

AGENDA 10.1

Australian Lutheran College Ltd

MEMBERS

Rev David Gogoll (Chair), Mr Nathan Klinge (Vice-Chair), Dr Kristine Gebbie (Secretary), Ms Sue Kloeden, Rev Robert Paech, Mr Brian Mills (resigned 23/3/2018), Mr David Dreckow, Mr David Prenzler, Rev Greg Pietsch, Rev John Henderson (*ex officio*)

BACKGROUND

The vision of Australian Lutheran College (ALC), as the theological education and research institution of the Lutheran Church of Australia (LCA), is to see God's love in Christ coming to life through preparing God's servants – pastors, teachers, church workers and volunteers of all kinds – to serve and lead with confident Christian faith, integrity, competence and compassion in a diverse and changing denomination and world. To meet that vision ALC's mission is to provide:

- theological education and research for vocation and life, with an emphasis on vocational formation of people to meet the needs of church and world in a post-modern society no longer literate in the Christian faith;
- opportunities for growth, education and training for pre-vocational, vocational and post-vocational needs that include Certificate IV, Diploma, Bachelor, Masters, and Doctoral studies;
- church life research to inform the LCA and the broader community.

The history of Lutheran vocational training and formation in Australia dates back to 1838 when Lutherans arrived in Australia. Following the formation of the Lutheran Church of Australia (LCA) in 1966 (when the two former synods – the ELCA and the UELCA – joined) three training institutions emerged: Luther Seminary, Lutheran Teachers College and Lay Training Centre. Eventually these three were merged into Luther Seminary. Its name changed to the current Australian Lutheran College in 2003. In 2005 ALC was registered with the government as a Higher Education Provider. In 2010 it established Vocational Training and Education (VET) qualifications. ALC's VET partner is the Australian Centre for Advanced Studies. In 2010 ALC joined the University of Divinity, an ecumenical higher education institution, in order to provide undergraduate, graduate and post-graduate degree programs.

Throughout this journey the LCA has continued to maintain and financially support ALC as part of its constitution:

3.1.5 provide pastors and teachers and other church workers for service in the Church and its congregations, and for this purpose to establish and maintain institutions for their training.

Challenges facing both ALC and the LCA are that the world has changed. The LCA expressed its own priorities in these changing circumstances in its Strategic Direction 2013-2018 document, one of the key guiding documents in developing ALC's Strategic Direction 2017-2022 document. ALC must change in order to meet expectations in a financially sustainable way, both challenging internal structures and assumptions, and developing new ways of working. The changes must also take into account major changes to government policy and the education sector in relation to universities, TAFE, fee support and registered training providers.

ALC's expectation is to see God's love in Christ coming to life as it equips and nurtures students as lifelong learners to serve and lead with integrity, competence and compassion in a diverse and changing church and world.

ACHIEVEMENT AGAINST PLAN

| Objectives | Planned Annual Activities/Outcomes | Achievement of Annual Activities/Outcomes |
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| 1. Equipping people for service in the church and the world | <ol style="list-style-type: none"> 1. work with others in the LCA to define explicit competencies for pastors, lay workers and others studying courses at all levels with ALC; 2. establish specific numbers of students desired in programs, consistent with fiscal needs, and work toward achieving and maintaining those numbers; 3. partner with others (eg congregations, schools, aged care services) to form Centres of Learning and Innovation, with the possibilities of co-located adjunct lecturers and shared relevant research; 4. maintain an intentional international role, including partnerships with international theological institutions and serve international students; 5. refine the curriculum and courses to ensure that they meet this strategic direction; 6. develop quality assurance methods that measure teaching, research and student outcomes toward the identified ALC purpose and goals. | <p>Conversations that relate to the LCA's learning and teaching needs are underway between various representatives of the College and:</p> <p><u>Lutheran Education Australia</u> along with various educational regions and individual schools. These conversations are focussed upon the theological formation of teaching staff and school leaders.</p> <p><u>Local Mission Executive Officer</u> These conversations are focussed upon the specific needs of the Church's New and Renewing Churches objectives. Further thought is being given to how ALC might support the induction and spiritual formation of staff who work in the church's aged care facilities.</p> <p><u>Mission international</u> These conversations are aimed at strengthening the relationships with the LCA's overseas partners particularly at the level of theological college to theological college. The conversations include, but are not limited to, Sabah Theological Seminary and Martin Luther Seminary PNG.</p> <p>College Staff continue to lead and participate in congregational and district events by leading worship/preaching, providing key-note addresses at conferences and other ministry events, and by attending significant events in the life of the church.</p> |

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| 2. Exploring, understanding and discussing contemporary church life questions and issues | <ol style="list-style-type: none"> 1. expand its research program to ask questions about what it means to be Lutheran in the contemporary world; 2. look outward, engaging with other ways of looking at the world and being in ecumenical partnership with other churches and other parts of the wider community; 3. enable people within the church or its institutions who have a passion, an interest or a curiosity about particular questions and issues to pursue further knowledge; 4. develop a network of people with research skills and expertise to support exploring, understanding and dialoguing contemporary church life questions and issues through building research capacity together | <p>The College's Associate Dean for Research will soon have completed a number of applied research projects for the church and its entities. These include a major project to review the church's call system. This is being done on behalf of GCC following a resolution for the 2015 Convention of Synod. Various smaller research projects have also been completed for LEA.</p> <p>Together with a number of partners the College also convened an international Luther conference in Melbourne, in July 2016. The conference was well attended and highly regarded by its international guests.</p> |
| 1. Listening and responding in partnership to the LCA and its needs and aspirations | <ol style="list-style-type: none"> 1. listen to the whole church appreciatively, both in the traditional points of LCA life and the newer emerging ones; 2. strengthen existing partnerships (including LCA College of Bishops, Lutheran Education Australia, other LCA departments); 3. cultivate new partnerships (including Lutheran Aged Care and Community Care); 4. identify ways that participation in the University of Divinity can inform, strengthen and expand our thinking. | <p>The College's ongoing learning, teaching and research programs continue to be shaped by consultation with various stakeholder groups. These groups include, but are not limited to, the College of Bishops, Lutheran Education Australia – Regions – individual schools, Local Mission and International Mission.</p> |

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| 2. Using evidence as a basis for decision-making | <ol style="list-style-type: none"> 1. require evidence for planning, evaluating and reporting in all phases of ALC life; 2. develop transparent performance data and accountability mechanisms including data for staff time use, student numbers, costs, expenses and stakeholder feedback; 3. make explicit the benefits and costs of being a member of the University of Divinity. | <p>ALC has led two major research project on behalf of the LCA. The first was a snapshot of the wellbeing of the pastorate, and the second was a review of the LCA's call system. The data collected through these projects is proving to be of benefit to ALC. ALC has also retained the services of a communication and marketing consultant to look at branding and to develop a communications and marketing plan for the college. This engagement has led to the establishment of data collection and analysis regimes. The University of Divinity continues to collect data and provide analysis on behalf of all member colleges. Enrolment targets are set through this data collection. ALC's Associate Dean for Research continues to implement a number of smaller research projects on behalf of stakeholder groups. The data collected through these smaller projects is often of benefit to the College. Through all of this work ALC will soon be able to generate valid and reliable longitudinal data.</p> |
| 3. Communicating well with all stakeholders about where ALC is going and why | <ol style="list-style-type: none"> 1. ensure an ongoing flow of information to staff and students on anticipated and implemented changes; 2. provide regular information to all parts of the LCA, its congregations and institutions; 3. develop communication channels with the wider community and other partners including the University of Divinity. | <p>ALC has met with leaders from a number of its stakeholder groups. Through these meetings those stakeholders have been informed of the College's new strategic direction and what it might mean for their specific sector. A major launch of the College's new strategic direction is planned in the lead up to the 2018 General Convention of Synod. Rebranding of the College is being considered in respect of this.</p> |

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| 4. Implementing good governance that can manage well and manage change well | <ol style="list-style-type: none"> 1. function as a board of governance, delegating management to the Principal; 2. maintain an open channel of communication with the leadership structure of the LCA including the General Church Council (GCC) to facilitate understanding of changes as they occur; 3. have policies for board processes, the Board–Principal relationship, delegations and limitations, and will focus on this strategic direction (what it wants ALC to achieve); 4. establish budgets and hold the Principal accountable for meeting budgetary expectations; 5. require the Principal and Leadership Team to put in place a change management plan and report to the board regularly on progress; 6. require the Principal and Leadership Team to support an internal culture that is open to change and continuously learning about and implementing improved approaches to meet the desired strategic direction. | <p>ALC’s new strategic direction also identified a desirable governance structure for the College. This new structure is based upon the Carver or Policy Governance model. This model requires the development of key governance policies to replace conventional bi-laws. The key to this policy is an effective delegations policy accompanied by effective oversight and accountabilities. An experienced person will be engaged to write this set of governance policies.</p> <p>To further support the College’s changed governance model the board redrafted its constitution. This redraft was based upon the Australian Charities and Not-for-profit Commission (ACNC) model constitution which is the key government regulator for the College. The College’s redrafted constitution has been submitted to GCC for approval.</p> <p>To give expression to its implementation of the Carver Governance Model along with its redrafted constitution the board has also implemented a restructure of the College. This restructure has done away with the former ‘three School’ model for the College and has replaced it with a structure that reflects the College’s formative and academic activities. This structure is now being implemented and tested to be ready for a full launch in 2019.</p> <p>During this period the board also completed a formative review of the Principal. This review was favourable to the principal leading to the board’s affirmation of his continuing service. Development needs were also identified for the principal. Consequently, he has enrolled in a Master of Education (Leadership and Management).</p> |
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SUCCESSSES

- Completion and ongoing implementation of the Strategic Direction 2017-2022;
- Renewed communications engagement with a broad range of stakeholders;
- Innovative new ventures are being undertaken with some stakeholders;
- Cost cutting measures have resulted in modest financial surpluses in the years 2016 and 2017;
- Taking over and administering the church's Continuing Education for Pastors (CEP) programme;
- From 28/6-3/7/2016 ALC hosted a Luther 500 Conference in Melbourne. Registrations exceeded expectations with 170 guests in attendance, including international visitors. Based on feedback, this conference can be considered an outstanding success.
- In March 2017, ALC's Associate Dean for Research, Wendy Mayer, was appointed as a Professor of the University of Divinity. In ALC's history, this is the first time that an academic staff member has been recognized at this outstanding level.
- In June 2017, General Church Council approved a new Strategic Direction for the College 2017-2022. Implementation of these strategies has seen renewed engagement with a broad range of stakeholders.
- In July 2017, ALC participated in organising and hosting the annual Australian and New Zealand Association of Theological Schools Conference. The conference attracted more than 90 participants and feedback was extremely positive. The conference theme was *Kinship and Family: In contemporary Australia and New Zealand*.
- In July 2017, ALC was asked to take over the administering of the church's Continuing Education for Pastors (CEP) programme
- Cost cutting measures resulted in modest financial surpluses being achieved by the College in the years 2016 and 2017.
- The relationship between ALC and Grow Ministries, has resulted in 2 graduates from Grow's 2017 internship, enrolling in ALC's pastoral stream in 2018.
- ALC continues to work in partnership with Lutheran Education Australia to develop a new accreditation process for teachers in Lutheran schools.
- ALC is working in conjunction with 4 Lutheran Colleges in the greater Adelaide area to provide a religious studies subject at SACE level to year 12 students. If student numbers are sufficient, ALC will deliver the course as of 2019 to a cohort potentially made up of students from a number of schools.
- As a result of renewed engagement, innovative new ventures are being explored with some stakeholders, including the LCA's Committee for Cross-Cultural Ministry, which is a committee of the Board for Local Mission.

CHALLENGES AND LESSONS LEARNED

Many of the College's challenges fall into the area of 'communications'. It is evident that many people from within the LCA are not fully aware of who the College is and the full scope of services that the College provides for the church. The College has addressed this by providing representatives at as many national and district events as possible. This, together with our renewed relationships with other stakeholders is proving to be beneficial with new ventures being envisioned and implemented.

Another area of challenge is the haphazard nature of training and development within the LCA. While ALC has been identified as the church's post-secondary and tertiary training and education provider, other groups within the LCA continue to offer parallel and even competing programs. Part of the College's plan for ongoing viability is to grow its enrolments. This includes not-for-credit training opportunities. While the College has experienced contractions in its traditional service-delivery markets of preparing pastors, teachers and lay-workers for the church other new opportunities have grown that are external to ALC but that enjoy the church's financial support. To this end the church ends up funding a number of parallel programs with ALC being the only body that is formally accountable to the church for the theological quality of its learning and teaching programs. The College is therefore

interested in developing cooperative, supportive and productive relationships with those other training sectors with high quality theological learning and teaching experiences being the goal.

RISKS

Each year in August, the University of Divinity generates a risk profile for each of its Colleges. In 2017, it was said that ALC *'continues to face fundamental challenges due to declining enrolments. Implementation of the Strategic Direction should address this from 2018, especially through setting and monitoring measurable goals and promoting new initiatives.'* *'Stagnating income due to decreasing enrolments means that medium to long term viability is at risk.'* *'Significant action is required to reverse the decline in enrolments, including identifying one or two specific initiatives for growth.'*

COOPERATING LCA BOARDS AND AGENCIES

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| College of Bishops | <ul style="list-style-type: none"> • At the request of the CoBs, ALC provides specialised on-campus training for SMP's for one week, twice a year • ALC, through ALITE, has assisted CoBs and GCC with several research projects – Pastoral Ministry Project (completed) and Review of the Call System Project (ongoing) |
| Lutheran Education Australia and Regional Offices | <ul style="list-style-type: none"> • ALC provides LEA approved pre-service and in-service programs leading to accreditation in Lutheran Schools • Lutheran Schools offer practical placements for undergraduate pastoral students • ALC provides consultation to LEA from time to time, and provides personnel to serve on various committees and task groups • ALC has completed a number of small research projects for LEA • The possibility of ALC providing accreditation for the existing Pathways and Equip induction and professional development modules offered through Lutheran Schools is being explored. |
| Commission on Theology and Inter-Church Relations | <ul style="list-style-type: none"> • Ordained ALC staff provide theological expertise and leadership on the commission and inter-church dialogue teams |
| Commission of Social and Bioethical Questions | <ul style="list-style-type: none"> • An ordained ALC staff member provides theological expertise and leadership in the commission |
| Local Mission & International Mission | <ul style="list-style-type: none"> • ALC teaching staff coordinate and support scholarship students • ALC teaching staff contribute to the Lutheran Studies Centre and English language stream at Sabah Theological Seminary-Indonesia • ALC teaching staff participate in LWF sponsored consultations of the Network of Lutheran Theological Institutions in Asia • An ALC staff member acts as an overseas liaison person to the LCA Committee for International Mission. • ALC is working with Local Mission to try and implement changes to the pastoral program that support their mission work. |
| Church Worker Support | <ul style="list-style-type: none"> • ALC provides approved pre-service and in-service higher education and VET education leading to lay worker accreditation |

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| | <ul style="list-style-type: none"> There is a growing, cooperative relationship between ALC and the Church Worker Support Dept to promote careers in the LCA and also working together on the CEP program. |
| LCA Congregations | <ul style="list-style-type: none"> Ordained staff fill guest preaching roles in various congregations around Australia |
| LCA District Offices | <ul style="list-style-type: none"> Grassroots Training collaborates with District Offices in the planning and promotion of ministry training to LCA congregations Grassroots provides practical support for the internship programmes that are distinct to various LCA Districts Ordained lecturers attend and speak at District Pastors Conference's around Australia |
| Lutheran Aged Care | <ul style="list-style-type: none"> Initial conversations have commenced concerning Aged Care needs for staff induction packages |
| Youth and Family Ministry (BCYFM)/ Grow Ministries | <ul style="list-style-type: none"> The Grassroots Coordinator is a consultant on the Committee for Child, Youth and Family Ministry. They are a partner in delivering the 'Home and Church in Partnership' workshop. ALC staff have participated in a number of GROW Ministry projects and have recently hosted a youth forum event |
| Lutheran Archives | <ul style="list-style-type: none"> ALC co-sponsor and organise the annual Fritzsche Oration in consultation with Lutheran Archives |
| Finke River Mission | <ul style="list-style-type: none"> ALC ordained staff work in consultation with the FRM Board to develop pastoral training for Indigenous groups, and attend bush camps up to twice a year as guest presenters |
| Lutheran-Roman Catholic Dialogue | <ul style="list-style-type: none"> Ordained staff provide theological expertise and leadership as part of this dialogue group |
| Lutheran-Uniting Church Dialogue | <ul style="list-style-type: none"> Ordained staff provide theological expertise and leadership as part of this dialogue group |
| Lutheran-Anglican Dialogue | <ul style="list-style-type: none"> Ordained staff provide theological expertise and leadership as part of this dialogue group |

FINANCIAL PERFORMANCE

In 2018 ALC has segmented the operations of ALC into seven discrete operations; Accommodation, Administration, Learning and Teaching, Library Operations, Principals Office, Research, and Synodical Services. Doing this enables ALC to better understand its costs and the manner in which the contribution from the LCA is allocated (required). It also provides a firm evidence base upon which to make decisions about the future direction of ALC. When compared to the previous two years, the contribution of Accommodation to the financial performance of ALC has declined, a reflection of the changing marketplace for student accommodation. The budget result for 2018 is a deficit, and as at the end of June accounting, the full year forecast is in line with this budget.

| Alignment to LCA Strategic Priorities | 2017 | 2016 | 2015 |
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| Expenditure | | | |
| 1 Growing as God's People | 4,089,142 | 4,118,328 | 4,508,567 |
| 2 Going as God's People | | | |
| 3 Enable us to Go & Grow | | | |
| Total | 4,089,142 | 4,118,328 | 4,508,567 |