

POLICY MANUAL

for

Good Shepherd Lutheran Church

Herndon, VA

November 2018

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STRATEGIC DIRECTION

1.1 CORE VALUES

(Developed with input of the Stewards, Fall 2010)

We embrace the centrality of grace alone, faith alone, and scripture alone for salvation.

⁸For it is by grace you have been saved, through faith—and this not from yourselves, it is the gift of God—⁹not by works, so that no one can boast. — Ephesians 2:8–9

Thy word is a lamp to my feet and a light to my path. — Psalm 119:105

²³For all have sinned and fall short of the glory of God, ²⁴and are justified freely by his grace through the redemption that came by Christ Jesus. — Romans 3:23–24

We are committed to spiritual growth through the weekly gathering for prayer, praise, and thanksgiving and through lifelong learning.

They devoted themselves to the apostles' teaching and fellowship, to the breaking of bread and the prayers. — Acts 2:42

Let the word of Christ dwell in you richly, teach and admonish one another in all wisdom; and sing psalms and hymns and spiritual songs with thankfulness in your hearts to God. — Colossians 3:16

We are called to actively share, through word and deed, the Good News of Jesus Christ.

Go therefore and make disciples of all nations, baptizing them in the name of the Father and of the Son and of the Holy Spirit. — Matthew 28:19

My children, we should love people not only with words and talk, but by our actions and true caring. — 1 John 3:18

For we are God's workmanship, created in Christ Jesus to do good works, which God prepared in advance for us to do. — Ephesians 2:10

1.2 MISSION

(Developed with input of the Stewards, Spring 2011)

Through the power of God's Spirit, the mission of Good Shepherd Lutheran Church is to respond passionately to God's call to share with all people the love of Jesus Christ

- By building a culture of welcome, invitation, and service,
- By nurturing spiritual growth through worship in Word and Sacrament, and
- By fostering constant growth through lifelong learning.

1.3 VISION

We will be a congregation that is known for building up God's people through His Word for His world.

1.4 CRITICAL TARGETS/STRATEGIC GOALS

Trusting in God's gracious providing, we will respond by establishing a ministry culture that will—

- Facilitate the transformation of God's people through increased Bible study, daily reflection upon Scripture, and personal devotion,
- Foster healthy and maturing relationships with Christ and one another,
- Include younger people in leadership tracks and positions,
- Nurture mutual caring within the congregation, and
- Provide specific opportunities to serve and engage the local and larger community in a hands-on way.

1.5 STEWARDS

The main responsibility of the Board of Servant Leaders (BoSL, or the board) is to represent the Stewards of Good Shepherd Lutheran Church (GSLC). Stewards are those people who are the Body of Christ in this place and who, in faith, consciously invest themselves and their resources in order to enhance and expand the spread of the Gospel through the congregation's mission and ministry. The BoSL recognizes that no individual or group is the sole steward of the congregation.

- 1.5.1 Listening to the Stewards: The board shall listen to the ideas, the concerns, and the values of the Stewards. It shall use a variety of appropriate methodologies (such as mail, phone, and Internet surveys; focus groups; and BoSL dialogue) to seek out the desires of the Stewards.
- 1.5.2 Reporting to the Stewards: The BoSL shall keep the Stewards informed of its progress toward the Strategic Direction. It shall use a variety of methods for this reporting (e.g., annual reports, videos, web page, magazine, newspaper articles, survey reports, etc.).

1.6 THE SERVED

The Served are those who use and benefit from the ministries offered by the congregation to fulfill its mission.

- 1.6.1 The congregation shall provide the highest quality ministries with honesty, integrity and sensitivity to the Served.

1.7 COST OF STRATEGIC DIRECTION TO THE COMMUNITY

- 1.7.1 Biblical stewardship shall be used to guarantee that ministries achieve the Strategic Direction and are offered at an effective and efficient cost to the congregation. Cost for such ministries shall not endanger the development and maintenance of capabilities in accomplishing the Strategic Direction.
- 1.7.2 A line item for the BoSL shall appear in the Annual Congregational Budget. The amount shall not exceed 0.5% of the total budget.

1.8 STRATEGIC ALLIANCES

Strategic alliances are mutually beneficial relationships with other organizations or individuals that are built upon a common vision or goal and that allow all parties to honor their core values, enhance the pursuit of their missions, and maintain operational autonomy.

- 1.8.1 The congregation shall pursue strategic alliances as appropriate.

BOARD SELF-DISCIPLINE

2.1 BOARD OF SERVANT LEADERS (BoSL) RESPONSIBILITIES

- 2.1.1 The overall responsibility of the BoSL is to provide a strong, powerful, ethical, and spiritual pursuit of the congregation's mission. To that end, the BoSL shall:
 - 2.1.1.1 Ensure that the Strategic Direction (core values, mission, vision, critical targets, and strategic goals) of the congregation is the driving force for all activities and related ministries.
 - 2.1.1.2 Annually review and update the Strategic Direction.
 - 2.1.1.3 Establish governance policies for the BoSL.
 - 2.1.1.4 Provide oversight of all congregational activities by establishing and monitoring appropriateness of, and adherence to, parameters that guide the efforts of the Senior Pastor.
 - 2.1.1.5 Ensure that policy and financial decisions are executed in accordance with the Constitution and Bylaws of the congregation.
 - 2.1.1.6 Communicate regularly to the Stewards the pertinent activities of the BoSL and remain open to communication from the Stewards.
 - 2.1.1.7 Exercise particular concern for the spiritual and physical welfare of the Senior Pastor.
 - 2.1.1.7.1 Exercise concern for all staff, supporting them with prayer and, upon the request of the Senior Pastor, appropriate counsel.
 - 2.1.1.8 Consistently advise the Senior Pastor of his performance, including both his spiritual and theological leadership, supervision of the staff, and overall management of the congregation's ministries, and conduct the Senior Pastor's annual performance appraisal.
 - 2.1.1.8.1 Meet with the Senior Pastor prior to the beginning of each budget year to offer counsel and affirm the Senior Pastor's annual plan. This will include his intended operational goals for the next year, his intentions for personal/professional growth, and his plan for the supervision of the full-time staff. The annual plan shall form the basis for the Senior Pastor's annual performance appraisal.
 - 2.1.1.8.2 The BoSL may consider the use of formal, structured feedback in its evaluation of the Senior Pastor's performance.
 - 2.1.1.9 If the Senior Pastor's performance appraisal is not acceptable, he shall be counseled and assisted in establishing a performance improvement plan.

2.2 BOARD MEMBER RESPONSIBILITIES

2.2.1 BoSL members shall:

- 2.2.1.1 Commit to working together in a covenant relationship defined by the Christian faith and these policies, agreeing to accept discipline accordingly. (See Policy 2.2.2.)
- 2.2.1.2 Regularly participate in the worship and educational life of the congregation.
- 2.2.1.3 Undertake personal spiritual disciplines for the development of their own faith lives.
- 2.2.1.4 Be prepared for the BoSL meetings.
- 2.2.1.5 Attend BoSL meetings regularly, not missing more than one meeting in any given quarter, excluding for those absences designated as “excused.”
 - 2. 2.1.5.1 In the case of a conflict of interest (See Appendix 1, Conflict of Interest Policy), a BoSL member may recuse her/himself from the BoSL session or may be excused from the session by the BoSL with a 60% vote of the BoSL, not including the member in question. In either case, the recusal is not counted as the member’s having “missed” a meeting.
 - 2. 2.1.4.2 Should it be necessary for a member to miss a meeting, he or she shall contact the BoSL Chair for dialogue both before and after said meeting.
- 2.2.1.6 Work to expand their leadership abilities and increase their understanding of the mission and ministry of the congregation.
- 2.2.1.7 Gain a working knowledge of the BoSL’s Policy Manual.
- 2.2.1.8 Actively participate in BoSL meetings, special briefings, and policy development.
- 2.2.1.9 Make informed decisions by insisting on complete and accurate information. (See Policy 4.6.)
- 2.2.1.10 Support all decisions once they have been fully discussed and resolved by the BoSL.
- 2.2.1.11 Invest personal energy and skills in the mission and ministries of the congregation, seeking opportunities where individual skills and abilities can be applied other than as a member of the BoSL.
 - 2.2.1.11.1 BoSL members shall not serve on core or support ministry teams unless otherwise stipulated in another governance policy.
- 2.2.1.12 Relate to other individuals with integrity, honesty, and clarity.
- 2.2.1.13 Actively govern themselves and other BoSL members by identifying BoSL actions and conditions that run counter to the policies in this manual.
- 2.2.1.14 Bring to the BoSL Chair’s immediate attention any condition or action they believe exceeds a Senior Pastor parameter. (See Policy 4.5.)

- 2.2.1.14.1 The BoSL Chair shall promptly present the concern to the Senior Pastor and report to the BoSL about the conversation with the Senior Pastor.
 - 2.2.1.15 Keep BoSL documents and discussions confidential, unless given explicit permission by the unanimous vote of the BoSL. However, the BoSL Policy Manual, BoSL-approved minutes (except those of executive sessions), and BoSL-approved audited financial statements do not require permission as long as any BoSL discussion or information related to these documents remains confidential. (See Appendix 2, Boundary Management Policy.)
 - 2.2.1.16 Be familiar with and put into practice any specific policies developed to guide the behavior of BoSL members.
 - 2.2.1.16.1 Conflict of Interest Policy (Appendix 1).
 - 2.2.1.16.2 Boundary Management Policy (Appendix 2).
 - 2.2.1.17 Not hinder the BoSL process because of individual proclivities or disruptive behavior.
- 2.2.2 Board self-discipline is intended to assist BoSL members in maintaining good communication and a full commitment to working in a covenant relationship. To that end, a BoSL member who violates any policy shall be counseled by the BoSL Chair. Should violations continue, the BoSL member shall be counseled by the BoSL as a whole. Decisions concerning a request for resignation of any BoSL member who continues to violate policy after such counseling shall normally be made by the BoSL and shall require a 2/3-majority vote of the BoSL, with said member not voting or being counted in determining such majority. If the individual BoSL member under discipline refuses to resign, the BoSL may request a meeting of the GSLC voting members to remove the member from the BoSL, for cause (this cause shall be explained). This request requires a 2/3-majority vote of the BoSL, with said member not voting or being counted in determining such majority. In both cases, the Chair shall also vote.
 - 2.2.2.1 Should the BoSL Chair violate policy, it shall be the responsibility of the Vice-Chair to initiate such counsel.

2.3 ENUNCIATING GOVERNANCE POLICIES

The BoSL shall maintain written policies of four types.

- 2.3.1 Strategic Direction
 - Affirmative statements setting forth the purposes, effects, and acceptable costs of operations.
- 2.3.2 Board Self-Discipline
 - Statements setting forth the style and rules with respect to the BoSL's own tasks and processes.
- 2.3.3 Senior Pastor Parameters
 - Limiting statements that bind or restrict activity of the staff.

2.3.4 Board and Senior Pastor Partnership

Clarifying statements about delegation to, and monitoring of, ministry implementation.

2.4 GOVERNANCE PROCESS

2.4.1 Governance Philosophy

The BoSL shall govern with an emphasis on:

- spiritual vision rather than internal preoccupation,
- encouragement of diversity of viewpoints,
- strategic leadership rather than operational detail,
- ends rather than means,
- a clear distinction between the roles of the BoSL and the Senior Pastor,
- collective rather than individual decisions,
- future rather than past or present, and
- proactivity rather than reactivity.

2.4.2 The BoSL shall be responsible for excellence in governance. The BoSL will not merely react to staff initiatives but shall be the initiator of governance policies that direct, control, and inspire the congregation.

2.4.3 The BoSL will not use the expertise of individual members to substitute for the judgment of the board, although the expertise of the individual members may be used to enhance the understanding of the board as a body.

2.4.4 Scope of Activities

All activities of the BoSL, its officers, committee(s) or members shall relate to the specific responsibilities of the board as formally adopted at board meetings. BoSL members are governed by this principle.

2.4.5 The BoSL shall act on behalf of the congregation in all matters delegated to it by the Constitution and Bylaws of the congregation. However, the Board of Servant Leaders shall not (see also Policy 4.1.2):

- 2.4.5.1 Call or remove called workers.
- 2.4.5.2 Elect or remove BoSL members.
- 2.4.5.3 Undertake capital campaigns (any amount greater than 10% of the Annual Congregational Budget).
- 2.4.5.4 Incur long-term debt, that is, any debt whose term exceeds one calendar year.
- 2.4.5.5 Buy, sell, mortgage, or transfer real estate.
- 2.4.5.6 Excommunicate a member of the congregation.
- 2.4.5.7 Execute a merger or dissolution of the congregation.
- 2.4.5.8 Execute a merger or dissolution of the School Ministry.
- 2.4.5.9 Amend the congregation's Constitution or Bylaws.

2.4.5.10 Affirm on behalf of the congregation the Annual Congregational Budget.

2.4.6 Group Action

The BoSL shall exercise its governing authority as a whole. No individual BoSL member shall exercise such authority except as instructed by the BoSL. (See Appendix 2, Boundary Management Policy.)

2.4.6.1 All such instructions shall be guided by appropriate written parameters.

2.4.7 Governance Policy Development

The BoSL's governance 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 BoSL, and the changing context within which the congregation functions.

2.4.7.1 Resolutions

The BoSL will pass resolutions for specific actions only when those actions are required by law or the Constitution and Bylaws or when they will affect only the Board.

2.4.7.2 Senior Pastor Actions

All BoSL decisions regarding actions of the Senior Pastor shall be done through policy.

Any actions taken or contemplated by the Senior Pastor, or any that may be or have been approved through the Senior Pastor, will be considered only in light of the appropriate governance policies. The BoSL will only review policies for their soundness as a test of ethical and prudent behavior and will not dictate what are appropriate actions, except for compliance with policies. The BoSL shall rewrite policies when appropriate.

2.4.7.3 Governance Policy Review

Any BoSL member, the Senior Pastor, or meetings of the Voting Membership may ask for a review of specific policies. However, never does the responsibility for effective and appropriate governance policy development rest with anyone other than the BoSL members.

2.4.7.4 Governance Policy Review Schedule

The BoSL shall establish an annual policy review calendar to coordinate the review of every policy at least once a year. (See Policy 2.13.2.) BoSL members will make every effort to coordinate the calendar with the business cycles of the congregation, reviewing appropriate governance policies just prior to management actions for decisions.

2.4.8 Fiscal Responsibility

The BoSL's fiscal responsibility shall be discharged by:

2.4.8.1 Establishing parameters regarding Senior Pastor financial authority, Annual Congregational Budget development, and control of assets. (See Policy 3.5.)

2.4.8.2 Monitoring the fiscal soundness of the congregation.

- 2.4.8.3 Presenting and recommending an Annual Congregational Budget.
- 2.4.8.4 Systematically monitoring compliance with these policies on a quarterly basis.
- 2.4.8.5 Appointing the financial auditor or reviewer.
- 2.4.8.6 Receiving, reviewing, and accepting the report of the financial audit or review.

2.5 CALLING OF SENIOR PASTOR

- 2.5.1 In the case of a vacancy in the office of Senior Pastor, the BoSL shall appoint a call committee. The committee shall consist of the Vice-Chair, two other, non-officer members of the BoSL, and two members-at-large from the congregation. The call committee shall not fail to:
 - Establish a set of criteria for the position, with special attention to the leadership needs under the governance policy.
 - Seek appropriate assistance from the president of the Southeastern District of the Lutheran Church—Missouri Synod.
 - Call for nominations from the congregation.
 - Establish an effective interview and evaluation process that includes telephone and, as needed, personal interviews.
 - Provide a list of recommended, qualified candidates to the BoSL.
 - Establish and facilitate the interview process for the list of candidates approved by the BoSL.
 - Present to the BoSL a summary of the interviews of each candidate.
 - Assist the BoSL in bringing the recommendation of the BoSL to the congregation in accordance with the congregation's Bylaws.
 - Be open to colloquy and seminary placement and their established processes.
- 2.5.2 In the case of a vacancy in the office of the Senior Pastor, the BoSL may appoint an Intentional Interim Senior Pastor. Before an Interim Senior Pastor's tenure begins, any limitations on the Interim Senior Pastor not specified in this document shall be communicated to the chosen Interim Senior Pastor in writing, along with a copy of this manual, the agreed upon compensation, and any time constraints for the interim position. Should service as the Interim Senior Pastor have an impact on an individual's eligibility for consideration as the full-time Senior Pastor, this information must also be shared.

2.6 CALLING OF OTHER CALLED WORKERS

- 2.6.1 If the Senior Pastor recommends that there is a vacancy in the office of another called worker, and the BoSL agrees and the annual ministry budget allows such a vacancy to be filled, the BoSL shall appoint a call committee. The committee shall consist of the Vice-Chair, two other, non-officer members of the BoSL, two members-at-large from the congregation, and the Senior Pastor. The call committee shall not fail to:
 - Establish a set of criteria for the position
 - Seek appropriate assistance from the president of the Southeastern District of the Lutheran Church—Missouri Synod
 - Call for nominations from the congregation
 - Establish an effective interview and evaluation process that includes telephone and, as needed, personal interviews
 - Provide a list of recommended, qualified candidates to the BoSL
 - Establish and facilitate the interview process for the list of candidates approved by the BoSL

- Ensure candidates approved by the BoSL engage in a personal interview with the Senior Pastor and/or other senior staff the Senior Pastor deems necessary
- Present to the BoSL a summary of the interviews of each candidate and
- Assist the BoSL in bringing the recommendation of the BoSL to the congregation in accordance with the Bylaw V.b.
- Be open to colloquy and seminary/university placement and their established processes.

2.7 ELECTION OF BOARD OF SERVANT LEADERS MEMBERS

2.7.1 Board of Servant Leaders Membership

The number of voting BoSL members shall not exceed seven. Voting members shall be elected on a rotating basis, with approximately one-half of the BoSL being elected each year. The Senior Pastor shall serve as an ex officio member, without vote, of the Board.

2.7.2 Nominating Committee

2.7.2.1 A nominating committee, chaired by the Vice-Chair and composed also of two other members appointed by the BoSL, shall be chartered each year at the regular meeting in August. The Senior Pastor shall serve on this committee as an ex officio member, without vote.

2.7.2.1.1 The nominating committee shall not fail to seek the affirmation of the Senior Pastor before it presents its final slate of nominees.

2.7.2.2 The nominating committee shall solicit and receive the names of prospective candidates from the BoSL or from any member of the congregation.

2.7.2.2.1 When calling for nominations, the nominating committee shall inform the congregation of the nominating process and provide appropriate information to anyone wishing to nominate someone. This information shall include "Board Responsibilities" (Policy 2.1), "Board Member Responsibilities" (Policy 2.2), "Qualifications and Other Considerations" (Policy 2.7.3), the Nomination Form (Appendix 4), and a cover letter explaining the nominating process, the election schedule, and the election procedures.

2.7.2.2.2 Anyone who chooses to nominate an individual must submit, to the nominating committee, a completed nomination form for that person.

2.7.2.3 The nominating committee shall develop a list of qualified candidates (see Policy 2.7.3) to fill the upcoming vacancies (approximately one-half of the BoSL). The nominating committee will present the final slate to the congregation at least two weeks prior to the congregation's regular meeting in March.

2.7.2.4 The nominating committee shall also work to develop a list of potential candidates for future service on the BoSL and provide the BoSL Chair with such list after the annual election process.

2.7.3 Qualifications and Other Considerations

2.7.3.1 In preparing its recommended list of candidates for service on the BoSL, the nominating committee must seek candidates who:

- Meet the requirements of BoSL membership as stipulated in the Constitution and Bylaws
- Regularly participate in the worship, sacramental, and educational life of the congregation
- Undertake personal spiritual disciplines for the development of their own faith lives
- Are good communicators
- Are visionary
- Can effectively represent the concerns of the Stewards of the congregation
- Are open to learning the basic concepts of this governance manual
- Are willing and able to support the Strategic Direction of the congregation
- Are willing and able to accept the BoSL responsibilities and member responsibilities, as delineated in Policy Sections 2.1 and 2.2
- Are not currently employed by the congregation as staff members or have not been so employed any time within the three years immediately preceding the election

2.7.3.2 In preparing the list, the nominating committee shall also guarantee that:

- No spouse, parent, child, or sibling of any staff member is on the BoSL
- No more than one individual from any given family with less than two degrees of separation (parents, children, siblings, aunts/uncles, nieces/nephews or in-laws of same, grandparents) would be serving on the BoSL or staff at the same time

2.7.3.3 The nominating committee shall take into consideration the current composition of the BoSL in determining its recommended slate.

2.7.4 Election

2.7.4.1 Election of Board Members shall take place each year at the regular meeting of the Voting Membership in March.

2.7.4.1.1 When presenting the list of nominees to the congregation, the nominating committee shall include:

- The list of criteria used to qualify nominees,
- Information regarding each nominee that addresses the qualifying criteria,
- Guidelines for offering further nominees for consideration,
- Procedures for the election process.

2.7.4.1.2 The nominating committee shall present a list that includes at least one qualified candidate for each position to be filled.

2.7.4.2 The meeting of the Voting Membership shall elect only individuals who have been deemed qualified by the nominating committee.

2.7.5 Terms of Service

2.7.5.1 A term of service for a BoSL member shall be two years.

2.7.5.2 BoSL members may not serve more than three consecutive elected terms and, if appointed to fill a vacancy, may not stand for re-election if another term would extend their service to more than seven years.

- 2.7.5.3 Approximately one-half of the BoSL shall be elected each year to assure continuity of service and experience on the board.
- 2.7.5.3.1 In keeping with Policy 2.7.1 (i.e., the number of BoSL members shall not exceed seven), no more than four BoSL members shall be elected in any given year.
- 2.7.5.3.2 Should the number of BoSL members or their terms of service fall out of alignment with Policy 2.7.5.2 and Policy 2.7.5.3, no other process shall be used for realignment except the election process as outlined in this governance manual.

2.7.6 Vacancies

- 2.7.6.1 Vacancies that occur on the BoSL shall be filled in accordance with applicable provisions of the Bylaws. However, only individuals deemed qualified by the nominating committee may be appointed to fill a vacancy.
- 2.7.6.2 Appointment to fill a vacancy on the BoSL shall always be to complete an unexpired term, and in no case shall such an appointment work in contradiction to the election of approximately one-half of the board each year.
- 2.7.6.3 Every effort shall be made to fill vacancies within three months of their occurrence.

2.8 BOARD TRAINING AND SELF-REVIEW

- 2.8.1 BoSL skills, methods, and support will be adequate to assure quality governance by the board.
- 2.8.1.1 Training and retraining will be used to orient new BoSL members and candidates for membership, as well as maintain and increase skills and understandings of existing members.
- 2.8.1.2 Outside monitoring assistance may be arranged so that the BoSL can exercise confident control over congregational performance (e.g., fiscal audit).
- 2.8.1.3 Outreach mechanisms will be used as needed to ensure the BoSL's ability to listen to the Stewards' viewpoints and values.
- 2.8.2 The annual self-review of the BoSL shall focus on:
- The board's openness and communication among its members
 - The board's openness and communication with the Senior Pastor
 - The board's openness and communication with the Stewards
 - The board's ability and skill in developing and monitoring policy
 - The board's corporate and individual adherence to board responsibilities (Policy 2.1) and member responsibilities (Policy 2.2)
 - The board's adherence to its governance philosophy (Policy 2.4.1)
 - The board's adherence to policy.
- 2.8.3 The board shall create its own self-review process and may engage outside consultation toward this end.

2.9 OFFICERS OF THE BOARD

2.9.1 Officers of the BoSL shall be a Chair, Vice-Chair, and Secretary, and these shall be the officers of the congregation.

2.9.2 The BoSL shall elect its own officers at the first meeting of the new BoSL.

2.9.2.1 CHAIR

The Chair shall:

- 2.9.2.1.1 Ensure the integrity of the BoSL's process.
- 2.9.2.1.2 Work with the Senior Pastor to establish the agenda for all meetings of the BoSL and for meetings of the Voting Membership
- 2.9.2.1.3 Preside at all meetings of the BoSL. To that end, the Chair will ensure that:
 - Meeting content will be on those issues that, according to BoSL policy, clearly belong to the BoSL to decide or to monitor,
 - Information that is for neither monitoring performance nor board decisions will be avoided or minimized and always noted as such,
 - Deliberation will be fair, open, and thorough, but also timely, orderly, and kept to the point.
- 2.9.2.1.4 Initiate counsel with any BoSL member who violates policy, ensuring that Policy 2.2.2 is followed.
- 2.9.2.1.5 Take appropriate actions that may not be stipulated but are essential for the thorough management of the BoSL's work, so long as those actions are not in violation of other BoSL policies.
- 2.9.2.1.6 Preside at all meetings of the BoSL and at the meetings of the Voting Membership.
- 2.9.2.1.7 Determine, in consultation with the Senior Pastor, who should represent the congregation to the public or press should the need arise.

2.9.2.2 VICE-CHAIR

The Vice-Chair shall:

- 2.9.2.2.1 Preside at all meetings of the BoSL and at meetings of the Voting Membership when the Chair is absent or when requested to do so by the BoSL Chair.
- 2.9.2.2.2 Serve as chair of the nominating committee.
- 2.9.2.2.3 Initiate counsel with the BoSL Chair, should the Chair violate policy, ensuring that Policy 2.2.2 is followed.

2.9.2.3 SECRETARY

The Secretary shall:

- 2.9.2.3.1 Maintain the minutes of all meetings of the BoSL and meetings of the voting members and cause copies of all such minutes to be kept on file in the church office and/or a suitable storage location.
- 2.9.2.3.2 Conduct all official correspondence of the BoSL and the meetings of the Voting Membership.
- 2.9.2.3.3 Be thoroughly familiar with the congregation's Constitution and Bylaws and serve as the primary resource to the BoSL and meetings of the Voting Membership for questions concerning the same.

2.10 COMMITTEES OF THE BOARD

The BoSL may from time to time use committees, but always in a manner consistent with the following principles.

- 2.10.1 Committee responsibilities shall flow directly from the BoSL's description of its job, shall be set forth in a formal written charge with an appropriate period for existence, and shall not impinge upon responsibilities delegated to the Senior Pastor.
 - 2.10.1.1 BoSL members shall always constitute a majority of members on BoSL committees.
- 2.10.2 Committees shall not manage any part of the congregation nor do staff work, except when working on a topic that is fully within the province of the BoSL and has not been delegated in any way to the Senior Pastor.
- 2.10.3 The Board will use the expertise of individual BoSL members to enhance the ability of the entire BoSL but will never substitute such expertise as an alternative to the judgment of the whole BoSL.
- 2.10.4 Except when empowered by the BoSL, committees shall have no executive or deciding authority. At all other times they will strive to develop and recommend policy only.

2.11 BOARD RESPONSIBILITIES TO THE STEWARDS OF THE CONGREGATION

The BoSL's responsibilities to the Stewards are:

- To conduct meetings of the Voting Membership.
- To solicit annual input on the appropriateness of the Strategic Direction.
- To inform the Stewards of the congregation's degree of success in meeting the Strategic Direction.

2.12 BOARD DIALOGUE WITH STEWARDS

- 2.12.1 The BoSL will include a dialogue session with Stewards at least twice a year.
- 2.12.2 The dialogue sessions with Stewards will center on issues concerning the life of the congregation. Questions should include the following:
 - What is God calling this congregation to be now, and into the future?

- Who should be served by the ministries of the congregation?
- What are the outcomes for the served?
- What should be the cost for the Strategic Direction?

2.13. BOARD CALENDAR, AGENDA, AND MEETING STRUCTURE

2.13.1 The BoSL shall establish a basic structure for its meetings to assist the BoSL and Senior Pastor in processing information in a way that allows them to maintain an orientation based on the policies outlined in this manual.

2.13.2 This BoSL agenda shall work in tandem with the calendar. Additional items may be added as needed.

2.13.2.1 The BoSL calendar shall be:

January:

- Review section 1 of this policy manual
- Conduct quarterly review of fiscal policies (Policy 2.4.8.4)
- Review Senior Pastor's annual report on progress achieved toward the strategic direction of the congregation (Policy 4.6.2.1.1)
- Review Senior Pastor's annual demographic report (Policy 4.6.2.1.2)

February:

- Conduct annual self-review (Policy 2.8.2)
- Review Senior Pastor's list of individuals engaged in programmatic ministries and the training they have received (Policy 4.6.2.2.2)
- Review quarterly financial statements provided by Senior Pastor (Policy 4.6.2.2.3) and reports regarding investments (Policy 4.6.2.2.4)

March:

- Present nomination slate to the congregation (Policy 2.7.2.3)
- Conduct Board elections at the meeting of the Voting Membership (Policy 2.7.4.1)
- Present self-review at meeting of the Voting Membership
- Review Senior Pastor's plan for operational crisis management (Policy 4.6.2.1.4)
- Review Senior Pastor's plan for short-term succession (Policy 4.6.2.1.5)
- Review Senior Pastor's report on his supervision of staff (Policy 4.6.2.2.5)

April:

- Review section 2 of this policy manual
- Conduct annual Senior Pastor performance appraisal (Policy 2.1.1.8)
- Meet with the Senior Pastor to offer counsel and affirm his annual plan (Policy 2.1.1.8.1)
- Conduct quarterly review of fiscal policies (Policy 2.4.8.4)
- *Evaluate and prioritize results of Reveal survey (every 2 years)

May:

- Elect Board officers at first meeting of new BoSL (Policy 2.9.2)
- Disclose potential conflicts of interest as outlined in Appendix 1, section 2.4
- Review Senior Pastor's annual reports outlined in Policy 3.8.1 and Policy 4.6.2.1
- Review quarterly financial statements provided by Senior Pastor (Policy 4.6.2.2.3) and reports regarding investments (Policy 4.6.2.2.4)

June:

- Solicit input from Stewards on the Strategic Direction (Policy 2.11.2)
- Engage in dialogue with core and support ministry leaders (Policy 3.10.3)
- Review Senior Pastor's annual review of current operational policies and/or revisions (Policy 4.6.3.5)
- Review Senior Pastor's personal ministry plan (Policy 4.6.2.2.1)
- Review Senior Pastor's report on his supervision of staff (Policy 4.6.2.2.5)

July:

- Review section 3 of this policy manual
- Conduct quarterly review of fiscal policies (Policy 2.4.8.4)

August:

- Review and affirm the Annual Congregational Budget
- Charter the nominating committee (Policy 2.7.2.1)
- Review quarterly financial statements provided by Senior Pastor (Policy 4.6.2.2.3) and reports regarding investments (Policy 4.6.2.2.4)
- *Review Strategic Direction and change as needed (every 2 years)

September:

- Present and recommend an Annual Congregational Budget at the meeting of the Voting Membership
- Review Senior Pastor's report on his supervision of staff (Policy 4.6.2.2.5)
- *Present and recommend changes to Strategic Direction to Voters' Assembly (every 2 years)

October:

- Review section 4 of this policy manual
- Conduct quarterly review of fiscal policies (Policy 2.4.8.4)
- Meet with School Director (Policy 3.10.3.1)
- *Kick off strategy refresh process: trend analysis (every 2 years)

November:

- Solicit input from Stewards on Strategic Direction (Policy 2.11.2)
- Review quarterly financial statements provided by Senior Pastor (Policy 4.6.2.2.3) and reports regarding investments (Policy 4.6.2.2.4)

December:

- Conduct review of Strategic Direction and report to Stewards on congregation's progress (Policy 2.11.3)
- Review Senior Pastor's personal ministry plan (Policy 4.6.2.2.1)
- Review Senior Pastor's report on his supervision of staff (Policy 4.6.2.2.5)

2.13.2.2 The BoSL agenda shall consist of the following sections.

- Preliminaries
 - +Introduction
 - +Faith exploration
 - +Board comments and sharing
 - +Minutes approval
 - +Agenda approval
- Board dialogues (as scheduled)
- Board Business
 - +Monitoring
 - Committee reports
 - Management reports
 - +Calendar Items (See 2.13.2.1)
 - Policy review and revision (as scheduled)
 - +Other board actions
- Board education (as scheduled)
- Board self-evaluation
- Adjournment

2.13.3 Only members of the BoSL, the Senior Pastor, and presenters shall be seated at the BoSL table.

2.13.4 Only those nonmembers of the BoSL recognized by the Chair shall have speaking privileges.

SENIOR PASTOR PARAMETERS

3.1 PRIMARY PARAMETER

When representing the congregation, the Senior Pastor and staff shall not act in a manner that is unethical, imprudent, illegal or inconsistent with the Constitution, Bylaws and Governance Policies of the congregation.

3.2 STAFF AWARENESS

- 3.2.1 The Senior Pastor shall not fail to use the Senior Pastor Parameters in the delegation of responsibilities to appropriate staff.
- 3.2.2 The Senior Pastor shall not fail to use the Senior Pastor Parameters as a guide in the management and oversight of all operational activity.
 - 3.2.2.1 The Senior Pastor shall not fail to have staff members familiarize themselves with the Senior Pastor Parameters and work with the Senior Pastor and others to assure that all operations fall within the Parameters.

3.3 COMMUNICATION AND SUPPORT TO THE BOARD

- 3.3.1 The Senior Pastor shall not permit the BoSL to be uninformed or unsupported in its work. To the extent that the policy manual calls for discrete plans and written documentation (such as a crisis management plan, fiscal plan, strategic plan, personnel policies), the Senior Pastor shall be responsible for maintaining these documents in a binder kept in the church office and also electronically in a file accessible to the BoSL and the Senior Pastor.
- 3.3.2 The Senior Pastor shall not fail to provide written reports for all monitoring data at least one week prior to the scheduled BoSL meetings (See Policies 4.6.2 and 4.6.3).
- 3.3.3 The Senior Pastor shall not allow the BoSL to be unaware of:
 - 3.3.3.1 Relevant trends that have an impact on the ministry of the congregation.
 - 3.3.3.2 Noncompliance, by BoSL members or staff, with any governance policy.
 - 3.3.3.3 Anticipated adverse media coverage. (Board members should be notified within 24 hours of Senior Pastor's awareness of concern.) Adverse media coverage includes but shall not be limited to any report of abuse or sexual misconduct alleged against any member of the staff or alleged violations of any state or federal law.
 - 3.3.3.4 Demotion or firing of any staff members. (The BoSL should be notified within 24 hours of such action.)
 - 3.3.3.5 Hiring or promotion of any staff members.
 - 3.3.3.6 Death or serious illness of any staff members.

- 3.3.3.7 Crises affecting the work, health or safety of any staff members.
- 3.3.3.8 Potential lawsuits against the congregation.
- 3.3.3.9 Situations that affect the financial plan by 5% or more.
- 3.3.3.10 Changes in the assumptions on which any board policy has been established.
- 3.3.3.11 Synodical or District directions and recommendations.
- 3.3.3.12 Conditions that could have a negative impact on a major ministry program or reputation of the congregation.
- 3.3.4 The Senior Pastor shall not fail to provide the BoSL with additional information the board desires in order to make informed governance decisions.

3.4 PROPHETIC TEACHING

- 3.4.1 The Senior Pastor shall not fail in encouraging the congregation, both corporately and individually, to maintain ministries and lifestyles that are aligned with the Word and will of God.

3.5 FINANCIAL

- 3.5.1 The Senior Pastor shall not cause or allow an Annual Congregational Budget that:
 - 3.5.1.1 Is approved later than the beginning of the fiscal year.
 - 3.5.1.2 Is built on anything other than an Operational Plan that moves the congregation forward with regard to its Strategic Direction.
 - 3.5.1.3 Is built on unsound assumptions about financial conditions. *Financial conditions* are defined as projected income, contributions, earnings, transfers permitted from designated funds, operating costs, and other expenses.
 - 3.5.1.4 Plans the expenditure in any fiscal year of more funds than are reasonably projected to be received, or otherwise available from designated funds, in that period.
 - 3.5.1.5 Allows an unsound financial condition that jeopardizes the achievement of the Strategic Direction.
 - 3.5.1.5.1 At any time allows cash and contingency funds to drop below a safety reserve of two months of operations under the Annual Congregational Budget.
 - 3.5.1.6 Endangers the congregation's future fiscal soundness or ignores the building of congregational capability sufficient to achieve the Strategic Direction in future years.
 - 3.5.1.7 Fails to include line items for the BoSL to use for its own work in developing its own effectiveness.
- 3.5.2 The Senior Pastor shall not fail to settle payroll and debts in a timely manner.

- 3.5.3 The Senior Pastor shall not allow the use of any planned giving receipts that deviates from the written Planned Giving Gifts Guidelines.
- 3.5.4 The Senior Pastor, in reporting financial activities and position, shall not allow deviation from generally accepted accounting principles.
- 3.5.5 The Senior Pastor shall not allow the investment of any financial assets that deviates from the written Investment Policy.
- 3.5.6 The Senior Pastor shall not borrow funds for working capital in an amount greater than 5% of the Annual Congregational Budget.
 - 3.5.6.1 The Senior Pastor shall not allow the congregation to carry short-term debt for longer than 10 consecutive months.
- 3.5.7 The Senior Pastor shall not allow staff members to expend any amount in excess of 5% over a budgeted line item without first receiving approval of their supervisors.
- 3.5.8 The Senior Pastor shall not allow the handling of cash or checks within the congregation that does not comply with the LCMS Treasurer's Manual.
- 3.5.9 The Senior Pastor shall not carry out his responsibilities for financial oversight without a finance team that shall provide insight to the fiscal stability of the congregation. The finance team shall meet with congregational ministry teams on a regular basis and review actions having a significant financial impact on the Strategic Direction.
- 3.5.10 The Senior Pastor shall not allow the congregation's financial operations to be carried out in a manner inconsistent with the LCMS Treasurer's Manual.

3.6 ASSET PROTECTION

- 3.6.1 The Senior Pastor shall not fail to insure against theft and casualty losses to at least 80% of replacement value and against liability losses to BoSL members, staff, and the congregation itself in an amount greater than the average for comparable congregations.
- 3.6.2 The Senior Pastor shall not allow nonauthorized personnel to access funds.
- 3.6.3 The Senior Pastor shall not allow the plant, grounds, and equipment to be subjected to improper wear and tear or insufficient maintenance.
- 3.6.4 The Senior Pastor shall not unnecessarily expose the congregation, the BoSL or the staff to claims of liability.
- 3.6.5 The Senior Pastor shall not fail to protect information and files (e.g., financial information, official records) from loss or significant damage.
- 3.6.6 The Senior Pastor shall not allow any purchase over \$5,000 without obtaining comparative prices and quality assessment.
- 3.6.7 The Senior Pastor shall not receive, possess, or distribute funds under controls that are insufficient to meet the BoSL-appointed auditor's/reviewer's standards.
- 3.6.8 The Senior Pastor shall not allow the investment or holding of operating capital in

insecure instruments, including uninsured checking accounts or any bonds at any time, or in non-interest bearing accounts except where necessary to facilitate ease in operational transactions.

- 3.6.9 The Senior Pastor shall not endanger the congregation's public image or credibility, particularly in ways that would hinder the accomplishment of its mission.

3.7 OPERATIONAL STRUCTURE

- 3.7.1 The Senior Pastor shall not allow the perpetuation of a structure that has a neutral or negative effect on the Strategic Direction of the congregation.
 - 3.7.1.1 The Senior Pastor shall not operate without a written plan for short-term succession. (See Appendix 3.)
 - 3.7.1.1.1 The Senior Pastor shall not fail to inform all individuals of their responsibilities within the plan for short-term succession.

3.8 LONG-RANGE OUTLOOK

- 3.8.1 The Senior Pastor shall not fail to conduct and present to the BoSL an annual long-range outlook study.
 - 3.8.1.1 The Senior Pastor shall not develop a long-range outlook study that fails to address the Strategic Direction.
 - 3.8.1.2 The Senior Pastor shall not develop a long-range outlook study that fails to consider and identify the changes in the climate and conditions that affect the congregation.

3.9 OPERATIONAL PLAN

- 3.9.1 The Senior Pastor shall not allow the development of an Operational Plan that fails to align with the Strategic Direction.
 - 3.9.1.1 The Senior Pastor shall not allow any staff members to create an Operational Plan that has a neutral or negative impact on the growth and development of the ministries of the congregation.
 - 3.9.1.2. The Senior Pastor shall not allow the staff to develop an Annual Congregational Budget without previewing and updating its Operational Plan.

3.10 MINISTRY PROGRAM

- 3.10.1 The Senior Pastor shall not allow programs and other services that do not contribute to the achievement of the congregation's Strategic Direction.
- 3.10.2 The Senior Pastor shall not allow core and support ministry leaders to conduct their ministries without a commitment to the training and utilization of lay members of the congregation in their respective ministry areas.
- 3.10.3 The Senior Pastor shall not fail to have core and support ministry leaders engaged with the BoSL for conversation and edification.

- 3.10.3.1 The Senior Pastor shall not fail to have the School Director engage with the BoSL once a year.

3.11 OPERATIONAL CRISIS MANAGEMENT PLAN

- 3.11.1 The Senior Pastor shall not allow the congregation to operate without a detailed written Operational Crisis Management Plan.

3.12 PERSONNEL

- 3.12.1 The Senior Pastor shall not allow the congregation to operate without effective, established personnel policies that clarify personnel rules, provide for effective handling of grievances, provide for evaluation procedures, and protect against wrongful conditions, such as nepotism and grossly preferential treatment for personal reasons.
 - 3.12.1.1 Personnel Policies shall:
 - 3.12.1.1.1 Comply with applicable local, state, or federal law or regulations in the ethical treatment of employees
 - 3.12.1.1.2 Be consistent with the effective day-to-day operation of the congregation
 - 3.12.1.1.3 Establish an effective, written Conflict of Interest Policy for the staff (see Appendix 1)
- 3.12.2 The Senior Pastor shall not promise or imply permanent or guaranteed employment.
- 3.12.3 The Senior Pastor shall not allow ministry positions to be undefined or create position descriptions that inaccurately reflect the responsibility and tasks assigned to the position.
- 3.12.4 The Senior Pastor shall exercise reasonably diligent efforts to ensure that there are adequate resources available for a qualified person assigned to a position to be successful.
- 3.12.5 The Senior Pastor shall exercise reasonably diligent efforts to ensure that operational costs of staff services do not exceed the amount approved by the congregation in the Annual Congregational Budget.
- 3.12.6 The Senior Pastor shall not allow the Senior Pastor's position description to assume authority that is clearly delegated to some other entity or person.
- 3.12.7 The Senior Pastor shall conduct annual written staff performance appraisals and share the results with the appropriate staff member.
- 3.12.8 The Senior Pastor shall inform the staff of the process being used to make decisions except to maintain the personal privacy of those being served or as required by law or this Governance Manual.
- 3.12.9 The Senior Pastor exercise reasonably diligent efforts to acquaint staff with their rights under the Personnel Policies.

3.13 STRATEGIC ALLIANCES

- 3.13.1. The Senior Pastor shall not fail to explore and, as appropriate, establish strategic alliances. (See Policy 1.8.)

3.14 GIFTS AND BEQUESTS

- 3.14.1. The Senior Pastor shall not allow the congregation to operate without a plan to promote and receive gifts and bequests for the congregation.
- 3.14.2. The Senior Pastor shall not permit the congregation to accept gifts and bequests that run counter to the congregation's core values and policies and that have a neutral or negative effect on the Strategic Direction or that violate the congregation's 501(c)3 not-for-profit status.

BOARD/SENIOR PASTOR PARTNERSHIP

4.1 BOARD ACTIONS

4.1.1 Board Decisions

These areas are left to specific BoSL approval.

- 4.1.1.1 Recommend to congregational members any action requiring their approval. Such recommendations shall come only from the BoSL.
- 4.1.1.2 Establish or modify governance policies.
- 4.1.1.3 Change the membership of any committee of the BoSL at any time and fill vacancies on committees.
- 4.1.1.4 Discharge any committee of the BoSL either with or without cause at any time.
- 4.1.1.5 Elect officers of the BoSL.
- 4.1.1.6 Appoint nonmember legal counsel.
- 4.1.1.7 Approve for congregational consideration the proposed Annual Congregational Budget.
- 4.1.1.8 Such other powers as delegated to the BoSL under the Constitution or Bylaws.

4.1.2 While the BoSL has wide-ranging responsibility and authority to give direction to the ministry of the congregation, it shall not (see Policy 2.4.5):

- 4.1.2.1 Call or remove called workers.
- 4.1.2.2 Elect or remove members of the Board of Servant Leaders.
- 4.1.2.3 Undertake capital campaigns (any amount greater than 10% of the current Annual Congregational Budget).
- 4.1.2.4 Incur long-term debt, that is, any debt whose term exceeds one calendar year.
- 4.1.2.5 Buy, sell, mortgage, or transfer real estate.
- 4.1.2.6 Excommunicate a member of the congregation.
- 4.1.2.7 Execute a merger or dissolution of the congregation.
- 4.1.2.8 Execute a merger or dissolution of the School Ministry.
- 4.1.2.9 Amend the congregation's Constitution or Bylaws.
- 4.1.2.10 Affirm on behalf of the congregation the Annual Congregational Budget.

4.2 MANNER OF DELEGATING

- 4.2.1 The function of the BoSL is to develop, monitor, and enforce governance policy, not to implement it.
- 4.2.2 Except for assignments of its own work to committees, consultants, or officers, the BoSL shall delegate authority only to the Senior Pastor. Any other employee/position or entity operating under the authority of the congregation shall receive that authority from the Senior Pastor or a person assigned such authority by the Senior Pastor or a person assigned such authority by the Senior Pastor.
 - 4.2.2.1 The BoSL shall relate to all programmatic staff officially only through the Senior Pastor.
 - 4.2.2.2 BoSL members shall be prudent in their contact with staff and shall keep the Senior Pastor informed about significant contacts they have with any core or support ministry leaders regarding ministry direction and/or implementation.
- 4.2.3 The BoSL shall address only broad levels of issues in policies of purpose or governance policies, leaving lesser levels (i.e., operational policies) to the discretion of the Senior Pastor. The Senior Pastor, using any reasonable interpretation of the BoSL's stated Strategic Direction and Senior Pastor Parameters, may develop operational guidelines, rules, or procedures and may make decisions in any way the Senior Pastor deems appropriate, as long as governance policies adopted by the BoSL are observed.
- 4.2.4 The authority of the Senior Pastor shall begin where the explicit pronouncements of the BoSL end. Except as required by governance policies or law, decisions of the Senior Pastor do not need approval by the BoSL.

4.3 SENIOR PASTOR FUNCTION

The Senior Pastor shall:

- 4.3.1 Be empowered to take all actions and make all administrative decisions that are deemed necessary to attain congregation results except (a) actions that are not in accordance with the congregation's Strategic Direction, (b) violation of law, applicable regulations, orders of courts or commonly accepted business and professional ethics, and (c) violation of Constitution and Bylaws or specific further Senior Pastor Parameters stated by the BoSL.
- 4.3.2 Develop operational guidelines, rules, or procedures and make decisions the Senior Pastor deems appropriate, as long as governance policies adopted by the BoSL are observed.

4.4 SENIOR PASTOR ACCOUNTABILITY

- 4.4.1 The Senior Pastor shall be accountable to the BoSL for:
 - 4.4.1.1 Achievement of the congregation's Strategic Direction through personal and staff action.
 - 4.4.1.2 Compliance of personal and staff actions to boundaries established in the Senior Pastor Parameters.

- 4.4.1.3 Provision of adequate counsel to the BoSL through personal and staff action, including counsel on social, legal, theological, and other changes relevant to the BoSL's decision areas.
- 4.4.1.4 Recommending changes to the Senior Pastor's position description within the personnel constraints.
- 4.4.1.5 Relating with integrity, honesty, and straightforwardness to the BoSL.
- 4.4.2 The BoSL will evaluate the Senior Pastor's performance based on his effectiveness in pursuing the Strategic Direction, compliance with stated parameters, and achievement of desired results.

4.5 EXCEEDING SENIOR PASTOR PARAMETERS

- 4.5.1 The Senior Pastor shall give an immediate notice to the Chair of the BoSL once it is determined that a Senior Pastor Parameter has been exceeded. The Senior Pastor shall take the necessary corrective action within policies and report the results to the BoSL.
- 4.5.2 Unless prohibited by the Constitution or Bylaws, one-time exceptions to policies shall be allowed, provided the Senior Pastor notifies the BoSL Chair as soon as practical, stating the exception and the reason for it.
- 4.5.3 The Senior Pastor shall develop or improve processes to avoid recurrence of any exceeding of Senior Pastor Parameters.
- 4.5.4 After repeated recurrences of exceeding Senior Pastor Parameters, the BoSL Chair will conduct (1) a performance evaluation of the Senior Pastor and (2) a discussion with the Board about the Senior Pastor's performance.
- 4.5.5 Should another staff member believe that a Senior Pastor Parameter has been violated, she/he shall report her/his observation to the Senior Pastor, seeking to determine if, in fact, a Parameter has been violated.
 - 4.5.5.1 If after the appropriate conversation has taken place and the staff member still believes the Parameter has been violated and the Senior Pastor is of a different opinion or if the Senior Pastor fails to report such alleged violation to the Board Chair, the staff member is encouraged to inform the Chair of her/his observation in writing (paper or electronic) and shall copy the Senior Pastor.
 - 4.5.5.2 The Senior Pastor shall make Policy 4.5.5 known to all staff members.
 - 4.5.5.3 No retaliatory action may be taken by the Senior Pastor against any employee who makes an allegation that the Senior Pastor has exceeded the Parameters.
 - 4.5.5.4 The BoSL Chair shall take measures to assure that any and all involved employees are able to continue employment free of any adverse action or consequences as a result of exercising this right in any situation where the employee has made a good faith determination that a Parameter may have been violated.
 - 4.5.5.5 If an employee knowingly brings forth false information in bad faith and with any intent to defame or harm the Senior Pastor in any reported matter where the ultimate finding of the BoSL is that the Senior Pastor did not exceed any Parameter under the interpretation of the facts most

favorable to the employee, the employee shall be subject to discipline up to and including termination of employment.

- 4.5.6 Should a member of the BoSL have a personal concern with the Senior Pastor or other staff member, she/he will first share such concern with the Senior Pastor. In doing so, the Board member must act as a member of the congregation and not as a member of the Board.

4.6 MEANS OF MONITORING

- 4.6.1 For the most part, the BoSL will use management reports submitted by the Senior Pastor to monitor adherence to and progress toward governance policies. However, on rare occasions, as determined necessary by a 2/3 majority vote of the entire voting BoSL membership and where not otherwise stipulated, the Board may use direct inspection to determine adherence and progress.

- 4.6.2 Management Reports

These are periodic statements and overviews that provide information and counsel to the BoSL on programs, trends, and developments that may affect the Board's work and that report on the Senior Pastor's compliance with the Board's governance policies.

- 4.6.2.1 The Senior Pastor shall report yearly on the economic, demographic, theological, legal, and political conditions and trends in the congregation's communities. The Senior Pastor shall not fail to provide the BoSL with:
 - 4.6.2.1.1 A report on the progress achieved toward the Strategic Direction of the congregation.
 - 4.6.2.1.2 A demographic report of the congregation, including baptized members, confirmed members, inactive members, developing trends in age, gender, and other pertinent areas.
 - 4.6.2.1.3 A review of the current operational policies and/or revisions as they occur.
 - 4.6.2.1.4 A review of the plan for operational crisis management, and a copy of such plan.
 - 4.6.2.1.5 A review of the plan for short-term succession, and a copy of such plan.
- 4.6.2.2 The Senior Pastor shall report semi-annually on his ministry plan and training and supervision of the staff.
 - 4.6.2.2.1 A report on his personal ministry plan.
 - 4.6.2.2.2 A report listing the names of all individuals engaged in programmatic ministries, and the training they have received, in fulfillment of Policy 3.10.2.
 - 4.6.2.2.3 Quarterly reports regarding his supervision of the staff.
- 4.6.2.3 The Senior Pastor shall report at least quarterly on the activities, plans, and Strategic Direction of the congregation. The Senior Pastor shall not fail to provide the BoSL with:

- 4.6.2.3.1 Financial statements organized and presented around the financial conditions policy.
 - 4.6.2.3.2 Reports concerning the performance of any investments of the congregation.
 - 4.6.2.4 The Senior Pastor shall not fail to provide the BoSL with:
 - 4.6.2.4.1 Each long-term outlook study after it is developed.
 - 4.6.2.4.2 Any changes or proposed modifications to the current Annual Congregational Budget as they are developed.
 - 4.6.2.4.3 The current criteria established for sound financial conditions.
 - 4.6.2.4.4 New operational structures as they are developed, with an explanation of the responsibilities assigned.
 - 4.6.2.4.5 Summaries of each new program and service as they are developed.
- 4.6.3 In reviewing all reports, the standard for compliance with all policies shall be the Senior Pastor's reasonable interpretation of governance policies. While the BoSL members shall make the final determination regarding such "reasonable interpretation," they shall base such determination on a neutral interpretation rather than any bias of the BoSL or individuals.

Appendix 1

CONFLICT OF INTEREST POLICY

The BoSL commits itself and its members to Christian, ethical, businesslike, and lawful conduct. This includes proper use of authority and appropriate decorum when acting as Board members.

- 1 BoSL Members must represent nonconflicted loyalty to the interests of the congregation. This accountability supersedes any conflicting loyalty such as that to advocacy or interest groups and membership on other boards or staffs. It also supersedes the personal interest of any Board member acting as a client or family member of a client of the congregation's services.
- 2 Members must avoid conflict of interest with respect to their fiduciary responsibility.
 - 2.1 There must be no self-dealing or any conduct of private business or personal services between any Board member and the congregation except as procedurally controlled to assure openness, competitive opportunity, and equal access to "inside" information.
 - 2.2 When the BoSL is to decide upon an issue about which a member has an unavoidable conflict of interest, that member shall recuse her/himself without comment on the deliberation as well as the vote on the matter.
 - 2.3 Board members must not use their positions to obtain or advocate for employment in the congregation for themselves, family members, or close associates. Should a Board member desire such employment, she/he must first resign from the Board.
 - 2.3.1 Should such resignation take place, said Board member shall not be eligible for service on the BoSL for three years.
 - 2.4 Board members will annually disclose their involvement with other organizations or vendors, or if they have any other associations that might produce a real or perceived conflict of interest.
- 3 When a Board member fails to recuse her/himself in a situation where other Board members perceive a conflict of interest, the member may be excused from the Board's session with a 60% vote of the Board (not including the Board member under consideration). The Chair shall also vote. (See Policy 2.2.1.5.1.)

Appendix 2

BOUNDARY MANAGEMENT POLICY

The BoSL commits itself and its members to Christian, ethical, businesslike, and lawful conduct. This includes proper use of authority and appropriate decorum when acting as Board members.

- 1 Board members may not attempt to exercise individual authority over the congregation except as explicitly set forth in Board governance policies.
 - 1.1 Board members' interactions with the Senior Pastor or other staff must recognize the lack of authority vested in individuals except when explicitly Board-authorized.
 - 1.1.1 Any concern presented to a Board member should be presented to the BoSL Chair prior to the next Board meeting for inclusion on the agenda.
 - 1.2 Board members' interactions with public, press, or other entities must recognize the same limitation and inability of any Board member to speak for the BoSL.
 - 1.3 Board members will give no consequence or voice to individual judgments of the Senior Pastor or staff performance.
 - 1.4 Board members will respect the confidentiality appropriate to issues of a sensitive nature.
 - 1.4.1 Should the sensitivity of an issue not be clear to a Board member, she/he shall consult with the BoSL Chair before sharing information with another person.

Appendix 3

PASTORAL SHORT-TERM SUCCESSION PLAN

1. INITIAL CONSIDERATIONS FOR SHORT-TERM SUCCESSION

- 1.1 “Short-term succession” here refers to the plan for pastoral coverage immediately upon the pastor’s short-term disability, long-term disability, resignation, acceptance of a new call, or death. Some portions of the plan will be the same for several or all of these circumstances, while others will pertain only to specific scenarios.
- 1.2 In each case, the resources provided (including personnel support) by the Southeastern District of The Lutheran Church—Missouri Synod will be critical to the plan.
- 1.3 The assumption here is that Good Shepherd Lutheran Church is being served by one pastor, not a multiple pastoral staff. In the event that the congregation extends a call to an associate or assistant pastor, the anticipated scenario would be that, in the absence of the senior pastor, the second pastor would temporarily assume the responsibilities of the senior pastor.

2. SHORT-TERM DISABILITY

- 2.1 In keeping with the short-term disability policy of Concordia Plans, the church workers’ insurer, “short-term disability” will be understood as a period not to exceed 26 weeks. Assuming that medical opinion has it that the pastor will be able to return to full time service at or before 26 weeks, the pastor will retain his call without adjustment and shall be regarded as continuing in call as pastor. His duties shall be suspended, however, in whole or in part, as negotiated with the Board of Servant Leaders and in conformity with the Concordia Plans policies.
- 2.2 The Board of Servant Leaders, upon learning that the pastor is on short-term disability, shall consult with the LCMS Circuit Counselor, district regional Vice President, or Southeastern District President, to identify an available pastor who will provide essential pastoral services during the period of disability. “Essential services” shall include worship leadership, performance of official acts (baptism, weddings, funerals), and pastoral representation of the congregation at meetings of the circuit. As practical, the coverage pastor will consult from time to time with the pastor on temporary disability in order to keep him informed of events within the life of the congregation and to plan for his return to service.

3. LONG-TERM DISABILITY

- 3.1 In keeping with the long-term disability policy of Concordia Plans, the church workers’ insurer, “long-term disability” will be understood as a period in excess of 26 weeks. If medical opinion has it that the pastor will be unable to return to full-time work after the 26th week has passed, the pastor will be asked to resign from his call. The congregation’s pastoral office shall be “vacant” pending the call, acceptance of call, and installation of a new pastor.
- 3.2 As in the case of short-term disability, the Board of Servant Leaders shall consult with the LCMS Circuit Counselor, district regional Vice President, or Southeastern District President, to identify an available pastor who will provide essential pastoral services during the period between the pastor’s resignation and the installation of a new pastor.

- 3.3 A pastoral call committee shall be formed and shall begin its work in conformity with the congregation's Constitution, Bylaws and policy manual. Upon the installation of a new pastor, the vacancy pastor's work in the congregation shall cease.

4. PASTORAL RESIGNATION, ACCEPTANCE OF A CALL, OR DEATH

If the pastor resigns from office, accepts a call to a different ministry, or dies while in office, the procedure shall be as in (3) above, when a pastor resigns due to long-term disability.

5. NOTE

The above does not conceive of the immediate inability of the pastor to be present for Sunday worship (illness, family emergency, or the like). It is anticipated that in the vast majority of cases, absence from worship would be pre-planned and known, and it would be the pastor's responsibility to secure pastoral coverage.

6. RECOMMENDATIONS

I recommend that, in working with the core ministry team for Worship and Celebration, I be tasked with training a cadre of persons for worship leadership. We can determine what to do if a pastor is unavailable on a Sunday when the eucharist is scheduled to be celebrated.

Appendix 4 NOMINATION FORM

Name of person being nominated

Phone

E-mail address

I believe this person is well qualified to give leadership to our congregation as a Member of the Board of Servant Leaders because. . .

Signature of nominator

Phone

Initials of
Nominating Committee Member

- _____ I have spoken with this person and s/he is willing to be considered for nomination
- _____ I have shared the "Board Responsibilities" (Policy 2.1) and "Membership Responsibilities" (Policy 2.2) lists with this person, and s/he is willing to adhere to these policies should s/he be elected.
- _____ I have shared the "Qualifications and Other Considerations" list with this person, and s/he understands the process being used.
- _____ I believe this person demonstrates the qualities suggested in these three documents and should be considered as a candidate for the Board of Servant Leaders.

Appendix 5

STRATEGIC REFRESH PROCESS

1. BACKGROUND

- 1.1 In FY2013, the Board of Servant Leaders undertook a major initiative to refresh Good Shepherd's strategic direction. Although a refresh to the Strategic Direction is prescribed in the Policy Manual to be executed by the BoSL (2.1.1.2), the manual does not provide an approach by which to conduct it. Therefore, as an initial step the BoSL developed a process that would be used to refresh the Strategic Direction with the intent it could be used in future years by the Board as a guide to fulfill this responsibility on a bi-annual basis.

The strategy refresh process was defined and agreed to by the board in February 2013.

The major elements of the approach are as follows:

- BoSL will work within the guidelines set forth in the Policy Manual related to scope, process, and governance for the review and refresh to the Strategic Direction.
- The approach will leverage external trends and analysis in addition to internal congregation data to help inform the review and refresh of the strategy.
- The "Reveal" survey will be used to glean insights from members of the congregation about their relationship with Christ and how the church and its ministries are viewed as enablers in their journey and the GSLC mission.
- The "Reveal" workshop will be used as a structured approach to gather, refine, prioritize, and decide on changes or augmentation to the current Strategic Direction.
- The BoSL may enlist additional support from voting members of the congregation in support of the refresh process.
- The BoSL will present the findings and recommended changes to the strategic direction formally to the congregation bi-annually.
- Prayerful guidance and consideration will be given to all suggested changes to the Strategic Direction.

2. TARGET OUTCOMES OF PROCESS

- Insight into external trends in the wider community and culture
- Insight into the congregation's worship patterns and ministry effectiveness
- Evaluation of positive or negative movement of the congregation against prior survey results on the spiritual continuum
- A prioritized list of improvement areas to be reviewed and approved by the voting members of the congregation
- Actionable recommendations to be implemented with regular progress reviews conducted by the BoSL

The Strategic Direction of GSLC should be reviewed and refreshed bi-annually



High Level Strategy Refresh Process Timing and Major Activities

