



Board Policy Manual

St. Matthew Lutheran Church
5125 Cascade Road SE
Grand Rapids, MI 49546

Board Policy Manual

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1. Desired Outcome Policies

Through our efforts to express our Christian faith and the love of God, we, the Congregation of St Matthew Lutheran Church, will hold ourselves accountable for living and planning the purposes God has established for the church.

As a Christian congregation fulfilling the Great Commission (Matthew 28) of our Lord and Savior, Jesus Christ, we have established these Desired Outcomes of all our ministry efforts and will evaluate those ministries against these Outcomes.

MISSION - What do we do?

In thankfulness to God's grace, we are called at St. Matthew Lutheran Church to make disciples of Jesus Christ. MT 28: 18 – 20

We are "Followers of Jesus, Wherever We Are"

VISION - How do we know we are on the right path?

For the Church as a whole, we desire to be a church where 500 people gather in worship on a weekend and program to meet the needs of our community and membership so that people continue to grow in Christ.

NEVER-ENDING DREAM -

Our hope is to create a community where people will experience the heart of God in Jesus Christ. We desire this place to be where people know and are known; love and are loved; serve and are served as followers of Jesus Christ who will stop at nothing to bring the world to experience the heart of our heavenly Father.

DISCIPLE MAKING PROCESS -

We Grow in Christ with our "**Head, Heart, Hands**"

Because of God's grace in the person and work of Jesus, we seek to live as His called, changed & shaped people grow in Christ by

- 1) Knowing Jesus and His will,
- 2) Loving Jesus, what He loves and how he loves, and
- 3) Sharing Jesus both in word and action inside and outside the church.

1.1. Desired Outcomes

1.1.1 Head - by knowing Christ and His mind

“Do not conform to the pattern of this world, but be transformed by the renewing of your mind. Then you will be able to test and approve what God’s will is—his good, pleasing and perfect will.” Romans 12:2

Corporate - Every disciple is in an identifiable group study of God’s Word

Personal - Every disciple engaged in a personal Bible reading plan.

Assessment - Attendance at Sunday Morning Worship Services & all Bible classes/groups are kept and an annual survey of personal Bible Reading is taken.

1.1.2 Heart - by loving Jesus, seeking what He loves and how he loves.

Jesus replied: “Love the Lord your God with all your heart and with all your soul and with all your mind.’ This is the first and greatest commandment. And the second is like it: ‘Love your neighbor as yourself.” Matt 22:37–39

Corporate worship - Every member would regularly gather in Jesus Name in reverent & joyful worship.

Personal Worship - Every member would regularly pray with and for their family.

Personal Community - St. Matthew is a church of small groups, members are involved in an identifiable group.

Assessment - Group involvement is monitored. Members are annually surveyed to gauge prayer activity.

1.1.3 Hands - by serving people Jesus loves.

Jesus said, “Blessed rather are those who hear the word of God and keep it!” Matt 22:37–39

Corporate service - Members of St. Matthew would serve in at least 1 way within the body of Christ (St. Matthew), and not more than 3 ways.

Personal service - Every member would be encouraged to & be celebrated in serving the community in at least one way to share the love of Christ in word and deed.

Assessment – Local, social, & spiritual endeavors are highlighted monthly. Personally, all members would identify, develop and share how God has worked in their life.

1.2. Desired Outcome Reports

The staff of St. Matthew, through the Senior Pastor, will give a written report to the Board of Directors sharing the efforts made towards reaching the desired outcomes at each month's board meeting.

1.2.1 Head - by knowing Christ and His mind

Assessment	Compiled by-	Reported to board by-	How often/when reported to board
Attendance at Sunday Morning Worship Services & all Bible classes/groups	Office Staff	Pastor/Spiritual Formation Director	Monthly Report
Annual survey of personal Bible Reading is taken	Spiritual Formation Director	Pastor/Spiritual Formation Director	March

1.2.2 Heart - by loving Jesus, seeking what He loves and how he loves.

Assessment	Compiled by-	Reported to board by-	How often/when reported to board
Small group involvement is monitored.	Small Group Director	Pastor/Small Group Director	Monthly Report
Members are annually surveyed to gauge prayer activity.	Worship Arts	Worship Arts Director	May

1.2.3 Hands - by serving people Jesus loves.

Assessment	Compiled by-	Reported to board by-	How often/when reported to board
Local, social, & spiritual endeavors are highlighted monthly.	Missions Director	Pastor/Missions Director	Monthly Report
Personally, all members would identify, develop and share how God has worked in their life.	Missions Director	Pastor/ Missions Director	November

2. Board Self-Governance Policies

These policies define how the Board will manage itself.

2.1. Accepting Responsibilities

Board Members have the following responsibilities to each other and to the members of the congregation:

- 2.1.1. Board Members will actively participate in the worship, Christian growth, and educational activities of St. Matthew Lutheran Church.
- 2.1.2. Board Members will seek to develop their own personal spiritual life through the use of devotions, prayer, Bible study, and the practice of Christian stewardship.
- 2.1.3. Board Members will seek to grow as Christian leaders by continually striving to increase their understanding of the theology, mission, and ministry of the congregation.
- 2.1.4. Board Members will devote themselves to prayerfully seeking God's will for the congregation.
- 2.1.5. Board Members will attend Board meetings regularly and will understand that missing three consecutive meetings serves as their automatic resignation.
- 2.1.6. Board Members will be prepared for Board meetings.
- 2.1.7. Board Members will become familiar with this policy manual and the congregation's Constitution and Bylaws.
- 2.1.8. Board Members will participate in Board meetings, special briefings and policy decision-making.
- 2.1.9. Board Members will make informed decisions by insisting on complete and accurate information.
- 2.1.10. Board Members will invest personal energy and skills in the purposes and objectives of the congregation and Board, seeking opportunities where individual skills and abilities can be applied.
- 2.1.11. Board Members will show respect for others and their opinions and will respect the right of others to disagree.
- 2.1.12. Board Members will accede to all decisions once they have been fully discussed and resolved by the Board. This does not exclude the right of Members to hold minority opinions, or to express them within the Board setting. However, Members should work to change policy rather than hinder actions of the Board or staff.
- 2.1.13. Board Members will make no public attribution to an individual Board Member's discussions made during Board activities.

- 2.1.14. Board Members will relate to other individuals with integrity, honesty, straightforwardness, and Christian love.
- 2.1.15. Board Members will identify any Board actions or situations that run counter to these policies.
- 2.1.16. Board Members will bring to the Chairman's immediate attention any condition or action that they believe exceeds a Senior Pastor Limitation policy. However, Board Members will refrain from defining the appropriate corrective actions.
- 2.1.17. Board Members will keep confidential all documents and discussions so identified. However, the Board meeting minutes will always be a public document.
- 2.1.18. Board Members will be open to opinions and concerns expressed to them by members of the congregation. All such information will remain confidential with the Board Member except as the Board Member may share the information with the Chair or the Board as a whole when deemed appropriate.
- 2.1.19. Board Members who violate any of the policies will be subject to review and action by the Chairman, then the Executive Committee, and finally the Board as a whole.

Policy Adopted On March 2008 Last Reviewed: Dec. 18, 2018 Last Changed: Jan. 21, 2014

2.2. Enunciating Governing Policies and Values

The Board will maintain written policies of four types:

- 2.2.1. **Policies of Outcome Results:** affirmative statements setting forth the purposes, effects, and acceptable costs of operations.
- 2.2.2. **Policies of Board Self-Governance:** statements setting forth the style and rules of the Board's own tasks and procedures.
- 2.2.3. **Policies of Board and Senior Pastor Relationship:** clarifying statements about delegation to and monitoring of management.
- 2.2.4. **Policies of Senior Pastor Limitations:** limiting statements binding management.

Policy Adopted On March 2008 Last Reviewed: Dec. 18, 2018 Last Changed: Jan. 21, 2014

2.3. Governing Process

2.3.1. **Scope of Activities.** All activities of the Board, its Officers, committees, or Members will adhere to the specific responsibilities of the Board as formally adopted at Board meetings. Board Members are governed by this principle.

2.3.2. **Group Action.** The Board will exercise its governing authority as a whole. No individual Board member may exercise such authority except as instructed by the Board.

2.3.3. **Policy Development.** The Board policies are to be active and dynamic. They are meant to be changed and refined regularly, based on the intent of each section, the values of the Board, and the changing context within which the congregation functions.

2.3.3.1. **Resolutions.** The Board will pass resolutions for specific actions only where the actions will affect solely the Board, or where the actions are specifically required in the policies, by law, or by other governing documents.

2.3.3.2. **Senior Pastor Actions.** The Board will govern the actions of the Senior Pastor through policy development, when possible.

The Senior Pastor's actions will only be evaluated in light of the appropriate governing policies. The Board will only review the policies for their soundness as a test of ethical and prudent behavior, and will not dictate the appropriate Senior Pastor actions except to enforce compliance with the policies.

2.3.3.3. **Policy Review.** Any Board Member or the Senior Pastor may ask for a review of specific policies. However, responsibility for reviewing and enacting policies rests solely with the Board.

2.3.3.4. **Policy Review Calendar.** The Board will establish an annual policy review calendar to coordinate the review of every policy at least once a year. The Board will make every effort to coordinate the review calendar with the business cycles of its own work, reviewing appropriate policies just prior to management actions or decisions.

2.4. Connecting with Congregation Members

- 2.4.1. The main responsibility of the Board is to represent the interests of the congregation's members. This is primarily done through the development of the Outcomes for the Church.
- 2.4.2. The Board will develop a schedule of no less than two open forum meetings per year, inviting members of the congregation to give input on Outcomes and on any other matters which they feel need to be brought to the attention of the Board.

Policy Adopted On March 2008 Last Reviewed: Dec. 18, 2018 Last Changed: Jan. 21, 2014

2.5. Board Self-Review

2.5.1. **Board Self-Appraisal.** In order to discipline itself and evaluate its efforts, the Board will conduct an annual self-appraisal. The Board will commit part of one meeting to discuss the following topics and to identify areas and actions for improvement:

2.5.1.1. The Board's openness and communication among its Members.

2.5.1.2. The Board's ability and skill in developing and monitoring policy.

2.5.1.3. The Board's adherence to policy and to its Policy Based Leadership.

2.5.1.4. The Board's communication with the Senior Pastor.

2.5.1.5. The Board's relationship to the members of the congregation.

Board Self-Appraisal was last conducted on the following date: May 2018

2.5.2. **Policy Based Leadership Review.** At least every three years the Board will review the ability of Policy Based Leadership to provide organizational effectiveness. This will include a discussion of its continued use or modification.

Policy Based Leadership Review was last conducted on: March 2017

2.6 Officers of the Board of Directors

- 2.6.1. The Officers of the Board will be the Chairman, the Vice-Chairman, the Treasurer, and the Secretary.
- 2.6.2. Officers of the Board will not assume any part of the management of the organization. They will confine their efforts to governing through policies. Their focus will be on coordinating and assisting the Board.
- 2.6.3. The responsibilities of the Officers of the Board will be to:
 - 2.6.3.1.Chairman:
 - 2.6.3.1.1 Perform the duties assigned to the Chairman in the congregation Bylaws.
 - 2.6.3.1.2 Establish the agenda for Board meetings in compliance with the policy calendar established by the Board.
 - 2.6.3.1.3 Preside at all meetings of the Board of Directors.
 - 2.6.3.1.4 Discuss and review corrective actions with individual Board Members when they violate their responsibilities. When resolution cannot be obtained with an individual Board Member, the Chairman will in executive session of the Board conduct a review of the violated policy and develop recommendations for any necessary corrective actions. If the Board Member in question is the Chairman, then this responsibility falls to the Vice Chairman.
 - 2.6.3.1.5 Act in all area of Board management left unstated within these policies as long as this action is not in conflict with other Board policies.

2.6.3.2.Vice Chairman

- 2.6.3.2.1 Perform the duties assigned to the Vice Chairman in the congregation Bylaws.
- 2.6.3.2.2 Preside at all meetings of the Board in the absence of the Chairman or at the direct request of the Chairman.
- 2.6.3.2.3 Discuss and review corrective actions with the Chairman when the Chairman violates Board Member or Chairman responsibilities.

2.6.3.3. Treasurer

2.6.3.3.1. Perform the duties assigned to the Treasurer in the congregation Bylaws.

2.6.3.4. Secretary

2.6.3.4.1. Perform the duties assigned to the Secretary in the congregation's Bylaws.

Policy Adopted On March 2008

Last Reviewed: Dec. 18, 2018

Last Changed: March 20, 2015

2.7. Task Force Committees

The Board may appoint committees from time to time, but always consistent with the following principles:

- 2.7.1. Committee responsibilities flow directly from the Board's description of the committee's job. These responsibilities will be set forth in a formal written charge with an appropriate duration, and must not impinge upon responsibilities delegated to the Senior Pastor or other staff members. These formal documents will be available for public review.
- 2.7.2. Committees will not do staff work except when working on a topic that is fully within the province of the Board and is not delegated in any way to the Senior Pastor or other staff members. Committees will have no executive or deciding authority except when empowered by the Board. At all other times, they will strive to develop policies.
- 2.7.3. Committees will not manage any part of the congregation.

Policy Adopted On March 2008 Last Reviewed: Dec. 18, 2018 Last Changed: Jan. 21, 2014

2.8. Standing Committees

- 2.8.1. **Nominations Committee.** The Vice Chairman will annually appoint a Nominating Committee whose responsibility will be to develop a slate of candidates for each elected and appointed office. The Committee will consist of the Vice Chairman, who will serve as chairman of the committee, and three voting members who are not members of the Board. The Chairman and Senior Pastor will be ex-officio members. All nominees must be voting members. No person may be nominated without his or her consent.
- 2.8.2. **Auditing Committee.** An annual audit will be conducted of all accounts associated with the Church's Tax I.D. The Chairman may appoint an Audit Committee of at least two (2) persons to perform the audit, or the Board may choose to have the audit performed by a professional firm. The results of the annual audit will be delivered in a complete report to the Board.
- 2.8.3. **Human Resources Committee.** The purpose of the Human Resources Committee is to annually review the Human Resource "Employee Handbook" policies and job descriptions, providing recommended changes to the Senior Pastor, and to advise the Senior Pastor on staff-related issues, as needed. The Committee will consist of the Vice Chairman, who will serve as chairman of the committee, and at least two additional Members of the Congregation, appointed annually by the Vice Chairman. The Chairman and Senior Pastor will be ex-officio members. The members of the Human Resources Committee may consist of the members of the Executive Board.
- 2.8.4. **Wage and Salary Committee.** The purpose of the Wage and Salary Committee is to annually review employee compensation and advise the Senior Pastor on recommended changes. The Committee will consist of the Vice Chairman, who will serve as chairman of the committee, the Treasurer, and at least one additional Member of the Congregation, appointed annually by the Vice Chairman. The Chairman and Senior Pastor will be ex-officio members. The members of the Wage and Salary Committee may consist of the members of the Executive Board, and may include the same members as the Human Resources Committee.

2.9. Filling Vacancies

Vacancies on the Board of Directors will be filled according to the following guidelines:

- 2.9.1. **Notification.** All Board Members will be notified when a vacancy occurs.
- 2.9.2. **Appointments.** The Board of Directors will appoint a member to fill a vacancy for the balance of the term left vacant. Service for more than one-half of a term shall constitute a full term. If the Chairman position is vacated, the Vice Chair will assume the Chairman position temporarily until the next nomination period. If an Officer position is vacated the Chairman may appoint a temporary replacement from the existing Board Members between Board of Director meetings until a formal nomination and approval process is completed by the Board of Directors. The newly nominated and approved Officer position will remain in position and become formally voted on at the next Congregational meeting. Sitting board members elected to an Officer position mid-term continue their original term schedule.

Policy Adopted On March 2008

Last Reviewed: Dec. 18, 2018

Last Changed: May 15, 2018

2.10. Board & Church Staff Relationships

Board Members will not knowingly enter into any conflicts of interest involving family members serving on the Church Staff. To avoid potential conflicts of interest, Board Members will adhere to the following guidelines:

- 2.10.1. A Board Member may not serve as Board Vice Chairman during a family member's Church employment.
- 2.10.2. A Board Member must excuse himself/herself from any Nominating Committee or Human Resources-related discussions specifically involving a family member, including but not limited to: performance reviews, pay decisions, bonus decisions, promotion decisions, performance improvement plans, and/or termination hearings.
- 2.10.3. Board Members must protect confidentiality of Board discussions where appropriate.

Policy Adopted On March 2008 Last Reviewed: Dec. 18, 2018 Last Changed: Jan. 21, 2014

3. Board And Senior Pastor Relationship Policies

These policies define the Board's responsibility to the Senior Pastor and the Senior Pastor's responsibility to the Board.

3.1. Authority and Delegation

3.1.1 Senior Pastor's Authority

The Senior Pastor may take any and all actions that he deems necessary to attain organizational results, except for the following:

- 3.1.1.1 A violation of law, applicable regulations, orders of courts, or commonly accepted business and professional ethics practices.
- 3.1.1.2 A violation of specific further constraints stated by the Board in the Board Policies, including the Senior Pastor Limitation Policies.

3.1.2 Board Authority

- 3.1.2.1 Except for assignments of its own work (policies) to committees, consultants, or officers, the Board may delegate authority only to the Senior Pastor. Any other subordinate party operating with the authority of the congregation must receive that authority from the Senior Pastor.
- 3.1.2.2 The Board will address only broad levels of issues of purpose and governance in its policies, leaving lesser levels to the discretion of the Senior Pastor. The Senior Pastor may develop guidelines, rules, or procedures and may make decisions in any way he deems fitting as long as the policies adopted by the Board are observed.

3.1.3 Consent Agenda

- 3.1.3.1. When Board approval is required by a higher governing policy such as the Bylaws or law, but not required specifically by the Board, the following procedure will be followed:
 - 3.1.3.1.1. The Senior Pastor will bring a recommended action to the Board.
 - 3.1.3.1.2. The Board will review the appropriate Limitation Policies for adequacy as a test for ethics, prudence, and compliance with doctrine, practice, and other governing documents.
 - 3.1.3.1.3. The Board will approve any action that falls within the Limitation Policies.
- 3.1.3.2. The following items will be treated in this manner:
 - 3.1.3.2.1. The selection of financial institutions for church funds and securities.

3.1.3.2. Approval of requirements of Synod or District.

Policy Adopted On March 2008

Last Reviewed: January 15, 2019

Last Changed: April 22, 2015

3.2. Board Decisions

The following decisions are reserved for the Board:

- 3.2.1. The selection of an independent Certified Public Accountant, or a committee of two or more qualified members, to complete an annual internal financial audit.

Policy Adopted On March 2008

Last Reviewed: January 15, 2019

Last Changed: Feb. 18, 2014

3.3. Senior Pastor's Accountability

The Senior Pastor is accountable to the Board for:

- 3.3.1. Achieving the congregation's Outcome Policies.
- 3.3.2. Complying with the limits established in the Senior Pastor Limitation Policies.
- 3.3.3. Providing adequate counsel to the Board.
- 3.3.4. Relating to the Board with integrity, honesty, and straightforwardness.

Policy Adopted On March 2008 Last Reviewed: January 15, 2019 Last Changed: Feb. 18, 2014

3.4. Exceeding Senior Pastor's Limitations

- 3.4.1. **Notice by Senior Pastor.** The Senior Pastor will give an immediate notice to the Board when a limitation has been exceeded. If the limitation is immediately correctable, the Senior Pastor will take immediate action within the Senior Pastor Limitation Policies and report the results to the Board. If the result is not immediately correctable, the Senior Pastor will share with the Board a plan for corrective action.
- 3.4.2. **Notice by Board Member.** Board members will bring to the Senior Pastor's immediate attention any condition or action believed to exceed a Senior Pastor Limitation Policy.

Policy Adopted On March 2008

Last Reviewed: January 15, 2019

Last Changed: Feb. 18, 2014

3.5. Means of Monitoring

The Board will monitor the congregation in the following ways:

3.5.1. Management Status Reports

- 3.5.1.1. The Senior Pastor will report yearly on the state of the congregation. This report will include the economic and demographic conditions and trends that affect the congregation.
- 3.5.1.2. At each board meeting, the Senior Pastor will report on the progress and plans of the congregation. The emphasis of this report should be on future rather than past actions, and is meant to counsel the Board on the programs, trends, and developments that may affect the Board's work.

3.5.2. Direct Monitoring

- 3.5.2.1. At each Board meeting, the Senior Pastor will report on the Outcome Policies of the congregation.
- 3.5.2.2. Annually, the Senior Pastor will provide to the Board the current strategic plan.
- 3.5.2.3. The Senior Pastor will provide to the Board any changes in congregation organizational structures.
- 3.5.2.4. At each Board meeting, the Senior Pastor will provide to the Board financial statements organized and presented around the financial conditions' policies.
- 3.5.2.5. Annually, the independent Certified Public Accountant or Audit Committee will provide to the Board the audit reports and management letters.
- 3.5.2.6. Annually, the Senior Pastor will provide congregational strategies for funding.
- 3.5.2.7. Annually, the Senior Pastor will provide to the Board a copy of the Human Resource "Employee Handbook" policies and job descriptions.
- 3.5.2.8. As they arise, the Senior Pastor will disclose to the Board all potential conflicts of interest held by the Senior Pastor and a plan to resolve those that are unacceptable.

4. Senior Pastor Limitation Policies

These policies define the limitations placed on the Senior Pastor. They are written as actions that the Senior Pastor **MUST NOT** take. Outside of these limitations, all actions by the Senior Pastor are acceptable.

The Mega-Limitation serves as a broad and general limitation for the Senior Pastor and is further defined by the sections that follow it. The sections are not mutually exclusive, and each section is further limited by the other sections.

Mega-Limitation:

The Senior Pastor of St. Matthew Lutheran Church must not act in a manner that is unethical, imprudent, or inconsistent with the congregation's governing documents.

Policy Adopted On March 2008

Last Reviewed: February 19, 2019

Last Changed: Mar. 18, 2014

4.1. Strategic Planning

In setting the direction and action plans of the congregation:

- 4.1.1. The Senior Pastor must not allow plans that have a neutral or negative impact on the Outcome Policies.
- 4.1.2. The Senior Pastor must not allow the Strategic Plan to have a time frame of less than three years from the present date.

The Strategic Plan was last created on: February 2016

- 4.1.3. The Senior Pastor must not allow the Strategic Plan to be reviewed less than once a year for continued adequacy.

The Strategic Plan was last reviewed on: February 2016

- 4.1.4. The Senior Pastor must not allow plans that fail to respond to the changing climate and conditions that affect the congregation.
- 4.1.5. The Senior Pastor must not allow plans without considering their financial impact.

Policy Adopted On March 2008

Last Reviewed: February 19, 2019

Last Changed: March 17, 2016

4.2. Organizational Structure

In defining or reorganizing the management structure:

- 4.2.1. The Senior Pastor must not establish a structure that has a negative or neutral impact on the Outcome Policies.

Policy Adopted On March 2008

Last Reviewed: February 19, 2019

Last Changed: Mar. 18, 2014

4.3. Services

In developing and managing services and programs in a manner that does not jeopardize program or organizational integrity:

- 4.3.1. The Senior Pastor must not allow services or programs that are unrelated to achieving the Outcome Policies.
- 4.3.2. The Senior Pastor must not allow services or programs without considering their financial impact.

Policy Adopted On March 2008

Last Reviewed: February 19, 2019

Last Changed: Mar. 18, 2014

4.4. Financial Condition

In operating the congregation in a sound and prudent fiscal manner and preserving the long-term financial strength of the congregation:

- 4.4.1. The Senior Pastor must not allow the congregation to operate without a plan for assuring that expenditures will not exceed the total annual projected income and other available funds.
- 4.4.2. The Senior Pastor must not fail to submit to the Board a revised plan for budget spending any time congregational receipts are below projection by ten percent or more over a two month period.
- 4.4.3. The Senior Pastor must not allocate the financial resources of the congregation in a way that has a negative or neutral impact on the Outcome Policies.
- 4.4.4. The Senior Pastor must not invest funds or securities in a manner that compromises a high level of security and return or sufficient liquidity to make funds available as needed for program or administrative purposes.
- 4.4.5. The Senior Pastor must not borrow money without Board approval.
- 4.4.6. The Senior Pastor must not borrow money without first creating a plan to repay the loan(s), identifying the source of repayment funds and the schedule for repayment.
- 4.4.7. The Senior Pastor must not allow deviations from generally accepted accounting principles.
- 4.4.8. The Senior Pastor must not allow the distribution of audit reports without first sharing them with the Board.

Policy Adopted On March 2008 Last Reviewed: February 19, 2019 Last Changed: May 30, 2015

4.5. Financial Planning

In planning fiscal events (i.e. budgeting for all or any remaining part of a fiscal period), the Senior Pastor must not jeopardize the programmatic or fiscal integrity of the congregation:

- 4.5.1. The Senior Pastor must not submit an annual budget that:
 - 4.5.1.1. Contains too little detail to reasonably project operating income and expenses.
 - 4.5.1.2. Does not provide for positive cash flow with reserves equal to at least one month of expenditures.
 - 4.5.1.3. Does not submit at least ten percent of general fund offerings to missions outside of the congregation, at least fifty percent of which must be given to District and Synod.
 - 4.5.1.4. Does not advance the Desired Outcomes.
 - 4.5.1.5. Uses designated funds for any purpose other than that for which they were given.

Policy Adopted On March 2008

Last Reviewed: February 19, 2019

Last Changed: May 30, 2015

4.6. Funding

- 4.6.1. In soliciting or obtaining resources:
 - 4.6.1.1. The Senior Pastor must not accept donations that would compromise the values of the congregation.
 - 4.6.1.2. The Senior Pastor must not accept donations in cash or in kind where there is a difference between the applicable donor intent and the intent of the congregation.
 - 4.6.1.3. The Senior Pastor must not operate the congregation without reviewing the current funding strategy at least once a year.
- 4.6.2. In utilizing additional fundraising methods (e.g., SCRIP or other external programs):
 - 4.6.2.1. The Senior Pastor must not allow any member of the staff or the congregation to operate a sponsored fundraising program that violates St. Matthew's accounting or Treasurer reconciliation processes.
 - 4.6.2.2. The Senior Pastor must not allow external fundraising programs to create unnecessary complexity, tracking, or accounting issues for the staff.
 - 4.6.2.3. The Senior Pastor must not allow monies raised to be used for any purpose except the explicitly defined program the fundraising method was initiated for.
 - 4.6.2.4. The Senior Pastor must not allow family monies to be "passed" or "grandfathered" to specific congregation members beyond the set timeframe and purpose of the fundraising.
 - 4.6.2.5. The Senior Pastor must not allow external fundraising programs to be initiated and/or sustained without staff approval, volunteer leadership, and an agreed-upon charter and purpose.
- 4.6.3. In regards to Dedicated Funds: The Senior Pastor may, at his discretion, utilize Dedicated Funds, so long as the funds used meet the dedicated fund purpose and definition. The Senior Pastor must report monthly to the Board of Directors the Dedicated Fund drawn upon, date, amount and reason the use matches the Dedicated Fund. The Board of Directors will vote monthly to approve that the use of dedicated funds matches the purpose of the accounts.
- 4.6.4. In regards to Surplus from General Funds: In the event of a surplus of funds from the general funds budget, the Senior Pastor shall develop a plan for the use of such funds according to the mission of the

congregation. The Senior Pastor will present this plan to the board of directors within 30 days of the end of a fiscal year. The Board of Directors will vote on the Senior Pastor's plan or recommend alternative uses of the surplus.

Policy Adopted On March 2008

Last Reviewed: February 19, 2019

Last Changed: May 15, 2018

4.7. Asset Protection

In order to effectively utilize and maintain the congregation's facilities and property:

- 4.7.1. The Senior Pastor must not allow the organization to operate without an annual assessment of needed maintenance to the facilities and property, including an assessment of required insurance.
- 4.7.2. The Senior Pastor must not allow the organization to operate without addressing critical maintenance needs in a timely basis.
- 4.7.3. The Senior Pastor must not acquire property or make improvements that would not contribute to the achievement of the Outcomes.
- 4.7.4. The Senior Pastor must not divest of property when doing so would have a negative impact on Outcomes.
- 4.7.5. The Senior Pastor must not begin capital projects without a realistic operational plan.

Policy Adopted On March 2008

Last Reviewed: February 19, 2019

Last Changed: May 19, 2015

4.8. Treatment of Staff

In relating to staff:

- 4.8.1. The Senior Pastor must not deviate from local, state, or federal law or regulations in the fair and equitable treatment of employees.
- 4.8.2. The Senior Pastor must not set human resource policies that run counter to effective operations and must not allow employees to be unaware of those policies.
- 4.8.3. The Senior Pastor must not impair employees' rights to equitable and humane treatment.
- 4.8.4. The Senior Pastor must not allow the organization to function without a way for employee grievances to receive a fair internal hearing.
- 4.8.5. The Senior Pastor must not conduct the decision-making process of administration in a secretive manner except as required for personal privacy and confidentiality of personnel records.
- 4.8.6. The Senior Pastor must not permit staff positions to be undefined or inaccurately reflect the responsibilities and tasks required of each position, nor may the Senior Pastor allow any staff member to be uninformed of the responsibilities and tasks for their respective position.
- 4.8.7. The Senior Pastor must not permit any staff position to exist when resources are inadequate for that position to be successful.
- 4.8.8. The Senior Pastor must not fail to implement Conflict of Interest procedures with staff.

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4.9. Conflict of Interest for the Senior Pastor

The Senior Pastor has an obligation to identify all conflicts of interest and resolve any that are unacceptable; therefore:

- 4.9.1. The Senior Pastor must not allow the Board to be uninformed of his potential conflicts of interests. He must disclose to the Board when he or a relative is a member of, has a substantial financial interest in, or is employed by an organization doing business with the congregation.
- 4.9.2. The Senior Pastor must not accept any gifts or favors of a substantial nature from any organization doing or seeking to do business with the congregation.
- 4.9.3. The Senior Pastor must not enter into activities or share information acquired in the course of congregational service that may be detrimental to the congregation.
- 4.9.4. The Senior Pastor must not fail to have a plan to resolve all unacceptable conflicts of interests.

Policy Adopted On March 2008

Last Reviewed: February 19, 2019

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