow (see Figure 5). Even during the current economic recession strong donations to the endowment fund have continued. The total of all donations to the endowment fund over the past 5 years exceeds \$1.8 million.

Figure 5: Restricted Fund and Endowment Fund CLS 2006-2010



- **Distance Education:** The ATS defines distance education as the offering of courses where the students and the instructor are not in the same location. Instruction may be synchronous or asynchronous. CLS has entered into a relationship with the Institute of Lutheran Theology (ILT), an independent, pan-Lutheran institution, providing confessional Lutheran seminary training for individuals seeking the MDiv degree but who do not wish to attend seminaries of the Evangelical Lutheran Church of America or Evangelical Lutheran Church in Canada. In the 2009 – 2010 academic year, six students from the ILT participated in four courses offered by CLS. The students participated in lectures and completed course assignments via the Internet. This arrangement with the ILT has resulted in the receipt of just over \$5000.00 additional student fees for the seminary in the 2009-2010 fiscal year and has given the seminary valuable experience in teaching courses using alternate delivery methods. CLS and CLTS have also engaged in the sharing of courses via the Internet.

- **Institutional Isolation.** One of the challenging topics that arose in the Task Force’s conversation with CLS is the perception at least of differing visions for and differing approaches to theological education between the two seminaries of our Synod. In his submission to the Task Force CLS President Dr. Manfred Zeuch reported,

“There are differing ‘visions’ for theological education between the two seminaries. The two faculties do not always seem to share a common set of priorities, or even to understand church and ministry in similar ways. This fundamental difference of approach between the two schools is perhaps the biggest overall problem to be resolved within the realm of LCC’s seminary program.”

As result of this concern the Task Force, included the following comments in its first interim report:

“The Task Force believes that the most effective way to stop this problem is by presenting a united front to our Synod with open, real co-operation between the seminaries on all levels. It appears that there are many areas in which our seminaries can work together to great advantage. Recruitment, development and communication are among the most obvious of these areas for joint work, but certainly the list is far greater than these two areas.

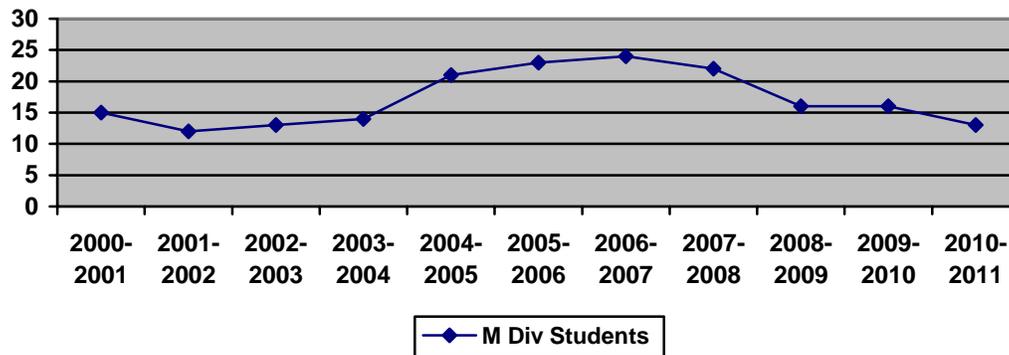
Not all the blame for this lack of unified action can be assigned to the seminaries themselves. The Handbook of LCC establishes an Advisory Council (Synodical Bylaw 2.81) made up of the presidents of the educational institutions established by Lutheran Church–Canada and a member appointed by and from the Board of Directors of LCC. The purpose of this Council is to study issues and problems in the field of higher education and other such matters as may be assigned to it by the Board of Directors. It appears that this Council has not met for some time and that such meetings as have been held have not dealt seriously with matters such as reducing the isolation of our schools from each other.”

2.2 Concordia Lutheran Theological Seminary - St. Catharines (CLTS)

- **Corporate Structure:** Concordia Lutheran Theological Seminary was incorporated by Letters Patent under the Corporations Act (Ontario) in 1976. For a period of several years it operated as an extension of Concordia Theological Seminary (CTS) in Fort Wayne, Indiana. From 1976-1985 Dr. Roger Humann served as the Dean of the seminary, before the calling of a first president.
- **Property and Physical Plant:** The seminary is situated on land leased from Brock University in St. Catharines, Ontario. According to the terms of the agreement the seminary owns the building and leases, for the sum of \$500.00 per year, the land upon which it is built. This lease expires on June 30, 2080. However, should the seminary cease to operate or be declared bankrupt or insolvent, the ownership of the building is surrendered to Brock University. The construction of the building was completed in 1984 and there are no outstanding debts in regard to the construction of the facility. With a chapel seating 150, a library capable of housing around 80,000 volumes, two classrooms able to seat 25-30 students each, and two seminar rooms, the building is easily able to handle a student body of 80 individuals.
- **Faculty and Staff:** Since January 2008 CLTS has operated without a full time president. Following the resignation of Dr. Harald Tomesch, Dr. Thomas Winger has served as Academic Dean and Acting-President. In addition to the president, there are two full-time faculty members at CLTS, both having earned doctorates while a third part-time, contract faculty is in the process of completing his doctoral program. Support staff consists of a full time administrative assistant to the president, two part-time library clerks, a part-time treasurer and also a part-time director of music.
- **Academic Programs:** CLTS offers two masters level degree programs. Like CLS, the St. Catharines seminary offers the MDiv degree and in addition offers a Masters in Theological Studies (MTS). However, CLTS does not have the authority to award its own degrees. Instead, its degrees are awarded in cooperation with Brock University. CLTS is in the process of having its MDiv program accredited by the ATS. In addition to the MDiv program CLTS offers a pastoral diploma program leading to certification for the Holy Ministry. Enrolment in this program is limited to mature students, with a strong background in the Lutheran Church, and supported in their application by their District President. While the course of study is similar to the MDiv no degree is awarded. Like its sister seminary CLTS also offers training for students enrolled in the PAT program and who are participating in colloquy studies. While not part of the academic program *per se* it is important to note, students at CLTS are offered full access to all of the facilities of Brock University and the institution generally speaking benefits greatly from its 30 years of close association with Brock.

- **Enrolment:** In recent years enrolment in the MDiv program at CLTS has declined (see Figure 6). The Task Force has heard that to some degree this recent decrease may be attributable to a lack of clarity or certainty about the future of the seminary.

Figure 6: MDiv Enrolment CLTS 2000-2001 -- 2020-2011 Academic Years



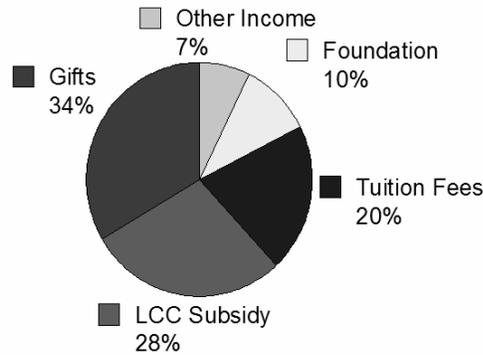
- **Recruitment:** The work of recruitment at CLTS is handled in much the same manner as it is at CLS. However CLTS is in a unique position as it is able to recruit students from Canada as well as from areas of the US that are closer to St. Catharines than they are to either of the seminaries of the LCMS. It should be noted, in the 2009-2010 academic year 36% of the CLTS student base were American residents, who would not attend a seminary in any other part of Canada. While it is tempting to view this merely as a service offered to the LCMS, one must take note of the contribution these students make to the viability of CLTS (through their fees and the donations they draw) and also count as a blessing a number of American students who have chosen to take a call in Canada because of studying here.

In addition to these recruitment issues the Task Force’s consultation with CLTS, focused on the broader issues of recruitment, focussing not simply on quantity but also on quality of students attending our seminaries. Acting President Dr. Thomas Winger offered the following summary of the situation as he perceives it:

“It is no secret that LCC is declining numerically and greying. Nonetheless, there are young men in the church who might be directed to the pastoral office if their parents, pastors, peers, and professors would make the effort to do so. In addition to numbers, the quality of our seminary students is a major concern. For various reasons, it appears that the highest quality men in our church are no longer placing the pastoral ministry at the top of their list. There is consequently an overall decline in the level of academic rigour and theological intensity at our seminaries. Nor is this just an academic problem. Failed pastorates are as often owing to the pastor’s lack of personal skills as anything else—a factor greatly beyond the seminary’s control. The church at large has a great role to play in filtering and favouring the most suited candidates for the seminary”.

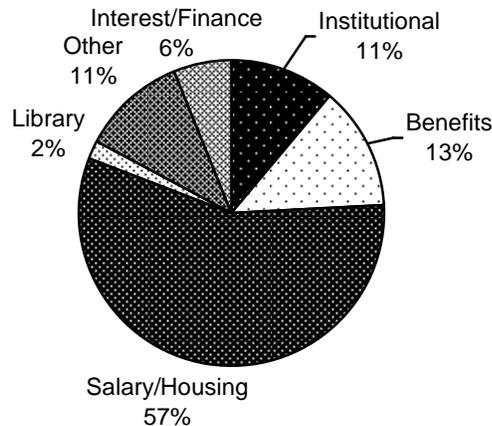
- **Donor Base:** Of 3,000 donors in the CLTS database, about 500 have donated within the last five years. In the five-year period from 2004 to 2008:
 - 77% of donations are from Ontario
 - 7% from the rest of Canada
 - 15% from the US
 Over the same period a total of 5,300 gifts were received:
 - 35% were under \$50
 - 46% were between \$50 and \$250
 - 19% were over \$250
- **Income:** With some minor variations the income pattern for CLTS is very similar to that of its sister seminary (See Figure 7).

Figure 7: CLTS Average Income by Source



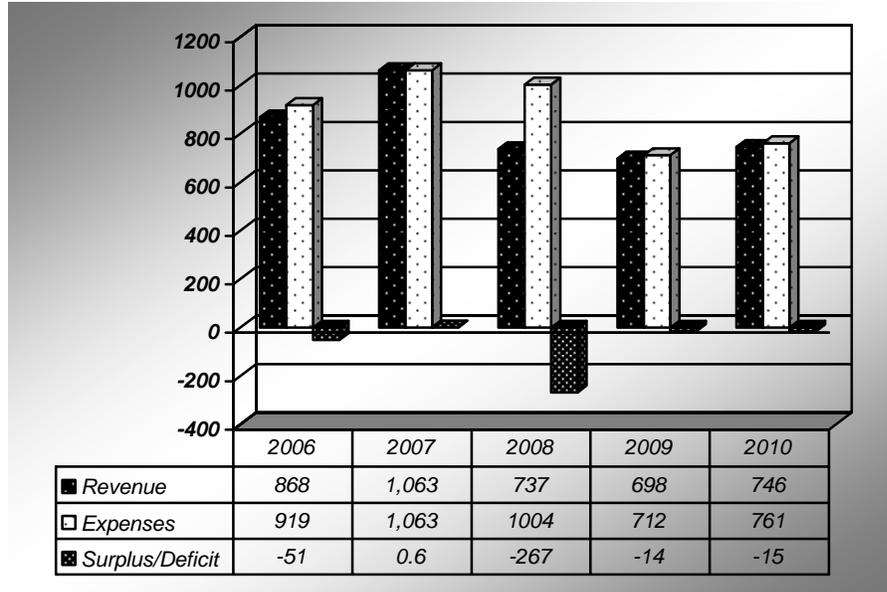
- **Expenses** At CLTS expenses generally follow the same pattern as at the Edmonton seminary with one exception. Due to its large accumulated operating debt, CLTS expends significant funds to service the interest costs that accrue to the debt. The percentages shown in Figure 8 below are based on results to the end of June 2009.

Figure 8: CLTS Average Expense by Area



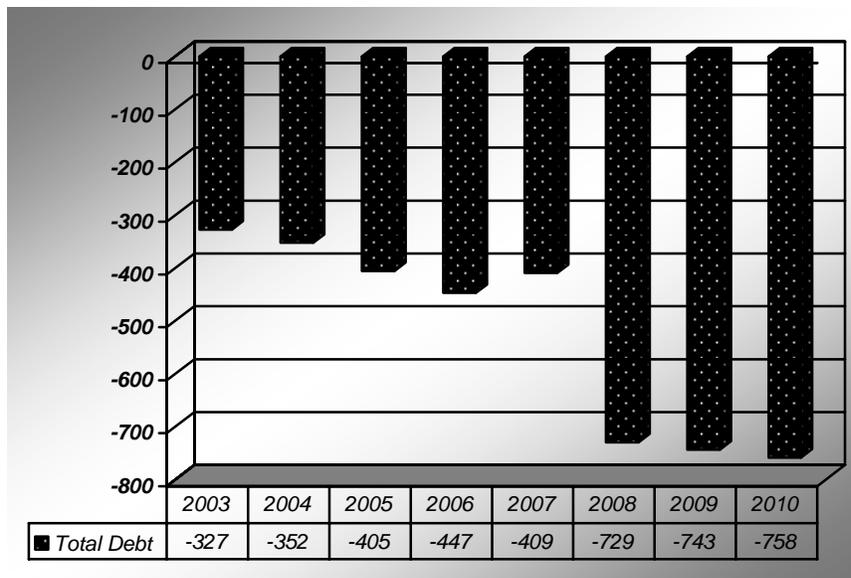
- Operating Results:** Figure 9 depicts the revenue and expenses of CLTS for the past five fiscal years. (As in Figure 4 above, only the General Fund income and expenses are noted. All figures are shown in thousands of dollars.)

Figure 9 CLTS Revenue and Expenses: 2006-2010



- Long-term Debt** One of the most pressing concerns at CLTS is the growth in the long-term operating debt of the seminary. Figure 10 below shows the debt has more than doubled since the 2002-2003 fiscal year, with much of increase occurring in the 2007- 2008 fiscal year.

Figure 10 CLTS Long-term Operating Debt: 2003 -2010



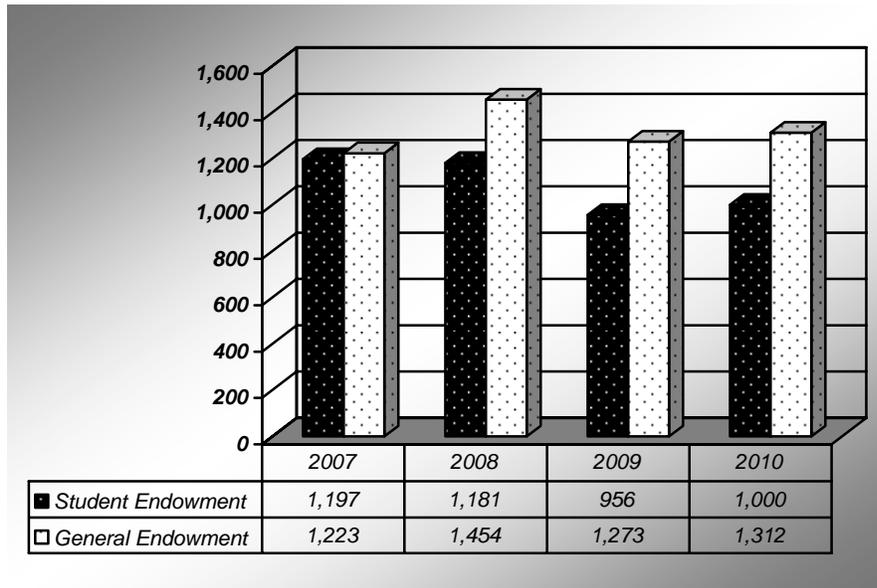
In an addendum to its second interim report the Task Force identified this long term debt as the “one of the biggest obstacles to be overcome as we move forward.” Regardless of what

structure emerges for our seminaries, those who implement that structure will be at a significant disadvantage if they are immediately saddled with a large inherited accumulated operating deficit.

The Task Force recommended the Board of Directors engage in immediate discussions with the Board of Regents at CLTS to devise a plan to raise funds to eliminate their accumulated operational debt by the time of the 2011 Synod Convention. Giving to a deficit is among the least appealing of fund raising tasks both for those who do the asking and for those who are asked to contribute. However, the longer it takes to address this crippling debt, the harder it will be to restore a positive vision for seminary education in Lutheran Church–Canada. The Task Force is thankful action has begun toward this goal and prays God’s blessings on this task.

- Foundation:** From its earliest days CLTS has been benefited greatly from the donations made by the people of our Synod to its endowment funds. A brochure prepared for distribution to the church in early 1976 looked forward to the establishment of a \$1,000,000 endowment fund in the hope the “interest alone would more than cover operating costs!” Those operating costs were projected to be \$67,500 per year. In the end over 1000 donors made pledges and the seminary foundation was begun. However in recent years new gift support for the seminary’s two endowment fund has not kept pace with that of her sister seminary. Combined giving to both endowments has averaged just over \$29,000 for each of the last four years with \$116,301 in new money received by the endowment funds. This, together with the effects of the global recession, has kept the value of these funds static over the past few years.

Figure 11: CLTS Student Endowment and General Endowment 2007-2010



- Church Confidence:** One of the topics discussed at length in the Task Force’s consultation with CLTS is a perceived lack of confidence in the final “product” i.e. the pastors graduated from our seminaries. Dr. Winger described the problem as follows:

“Though finances have been the catalyst, one might argue that the deeper crisis facing the seminaries is one of confidence. While the loudest voices have tended to come from those who criticise CLTS, St. Catharines, for the perceived quality of its graduates, we must not ignore the opposite voices expressing dissatisfaction with CLS, Edmonton. In other words, the ‘seminaries problem’ is an LCC problem, and reflects the various divisions that mark our church, including east-west prejudice, and theological and practical differences. Unfortunately, these divisions begin to affect all aspects of seminary life as church members give or withhold their donations according to (mis)perceptions of each seminary, and young men are directed to or away from each seminary for similar reasons.”

While the issues raised by Dr. Winger are strictly speaking beyond the scope of this Task Force, they are a cause for concern. Money follows mission; if the constituency of LCC has lost confidence in either or both of its seminaries then financial support, or more precisely the lack thereof, will surely reflect that perception.

3. Review of Input Received by the Task Force from the Synod, its members and other entities

One of the most important and intriguing aspects of Task Force's mandate was to receive input from the Synod and its membership concerning the questions at issue. Much of that input took the form of formal written submissions; however a good deal of input was also received informally by individual members of the Task Force in the way of comments, questions and encouragement. The Task Force made itself available at each of the 2008 District Conventions and also encouraged members of the Synod to submit written comments, ideas and concerns to the Synod office for consideration. Formal consultations were held with the Board of Directors of the Synod as well as with the President and Executive Staff of Lutheran Church–Canada. A submission was also received from Concordia University College of Alberta.

Below are summations and quotations concerning the main positions taken in the submissions made to the Task Force. Comment upon these alternatives will come in a later section of this report devoted to examination of the various alternatives before the Synod at this time.

3.1 Input from Members of the Synod

One of the biggest surprises of this phase of the Task Force's work were the number of submissions (both formal and informal) that called for the closing of one or both of the seminaries. The argument advanced in the majority of these submissions was based either on financial concern or on concerns regarding the quality of education our seminaries are able to deliver.

Financial arguments for the closing of institutions often paralleled the comments below which were received from the Voters Assembly of a congregation in Western Canada:

“If the Lutheran Church-Missouri Synod with a membership of 1,856,783 can operate with two seminaries, then it is far fetched that Lutheran Church–Canada with approximately 55,177 confirmed members in its congregations needs two seminaries.

According to the number of seminary students attending our seminaries, we would be able to pay their tuition and living expenses and still be ahead.

Therefore it is our recommendation that we arrange seminary services from the LCMS and close both our seminaries.”

Another submission was more succinct:

“LCC is too small to even have one financially viable seminary.”

The “quality of education” argument for closing seminaries often echoed the comments of a Canadian-born pastor who reflected on his seminary education at one of the Seminaries of the LCMS:

“Our seminarians simply do not hear from enough voices in their formation. When I attended seminary I heard from over 20 different professors while our students hear from only 3 or 4. We are not able to provide the depth of education that the American seminaries are able to offer.”

A less drastic suggestion focussed on the consolidation of all seminary education at one location. Submissions favouring this approach often argued it would foster a greater sense of unity within the Synod if all pastors were trained at one seminary.

A number of submissions offered suggestions for alterations to the present structure, one of the most popular of which was development of some arrangement whereby Concordia University College of Alberta (CUCA) would assume a greater role in the formation of seminary students.

Among the more compelling arguments in favour of this approach is the opportunity that would be afforded for seminarians to have greater interaction with those preparing for the diaconal service in the Synod.

“Pastors and diaconal ministers will be working together in the parish. They can only benefit from being involved in preparation and training together.”

Another submission which favoured greater involvement of the University College suggested:

“If all pastors were educated at [CUCA] this would allow them to mingle with many other students and professors, enriching their education and life experiences ... It would also serve to strengthen LCC and draw us closer together as one body seeking to do the Lord’s will in this place at this time.”

Finally there were some submissions that argued for the continuation of the present two seminary system and a renewal of support from the Synod and its members.

“In the present circumstances that face our seminaries, it seems that financial concerns are uppermost. But they are only a symptom of the problem, not the problem itself. The symptoms are also of a temporary nature. For most of its history, CLS has operated in the black. In the early years of its history, CLTS gathered endowment funds far beyond what could have been reasonably expected. The supporting constituencies may be withholding support, but that can be reversed. I do not agree with the “whereas” in the convention resolution which stated, ‘the synod is unable to materially increase its financial support for operating the two seminaries.’ Since ‘synod’ means all the pastors, deacons and congregation, I contend that the synod is not ‘unable.’ It is currently ‘unwilling.’”

3.2 Input from the Synod Board of Directors and Executive Staff

Even as the membership of the Synod looks to its Executive and Board of Directors for leadership, so also the Task Force thought it prudent to consult with the leadership of our church body on these important matters. Among the highlights of the information received are the following points.

- The Board of Directors and the Synod President are convinced Lutheran Church–Canada needs to maintain seminary training in Canada.
- Partner churches such as the Lutheran Church in Brazil who have had two seminaries and closed one of them have experienced a rapid and significant decrease in the number of seminarians.
- The amount of funding available from the Synod for its seminaries is likely to decrease by about 25% over the next two years. Currently the Synod provides \$205,000 per year to each seminary. It is anticipated going forward a combined total of \$308,000 will be available from the Synod for seminary education.
- Even though the importance of face-to-face learning experiences for seminarians cannot be underestimated, new technologies make it possible for our seminary faculties to compliment each other and make it less necessary for each school to have faculty specialists in every theological discipline.
- Many areas of the administration of our seminaries can be consolidated. Prime examples of this are finance, accounting and development.
- A means needs to be found for the Board of Directors of the Synod to more effectively interact with the Regents and Administration of the seminaries without compromising the integrity of the seminaries.
- Recruitment must be a higher priority for the Synod and its members.

4. Review of Alternatives

After gathering the information summarized above the Task Force engaged in a review of all the alternatives proposed and developed its recommendations. While many approaches were taken to analyzing the data received one of the most helpful tools was the Pugh Analysis. The main purpose of using the analysis was to adopt an established analytical method to aid in understanding the impact of certain scenarios regarding the main objectives of the Task Force. Developed by Stuart Pugh, University of Strathclyde in Glasgow, England, the analysis remains an established method for determining approaches and considerations around complex decisions.

Pugh's analysis uses facts, substantiated by information regarding certain characteristics. Since many of the details used in the Pugh analysis were provided directly from seminary responses to questionnaire surveys, on-site visits and historical records, with other details from LCC, there was less bias from third party information sources. The Task Force believes this strengthens the validity of any outcomes. By examining selected pros and cons in a well-defined matrix, and ranking options with respect to decision-making impact, certain considerations are kept for further scrutiny, while others are clearly less viable. Among the options studied, the following fall into the latter category:

4.1 Close both Seminaries and Send Seminarians to the LCMS

While at first blush this might seem like a cost-effective, logical, “back to the future” solution to the seminary questions before the Synod, the Task Force is persuaded this alternative would have several irreversible negative consequences and indeed may not even be particularly cost-effective.

Tuition costs at LCMS seminaries are approximately 3 times higher than at our Canadian seminaries. The tuition at Concordia St. Louis, for example stands at \$585/credit hour. Each student is expected to take 36 credit hours per year which equals \$21,060 (US) per year. Current admissions information for prospective students at Concordia Seminary, St. Louis advises married students expect costs for a nine-month academic year to approach \$50,000 (US), more if the student and his wife have children. Because Canadian students and spouses are severely restricted in their ability to be employed while in the US the only reliable way to meet these costs for Canadians seeking education in the US would be through generous student aid from LCC. If LCC were to close its seminaries and offer to cover the costs of the 23 current M. Div students (a number lower than the historic average) costs to the Synod would be at least \$1,150,000 (US) per year.

Based on previous experience, it is unlikely all or even a majority of students would be able to uproot and move to St. Louis or Fort Wayne. When the decision to withdraw from an inter-Lutheran seminary arrangement at Saskatoon was made the consequences for pastoral recruitment in western Canada were particularly devastating. Even though LCC, which was then still a federation of districts within the LCMS, offered to fund three round trips per year between the seminarian's home and school for students from the west and even though Concordia Seminary, St. Louis accepted the Canadian dollar at par, and living costs were far less than they

are today, only a very few students went from western Canada to either of the American seminaries, or for that matter to CLTS in St. Catharines.

One of the core objectives for the Synod is to recruit and train pastors, deacons, and other professional church workers and provide opportunity for their continuing growth. Prior to the establishment of our Canadian seminaries in 1976 and 1984, we relied almost exclusively on seminary training offered in the United States. To be sure, in bygone days many Canadians received excellent seminary training through this arrangement. However, by the 1970s the number of Canadians willing to uproot and move to the US was in serious decline. The number of Canadians recruited for US seminaries remained small compared to the stronger recruitment experienced once seminary training was established in Canada.

Another factor to be considered in this regard is the need to provide “Canadian content” to seminarians attending St. Louis or Fort Wayne. In the nearly 23 years LCC has been an autonomous church body it has continued to have a strong relationship with The Missouri Synod. It also must be acknowledged the two church bodies have grown apart in some respects. This ought not to be seen as a negative development as much as a natural progression as LCC has matured as an indigenous church body. An obvious solution would be to fund a chair at each of the US seminaries to provide a Canadian focus for Canadian students. Such costs would be in addition to the cost of sending students and estimated conservatively would likely be at least \$110,000 per year for each position. Thus the total cost of sending the current number of seminarians stateside (if indeed they would go) plus the cost of a Canadian component in their education would be approximately \$1,370,000 US not including costs for recruitment, fundraising and other activities to support this option. Financial savings in this approach, as compared to present costs, will be comparatively small if indeed, there are any savings at all.

Another factor to be considered before moving on is the impact such a move would have on missions of our Synod. As noted at the outset of this report, much of our Synod’s mission work has come through the establishment of seminaries in mission fields. The faculties of our seminaries have contributed immeasurably to this work. Not only would this resource be taken away, but our mission would most surely lack credibility if we sought to establish seminaries for others while having none of our own.

Finally, it must be noted seminaries provide services to the churches in their area, such as lay courses, festive worship services, library facilities, retreat facilities, and the labour of their professors as vacancy pastors and speakers for church events. Likewise at the synodical level, having two faculties has enlarged considerably the resources available for academic writing, work on committees such as the CTCR. Loss of these resources would deprive our church locally and nationally.

4.2 The Single Seminary Option

Many of the same concerns as were raised above apply to the option of reducing the number of our seminaries from two to one. The results of this action in Brazil are immensely instructive. While it was believed the students, faculty, and money would automatically shift from the closed seminary to the other, the reality was quite different. The president of the seminary in São Leopoldo, Brazil, reported the following effect on the total number of graduates when the seminary in São Paulo was closed (see Table 3):

Table 3: Brazil Seminary Enrolment Pre- and Post-Closure

6 years before closure (actual graduates from 2 seminaries)	6 years after closure (predicted graduates based on enrolment)
2002 - 35	2008 - 14
2003 - 44	2009 - 17
2004 - 43	2010 - 20
2005 - 37	2011 - 21
2006 - 24	2012 - 22
2007 - 35	2013 - 15

As Table 3 shows, graduations decreased by fifty percent (from 218 to 109). It is also reported overall giving is down, and the remaining seminary is already being asked to make cuts for financial reasons. The effect on the church has been divisive, as members view the decision concerning which seminary to close as political and theological. It is clear the supporters of one seminary do not automatically divert their gifts and students to the other.

The closure of either seminary in LCC would likely cause similar repercussions. Both seminaries are supported by donors who have a strong geographic connection to the institutions. Over the past five years more than 77% of gifts to CLTS came from residents of Ontario, 15% from the US, and only 7% from the rest of Canada. At CLS financial support again tends to be regionally based. While there are many donors in the Central District the majority of the seminary's gifts have come from individuals in the Alberta British Columbia District.

Further practical matters complicate any recommendation to close a seminary. Were the St Catharines seminary to be closed, it is unlikely LCC would take any assets of significance out of the institution to fund seminary operations in Edmonton or other location. The building (which has no mortgage) is located on land leased from Brock University. As noted elsewhere in this report, should the seminary cease to function the building reverts to Brock University. The building was recently assessed by a commercial real estate agent at \$950,000 and this number was qualified by the reminder it might be impossible to sell a building on leased land to a commercial purchaser. Another option would be to attempt to sell the building to Brock. However, the university would be under no obligation to offer a fair price if LCC took the first move to break the lease.

The situation in Edmonton, while different in particulars, is essentially the same as in St. Catharines. The building, which is likewise debt-free, sits on land owned by the Alberta British Columbia District. Should the seminary be closed the sale of the land and the building would

doubtless result in little if any direct improvement in the financial outlook of the St. Catharines seminary.

The economic argument for closing a seminary would be much stronger if closing one of the two seminaries would result in enhancement of resources for the fulfillment of the task of training pastors. However, in each case closure of a seminary would potentially result in giving away significant assets or selling them at deeply discounted prices while not necessarily improving the economic outlook for seminary education in LCC. The Task Force is of the opinion such stewardship of the synod's assets would be rightly questioned for generations to come.

4.3 Close both seminaries and begin a new seminary in a new location

A variation of the two options discussed above is to close both current seminaries and merge their operations into one school located in the central region of the country, perhaps in Winnipeg. While there are some potential advantages to such an option, such as bringing all seminary resources to one location, unity in pastoral training across the Synod and proximity to the national office of the church body, there are many compelling reasons why such an arrangement is not in the best interests of LCC at the present time.

In their current locations the seminaries receive strong regional support for their operations, both financially and in recruiting efforts. Uprooting the seminaries to a new location would run the risk of alienating support while a new donor base is built up and new loyalties are forged. This could well result in several years of deficit operations which the synod and the seminary simply cannot afford.

Further our two current seminaries are located in areas where there is a large enough LCC population to provide for varied fieldwork experiences for all seminarians and enjoy close relationships with other post-secondary educational institutions. While these assets could well be achieved in other communities, the disruption to pastoral formation would be significant and costly.

Finally any move to a single central location would have its own significant costs. Faculty would need to be moved, space would need to be purchased, rented or leased, and the legal and administrative costs of establishing a new seminary would have to be met. Where it is possible these costs might be covered by the sale of existing properties, this option might be worthy of more serious consideration, however as the sale of current facilities is likely to result in little or no net gain the entire move would be an unfunded liability.

For these reasons the Task Force concludes this option is ought not to be pursued at this time or in the future.

4.4 Merge of some or all seminary programs at Concordia University College.

Before there was a Synod, and indeed before there were seminaries, there was Concordia College, Edmonton. Established by the LCMS in 1922 and renamed Concordia College University College of Alberta (CUCA) in 1990s.

Concordia currently offers a number of degree options in its Religious Studies program that are designed to meet the needs of generally interested students, lay people in the church, and those seeking to become professional church workers.

- Three-year BA (Religious Studies) Concentration: a minimum of 18 credits in prescribed and optional Religious Studies courses.
- Four-year BA (Religious Studies) Major: a minimum of 30 credits in prescribed and optional Religious Studies courses.
- Four-year BA (Religious Studies) Applied: a minimum of 30 credits in prescribed and optional Religious Studies course, including Parish Services Courses and Practicum Experience (Year 5)
- Two-year MA (Biblical and Christian Studies) Graduate: a minimum of 30 credits, including a 12 credit thesis, in one of three concentrations: Old Testament, New Testament, Christian History /Doctrine

These programs offer options to students in order to provide Liberal Arts education, with the specific focus of Religious (Christian) Studies. They also provide the necessary courses to meet the colloquy requirements for Lutheran Teachers and the general pre-seminary courses necessary for pre-seminary preparation (e.g. Greek/ Hebrew/Latin)

At an early stage in its work the Task Force realized while its mandate, strictly speaking, was to focus on cost efficient sustainable seminary education and thus on the two seminaries of the church body, the potential of closer association between the university college and the seminaries was a subject worthy of attention. This initial investigative direction was confirmed by a number of submissions to the Task Force that called for a closer working relationship between the seminaries and CUCA.

To explore this option further the Task Force asked Dr. Gerald Krispin, president of CUCA, to advise the Task Force on the possibilities for integration of seminary education into its mission. We are thankful Dr. Krispin was amenable to this request.

In broad strokes the proposal as submitted for the integration of the seminary education into the program of CUCA would see seminarians complete their university course work at CUCA and at the same time be enrolled in the seminary in a program that leads to a degree from the former and certification (via a diploma) from the latter. The university component would focus primarily on “academics” while the seminary would work to inculcate orthodoxy in doctrine, preaching, teaching, and practice. While new to LCC, such a model is not original. Our sister synod in Germany uses a similar model and here in Canada both the Roman Catholic Church and the

Anglican Church have a university component of pastoral education which is concurrent with seminary formation.

However, while there would be greater connection between the university college and the seminary, the seminary would retain its ecclesial identity due to its explicitly pastoral focus, and would have its own Board of Regents that oversees its mission and vision and ensures the calling of orthodox and confessional faculty members. Consequently, seminary faculty would be deemed adjunct professors of the university, and be on its payroll as well as advisory members of the Religious Studies Division. Conceivably, three full-time permanent individuals, supplemented by some sessional instructors, would be required on the seminary faculty to execute the practicum component and to oversee pastoral formation. Furthermore, the Board of Regents of the seminary would appoint a maximum of two advisory members to the Board of Governors of the University to maintain not only the seminary's interests, but further strengthen the ecclesiastical bond of the university with Lutheran Church–Canada.

To be sure there are a number of attractive aspects to this alternative. These include such things as greater cooperation between seminarians and students training for service in the diaconate and interaction with a greater number and diversity of faculty than is possible at present. At the same time, a student would also benefit from the mission and service opportunities at CUCA, including the annual mission trips, work at the various ministries in the Edmonton area, and engagement in the university chapel.

However, despite these potential advantages, there are also significant cautions, not the least of which are the financial implications arising from such a merger. CUCA is itself struggling to maintain its fiscal integrity. Recent and proposed future increases in the costs of the Synodical worker benefit plans have had a dramatic impact on the university college's bottom line (it is the largest employer in the Synod) and these costs will continue to be a challenge. In addition CUCA is in the process of redefining its relationship with Concordia High School and seeking ways to address the \$266,000 accumulated operating debt of that area of its operation. Over the past few years staffing cutbacks have been made at the university college and further staff reductions appear to be on the horizon. Simply put, CUCA is not in position at this time to assume any increased debt relating to theological education.

Cost estimates provided to the Task Force from the University College indicate at minimum, CUCA would need to receive \$325,000 from the Synod to operate the present CLS alone as a formation centre for applied theological education and certification. As noted previously the Synod anticipates in the near future the total amount of money available for seminary training will be around \$308,000. It is also expected combining the CLS program with CUCA may well have a negative effect on fundraising for seminary education as the seminary may well be seen as simply another program of the university college and direct support deteriorates.

Another important caution in the mind of the Task Force is the effect such a move will have on the "unity" of theological education received by seminarians. At present the 2 seminaries already have somewhat differing programs of study but it is generally held that in spite of those differences there is still much overlap and transferability between the two MDiv programs. Moving to a program with a university component of pastoral education which is concurrent with

seminary formation at one site and the traditional MDiv at the other will only increase the educational distance between our seminaries and their programs.

While this alternative has some intriguing possibilities the Task Force is of the opinion that rather than pursue integration of seminary education with the university college, the Synod would be further ahead to work toward greater integration and cooperation between the seminaries themselves.

5. Recommendations

1. Lutheran Church-Canada and its membership be encouraged to continue and grow their support for seminary training as a core objective of the Synod.

It should be of no surprise Christ's church is assaulted daily by Satan, the world, and our own sinful flesh. Such a truth must lead Lutheran Church–Canada to recognize the unity she shares under the authority of the Holy Scriptures and the Lutheran Confessions is truly a blessing from Christ. This ecclesiastical bond, voluntarily shared, by congregations, pastors and deacons, has mutually been agreed upon to walk together to carry out the ministry and mission given by Christ to his church. Instrumental in carrying out this task is the theological education provided by seminary training. Support for such a core objective of our Synod can only be fostered by those who make up her membership. It is essential the members of Synod continue to grow in their support of seminary education by recruiting pastors, deacons, and other professional church workers along with their continued financial support for cost-effective and sustainable education and the training process. Together as Synod we seek to carry out missions as mandated by Christ in the Holy Scripture and believed, taught and confessed in our churches. In this regard, the Task Force in its review of the requirement for Pastoral graduates, and with thoughtful consultation and feedback from the Synod Board of Directors, recommends sustainable degree program requirements should support the graduation of up to 12 candidates per year as a core seminary training objective of Synod.

2. Seminary education (MDiv Theological Diploma and other current programs) be continued at both Edmonton and St. Catharines sites

Historically, Lutheran Church bodies in North America have valued academic degrees for their pastors. LCC has accordingly received this heritage from LCMS. The people of our Synod have always assumed their pastors have a thorough knowledge of the Holy Scriptures and the Lutheran Confessions. This confidence has instilled a trust in the scholastic integrity of their pastors. Granting an accredited academic degree (MDiv) and a Theological Diploma, which certifies the graduate for service as a pastor in the Synod, to men who have completed a full and rigorous academic program of study in preparation for service to the Lord Christ in his church continues to be the goal of seminary education in Lutheran Church–Canada.

3. The administration and operations of Concordia Lutheran Theological Seminary - Ontario and Concordia Lutheran Seminary Edmonton be integrated such that there would be a single president and administration, single budget and non-overlapping academic program for seminary education in Lutheran Church-Canada, and ultimately the two seminaries be amalgamated with a single Board of Regents.

During the 2005-2008 triennium the seminaries of LCC endured what might well be called “the perfect storm.” As reported earlier, both schools faced prolonged presidential vacancies, declining enrolments and significant reductions in giving. At both schools, large operating deficits were incurred and confidence in the seminaries’ ability to stay the course waned. All of this was compounded by the global economic crisis that began in late 2008 eroding the value of

and returns from the investments held by the foundations of both schools. By the end of 2008 and in the months that followed, the outlook for cost-effective and sustainable seminary education in our Synod was bleak.

As the current triennium draws to a close, it appears both seminaries have weathered the storm and have emerged more or less intact. That they have continued to operate and indeed reverse some of the damage incurred in previous years is a testament to their resiliency and to the high value the people of LCC place upon the seminaries.

Yet significant challenges remain and the *status quo* cannot be sustained indefinitely. If the 2005-2008 period was “the perfect storm:” violent, but comparatively short in duration, then the forecast for the years ahead is for more persistent, systemic challenges. To continue the meteorological metaphor, the times ahead look to be a time of prolonged grey skies, showers and cool temperatures rather than days of bright warm sun and robust growth.

Generally speaking, the membership in the congregations of the Synod is declining and greying, as is the donor base of the seminaries. The Synod itself, as reported earlier, is likely to reduce its subsidy of the seminaries by about 25% to balance its own books and it seems unlikely this shortfall will be easily made up from other sources.

In Appendix 1 of this report, the Task Force presents a “best case” scenario for seminary funding in the years ahead. Based on information gathered by the Task Force and historic averages the funds available for the seminaries are significantly less than the current costs of operations in the immediate future. What’s more, there is little evidence to suggest there is a quick revenue-based solution for this problem. Rather, to meet the challenges ahead, more will have to be done with less and efficiencies will need to be realized to maintain quality seminary education in LCC.

The Task Force believes, to best meet this new environment the Synod will need to adopt a more streamlined and responsive administrative structure for seminary education, leading to greater integration between the seminaries in their finances, their faculty and program offerings.

Simply put, going forward, to be cost efficient and sustainable our seminaries will need to speak with one voice, and offer an integrated academic program and do so with one faculty, even if that work occurs at two sites more than 3,300 km apart from one-another.

From its earliest days the Task Force has noted institutional isolation as one of the major challenges facing our seminaries. In its first interim report to the Board of Directors, the Task Force highlighted this as an area of great concern and while some initiatives have been taken to resolve this issue there is much work yet to be done and even greater integration will be necessary in the future.

The Task Force believes the issues raised by Dr. Zeuch concerning differing visions for seminary training in LCC and Dr. Winger’s observations regarding confidence in the seminaries are related. Confidence among the people of the Synod is eroded when seminaries appear to be moving in separate directions and when there appears to be a spirit of competition rather than cooperation. Without a coherent vision for seminary education in LCC the two seminaries will

continue to operate on two solitudes. Leaving aside concerns about divergent theological approaches at the seminaries, a recent fiscal example well illustrates differing approaches to the issues confronting our seminaries and the potential negative consequences.

To reduce costs, the faculty and staff at CLTS have been asked to take decreases in compensation for the remainder of the 2010 – 2011 fiscal year. For some, this means assuming 25% of the cost of benefits and for others it means an outright reduction in salary. On the other hand, at CLS no such reductions have occurred. While it is commendable some are willing to make such sacrifices for the sake of seminary training, a piecemeal, reactive approach to the problems at hand will only further divide our seminaries, and make cost-effective sustainable solutions harder, if not impossible to implement. Burdens and blessings must both be shared.

In its earliest days, the Synod's Board for Higher Education (BHE) served as a means unite the seminaries and present a somewhat coherent vision for theological education in LCC. Since the BHE was disbanded as part of the 2002 reorganization of the Synodical structure, the Advisory Council (made up of the Presidents of the 3 Synodical schools, the Synod President and a representative of the Board of Directors of LCC) has been unable to articulate such a vision and our schools have drifted farther apart from each other.

To be sure while there were good reasons to remove the BHE from the structure of the Synod and while there are good reasons not to reinstitute it at this time – another layer of administration ovetop of the current structures will not likely improve cost effectiveness – uniting the administration and operations of our seminaries we believe, will contribute greatly to a unified vision and the development of coordinated and sustainable solutions to the challenges that will be faced in the years ahead.

Lutheran Church–Canada is not too small to support two locations of seminary training; it is however, too small to accommodate two visions for seminary training, two largely overlapping curricula of credit courses in the program delivery, and two separate administrative structures to support the requirement to graduate up to 12 candidates per year.

The Task Force has explored in detail the possibilities for outright corporate merger between the seminaries and has discovered there are at least two ways in which such an amalgamation may take place.

- Option 1 would involve approaching the Alberta Legislature via a private members Bill asking for an amendment to the Special Act which establishes the Edmonton seminary, allowing that Corporation to merge with the Ontario Letters Patent Corporation which establishes the St. Catharines seminary. This process while cumbersome and costly, would allow the seminaries to continue and amalgamate as “equals” with all rights and privileges intact, including in Edmonton's case, the ability to grant degrees.

- Option 2 offers a somewhat more economical route to the same corporate destination. In essence, the Edmonton Corporation would, under the provisions of its Act, wind up its operations. According to the Act the assets of the Corporation would then revert to LCC, who would in turn, pass on those assets to the Ontario Corporation. What remains somewhat uncertain in this option is whether the Ontario Corporation would be allowed to offer degrees in Alberta or, alternatively, whether Brock University (CLTS currently does not have degree granting status, but offers the MDiv under a special arrangement with Brock University) would be willing to grant degrees to graduates from the Edmonton campus.

While these possibilities for amalgamation exist, and ultimately need to be pursued, the Task Force is recommending operational integration of the seminaries precede formal organizational integration. It is recommended work begin immediately to develop a Memorandum of Understanding and Agreement between the Board of Directors and the seminaries' Boards of Regents to begin the process of operational integration of our seminary programs. While there are many details of the document to be finalized, some of the key points are as follows:

1. The parties agree to work together with the objective of achieving a system of complementary cost effective, sustainable seminary education, consistent with a total budget of not more than \$1.5 M annually for the Seminaries.
2. The parties agree the seminaries will coordinate their activities so as to provide a full complement of training and educational services between them to individuals who wish to serve as pastors and professional church workers within the Synod such that there be no overlapping curriculum in the delivery of programs at each seminary notwithstanding course transfer credits and didactic practicum training.
3. The Parties agree the seminaries will coordinate their activities so as to avoid duplication of all administrative services available at each seminary, including but not limited to those for recruitment, registration, support and maintenance of training and educational services to individuals who wish to serve as pastors and professional church workers within the Synod.
4. The Parties agree the seminaries will establish systems that will facilitate academic enrolment of individuals in credit courses offered by one of the Seminaries, while pursuing their course of studies with the other seminary in accordance with the minimum on-site academic program residency requirements.
5. The Seminaries agree to consult with each other before finalizing an annual budget or initiating any hiring of academic or professional staff, thereby recognizing the integrated system shall be cost-efficient and sustainable with a full-time faculty work-load equivalent not to exceed five (5) professors, including the president, provost, or other designate, who will also be expected to teach as necessary.

6. One individual be appointed to serve as “President/CEO” to oversee the integrated seminary program and another individual be appointed as “Vice-President/Provost” to oversee operations at the other campus in consultation with the “President/CEO.”
7. The Parties agree to jointly explore other methods by which LCC and the Seminaries may cooperate together more closely including the use of advances in telecommunication technologies.
8. The Parties agree their Boards of Regents will meet on at least an annual basis with a purpose of reporting to LCC, the specific actions that have demonstrated cost and other efficiency measures of the preceding year.
9. The Parties agree that from the date of the signing of this Agreement, the Seminaries will investigate, plan and implement specific activities that show measurable efficiencies of a more the integrated system with a report submitted to LCC at the 2011 Annual Convention, and with additional measures reported to LCC before the end of each church year, including 2011, and then annually thereafter.
10. A joint-committee composed of Regents from both seminaries would be established to oversee the implementation of the agreement and to make recommendations to each Boards of Regents and as necessary to the Board of Directors of the Synod for action.

In as much as “Resolution 08.3.04 To implement a cost efficient seminary program for Lutheran Church–Canada” enables the Board of Directors to “implement a plan to fulfill this resolution” the Task Force would respectfully recommend action be taken immediately to develop such a memorandum of understanding and agreement between the seminaries and to begin the process of working toward operational integration at the earliest possible time.

4. **The total full-time faculty workload equivalent not exceed five professors, including the president, who will also be expected to teach as necessary (Reductions to be achieved by attrition as much as possible).**

One of the most important realities seminary education in LCC will face if it is to survive in the future is the need for greater cost effectiveness and financial sustainability. The Task Force commends the seminaries and the Synod for their efforts in recent years to contain costs and live within established budgets. However, as noted above, we are moving into a time where more will have to be done with less. Appendix 1 attached to this report presents what the Task Force believes to be a “best case” scenario for the funding of seminary education. In the immediate future we anticipate the funds available to our seminaries will decrease substantially. For example, the 2011 proposed budget for LCC reduces synodical support for the seminaries to \$364,000, with further cuts anticipated in future years. While it is to be hoped some of that short fall may be raised from appeals to donors, there are no guarantees these funds will be forthcoming now or into the future. The Task Force believes one of the hard realities of our times is a key ingredient to sustainability will be cost reduction through a reduction in the size of the faculty at our seminaries.

As noted above, over 70% of our seminaries' budgets are consumed by salaries and benefits, and the costs of benefits are increasing dramatically. The only way to achieve greater sustainability in this situation is to reduce these costs. The Task Force, with some regret, recommends the total full-time faculty workload equivalent of an integrated seminary operation not exceed 5 professors, including the president. The Task Force is aware faculty retirements are on the horizon at both seminaries and, to reduce the pain of the proposed reduction in faculty size, recommends the vacancies created by these retirements not be filled. We would also remind the Boards of Regents of our seminaries, as regrettable as it may be, that more proactive measures such as those undertaken by Concordia Seminary, St. Louis (see page 6 above) may well be necessary if available revenue declines more quickly than anticipated.

An obvious concern is the effect such faculty reductions may have on the quality of education an integrated seminary operation is able to provide. However the Task Force believes by integration of operations and curriculum it will be possible to maintain high quality pastoral formation in LCC.

It has already been expressed the ATS accreditation of the CLS academic program(s), in particular, the MDiv degree, is an important component asset. The ATS accreditation evaluates programs and structures in the context of other theological programs, and assists in the development of the Canadian programming. In the case of CLTS, the process of ATS accreditation, while underway, has not as yet, been achieved and it remains unclear when and if accreditation would be obtained given the current requirements of the ATS.

The avenue of accreditation permits a program to be refined and submitted formally with revision, and or for re-accreditation at the discretion of the accredited institution. This provides CLS with an opportunity to revise its program under the current standards. There is a direct correlation in the success of an accredited program, the faculty resources required to deliver the program, and the number of students expected to be graduated each year. In the case of LCC, it has been recommended up to 12 graduating students per year in Canada would be sufficient to meet the needs of the obligations of LCC to train pastors in Canada. Given the class size and program course credit requirements, it would seem feasible with a five full-time faculty equivalent workload, where each faculty would deliver four to five courses per academic term. Further, it seems most reasonable to assume any extensions of the program structure, or accreditation of a program by CLTS, would need to be different enough from the CLS program to require either additional faculty be hired, or to alternatively require a significant increase the teaching load of existing faculty among the two seminaries to deliver different programs, both leading to the same degree (MDiv). It is required that a non-overlapping curriculum be adopted for delivery at each site of the seminary, to ensure program delivery can be met with the requisite numbers of faculty (and the president) recommended by the Task Force.

In the response to the Task Force concerning the academic curriculum of credit courses leading to the MDiv degree, CLTS reported 28 courses needing to be provided and CLS reported 31 courses. Some of these courses are supervisory in nature, while others were optional in the students' programs. However, the importance of the comparison here is there are far too many courses to be delivered by too few faculty to support two substantially different MDiv Degrees from the two seminaries. A comparison of the course descriptions completed by the seminaries,

in response to the Task Force request for information, suggests substantial duplication in certain courses exists, and there would therefore be definite value and cost efficiencies in streamlining the curriculum of both seminaries. Offering two courses that are the same content in separate locations is an inefficient use of faculty and other resources, and it is a clear area for growth as one mechanism to provide sustainable cost-effective Lutheran Pastoral education in Canada.

The significance of offering advanced standing or transfer credit towards the MDiv Degree granted by CLTS and Brock University, respectively, in accordance with program residency requirements (*i.e.* residency means the minimal number of credit courses required by a student for the candidate to graduate from that particular program), must not be underestimated in establishing cost-effective and sustainable pastoral education by LCC.

In the curriculum review, it was also clear there were significant differences in selected courses offered currently in the seminaries programs. A total of 16 courses appear to support this data. These main differences, where a course exists at one seminary, but not at the other, have the potential to serve two purposes. First, they serve to differentiate the two degrees offered, one at CLS and the other graduating through Brock University. Second, they highlight the greatest potential area for transfer and joint teaching initiatives, where faculty at one institution teach the course using an alternative format so candidates at either institution can benefit from the credit course should it be offered in any particular academic term. Either way, these courses help determine autonomy likely required in the degree programming to warrant the offering of the MDiv Degree from the respective institutions.

In its simplest form, the requirements to graduate up to 12 candidates per year in an MDiv Program consisting of 28 -31 total courses (only a subset of which need to be fulfilled under the program residency requirements at each seminary) should not require more than 5 faculty equivalent workloads, each with four to five credit course assignments per academic year. This is particularly true if the support and other components of the degree structure are in place to provide the students with the course credits necessary to graduate under the minimum program residency requirements, regardless of where the degree is granted from. To fulfill a degree, not all of the courses have to be offered by either seminary, because the use of distance education, or alternative teaching strategies can provide credits from other institutions that will meet degree requirements.

Careful curriculum review needs to take into consideration the content of the courses, the expertise of the faculty and a mechanism to streamline the credit courses required, to maximize the efficiency of the program, faculty, administration and staff required to deliver the academic program leading to the MDiv degree. Any changes in the program structure should be submitted to the ATS as a process of review under the current accreditation standards.

5. 'Smart classrooms' be used as much as possible to facilitate simultaneous joint classes between the two campuses.

The age is upon us that in the current teaching, learning and research environments the use of on-line computing resources and technology based teaching tools provide new and efficient ways to engage learners. The use of technology today in the process involves the simplest forms of voice communication in the same way it has for decades, to advancements in technology that allow voice, image and data all to be experienced at the same time in the teaching and learning environments. Many students are connected 24/7 while being educated, so they can be in touch with their families, their work, their learning environments and most are not unfamiliar with sharing and using their connected environments to their fullest potential. Therefore, the recommendations of the Task Force would not have as much value without promoting the use of alternative teaching and learning environments to support a more cost-effective and sustainable program delivery.

It is not the purpose of this recommendation to determine the ideal technology or type of learning platform that should be utilized at one or both seminary sites. Instead, the recommendation is self-explanatory, in that the need to share curriculum and faculty resources between two disparate physical locations where seminary education in Canada as recommended needs to happen. This will allow the most efficient and capable approach to sharing between our seminary sites, as well as the ability to share Canadian Lutheran education program content on par with the more than two hundred programs of theological education in North America now available. In particular, the option to broker credit courses with the St. Louis and Fort Wayne administered degree programs in the U.S., should be high priority learning investment opportunities for distance education, including the use of smart classroom technologies. These technologies also have the ability to showcase the faculty at the Canadian seminaries, providing yet another opportunity for outreach and sharing. We would be amiss not to identify that some of the programs at other institutions in the world provide for the on-line delivery of much of their MDiv program.

This recommendation is as much about connecting the seminaries for administrative and learning experiences, as it is about connecting the seminaries to other institutions of learning, for enrichment of the faculty, the students and the programs offered. While some institutions may boast about their extensive experience and high-end systems, others may focus on a simple print-based correspondence mode for courseware. In all cases, and the literature abounds with examples, the courses delivered fulfill a need, are often popular and their delivery mode aids in fostering outreach opportunities for the programs involved. Surprisingly, there is a limited amount of existing curriculum from either CLS or CLTS from the MDiv program being delivered in an alternative format and it remains unclear why this isn't happening to a greater extent.

The streamlining of the curriculum from both seminaries, and the establishment of transfer credit from a requisite seminary as a requirement to meet residency needs, or the use of credit courses from another affiliated institution altogether, will provide an impetus to teach and to learn using alternative formats. Since both Brock University and CUCA have “smart classrooms”, it seems very reasonable the use of these classrooms be pursued rigorously as a mandate of both seminaries to help meet their administrative and curriculum sharing needs. These classrooms are for the most part, state of the art, and they are connected to established networks for delivering voice, image and data using high-speed videoconferencing. This includes the recording of course sessions for playback by students who miss a class, the use of podcasts for on-line audio sharing of regular and guest speaker lectures, as well as file sharing in an environment that immerses those taking courses in a learner centered approach for instruction. For the most part, these technological advances at the sister institutions are primarily standards based, and by the seminaries engaging more in their use to assist with their academic and administrative needs, each will benefit from maintaining the learning curve in the technology requirements, as well as the learning platforms, without having to maintain 100% the high cost of the technology or the services required to deliver various requirements of the seminary programs. This would be most cost-effective and likely it is sustainable. At some point in the future, once faculty are more familiar with the platforms for learning in these “smart classrooms”, extensions of existing, or stand-alone systems will be able to be supported at the seminary locations, as an investment in the teaching and learning environments.

The current use of desktop technology applications in the teaching and learning process at CLS is working. The e-learning platform adopted in association with the Institute of Lutheran Theology (ILT) in the U.S. provides for on-line exchanges for lectures at a distance. The mode of program delivery doesn't use smart classrooms *per se* for participation, but if connected such classrooms would be able to be used in the delivery format. This enrichment in the teaching and learning environment is advancement for CLS in the on-line distance learning environment, and it should be examined for its feasibility in an expanded format with CLTS. It is important to mention the ability to expand and meet the standards of the room based system capabilities at CUCA and Brock University in comparison to Internet based desktop learning tools, are experiences these larger institutions grew from. To further develop the programs and the out-reach potential of the seminaries, it is recommended technology solutions at these larger institutions be shared, with a focus to adopt the use of technology as a mechanism of day-to-day operations for administration and the teaching and learning environments. Ultimately, the interactions will need to involve the use of more advanced room system technologies, and not be limited to the desktop computing solutions now being applied primarily by CLS.

- 6. Various administrative and support functions such as accounting, development and recruitment be centralized. And where appropriate these services be contracted through LCC or LCCFM.**

With one seminary comes the challenge of looking after the needs of various administrative and support functions. It is the committee's recommendation the accounting function be centralized and carried out in Winnipeg by LCC. It is most important that very detailed budgets be

formulated and line item expenses be enforced in a timely and regular manner to assure the cost efficiency of the seminary in the future.

It is paramount this budget be broken down in great detail including an allocation of all items towards the St. Catharines campus and the Edmonton campus. This allocation will be used to distribute income and expenses between the two corporations for legal purposes. However, one bank account in the name of the seminary could be used to record all operating income and expenditures.

With the financial records maintained by LCC, it will most importantly allow the seminary Board of Regents centralized and timely reporting tools to carry out their duties in maintaining budgetary discipline for the seminary. Monthly financial statements should be prepared by the 10th of the following month. This will also provide for the Board of Directors of Synod regular reports to carry out their needs with respect to Item 9 following.

To facilitate this centralized bookkeeping a designated contact at each campus must approve all invoices for payments and forward the same to Winnipeg. We suggest this function can be carried out by the receptionist on each campus who would be required to get the seminary president's approval on all items over a certain amount.

Likewise, development could be centralized with LCC personnel. It is also possible a recruitment office is set up in Winnipeg as recruitment is the work of the Church. Materials and information must be disseminated regularly to the two campuses.

Although we see all these functions carried out on a centralized basis, it is most important the seminary president has overall responsibility and control of these functions for the beneficial operation of the seminary.

The Board of Regents is responsible for the ultimate control of the seminary programs and expenditures on the advice of the seminary president. It is most important Regents are elected who have supervisory experience and are committed to the financial viability of the seminary.

7. Our seminaries begin a Distributed Learning MDiv/Theological Diploma Pilot Program (classroom, virtual classroom, and online learning), combined with its existing classroom-based short-terms and MDiv program.

Over the last decade or two, there has been a remarkable development in education at a distance through the use of computer technology and learner-centred educational methodologies. The general awareness of this fact no doubt gave rise to the fourth 'whereas' clause in Resolution 08.3.04 at the 2008 LCC convention.

This clause which said 'Whereas cost effective technological advances exist to creatively deliver theological education, including video conferencing, web-based delivery and distance education, . . .' is one of the statements that led up to the first Resolve which asks LCC to 'create a cost efficient seminary program for the training of pastors for Lutheran Church-Canada.' The 'Terms of Reference' later set forth for the Task Force by President Robert Bugbee further indicated the

Task Force was also to investigate ‘secular methods of delivery’ in its efforts to recommend a cost-efficient seminary education.

The Task Force in particular reviewed distance education methods and part-time MDiv programs now implemented by other seminaries in North America. Aside from such programs now being implemented at Lexington, Multnomah and Wartburg Seminaries, the Task Force examined a pilot project already occurring at Luther Seminary in St. Paul, Minnesota. Luther Seminary has put in place a ‘Distributed Learning’ model of seminary education which delivers two of the three academic years of MDiv seminary education by self-instructional online methods. The other academic year is completed by short-term intensives in a classroom setting on campus throughout the program. Included in this program is a local pastor in the field as mentor for supervising the variety of practical study, fieldwork, and clinical education that is done in the respective parish. This is particularly important for the student’s spiritual formation in their worship and devotional life. These pastoral mentors also act as invigilators for exams. In addition, the local congregation where the student worships becomes a ‘Teaching Congregation.’ Distributed Learning students are part of a strong ‘cohort identity’ and ‘have a clear sense of being part of the broader seminary community.’ Luther Seminary’s Pilot Program has been approved by the ATS and, according to their formative assessments, has been going very well.

Another important seminary program studied by the Task Force is provided by the Institute of Lutheran Theology in Brookings, South Dakota. Its program is similar to that of Luther Seminary in St. Paul, but it differs in that their distance learning program is delivered by the ‘virtual classroom’ rather than with self-instructional technology. In this methodology, the professor delivers his lectures in a classroom, and the lecture is distributed via the Internet to the students out in the field. Students are able to respond with comments and questions also by the Internet. The ILT began this program in the fall of 2009 with 11 students, and by the fall of 2010 there were 30-plus students enrolled. CLS in Edmonton is already a part of this program, providing such extended ‘virtual classroom’ experiences in conjunction with their regular classroom program. In this method of ‘virtual classroom’ delivery, the student is time-bound to a particular hour of the day. Nevertheless, if the student misses the ‘virtual class,’ he may be able to download a recorded version of it at his own convenience. The ATS has also sponsored a seminar on highly technical versions of the ‘virtual classroom’ method, where the instructor is on the screen much of the time and individual students appear in windows some of the time when making comments or asking questions. With such technology, students at a distance can raise their hands, draw illustrations, and do virtually any of the other things that are usually done in a classroom on campus.

At both seminaries mentioned here, there has been an online and part-time on-campus ‘Community of Learning’ established, with students as much as possible following through in one cohort. Students and instructors have their own continuing private discussion forums which they can access at any time, usually together with an online Learning Management System. Students also come together on average at least twice per year for short-term intensive courses where they meet in person, converse, and worship with one another, but it is also evident the students and instructors already get to know each other very well on the Internet itself. Luther Seminary says, “The online courses are structured to offer opportunities for cooperative learning,

for greater reflection and for more meaningful interaction for students with one another and the instructor.”

All other student services can normally be handled quite well via the Internet. There is much already available online for library services, including most journals, some of them on the American Theological Libraries Association (ATLAS) website, as well as a number of other sites. Many full-text books are also online. Students can often also access local theological libraries, as well as local pastors’ personal libraries. Failing all that, book loan programs are arranged through the seminary library. An online bookstore can be established by arrangements with websites like amazon.com. Student services like registration and admissions advising are in any case often handled these days via the Internet.

A part-time MDiv/ Theological Diploma program of this nature may be a very cost-efficient model to examine. Such a program would open up the MDiv/Theological Diploma program for prospective students who now cannot now afford to attend on campus, thereby increasing tuition revenues. Many students at Luther Seminary in St. Paul have indicated they could not have studied to be pastors without the part-time ‘Distributed Learning’ program. CLS already has the minimum technology required for providing ‘virtual classroom’ courses concurrently with their regular classes. Little further expenditure would be required for CLS, although even better technology and Internet accesses can be purchased as resources or special funding sources may allow.

Further cost efficiencies can be achieved in the future with cooperative development of materials and implementation of ‘Distributed Learning’ courses in concert with Concordia Seminary, St. Louis, and/or Concordia Theological Seminary in Ft. Wayne. Both these seminaries have indicated they are very open to such cooperation. All of their 16 existing ‘Specific Ministry Program’ (SMP) courses are delivered online (4 of the 16 online courses at Ft. Wayne are hybrids of online and classroom learning), and all 16 SMP courses are given credit toward the 40 courses required for the MDiv degree at both seminaries. Concordia Seminary in St. Louis in particular is actively considering further online and short-term intensive courses for SMP graduates who wish to continue toward the MDiv degree.

If two academic years of the MDiv/Theological Diploma program are taken online, and the equivalent of one academic year is taken in short-term intensives on campus, such a part-time program could be completed by a student in six or seven years. Electronically saved ‘virtual classroom’ or individual self-instructional courses can also be used where full-time students in the classroom need only one or two additional courses not in the regular classroom schedule.

Such a part-time MDiv/Theological Diploma program is especially cost efficient and valuable for the prospective mature student with a family who needs to remain in his regular job while studying for the ministry. Our present system of theological education was designed for young single students who could easily move. It was not designed for married men with families, requiring them to move their children in and out of schools four times during his pastoral training. Costs of such a traditional seminary program are also increasing exponentially for the mature student. These matters also need to be addressed.

The final result of such a ‘Distributed Learning Program’ should not only be more cost-efficient for both the seminary and the student, but even more importantly, graduate more students for the pastoral ministry. An important goal, as we proceed forward into the future, is to find new ways for allowing especially more mature students with families to participate in the MDiv/Theological Diploma program and finally enter the pastoral ministry in our church.

8. In due course, a new name be chosen for the integrated seminaries.

Everything is in a name. A number of years ago, our seminary in St. Catharines took on the name “Concordia Lutheran Theological Seminary.” This name reflects this seminary’s roots in Concordia Theological Seminary, Ft. Wayne, Indiana, which had initially begun the St. Catharines seminary as an extension campus. The word “Lutheran” was nevertheless added to distinguish the St. Catharines seminary from the Ft. Wayne seminary. The word “Concordia” was retained, not only because of the long history of the name “Concordia” in The Lutheran Church–Missouri Synod institutions of higher learning, but also because of the Lutheran roots of the “Concordia” in the Book of Concord. The term “Concordia” not only reflects the concept of harmony, but also the theological content of our Lutheran Confessions. The term “Concordia” was the original Latin name in fact given to the Book of Concord.

Our seminary in Edmonton, established a bit later, took on the parallel name of “Concordia Lutheran Seminary” for similar reasons, but left out the term “Theological” so as to distinguish itself from the seminary in St. Catharines. Nevertheless, the word “Lutheran” was added so as to distinguish itself also from Concordia Seminary in St. Louis. Thus both seminaries added the name “Lutheran” to distinguish themselves from their sisters seminaries in the United States.

The name of an institution significantly reflects the identity of that institution. Therefore, The Task Force believes a change in the names of our seminaries would now be in order because the recommendations offered here are going to significantly change the nature and direction of the two, now rather distinct seminaries. For all practical purposes, the Task Force is recommending the two seminaries now become one at most levels of their governance and operation, that they become fully integrated. In other words, our seminaries are now to become one integrated seminary in two locations.

The ultimate goal of the Task Force’s recommendations as they stand is to give time for the seminaries to integrate themselves completely before finally also becoming one in their corporate structure. The actual change to one seminary on two campuses in terms of their legal and corporate structure is more challenging and will take some time to achieve. As the integration occurs, the cost-effectiveness and sustainability of the new structure must be monitored and reported upon to the Synod Board of Directors.

Nevertheless, because the Task Force is recommending significant practical changes right now, the Seminaries Task Force at this time recommends we indeed begin referring to our seminaries as one entity, and the name should therefore change. We should give this new seminary a name that reflects its unified nature. Some suggestions have been, “Concordia Seminary-Edmonton”, and “Concordia Seminary-St. Catharines”, or even, “Concordia Seminary-Canada.” The Task

Force is not recommending any particular name, only that a new name be forthcoming to reflect the *de facto* new reality of the integration.

Whatever the new name for this new structure may be, the present names of the seminaries would also remain for the time being for corporate and legal purposes, in order that existing covenants that the seminaries may have already entered into with other institutions can continue through to their required end. But the time given from now until the time when a new corporate and legal structure is also developed will give the seminaries the opportunity to shape their new responsibilities and reshape their existing responsibilities in terms of the operations of one seminary. The Task Force understands it is legally possible to have a new name while still retaining the old names for legislated legal requirements.

A new name for the new seminary will in fact reflect the essence of what the Task Force is recommending take place now in a practical manner, and ultimately in a corporate and legal manner: one seminary in two locations.

9. The Synodical Bylaws of LCC be followed, and if necessary be amended to allow a more direct relationship between the Board of Directors and the Board of Regents, such that current ambiguities noted by the Task Force be clarified.

When the Synod undertook to restructure its administration in the 1999-2002 triennium the Synodical Handbook underwent significant review and revision. However, Chapter 6 of the Synodical Bylaws, which focuses upon higher education, received the least direct attention. As reported above, the Board for Higher Education was removed from the structure of the Synod and many of its responsibilities were assigned by default to the Board of Directors.

In particular the Board of Directors is charged with “periodically review[ing] the internal administrative organization of the Synod’s institutions” (6.21.d) and also “The Board of Directors shall periodically review the institutional policies, programmes, and curricula to determine whether they are consistent with the stated objectives of the Synod’s educational system and its institutions” (6.37.c). The Task Force notes while these tasks are assigned to the Directors there are no mechanisms in place for the Board to actually carry out these functions. In addition, the Advisory Council (Synodical Bylaw 2.81) is given the task of studying problems and issues in the field of higher education and reporting its findings to the Board of Directors.

The Task Force respectfully recommends the Board of Directors in consultation with the Commission on Constitutional Matters and Structure review its responsibilities in regard to the educational institutions established by the Synod as defined in the current Synodical Handbook and implement necessary procedures to carry out the tasks assigned to the Board of Directors. It is a duty of the Board to act on this point on behalf of the Synod members that the Board represents.

Further, in reviewing the relationship between the Board of Directors and the Boards of Regents of the seminaries, the Task Force has noted areas where the Synodical Bylaws need to be clarified. It goes without saying that should a new structure emerge, revisions to the Synodical Bylaws will need to be submitted to reflect that structure. However, we draw particular attention

to the following Bylaws where dutiful attention is urgently required regardless of whether other recommendations of this report are accepted:

- **6.61 Uniform Accounting Methods.** One of the challenges that confronted the Task Force as it conducted its investigations was to get a clear picture of the financial situation at each seminary. This is due in large part to the fact that while accounting methods used at the schools are similar, they are not uniform. Should the recommendations made herein regarding integration of the administration of the seminaries be adopted this matter should be addressed; however, should that not be the case, this matter will need more immediate attention.
- **6.67 Objections To or Changes in Budget.** The Task Force reports that while the Board of Directors may “object” to either the capital or operating budget of the Board of Regents of a seminary and indeed may propose changes to budgets at the Synod’s educational institutions, those institutions are not required to submit budgets to the Board of Directors for review or comment. Hence, regardless of whatever structure emerges from this process, the matter of administrative and financial reporting to and from the Board of Regents and the Board of Directors needs to be urgently clarified.

6. Conclusion

The 1959 Act of the Senate and House of Commons that established Lutheran Church–Canada as a legal corporation lists as one of the objectives of the corporation:

“to promote education, instruction and culture, and to organize, maintain and carry on schools, colleges, academies, [and] **seminaries** ...”

So urgent was the desire for seminary education in Canada the Board of Directors of the fledgling corporation was directed to study the matter and “*memorialize the 1959 San Francisco Convention (LCMS) to seriously study the request for a Canadian seminary.*” (A. H. Schwermann, The Beginnings of Lutheran Church–Canada, page 23).

Seventeen years would pass before seminary education was a reality in LCC, but this was not for lack of effort or interest on the part of the leaders of what was then a federation of districts within the LCMS. Since the opening of CLTS in St. Catharines and the later beginning of CLS in Edmonton, LCC has realized many great and wonderful blessings as men have been trained and sent into the pastoral ministry by both seminaries. To be sure there have been great challenges along the way but at each step God’s grace has been more than sufficient.

The financial challenges which gave rise to the overtures submitted to and the resolution passed by the 2008 Convention of LCC have caused us to examine the entire matter of seminary education in the Synod and at the end of that process the Task Force is utterly convinced seminary education remains a vital and integral part of our life together in Christ.

Many have wondered if it is worth the cost. ATS president Daniel Aleshire in his book Earthen Vessels (page 145) offers the following answer:

“Is the work that these schools do worth the price tag? If theological education is a commodity to be produced at the least expense for the most recipients, then the question is legitimate. If, however, the goal is the preparation of religious leaders who are deeply formed in an understanding of faith, who can guide congregations in a culture that is less than convinced that religion is a cultural asset, who can lead in a context of significant change in congregational practice and can teach it to an increasing percentage of people who do not know the tradition or understand it, then theological education is not a commodity. The question about cost is really a question about value.”

It is our prayer the recommendations listed above will lead to a new day in seminary education where the support for and the sustainability of seminary education will increase; where our Synod will **value** seminary education as its founders envisioned. The Task Force also prays that while the changes recommended above will be challenging to implement, the seminaries themselves will embrace anew their mission and strive to work together in good faith to be good and faithful stewards of the treasures, talents and time entrusted to their care.

On behalf of the Task Force I would extend a heart felt word of thanks to the faculty and staff of both our seminaries and particularly to Dr. Manfred Zeuch and Dr. Thomas Winger for their

candour, openness and patience as we have gone about our work. Thanks also to LCC President Rev. Dr. Robert Bugbee, the executive staff, and the members of the Board of Directors for their input, advice and prayer as we have developed our recommendations. We are also extremely grateful to each and every person, congregation or other entity who took the time to contact the Task Force with their ideas or suggestions or who provided input to us at our request. In particular we thank Dr. Gerald Krispin of CUCA for taking the time to thoughtfully consider issues regarding relationship of the seminaries to the university college and to Rev. Dr. Edwin Lehman for his recall and research into seminary history.

As Task Force Chair I would like to thank all the members of the Task Force and their families for all their work and sacrifice over the past two years. Each of the Task Force members have brought unique gifts and perspectives to our deliberations and each have demonstrated a deep and abiding passion for our seminaries and the specific work we as a group were asked to do.

Above all else however, thanks be to God, Father, Son and Holy Spirit, in whose name this work was begun, continued and is now concluded. May the work of this Task Force, and indeed all the work done in pastoral formation in Lutheran Church–Canada serve the primary goal of all pastoral training: “Do your best to present yourself to God as one approved, a worker who has no need to be ashamed, rightly handling the word of truth.” – 2 Timothy 2:15 (ESV).

In Christ

Respectfully submitted

Rev. Nolan Astley, chair
Task Force on Cost-Efficient,
Sustainable Seminary Education

Appendix 1: Projected "Best-Case" Budget for Combined Seminary Operations

	CLTS 09/10	CLS 09/10	Projected income based on combined 5-year average.
Income			
Tuition	154,468	92,876	238,200
LCC Grant	205,200	205,200	308,000
Gifts	258,068	523,155	615,000
Foundation	35,248	100,101	141,800
Sales	30,943	6,696	31,000
Fundraising Events	21,160		21,000
Bequests		11,700	46,300
Other	40,630	19,333	60,000
Total	745,717	959,061	1,461,300
Total 09/10 Income		1,704,778	
Expenses			
Salaries & Benefits	550,236	683,538	1,011,300
Supplies & Services	211,720	202,663	450,000
Total	761,956	886,201	1,461,300
Total 09/10 Expenses		1,648,157	

Seminary Fund Balances (Equity)

	CLTS	CLS
Invested in Capital Assets	2,295,874	1,096,962
Endowments/Foundation	1,310,333	3,504,808
Student Aid/Foundation	1,000,956	
Student Aid/Seminary	179,259	128,718
Missionary Study Centre		207,509
Restricted Funds		4,974
Total	4,786,422	4,942,971
Long Term Operating Deficit	781,072	87,996
Net Equity	4,005,350	4,854,975