

The Governing Board Policy Book
Approved by Church Council 4/22/2020

Table of Contents

Overview

1. The Governing Board

- 1.1 Role of the Governing Board
- 1.2 Governing Board Composition and Service Terms
- 1.3 Governing Board of Officers
- 1.4 Governing Board Committees
- 1.5 Expectations of Governing Board Members
- 1.6 Auxiliary Organizations
- 1.7 Endowment Fund

2. Delegation to the Staff

- 2.1 Global Delegation to the Head of Staff
- 2.2 Senior Staff Team
- 2.3 Church Administrator
- 2.4 Staff Accountability

3. Guidance and Limitations

- 3.1 Personnel Decisions
- 3.2 Care for Paid Staff
- 3.3 Care for Members and Guests
- 3.4 Care for Material Resources

4. Board Oversight

- 4.1 Mission Focus
- 4.2 Monitoring
- 4.3 Evaluation

NOTE:

During the trial run the Policy Book will supersede the Bylaws and Constitution as appropriate.

Overview

Using authority the Church has given it through the Bylaws, the Governing Board has adopted the following policies. The Governing Board records all its actions in its minutes; for ease of reference, it also records in The Governing Policy Book any action intended to authorize others to make decisions or to control multiple decisions over time. The Governing Policy Book may be amended by two-thirds (2/3) of the entire Board.

1. Board Governance

1.1. Role of the Governing Board

The Governing Board will govern primarily by discerning mission; planning for the future; partnering with the Senior Minister and staff; and holding leaders of the Church, including its own members, accountable for their performance. The Governing Board will meet monthly, and as needed, but will meet no less than nine (9) times in a twelve (12) month period. The board will hold regular forums with the congregation concerning the ministries, finances, and Vision of Ministry (Appendix 1.1.1.B).

1.1.1. Annual Board Work Products

In concert with the Senior Minister, staff, and congregation, the Governing Board will produce and adopt:

- A. An Annual Short List of **Open Questions** (Appendix 1.1.1. A.) about the Church's future, as the basis for ongoing planning conversation in the Governing Board, with the Senior Minister and staff, and with the congregation at large.
- B. An Annual **Vision of Ministry** (Appendix 1.1.1.B.) consisting of a short list of top priority areas where the Church will advance its work in the coming year, as a starting point for budgeting and staff planning.
- C. An Annual **Ministry Evaluation** (Appendix 1.1.1.C.) of the Church's success or difficulties in achieving the prior year's Vision of Ministry.
- D. An Annual **Mutual Performance Evaluation** (Appendix 1.1.1.D.) of the Senior Minister's and the Governing Board's effectiveness in their respective roles.

1.1.2. Less Frequent Governing Board Work Products

In concert with the Senior Minister, staff, and congregation, the Governing Board will produce and adopt:

- A. A **Performance Evaluation of the Senior Minister** (Appendix 1.1.2. A.) in his/her wider pastoral role will occur every three (3) years.
- B. A **Strategic Plan** (Appendix 1.1.2.B.), to be updated every three (3) to five (5) years, consisting of a short list of the most important results the Governing Board intends to achieve through the Church's ministry and the strategic choices (regarding program, membership, capital and operating budgets, and staffing) the Governing Board has made about how to achieve those results.
- C. A **Mission Statement** (Appendix 1.1.2.C.), to be updated as needed, that articulates the Church's purpose and related statements (visions, values and a tagline) to communicate the reasons for the Church's work.

1.2. Governing Board Composition and Service Terms

The Governing Board has seven (7) members and is composed of four (4) officers as defined below, two (2) members at large, and the Senior Minister, all with voting rights. Governing Board members will be elected, with exception of the Senior Minister, and will serve terms of three (3) years that may be renewable, but no person shall serve more than two (2) consecutive full terms. Terms of service will be staggered. A “seat” on the Governing Board has a clear term tied to it. If a Governing Board member leaves mid-term, a new person will fill that seat and will complete the same term as the original Governing Board member.

1.2.1. Governing Board Officers

In addition to the duties defined by the Bylaws (Appendix 1.2.1.), officers have the following responsibilities:

- A. Chair.** The Chair prepares the Governing Board’s agenda, facilitates or arranges for facilitation of Governing Board meetings, and works in partnership with the Senior Minister to ensure productive partnership between the Governing Board and staff.
- B. Vice Chair.** The Vice Chair assists and substitutes for the Chair upon request. The Vice Chair is responsible for leading the Governing Board’s planning work, including planning conversations with members and supporters of the Church.
- C. Clerk.** The Clerk ensures the safety and accuracy of Governing Board records, including the minutes, attendance, and these policies. In cooperation with the staff, the Clerk sees that minutes and Board policies are promptly available to the congregation.
- D. Treasurer.** The Treasurer supports fulfillment of the Governing Board’s financial oversight responsibilities by working with the staff to ensure that appropriate financial reports are made available to Governing Board members on a timely basis. The Treasurer serves on the Finance Committee and is responsible for directing the annual financial audit or review and therefore plays no direct role in financial management.

1.2.2. Other Governing Board Members

- A. Member-at-Large.** There are two (2) Members at Large who each act as a trusted communication intermediary between groups and individuals within the Church.
- B. Senior Minister.** The Senior Minister serves on the governing board, has full voting rights, and is not subject to term limits.

1.3. Governing Board Committees

Committees exist to help the Governing Board govern and not for administration or program management or to make decisions on the Governing Board’s behalf (To manage programs, finances, and operations, the Church uses Ministry Teams responsible to the staff). The Governing Board may appoint standing and ad hoc Committees and choose its members and term limits as needed. Standing Governing Board committees are:

1.3.1. Finance and Investment Committee

Assists the Governing Board in its oversight of the congregation’s finances, ensures that routine financial reports are clear and helpful, and coordinates the annual audit or review. From time to time, holds educational sessions to ensure that Governing Board members have adequate understanding of the congregation’s financial status and goals. The Committee has no management authority and does not participate in day-to-day financial decision-making.

1.3.2. Personnel Committee

Assists the Governing Board in developing personnel policies, ensuring compliance with applicable laws, and carrying out the staff-grievance process as defined by these policies. The Committee has no staff management authority and does not participate in supervision or personnel decision-making. When it is necessary to hold a hearing on a staff grievance, the Governing Board will appoint an ad hoc committee in each case.

1.3.3. Governance Committee

Helps the Governing Board to focus on its chosen role, to recruit and train Governing Board members, and to lead the annual Governing Board self-evaluation process.

1.3.4. Nominating Committee

In addition to the duties prescribed by the Bylaws, consults annually with the Board and Governance Committee to ascertain future leadership needs in the light of members who are rotating off the Board.

1.3.5. Safe Conduct Committee

Acts in accordance with the Safe Conduct Policy and Procedures (Appendix 1.3.5) and reviews the Safe Conduct Policy and Procedures annually with the Senior Minister and Chair.

1.4. Expectations of Governing Board Members

1.4.1. Governing Board Covenant

We, the members of the Governing Board, enter into this covenant of mutual expectations for Governing Board service. New members of the Governing Board will be asked to join us in these commitments, and the Governing Board will review and update this covenant at least annually. As Governing Board members, we will:

- A. Prepare for Governing Board meetings.** We will read the Governing Board packet sent prior to each meeting and accept responsibility to see and provide information necessary for the Governing Board to make well-informed decisions.
- B. Attend Governing Board meetings.** When possible, we will attend all duly called Governing Board meetings. If it is necessary to miss a Governing Board meeting, then we will inform the Clerk as early as possible so that the absence is “excused.” More than three (3) unexcused absences in a twelve (12) month period may be cause for the Governing Board to ask for the Governing Board member’s resignation. If we do not expect to be able to attend meetings consistently, then we will resign for the good of the Governing Board.
- C. Participate in Governing Board meetings.** We will listen carefully to others, giving special attention to ideas and perspectives different from our own. We will feel free to state the obvious and ask questions when we do not understand. We will speak forthrightly in Governing Board meetings and vote according to our understanding of the Church’s mission.
- D. Share the work of the Governing Board.** When possible, we will respond to e-mails and other communications within 48 hours. We will accept assignments and other tasks and complete them as agreed. Each Governing Board member is equally responsible for speaking up to ensure compliance with the Bylaws, ethical values, and this covenant.
- E. Treat one another with respect and courtesy.** We will use the Behavioral Covenant (Appendix 1.4.1.E.) as a guide. When we have disagreements or conflict, we will address those directly with the persons concerned, seeking assistance from others as necessary, to

sustain a positive working atmosphere at the Governing Board table.

F. Use discretion in communicating about Governing Board discussions. We will treat the views expressed in Governing Board discussion as tentative and refrain from reporting the opinions of others. We will speak respectfully of the Governing Board's authority to make decisions, even when we do not agree. When the Governing Board agrees, certain matters will be kept confidential and we will honor those agreements.

1.4.2. Conflicts of Interest

The Governing Board expects all its members to carry out their duties with undivided loyalty to the Church and its mission. A conflict of interest exists whenever a Governing Board member has interest or duties that may hinder or appear to hinder the Governing Board member from fulfilling this duty.

A. Definition. Conflicts of interest arise when the Governing Board member:

- (1) Stands to gain or lose financially because of an action of the Church in which he or she has a decision-making role.
- (2) Cannot set aside his or her personal preferences as an individual consumer of the Church's services to act on behalf of the whole Church and its mission.
- (3) Faces any other situation that impairs or reasonably appears to impair his or her independence of judgment.
- (4) Has a close relationship with someone who has a conflict of interest, as defined here. A close relationship includes any person, corporation, or other business entity with which the Governing Board member has a close personal, family, or business relationship.

B. Conflict-of-Interest Disclosure. The Governing Board will annually require its members to disclose in writing all existing or foreseeable conflicts of interest. Disclosure forms (Appendix 1.4.2.2.) must be kept by the Clerk and made available to any member of the Governing Board who asks to see them.

C. Conflict-of-Interest Process. When a Governing Board member reports a potential conflict of interest related to a matter before the Governing Board, the Governing Board (minus the affected member) will determine how to handle the situation. Possible responses include:

- (1) Disclosure in Governing Board minutes of the nature of the conflict.
- (2) Member to leave the room during all Governing Board discussions and votes related to the conflict of interest.
- (3) Member to resign from the Governing Board.

1.4.3. Discipline and Removal of Governing Board Members

In exercising its power under the Bylaws to remove an officer or Governing Board member, the Governing Board will follow these procedures:

A. Removal for Misconduct. The Clerk will notify the member in writing and offer a hearing before the Governing Board. Pending such a hearing, the Governing Board may suspend the member's voting privileges.

B. Removal for Absences from Governing Board Meetings. If an officer or Governing Board member misses more than three (3) meetings in a twelve (12) month period without prior notice to the Clerk of the expected absence, the Clerk will notify the member in writing that the member may appear at the next meeting and ask the Governing Board to excuse the absences, or the Governing Board will request the member's resignation.

1.5. Auxiliary Organizations

Auxiliaries are chartered by the Governing Board to further the mission and goals of the Church. Their Bylaws, including any amendments, must be approved by the Governing Board, and their officers must promptly file all of their official minutes and financial reports with the Church office and make other disclosures or reports as the Governing Board or staff may require in order to ensure compliance with the Church's nonprofit and tax-exemption status. Currently there are no auxiliary organizations.

1.6. Church Endowment Funds

The Governing Board places funds in Endowments either by accepting gifts restricted by the donor to the Endowment use, or by voluntarily placing funds into an Endowment. Endowment Funds are intended to be held in perpetuity to provide long-term streams of income to the Church. There are currently four (4) endowment funds: The Memorial Endowment Fund, The Building Endowment Fund, the Outreach Endowment Fund, and the Scholarship/Youth Endowment Fund. Refer to Article XII of the Constitution (Appendix 1.6.) for full descriptions of these funds.

1.6.1. Delegation and Guidance to the Finance and Investment Committee

The Finance and Investment Committee, appointed by the Governing Board and acting by majority vote, is empowered to direct the investment of all capital funds, subject to the following policies:

- A. Investment Objectives.** Capital funds should, as best able, be invested to produce a maximum rate of total return consistent with the following: prudent management of investments; preservation of principle; potential for long-term asset growth; and, socially-responsible-investment practices.
- B. Permissible Investments.** Endowment fund assets may be invested in publicly traded common and preferred stocks, convertible bonds and preferred stocks, bank common funds, mutual funds, and fixed income securities (including corporate bonds and money market instruments). No other investments are permissible.
- C. Shareholder Initiatives.** In keeping with our ethical values, the Church is an activist shareholder, lending its support to shareholder initiatives and coalitions of shareholders in support of:
 - (1) Disclosure of lobbying and political spending.
 - (2) Action to address climate change.
 - (3) Nondiscrimination based on skin color, age, sex, marital status, sexual orientation, gender identity and expression, disability, national origin or ancestry, economic status, union membership, or political affiliation.
- D. Endowment Spending.** The annual desired percentage of available return on investments, distribution, and remainder returns, should be recommended by the Finance and Investment Committee to the Governing Board for no less than an annual review.

2. Delegation to the Staff.

2.1. Global Delegation to the Head of Staff. The Governing Board hereby delegates all its authority to manage the work and resources of the Church, except as expressly limited by these policies, to the Senior Minister as Head of Staff, who is accountable to the Governing Board.

2.2. Program Staff Team. The Senior Minister manages the work of the Church in collaboration with a Program Staff Team. The Program Staff Team includes the Senior Minister, Minister of Faith Formation, and the Minister of Music, all of whom report directly to the Senior Minister. The Board expects the Program Staff Team, individually and jointly:

2.2.1. To lead and unify the paid and volunteer staff in directing their efforts toward the fulfillment of the Church's mission and goals.

2.2.2. To ensure compliance with the Bylaws, Governing Board policies, and applicable laws and regulations.

2.2.3. To uphold a high standard of ethical and professional conduct.

2.2.4. To accomplish the goals contained in the Annual Vision of Ministry (Appendix 1.1.1.B) by developing annual goals for its work as a team.

2.3. Administrative Staff Team. The Senior Minister manages the administrative work of the Church in collaboration with an Administrative Staff Team. The Administrative Staff Team includes the Accounts and Building Support Manager, Custodian, and Office Assistant, all of whom report directly to the Senior Minister. The Governing Board expects the Administrative Staff Team, individually and jointly:

2.3.1. To lead and unify the paid and volunteer staff in directing their efforts toward the fulfillment of the Church's mission and goals.

2.3.2. To ensure compliance with the Bylaws, Governing Board policies, and applicable laws and regulations.

2.3.3. To uphold a high standard of ethical and professional conduct.

2.3.4. To accomplish the goals contained in the Annual Vision of Ministry (Appendix 1.1.1.B.) by developing annual goals for its work as a team.

2.4. Staff Accountability. All staff members are accountable to the Senior Minister, who is accountable to the Governing Board, for their performances.

3. Guidance and Limitations

3.1 Personnel Decisions. The Governing Board expects the Senior Minister to take the lead in the selection, hiring, supervision, and discharge of all paid staff.

3.1.1. Hiring Program Staff

Before filling Program Staff positions, the Senior Minister must nominate a Search Committee for appointment by the Governing Board. After receiving the Search Committee's recommendation, the Senior Minister selects and presents a final candidate to the Board for approval.

3.1.2. Hiring Administrative Staff

Before filling Administrative Staff positions, the Senior Minister should consult with lay leaders and others, including the direct supervisor if applicable, for the position before making a selection.

3.1.3. New Staff Positions

New positions are normally created through the budget process. The Senior Minister may create and fill temporary positions, provided they can be funded within established budgetary limits.

3.1.4. Employment at Will

All paid Staff are employees at will, unless the Governing Board approves the terms of a contract that states otherwise.

3.1.5. Discipline and Termination

Prior to discharging a paid Staff member, the Senior Minister must ensure that the decision complies with applicable laws, Governing Board policies, contracts, and the Personnel Manual (Appendix 3.1.5.). The Senior Minister must promptly notify the Governing Board when an employee has been terminated.

3.2. Care for Paid Staff

The Church intends to be a fair, ethical, and attractive employer; to achieve high staff morale and productivity; and to protect members of the Staff from all forms of injustice and abuse related to their employment.

3.2.1. Supervision and Evaluation

Each employee will be assigned an immediate supervisor who will provide an up-to-date job description and complete an annual process of goal setting and performance review. Individual Staff goals and performance reviews are confidential, to be shared only as necessary to support Church decision-making or as required by law.

3.2.2. Compensation and Benefits

As part of the annual budget process, the Governing Board or a committee it appoints, will review compensation and benefits for all paid Staff and recommend adjustments for the coming year. In the Governing Board's report, or its appointed committee's report to the Governing Board, it must show evidence that it has:

- A. Surveyed compensation and benefits practices from comparable employers.
- B. Sought and considered recommendations from the Senior Minister regarding adjustments to Staff compensation.
- C. Taken into account the "Care for Paid Staff" goals (Section 3.2.) in relation to the Church's financial capacity and strategic goals.

3.2.3. Personnel Manual (Appendix 3.1.5.)

The Staff, with input from the Personnel Committee, will maintain an up-to-date Personnel Manual that complies with all applicable legal requirements. The Personnel Manual must provide adequate policies to give practical effect to the following principles:

- A. **Nondiscrimination.** The Church does not discriminate because of race, color, age, sex, marital status, sexual orientation, gender identity and expression, disability, national origin or ancestry, economic status, union membership, or political affiliation. Religious opinion and affiliation may be considered only to the extent that it may be a bona fide occupational requirement or may prevent an employee from being fully supportive of the Church mission and values.
- B. **Harassment.** The Church is committed to maintaining a work environment that is free of harassment. Harassment of any kind, including sexual harassment, is absolutely prohibited, and allegations of harassment must be reported and acted upon promptly.
- C. **Grievances.** The Church intends to protect the right of staff to raise concerns about working conditions without fear of retaliation. A Staff member who alleges that the law or Governing

Board policies have been violated to his or her detriment may present his or her grievance to the Church and follow the procedure policies in the Personnel Manual. (Appendix 3.1.5.)

D. Whistleblower Protection. The Church prohibits retaliation against employees or other persons who in good faith report:

- (1) A suspected violation of law, such as harassment, fraud, or misappropriation of Church assets.
- (2) A suspected danger to public health or safety.
- (3) Suspected violations of these policies.
- (4) An employee who retaliates against anyone who has made such a report is subject to discipline up to and including termination of employment.

3.3. Care for Members and Guests

The Staff must take all reasonable care to prevent harm to members, guests, program participants, and other people affected by the Church.

3.3.1. Health and Safety

The Staff must ensure that all Church programs are safe for participants and Staff; that facilities are maintained in a safe, sanitary, and secure condition; that required licenses and inspections are kept up to date; and that hazards are corrected promptly.

(1) Smoking. The Church prohibits smoking of any kind on Church premises except in designated areas.

(2) Alcohol. Consumption of alcohol is not permitted on Church premises without specific approval by the Governing Board for each occasion.

3.3.2. Emergency Planning

The Staff must create and maintain a written plan for responding to reasonably foreseeable emergencies, including accident, illness, fire, toxic conditions, weather problems, threatening communications, power outages, and natural disasters.

3.3.3. Child Protection

Because of the Church's special responsibility for children and youth in its care, the Staff must write and maintain clear procedures for the selection, training, and supervision of anyone who works with persons age eighteen (18) and younger.

3.3.4. Disruptive Behavior

In order to sustain an atmosphere that is truly open to a wide variety of individuals, the Church must firmly and promptly address behavior that threatens the physical and/or emotional safety of any adult or child or inhibits the free exchange of opinions and beliefs. When such behavior occurs, the Senior Minister, or person in charge, may take immediate action, if required, and report promptly to the Governing Board, recommending any further disciplinary action, which may include termination of Church employment or membership.

3.3.5. Harassment

Employees, volunteers, and agents of the Church are specifically prohibited from acts of harassment, including sexual harassment, against any member or participant in Church activities or any employee or applicant for employment.

3.3.6. Firearms

The Church prohibits anyone other than on-duty law enforcement officials, or off-duty law enforcement officials hired by the Church, from carrying a firearm into Church property.

3.3.7. Building Security

The Staff must ensure that access to Church buildings is limited to those who have legitimate business there.

3.3.8. Universal Access

The Church intends to make its premises and activities safely and conveniently accessible to persons with disabilities. The Staff must ensure that Church facilities, programs, and policies meet or exceed all applicable legal requirements and that the Church engage in continual learning and improvement in this area.

3.4. Care for Material Resources

The Staff must take all reasonable care to prevent harm to the Church's financial assets, property, credit, and tax exemptions and develop administrative practices and procedures designed to prevent such harm and must report promptly to the Board on any significant shortcomings in their implementation.

3.4.1. Operating and Capital Budgets

The Senior Minister and Staff present a one (1) year operating budget and a five (5) year capital budget for approval by the Governing Board no later than two (2) months prior to the fiscal year end.

A. Proposed budgets must be based on the Annual Vision of Ministry (Appendix 1.1.1.B.) and any Strategic Plan (Appendix 1.1.2.B.) currently in effect.

B. The Senior Minister must, when presenting a budget, express an opinion whether it is adequate to fulfill the Annual Vision of Ministry (Appendix 1.1.1.B.).

3.4.2. Spending Authority

The Senior Minister and Staff control and are responsible for all spending out of Church accounts, subject to the following limitations:

A. Donor-restricted funds may not be used in violation of donor restrictions or Governing Board-restricted funds in violation of Governing Board-imposed restrictions.

B. Cash operating reserves may not fall below twenty-five percent (25%) of the annual budgeted expenditures without Governing Board approval.

C. Governing Board approval is required to change compensation for any full-time Staff position or to change the basis on which benefits are calculated. Normally the Staff will propose such changes only in the course of the normal budgeting process.

D. The Staff must anticipate and prevent spending in excess of the overall budget. If it foresees any material deviation from budgeted spending, the Staff must promptly inform the Governing Board and recommend options for adjusting the budget.

E. The budget will be prepared in outline form, with major budget categories, summarizing minor ones. The Senior Minister may approve overspending by up to fifteen percent (15%) over the budgeted amount in any major budget category, provided overall spending remains within budget and the adjustment is promptly reported to the Governing Board.

3.4.3. Gift Acceptance and Financial Transactions

The Staff controls and is responsible for receiving and acknowledging all gifts to the Church, with the following limitations:

- A. All noncash gifts, including securities, real estate, and personal property must be promptly converted into cash upon receipt unless it is personal property or real estate property to be used directly by the Church.
- B. The Staff may not accept gifts restricted in any way by the donor unless the Governing Board has, in advance, created a Special Fund to receive gifts with stated restrictions.
- C. The Governing Board controls and is responsible for lending, borrowing of funds beyond a thirty (30) day period requires Governing Board approval.
- D. Purchase or sale of real estate requires Governing Board approval.

3.4.4. Special Funds

All funds restricted by the Governing Board action to be used for special purposes, but not permanently restricted to the use of income only, are considered special funds. Special funds currently established by the Governing Board and the purposes for which they are restricted include those found in Appendix 3.4.4.

3.4.5. Accounting and Financial Standards

Church accounting and financial controls must conform to accepted best practices for churches of comparable size, including:

- A. **Cash Management.** The Staff must maintain written procedures to govern the handling of receipts, access to cash and bank balances, approval of expenditures, payment of invoices and other obligations, and management of invested funds.
- B. **Separation or Segregation of Duties (SOD).** The duties of record-keeping, bank reconciliation, and cash disbursements must be under the control of different and unrelated persons. The accounting principle of SOD is based on shared responsibilities of a key process that disperses the critical duties of that process to more than one person.
- C. **Approval Authority.** Governing Board Officers and the Senior Minister are authorized to approve cash disbursements. At least one (1) authorized individual must approve all cash disbursements. Two (2) unrelated authorized individuals must approve any disbursement of Five Thousand Dollars (\$5,000.00) or more that is not part of an existing contract related to normal accounting expenses.
- D. **Fund Accounting.** The Staff must take care to distinguish donor-restricted, temporarily restricted, voluntarily restricted, and unrestricted funds.
- E. **Reconciliation.** Church accounting reports must be reconciled with financial institution statements as often as those statements are issued, and copies of such reconciliations must be provided to the Finance Committee under the Governing Board for review.

3.4.6. Asset Protection

The Senior Minister must take all reasonable care to ensure that Church assets are protected from loss or theft, including:

- A. Adequate insurance to protect against property losses, liability for injuries to others corporate liability, personal liability of Governing Board members and Staff, and honesty bonds for all personnel with access to material amounts of funds
- B. Maintenance of Church property and equipment to keep it in working order, subject to reasonable wear and tear.

- C. Reasonable steps to protect the Church's intangible property, including intellectual property, electronic data, and paper files from significant damage or loss.

3.4.7. Document Retention

The Staff must maintain written procedures to govern the backup, retention, and destruction of the Church's documents, giving definite retention periods for types of financial, business, pastoral, personnel, and corporate records in both paper and electronic forms.

4. Oversight

4.1. Mission Focus

The Governing Board's duty of care requires it to ensure that the Church's human and material resources are used for the benefit of its mission. The Governing Board fulfills this duty in two (2) ways: by monitoring regular reports provided by the Staff and by scheduled evaluation of the Church's progress toward achieving the goals established in the Annual Vision of Ministry (Appendix 1.1.1.B.).

4.2. Monitoring

The Senior Minister will provide regular written reports from the Staff to the Governing Board. Reports must focus on progress of priorities, as set by the Governing Board through the Annual Vision of Ministry (Appendix 1.1.1.B.), and in compliance with Board policy. Monitoring reports must be emailed to Governing Board members in advance of each monthly meeting but will not normally be a subject of Governing Board discussion except when they require Governing Board action or raise issues of compliance with Governing Board policy. Reports must include, at minimum:

4.2.1. Monthly financial statements that show overall financial performance compared to budget and highlight significant financial or operational issues. These reports will be filed and made available to any Church member who wishes to examine them.

4.2.2. Quarterly financial statements that show the overall financial position of the Church. These must include a complete balance sheet and funds statement, detailed statement of operations, and a statement of cash flows.

4.2.3. Programmatic Monitoring

On a schedule to be agreed upon annually by the Senior Minister and the Governing Board, the Senior Minister must provide reports to the Governing Board regarding:

- A. Progress on achieving the Annual Vision of Ministry (Appendix 1.1.1.B.).
- B. Compliance with applicable Governing Board policies.
- C. Each report will focus on selected areas of progress and compliance, so that in the course of the year the entire Vision of Ministry and all points of policy compliance are covered.

4.3. Evaluation

Everyone responsible for work in behalf of the Church will engage in a continual process of evaluation. The purposes to be accomplished through evaluation are to foster excellence in ministry work by ensuring that all Church leaders:

- Practice open communication and regular feedback.
- Meet performance standards appropriate to their roles.
- Maintain effective working relationships with one another.
- Focus on achieving goals as approved by the Governing Board and Staff.

4.3.1. Governing Board and Senior Minister Evaluation

Annually, as part of the creation of the Annual Vision of Ministry (Appendix 1.1.1.B.), the Senior Minister, as Head of Staff, and the Governing Board will together review their respective contributions to the fulfillment of the prior year's Annual Vision of Ministry.

4.3.2. Staff Evaluations

The Senior Minister must ensure that all Church employees develop, with their supervisors, timely annual performance goals supportive of the Annual Vision of Ministry (Appendix 1.1.1.B.) and that their performance is evaluated annually in writing.

4.3.3. Evaluation of Ministry Teams

The Senior Minister must ensure that leaders of teams engaged in ministry develop, with their staff supervisors, goals supportive of the Annual Vision of Ministry (Appendix 1.1.1.B.) and that their performance is evaluated annually in writing.

4.3.4. Triennial Performance Evaluation of Senior Minister (Appendix 1.1.2. A.)

Every three (3) years, the Governing Board and Senior Minister will together appoint an ad hoc Review Committee of three (3) persons held in high esteem by the Church and mutually acceptable to the Governing Board and Senior Minister. Working with the Senior Minister, the Review Committee will design and facilitate a review of the Senior Minister's performance. The goals of the evaluation are to call the congregation's attention to the mutual, relational nature of ministry and the respective responsibilities of all who contribute to its success and to help the Senior Minister to remain motivated, creative, and flexible. The Review Committee's report to the Governing Board, together with a written response from the Senior Minister, will be placed in the personnel files.

4.3.5. Annual Financial Audit or Review

At least every three (3) to five (5) years, the Governing Board will engage a qualified professional to conduct an audit or review of the Church's financial records and report in writing to the Governing Board. In alternate years, the Governing Board will appoint an ad hoc Volunteer Committee to perform an informal review of some aspect of the Church's financial records.

Appendix List

Short List of Open Questions (Appendix 1.1.1. A.)

Vision of Ministry (Appendix 1.1.1.B.)

Mutual Performance Evaluation (Appendix 1.1.1.D.)

Performance Evaluation of the Senior Minister (Appendix 1.1.2. A.)

Strategic Plan (Appendix 1.1.2.B.)

Mission Statement (Appendix 1.1.2.C.)

Safe Conduct Policy and Procedures (Appendix 1.3.5)

Behavioral Covenant (Appendix 1.4.1.E.)

Conflict-of-Interest Disclosure Form (Appendix 1.4.2.2.)

Bylaws (Appendix 1.2.1.)

Constitution (Appendix 1.6.)

Personnel Manual (Appendix 3.1.5.)

Special Funds (Appendix 3.4.4.)