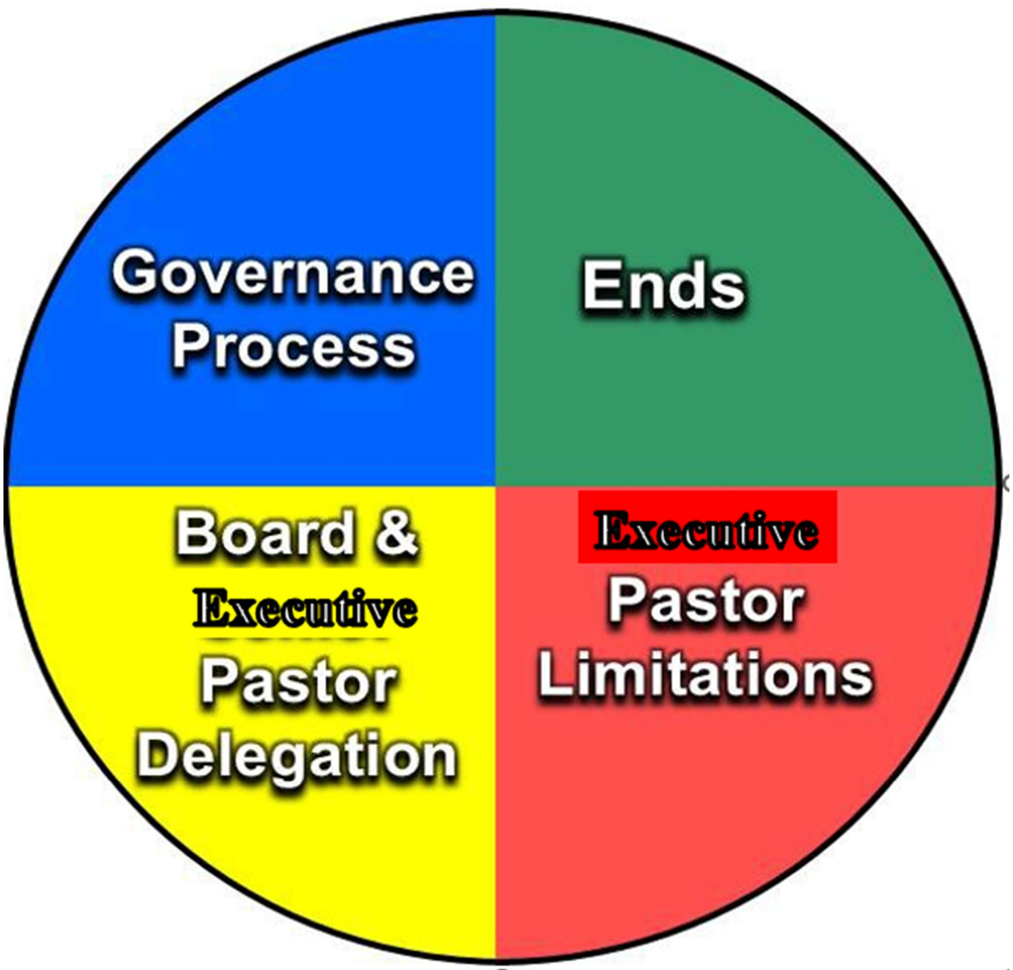
# PALISADES LUTHERAN CHURCH
# GOVERNING BOARD
# POLICY MANUAL

Updated as of January 8, 2026



# TABLE OF CONTENTS

# GOVERNING BOARD POLICIES

**INSTRUCTIONS TO EXECUTIVE PASTOR** **INSTRUCTIONS TO BOARD**

*Note: click on policy title to go directly to the policy*

## ENDS



## EXECUTIVE PASTOR LIMITATIONS



## GOVERNANCE PROCESS



## BOARD-EXECUTIVE PASTOR DELEGATION

**BOARD OF DIRECTORS POLICY**

| | | |
|---|---|---|
| **Policy Name:** Mega-Ends | **Number**: | **E** |
| | **Date Approved:** | **12/14/2024** |
| **Policy Type:** Ends | **Date Amended:** | |
| | **Date Last Reviewed:** | **12/14/2024** |

Palisades Lutheran Church exists so that people who connect with our church experience God's love for them in a welcoming, supportive, and unified community; and grow as disciples of Jesus Christ at a cost that demonstrates prudent stewardship of our God-given resources.

**BOARD OF DIRECTORS POLICY**

| | |
|---|---|
| **Policy Name:** People in Surrounding Community | **Number**: **E-1** |
| **Policy Type:** Ends | **Date Approved:** 12/14/20 |
| | **Date Amended:** |
| | **Date Last Reviewed:** **12/14/2024** |

People in the surrounding community, who connect with our church and do not yet believe in Jesus, feel cared for by our church community and have access to resources to enhance their well-being and alleviate their suffering.

**BOARD OF DIRECTORS POLICY**

| | |
|---|---|
| **Policy Name:** Members and Believers Regularly Connected to Our Church | **Number**: **E-2** |
| **Policy Type:** Ends | **Date Approved:** 12/14/20 |
| | **Date Amended:** |
| | **Date Last Reviewed:** **12/14/2024** |

Members of our church and believers regularly connected with our church grow as disciples of Jesus Christ and have access to resources to enhance their well-being and alleviate their suffering.

1. They shall have the knowledge, skills, and attitudes to effectively profess the Christian faith to those with whom they connect on a daily basis.

2. They shall understand and believe God's Word as Truth; can apply it to life experiences, including relationships, personal finance, and social issues; and can differentiate the Christian worldview from other worldviews.

**BOARD OF DIRECTORS POLICY**

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|---|---|---|---|
| **Policy Name:** Educational Programs | | **Number**: | **E-3** |
| | | **Date Approved:** | 12/14/20 |
| **Policy Type:** Ends | | **Date Amended:** | |
| | | **Date Last Reviewed:** | **12/14/2024** |

Develop educational programs for all ages attending our church ensuring that they acquire the character, capacity and competence to succeed at subsequent stages of their lives as disciples of Jesus Christ.

1. They have age-appropriate knowledge and understanding of God's love for them, the Christian faith, and Lutheran doctrine.

2. They have age-appropriate knowledge and skills to apply Christian principles to life experiences, including relationships with parents and peers, personal finances, and social issues.

3. Reach to many demographics with programs such as Sunday School, Vacation Bible School, and Bible Study.

**BOARD OF DIRECTORS POLICY**

| | |
|---|---|
| **Policy Name:** General Executive Pastor Constraint | **Number**: EPL |
| **Policy Type:** Executive Pastor Limitations | **Date Approved:** 12/14/2024 |
| | **Date Amended:** |
| | **Date Last Reviewed:** 12/142024 |

The Executive Pastor shall not cause or allow any practice, activity, decision or organizational circumstance which is unlawful, imprudent, unethical or in violation of Scriptural imperatives or the Constitution and Bylaws.

**BOARD OF DIRECTORS POLICY**

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|---|---|
| **Policy Name:** Treatment of People Served | **Number**: EPL-1 |
| | **Date Approved:** 12/14/2024 |
| **Policy Type:** Executive Pastor Limitations | **Date Amended:** |
| | **Date Last Reviewed:** 11/13/25 |

The Executive Pastor shall not cause or allow conditions, procedures or decisions related to the treatment of people served that are unsafe, disrespectful, or unnecessarily intrusive.

Further, without limiting the scope of the above statement by the following list, the Executive Pastor shall not:

1. Permit people served to be without reasonable protections against hazards or conditions that might threaten their health, safety or well-being.

2. Permit violation of confidentiality and privacy, except where specific disclosure is required by legislation.

   2.1. Use methods of collecting, reviewing, storing or transmitting personal information that inadequately protect against improper access.

3. Allow people served to have an unclear understanding of what may be expected and what may not be expected from the service offered when a cost is to be incurred by the person served.

4. Permit admission, registration, evaluation, or recognition processes that treat minors unfairly.

5. Operate without clear written guidelines for the handling of complaints.

**BOARD OF DIRECTORS POLICY**

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|---|---|
| **Policy Name:** Treatment of Staff and Volunteers | **Number**: EPL-2 |
| | **Date Approved:** 12/14/2024 |
| **Policy Type:** Executive Pastor Limitations | **Date Amended:** |
| | **Date Last Reviewed:** 11/13/25 – No Change |

The Executive Pastor shall not cause or allow working conditions for staff or volunteers that are unfair, disrespectful, unsafe, disorganized, or unclear.

Further, without limiting the scope of the above statement by the following list, the Executive Pastor shall not:

1. Allow staff to be without current, enforced, written human resource policies that clarify expectations and working conditions, provide for effective handling of grievances, and protect against wrongful conditions.

    1.1. Permit staff to be without adequate protection from harassment, including harassment as defined by any applicable statute or regulation.

    1.2. Permit staff to be uninformed of the performance standards by which they will be assessed.

    1.3. Permit a staff member who alleges that a human resources policy has been violated to his or her detriment to be without a mechanism to appeal a decision at least one level above the immediate supervisor, or, in the case of a direct report of the Executive Pastor, to be without the ability to access a mutually acceptable neutral third party mediator.

2. Retaliate against any staff member for non-disruptive expression of dissent.

3. Allow staff to be unprepared to deal with emergency situations.

4. Use methods of collecting, reviewing, storing or transmitting personal information that inadequately protect against improper access.

**BOARD OF DIRECTORS POLICY**

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|---|---|
| **Policy Name:** Treatment of Donors | **Number:** EPL-3 |
| | **Date Approved:** 12/14/2024 |
| **Policy Type:** Executive Pastor Limitations | **Date Amended:** |
| | **Date Last Reviewed:** 12/14/2024 |

The Executive Pastor shall not cause or allow conditions, procedures or decisions related to treatment of donors that are disrespectful or unnecessarily intrusive, or that do not adequately protect confidentiality or privacy.

Further, without limiting the scope of the above statement by the following list, the Executive Pastor shall not:

1. Permit violation of donor confidentiality.

2. Use methods of collecting, reviewing, storing or transmitting donor information that inadequately protect against improper access to the information elicited.

3. Permit untimely acknowledgement and receipting of donations.

**BOARD OF DIRECTORS POLICY**

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|---|---|
| **Policy Name:** Planning | **Number**: EPL-4 |
| | **Date Approved:** **12/14/2024** |
| **Policy Type:** Executive Pastor Limitations | **Date Amended:** |
| | **Date Last Reviewed:** **12/14/2024** |

The Executive Pastor shall not permit planning that allocates resources in a way that deviates materially from Board- stated Ends priorities, risks fiscal jeopardy, or does not enable the longer-term ability of the Church to achieve Ends.

Further, without limiting the scope of the above statement by the following list, the Executive Pastor shall not:

1. Operate without a written, multi-year strategy that can be expected to achieve a reasonable interpretation of the Ends.

    1.1. Permit planning that does not explain and justify assumptions, and identify relevant environmental factors.

2. Permit budgeting for any fiscal year or the remaining part of any fiscal year that is not derived from the multi-year plan.

3. Permit financial planning that omits credible projection of revenues and expenses, separation of capital expenditures and operational expenses, cash flow projections, and disclosure of planning assumptions.

    3.1. Permit envelope/plate giving revenue estimates to be derived from unrealistic assumptions regarding current membership, historical trending, and projected giving consistent with current economic conditions.

    3.2. Permit unrealistic projections of enrollments.

4. Permit planning that risks incurring any situation or condition described as unacceptable in the “Financial Condition and Activities” policy.

5. Permit financial planning that does not provide the amount determined annually by the Board for the Board’s direct use during the year, such as costs of fiscal audit, Board development, Board and committee meetings, Board legal fees, and ownership linkage.

6. Permit planning that endangers the fiscal soundness of future years or ignores the building of organizational capability sufficient to achieve Ends in future years.

    6.1. Operate without succession plans to facilitate smooth operations during key personnel transitions and ensure competent operation of the organization over the long term.

    6.2. Permit the organization to be without sufficient organizational capacity and current information about Executive Pastor and board issues and processes for the competent operation of the organization to continue in the event of sudden loss of Executive Pastor services.

**BOARD OF DIRECTORS POLICY**

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|---|---|
| **Policy Name:** Financial Condition and Activities | **Number**: EPL-5 |
| | **Date Approved:** 12/14/2024 |
| **Policy Type:** Executive Pastor Limitations | **Date Amended:** 5/15/2024 |
| | **Date Last Reviewed:** 5/15/2024 |

With respect to the actual, ongoing financial conditions and activities, the Executive Pastor shall not cause or allow the development of fiscal jeopardy or a material deviation of actual expenditures from Board priorities established in Ends policies.

Further, without limiting the scope of the above statement by the following list, the Executive Pastor shall not:

1. Expend funds contrary to the intent of the congregation expressed through the approved PLC annual budget, including:

    1.1. Allowing church credit cards to be used for personal or non-authorized purposes.

    1.2. Reimbursing for services provided or expenditures made without Board or congregational authorization.

2. Use designated funds in a manner contrary to church policies or the donor's intended purpose.

3. Allow the untimely payment of payroll and debts, including accounts payable.

4. Allow tax payments or other government ordered payments or reports to be overdue or inaccurately filed.

5. Purchase, lease, mortgage, encumber, sell, or otherwise dispose of real property, as specified in the Bylaws.

6. Allow financial transactions that do not provide an audit trail.

**BOARD OF DIRECTORS POLICY**

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|---|---|
| **Policy Name:** Asset Protection | **Number**: EPL-6 |
| | **Date Approved:** 12/14/2024 |
| **Policy Type:** Executive Pastor Limitations | **Date Amended:** |
| | **Date Last Reviewed:** 12/14/2024 |

The Executive Pastor shall not allow assets to be unprotected, inadequately maintained or unnecessarily risked. Further, without limiting the scope of the above statement by the following list, the Executive Pastor shall not:

1. Permit the organization to be without adequate insurance against theft and damage losses.
2. Permit the Board members, staff and individuals engaged in activities on behalf of the organization, or the organization itself to be without adequate liability insurance.
    2.1. Allow the organization, Board members, and staff to have inadequate Directors & Officers Liability coverage, Employment Practices Liability coverage, Educators Legal Liability coverage, Privacy/Cyber coverage, and Sexual Molestation coverage.
3. Unnecessarily expose the organization, its Board members or staff to claims of liability.
    3.1. Allow any staff person or volunteer to be in contact with children under the age of 18 or other vulnerable populations without being screened regularly.
4. Allow unbonded or uninsured personnel access to material amounts of funds.
5. Receive, process or disburse funds under controls that are insufficient to meet Synodical standards.
6. Make purchases that do not result in appropriate level of quality, after-purchase service and value for dollar, or do not provide opportunity for fair competition.
    6.1. Make large capital expenditures without using a competitive bid process or in violation of the Bylaws.
7. Compromise the independence of the Board’s audit or other external monitoring or advice.
8. Allow investment of operating funds in insecure investments.
9. Cause, allow or participate in ministries or other activities which could reasonably be considered to endanger the organization’s public image, credibility, or its ability to accomplish Ends.
10. Merge or dissolve the church or school ministry, as specified in the Bylaws.
11. Change the organization’s name.
12. Create or purchase a subsidiary.

**BOARD OF DIRECTORS POLICY**

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|---|---|
| **Policy Name:** Use of Church Building and Grounds | **Number**: EPL-7 |
| | **Date Approved:** 10-9-2024 |
| **Policy Type:** Executive Pastor Limitations | **Date Amended:** |
| | **Date Last Reviewed:10-9-2024** |

The Executive Pastor is responsible for overseeing the use of the church buildings and grounds. All activities that require the use of the buildings and grounds must be approved by the Executive Pastor within the following general guidelines:

1. Precedence must be given to the use of the church buildings and grounds for worship services, church-related activities, periodic meetings by charities (non-profits) that serve the community and reflect the values of PLC, and events that support the mission and values of PLC.

2. The church building and grounds may be leased to generate income.

    1.1. All requests for the use of the buildings and grounds must be submitted to the church office for Executive Pastor approval.

    1.2. The Executive Pastor shall not enter into any lease agreement longer than 2 years without approval of the Governing Board.

    1.3. The Executive Pastor will ensure a calendar of scheduled events and activities is maintained to avoid conflicts and facilitate the efficient movement of people and space.

    1.4. The Executive Pastor will make certain procedures are created for:

      1.4.1. Setting and collecting fees for the use of the building and grounds that are appropriate for charities (non-profits), businesses, and entities controlled by PLC Church Members.

      1.4.2. Ensuring that the buildings and grounds are left in a clean, orderly, and repaired condition.

      1.4.3. Fair treatment of people in church buildings and on church grounds.

      1.4.4. Ensuring compliance with all applicable laws and regulations for use of the buildings and grounds.

      1.4.5. Controlling for Unrelated Business Income tax concerns.

2. The Executive Pastor must not use the buildings and grounds:

    2.1. For activities that conflict with the mission and values of PLC.

    2.2. To set an environment that fails to facilitate for worship or for the proclamation of the gospel of peace.

    2.3. For living or overnight dwelling.

      2.3.1. “Dwelling” does not apply to short term ministry overnight functions such as scouts group weekend stays, bicycle groups or youth group lock-ins.

    2.4. For activities that degrade the value of the buildings or grounds or PLC’s reputation in the community.

    2.5. For any use inconsistent with zoning regulations or building permit codes.

**BOARD OF DIRECTORS POLICY**

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|---|---|
| **Policy Name:** Compensation and Benefits | **Number**: EPL-8 |
| **Policy Type:** Executive Pastor Limitations | **Date Approved:** 12/14/2024 |
| | **Date Amended:** |
| | **Date Last Reviewed:** 12/14/2024 |

With respect to employment, compensation and benefits to employees, consultants, and contract workers, the Executive Pastor shall not cause or allow jeopardy to fiscal integrity or public image.

Further, without limiting the scope of the above statement by the following list, the Executive Pastor shall not:

1. Change his own compensation and benefits, except as his benefits are consistent with a package for all other employees.

2. Promise or imply permanent or guaranteed employment.

3. Allow individual salaries for Called or non-Called personnel to exceed the salary guidelines established by the District for such personnel.

4. Establish current compensation and benefits that deviate materially from the geographic or professional market for the skills employed for personnel whose positions are not subject to District salary guidelines.

5. Create obligations over a longer term than revenues can be safely projected.

6. Establish any employee benefit programs that contain provisions contrary to Scripture.

**BOARD OF DIRECTORS POLICY**

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|---|---|
| **Policy Name:** Communication and Support to Board | **Number**: EPL-9 |
| **Policy Type:** Executive Pastor Limitations | **Date Approved:** 12/14/2024 |
| | **Date Amended:** |
| | **Date Last Reviewed:** 12/14/2024 |

The Executive Pastor shall not permit the Board to be uninformed or unsupported in its work.

Further, without limiting the scope of the above statement by the following list, the Executive Pastor shall not:

1. Withhold, impede, or confound information relevant to the board's informed accomplishment of its job.

    1.1. Allow the Board to be without decision information to support informed Board choices, including relevant LCEF environmental scanning data by the October meeting, a representative range of staff and external points of view, and significant issues or changes within the external environment, along with alternative choices and their respective implications.

    1.2. Let the Board be without monitoring data as required by the schedule in the policy on Monitoring Executive Pastor Performance, in a timely, accurate and understandable fashion, including explicit Executive Pastor interpretations that include rationale and evidence of compliance.

    1.3. Let the Board be unaware of any actual or anticipated non-compliance with any Ends or Executive Pastor Limitations policy, regardless of the Board's monitoring schedule.

    1.4. Let the Board be unaware of any incidental information it requires, including anticipated negative media coverage, actual or anticipated legal actions, and material or publicly visible internal changes or events, including changes in senior personnel.

    1.5. Allow the Board to be unaware that, in the Executive Pastor's opinion, the Board is not in compliance with its own policies on Governance Process and Board- Executive Pastor Delegation, particularly in the case of Board behavior which is detrimental to the work relationship between the Board and the Executive Pastor.

    1.6. Present information in an untimely manner, in unnecessarily complex or lengthy form, or in a form that does not clearly differentiate among monitoring, decision preparation, and general incidental or other information.

    1.7. Let the Board be unaware in a timely manner if any of his/her personal theological or doctrinal positions change so as to deviate from the Confessional basis of the denominational affiliation to which he or she belongs.

2. Allow the Board to be without reasonable administrative support for Board activities.

    2.1. Intentionally Deleted.

    2.2. Allow Board members to be without access to Board meeting materials one week in advance of the Board meeting.

2.3. Allow the Board to be deprived of adequate and efficient settings and arrangements for Board and committee meetings.

3. Impede the Board's holism, misrepresent its processes and role, or impede its lawful obligations.

    3.1. Deal with the Board in a way that favors or privileges certain Board members over others, except when (a) fulfilling individual requests for information or (b) responding to officers or committees duly charged by the Board.

    3.2. Neglect to supply for the Required Approvals agenda all items delegated to the Executive Pastor, yet required by law, regulation or contract to be Board-approved, along with the applicable monitoring information.

**BOARD OF DIRECTORS POLICY**

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|---|---|---|
| **Policy Name:** Ethical Behavior | **Number**: | EPL-10 |
| | **Date Approved:** | **12/14/2024** |
| **Policy Type:** Executive Pastor Limitations | **Date Amended:** | |
| | **Date Last Reviewed:** | **12/14/2024** |

The Executive Pastor shall not permit lack of a high degree of integrity at all levels of the organization. Further, without limiting the scope of the above by the following list, the Executive Pastor shall not:

1. Operate without an enforced internal Code of Conduct, of which all employees and volunteers are made aware, that clearly outlines the rules of expected behavior for employees and volunteers.

2. Permit employees and others to be without a mechanism for anonymous and confidential reporting of alleged or suspected improper activities, without fear of retaliation.

   2.1. Permit the reporting process to exclude a mechanism for reporting directly to the Board Chair incidents that implicate the Executive Pastor.

**BOARD OF DIRECTORS POLICY**

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|---|---|---|---|
| **Policy Name:** Elders | | **Number**: | EPL-11 |
| | | **Date Approved:** | **12/14/2024** |
| **Policy Type:** Executive Pastor Limitations | | **Date Amended:** | |
| | | **Date Last Reviewed:** | **12/14/2024** |

The Executive Pastor shall not appoint Elders incapable of supporting the spiritual care of the congregation. Further, without limiting the scope of the above statement by the following list, the Executive Pastor shall not:

1. Select or retain an Elder who fails to meet the qualifications noted in the Bylaws.
2. Select or retain an Elder who fails to show evidence of the following practical criteria that qualify him for service:
   - Manifests the fruit of the Spirit.
   - Oriented toward discipleship.
   - Models spiritual maturity.
   - Exercises sound judgment and discernment.
   - Demonstrates leadership ability.
   - Demonstrates being a team player with the potential to develop a good working relationship with the existing Elders.
   - Has the time and inclination to meet with the Elders as needed (1 Peter 5:2)
   - Committed to the Confessional basis in Article 3 of the Constitution and the church's mission.
   - Has a track record of using his spiritual gifts.
3. Allow an Elder to serve with unclear expectations regarding responsibilities and length of service.
4. Prevent Elders from assisting with care ministry and worship, including communion assistance.

**BOARD OF DIRECTORS POLICY**

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|---|---|
| **Policy Name:** Global Governance Commitment | **Number**: GP |
| **Policy Type:** Governance Process | **Date Approved:** 12/14/2024 |
| | **Date Amended:** |
| | **Date Last Reviewed:** 12/14/2024 |

The purpose of the Board, on behalf of God; members; regularly attending non-members; and non-member regular donors of time, talent, and treasure; is to ensure that the Church achieves appropriate results for the appropriate people at an appropriate worth (as specified in Board Ends policies), and avoids unacceptable actions and situations.

**BOARD OF DIRECTORS POLICY**

| | |
|---|---|
| **Policy Name:** Governing Style | **Number:** GP-1 |
| | **Date Approved:** 12/14/2024 |
| **Policy Type:** Governance Process | **Date Amended:** |
| | **Date Last Reviewed:** 12/14/2024 |

The Board will govern lawfully with an emphasis on Biblical principles, outward vision, commitment to obtaining ownership input, encouragement of diversity in viewpoints, strategic leadership, clear distinction of Board and staff roles, collective decisions, and a proactive, future focus. This means the Board will not be preoccupied with the present or past, or with internal, administrative detail.

1. The Board will cultivate a sense of group responsibility. The Board, not the staff, will be responsible for excellence in governing. The Board will initiate policy, not merely react to staff initiatives. The Board will use the expertise of individual Board members to enhan ce the ability of the Board as a body to make policy, rather than to substitute their individual judgements for the group's values.

2. The Board will direct, control and inspire the organization through the careful establishment of broad written policies reflecting the owners' values and perspectives. The Board's major policy focus will be on the intended long-term results to be produced for beneficiaries outside the operational organization, not on the administrative means of attaining those results.

3. The Board will enforce upon itself whatever self-discipline is needed to govern with excellence. Self-discipline will apply to matters such as its code of conduct, policy-making principles, respect of roles, regular self-evaluation, and ensuring the continuity of governance capability. Although the Board can change its governance process policies at any time, it will scrupulously observe those currently in force.

4. The Board will not allow any member or committee of the Board to hinder or be an excuse for not fulfilling Board obligations.

**BOARD OF DIRECTORS POLICY**

| | |
|---|---|
| **Policy Name:** Board Job Contributions | **Number**: GP-2 |
| | **Date Approved:** **12/14/2024** |
| **Policy Type:** Governance Process | **Date Amended:** |
| | **Date Last Reviewed:** **12/14/2024** |

The Board, as an informed agent of the ownership, will ensure appropriate organizational performance. Accordingly, the Board has direct responsibility to create the following job outputs:

1. The link between the owners and the operational organization.

2. Written governing policies that address the broadest levels of all organizational decisions and situations:

   2.1. *Ends*: What good or benefit the Church is to produce, for which recipients, at what worth.

   2.2. *Executive Pastor Limitations*: Constraints on Executive Pastor authority that establish the boundaries of prudence and ethics within which all Executive Pastor activity and decisions must take place.

   2.3. *Governance Process*: Specification of how the Board conceptualizes, carries out, and monitors its own task.

   2.4. *Board-Executive Pastor Delegation*: How power is delegated and its proper use monitored, including the Executive Pastor's role, authority, and accountability.

3. Assurance of organizational performance on Ends and Executive Pastor Limitations.

   3.1. Continuity of the Executive Pastor function.

   3.2. Structured monitoring of the Executive Pastor as outlined in Board-Executive Pastor Delegation policies.

4. Decisions and responsibilities the Constitution and Bylaws require of the Board or Board Committees.

   4.1. Establish a Call Committee for an Executive Pastor.

   4.2. Appoint a Nominating Committee for the purpose of nominating individuals to serve on the Board.

   4.3. Investigate charges that sufficient grounds exist for removing of any called minister of religion (ordained or commissioned) or member of the Board.

5. Operational decisions not reserved by the Congregation in the Constitution or Bylaws that the Board has prohibited the Executive Pastor from making in the Executive Pastor Limitations policies.

   5.1. Decisions regarding the Executive Pastor's compensation and any benefits not consistent with a package for all other employees.

   5.2. Decisions regarding a change of organizational name.

   5.3. Creation or purchase of a subsidiary.

## BOARD OF DIRECTORS POLICY

| | | |
|---|---|---|
| **Policy Name:** Board Planning Cycle and Agenda Control | **Number**: | GP-3 |
| | **Date Approved:** | **12/14/2024** |
| **Policy Type:** Governance Process | **Date Amended:** | |
| | **Date Last Reviewed:** | **12/14/2024** |

To accomplish its job products with a governance style consistent with Board policies, the Board will follow an annual agenda which (a) completes a re-exploration of Ends policies annually and (b) continually improves Board performance through Board education and enriched input and deliberation.

1. The Board shall maintain control of its own agenda by developing a multi-year cycle and an annual schedule that includes all elements of the Board's work. [See cycle at the end of this policy.]

    1.1. Review of the Ends in a timely fashion which allows the Executive Pastor to build a budget based on accomplishing a one-year segment of the Board's most recent statement of long-term ends.

    1.2. Linkage with the ownership to gain a representative mix of owner values, perceptions and expectations, prior to the above review.

    1.3. Education related to Ends determination (for example, presentations relating to the external environment, theological trends, demographic information, exploration of future perspectives which may have implications, such as Church growth experts and foundations).

    1.4. Risk assessment, including probability of risks and impact of particular risks, as background context for policy review.

    1.5. Content review of selected Executive Pastor Limitations, Governance Process and Board – Executive Pastor Delegation policies, consistent with a multi-year schedule that includes all policies.

    1.6. Self-evaluation of the Board's own compliance with selected Governance Process and Board – Executive Pastor Delegation policies, consistent with the schedule in the policy Investment in Governance.

    1.7. Documentation of monitoring compliance by the Executive Pastor with Executive Pastor Limitations and Ends policies. Monitoring reports will be read in advance of the Board meeting, and discussion will occur only if Board members assess interpretations as unreasonable, identify non-compliance, or identify potential need for policy amendments.

    1.8. Education about the process of governance, including the principles and application of Policy Governance®.

    1.9. Determination of Executive Pastor compensation and completion of the Board's governance budget as noted in the Investment in Governance policy, prior to the beginning of the Executive Pastor's annual budget planning.

2. Based on the outline of the annual schedule, the Board delegates to the Chair the authority to fill in the details of the meeting content. Potential agenda items shall be carefully screened. Screening questions shall include:

    - Clarification as to whether the issue clearly belongs to the Board or the Executive Pastor.

- Identification of what category an issue relates to - Ends, Executive Pastor Limitations, Governance Process, Board-Executive Pastor Delegation.
- Review of what the Board has already said in this category, and how the current issue is related.

3. A Board member may request the Chair include an item on the agenda by submitting the item to the Chair no later than two weeks before the Board meeting. The Chair will determine whether or not to include the item on the agenda after applying the previously stated screening criteria. If the Chair determines the proposed item is not relevant to governance, the Board member may request the entire Board to vote on the inclusion of the item on the agenda. Before doing so, the Board will apply the previously stated screening criteria to the proposed agenda item.

4. Throughout the year, the Board will attend to Required Approvals Agenda items as expeditiously as possible. Required Approvals agenda items include decisions the Board has delegated to the Executive Pastor but that an outside authority or the Bylaws require the Board to make. All items on the Required Approvals agenda shall be approved with one motion unless monitoring data submitted with it reveals the decisions are not consistent with applicable Board policy. Disapproval for any reason other than unsatisfactory monitoring information is unacceptable since such action would interfere with a decision already delegated to the Executive Pastor. An item may be removed for discussion only upon vote of a majority of Board members.

POLICY REVIEW MULTI-YEAR CYCLE

| Number | Policy Content Review | Year 1 (2024) | Year 2 (2025) |
|---|---|---|---|
| E | **All** Ends | | February |
| EPL | Global Executive Pastor Constraint | | February |
| EPL-1 | Treatment of People Served | | November |
| EPL-2 | Treatment of Staff and Volunteers | | November |
| EPL-3 | Treatment of Donors | | February |
| EPL-4 | Planning | | February |
| EPL-5 | Financial Condition and Activities | | Anril |
| EPL-6 | Asset Protection | | June |
| EPL-7 | Use of Building and Grounds | | October |
| EPL-8 | Compensation and Benefits | | June |
| EPL-9 | Communication and Support to the Board | | August |
| EPL-10 | Ethical Behavior | | August |
| EPL-11 | Elders | | August |
| GP | Global Governance Commitment | December | |
| GP-1 | Governing Style | December | |
| GP-2 | Board Job Contributions | December | |
| GP-3 | Board Planning Cycle & Agenda Control | | March |
| GP-4 | Role of Board Chair | | March |
| GP-5 | Role of Board Secretary | | March |
| GP-6 | Board Committee Principles | | May |
| GP-7 | Board Committee Structure | | May |
| GP-7.1 | Nominating Committee | | April |
| GP-7.2 | Ownership Linkage Committee | | July |
| GP-7.3 | Governance Development Committee | | Julv |
| GP-7.4 | Audit Committee | | July |
| GP-8 | Code of Conduct | | September |
| GP-9 | **Investment in Governance** | | September |
| GP-10 | Board Linkage with Ownership | | October |
| GP-11 | Governance Succession Planning | | October |
| GP-12 | Special Rules of Order | | December |
| GP-13 | Handling Operational Complaints | | December |
| GP-14 | Handling Apparent Policy Violation | | December |
| BEPD | Global Board-Executive Pastor Delegation | | January |
| BEPD-1 | Unity of Control | | January |
| BEPD-2 | Accountability of the Executive Pastor | | January |
| BEPD-3 | Delegation to the Executive Pastor | | January |
| BEPD-4 | Monitoring Executive Pastor Performance | December | |
| **Update and Approve Annual Cycle** | | | December |
| **Update and Approve Multi-Year Cycle** | | November | December |
| **Elect Chair (CGO), Secretary** | | | |
| **Assign Board Committee Members per Charters** | | | July |
| **Assign Board Self-Evaluation Forms for BEPD and GP Policies to be Evaluated in Current Year** | | | July |
| **Sign Conflict of Interest Forms (GP-8, items 3, 3.1)** | | | July |
| **Board Member Orientation:**<br>· **Conduct Orientation**<br>· **Evaluate Orientation**<br>· **Plan Content/Date for Next Yr; Arrange Outside Help, if Any; Determine Costs for Governance Bud11.et** | | | <br>June<br>June<br>June |
| **Board Governance Budget** | | | October |
| **Executive Pastor Compensation Decision** | | | October |
| **Ownership Linkage Activities (Two-Year Plan)** | | (See GP-7.2, GP-10) | (See GP-7.2, GP-10) |

**BOARD OF DIRECTORS POLICY**

| | | |
|---|---|---|
| **Policy Name:** Role of Board Chair (CGO) | **Number**: | GP-4 |
| | **Date Approved:** | **12/14/2024** |
| **Policy Type:** Governance Process | **Date Amended:** | |
| | **Date Last Reviewed:** | **12/14/2024** |

The Chair (Chief Governance Officer), a specially empowered member of the Board, assures the integrity of the Board's process.

1. The assigned result of the Chair's job is that the Board behaves consistently with its own rules and those legitimately imposed upon it from outside the Church.

    1.1. Meeting discussion content will include only those issues that, according to Board policy, clearly belong to the Board to decide or monitor.

    1.2. Information that is neither for monitoring performance nor for Board decisions will be avoided or minimized and always noted as such.

    1.3. Deliberation will be timely, fair, orderly and thorough, but also efficient and kept to the point.

2. The authority of the Chair consists in making decisions that fall within topics covered by Board policies on Governance Process and Board-Executive Pastor Delegation, with the exception of (a) calling or rescinding a call of a Executive Pastor and (b) instances where the Board specifically delegates portions of this authority to others. The Chair is authorized to use any reasonable interpretation of the provisions in these policies.

    2.1. The Chair is empowered to chair Board meetings with all the commonly accepted power of that position, such as ruling and recognizing.

    2.2. The Chair has no authority to make decisions about policies created by the Board within Ends and Executive Pastor Limitations policy areas. Therefore, the Chair has no authority to supervise or direct the Executive Pastor.

    2.3. The Chair may represent the Board to outside parties in announcing Board-stated positions and in stating Chair's decisions and interpretations within the area delegated to the Chair.

    2.4. The Chair may delegate this authority, but remains accountable for its use.

**BOARD OF DIRECTORS POLICY**

| | | | |
|---|---|---|---|
| **Policy Name:** Role of Board Secretary | | **Number**: | GP-5 |
| | | **Date Approved:** | **12/14/2024** |
| **Policy Type:** Governance Process | | **Date Amended:** | |
| | | **Date Last Reviewed:** | **12/14/2024** |

The Board Secretary is an officer of the Board whose purpose is to ensure the integrity of the Board's documents.

1. The assigned result of the Secretary's job is to see to it that all Board documents and filings are accurate and timely.

    1.1. Policies will be current in their reflection of Board decisions. Decisions upon which no subsequent decisions are to be based, such as Required Approvals Agenda decisions, motions to adjourn, and staff or Board member recognitions need not be placed in policy.

    1.2. The format of policies will follow rigorously the Policy Governance principles.

    1.3. Bylaws elements necessary for legal compliance and for consistency with the principles of Policy Governance will be known to the Board.

    1.4. Minutes will be an accurate record of Board decisions and due diligence, in an appropriate format and degree of brevity.

2. The authority of the Secretary is access to and control over Board documents, the authority to make any reasonable interpretation of this policy, and the reasonable use of administrative staff time.

## BOARD OF DIRECTORS POLICY

| | | | |
|---|---|---|---|
| **Policy Name:** Board Committee Principles | | **Number**: | GP-6 |
| | | **Date Approved:** | **12/14/2024** |
| **Policy Type:** Governance Process | | **Date Amended:** | **5/15/2025** |
| | | **Date Last Reviewed:** | **5/15/2024** |

Board committees, when used, will be assigned to reinforce the Board's unity, and will never interfere with delegation from Board to Executive Pastor.

1. Board committees are to help the Board do its job, never to help or advise the staff. Committees ordinarily will assist the Board by preparing policy alternatives and implications for Board deliberation.

2. Board committees may not speak or act for the Board except when formally given such authority for specific and/or time-limited purposes. Expectations and authority will be carefully stated in order not to conflict with authority delegated to the Executive Pastor.

3. Board committees cannot exercise authority over staff. Because the Executive Pastor works for the full Board, he will not be required to obtain approval of a Board committee before taking an action.

4. A Board committee that has helped the Board create a policy will not then be assigned to monitor compliance with that policy. This separation of responsibility for policy development and responsibility for monitoring policy compliance is to prevent a committee from identifying with a part of the organization rather than the whole, speaking in unity as one voice with the whole Board. The Board as a whole retains responsibility and authority to monitor organizational performance.

5. Standing committees will be used sparingly. Committees will be used ordinarily in an ad hoc capacity.

6. This policy applies to any group that is formed by Board action, whether or not it is called a committee, and whether or not it includes Board members. It does not apply to committees formed under the authority of the Executive Pastor.

7. All committee members shall abide by the same Code of Conduct as governs the Board.

8. Except as defined in a Board authorized written Committee Charter, no Committee has authority to spend funds or commit the funds or resources of the organization.

## BOARD OF DIRECTORS POLICY

| | | |
|---|---|---|
| **Policy Name:** Board Committee Structure | **Number**: | GP-7 |
| | **Date Approved:** | **12/14/2024** |
| **Policy Type:** Governance Process | **Date Amended:** | **5/15/2025** |
| | **Date Last Reviewed:** | **5/15/2024** |

A committee is a Board committee only if its existence and charge come from the Board, regardless of whether Board members sit on the committee.

1. The only Board committees are those which are set forth in lower level sections of this policy.

2. Unless otherwise stated, a committee ceases to exist as soon as its task is complete.

3. All ad-hoc committees will expire on June 30 of each year.

**BOARD OF DIRECTORS POLICY**

| | |
|---|---|
| **Policy Name:** Nominating Committee Charter | **Number**: GP-7.1 |
| | **Date Approved:** 12/14/2024 |
| **Policy Type:** Governance Process | **Date Amended:** |
| | **Date Last Reviewed:** 12/14/2024 |

The Nominating Committee helps the Board ensure governance excellence by creating a slate of qualified candidates in accordance with the nomination and election provisions in the Bylaws.

**Committee Products**

1. The committee products are to support the Board's job, never to decide for the Board unless explicitly stated below.

   1.1 A properly screened slate of at least one candidate for each available Board position by the time noted in the Bylaws.

   1.1.1. Candidates must be able and willing to adhere to the Board's Code of Conduct policy. Candidates will be provided the Board's Code of Conduct and will be asked to read it and provide written agreement to conform to it.

   1.1.2. Candidates must be able and willing to serve effectively within the Board's Governing Style policy and have the characteristics noted in the Governance Succession Planning policy so that they will be able to govern, not manage, the organization. Candidates will be provided the Board's Governing Style and will be asked to read it and provide confirmation of agreement in writing. Candidates also will be asked to rank themselves on each of the criteria noted in the Governance Succession Planning policy.

**Committee Authority**

2. The Committee's authority enables it to assist the Board in its work of ensuring candidates are qualified to govern with excellence and in assuring compliance with Bylaws provisions, while not interfering with the Board acting as a whole.

   2.1. The committee has no authority to change or contravene Board policies.

   2.2. The committee has authority to spend a reasonable amount of funds to distribute to members the necessary and relevant information regarding the election and the nominees.

   2.3. The committee has authority to use staff resource time normal for administrative support around meetings.

   2.4. The Committee does not have authority to instruct the Executive Pastor or any other staff member, other than to request information required in the conduct of its duties.

   2.5 The committee has authority to contact and screen potential candidates.

2.6 The committee has authority to request information from the Executive Pastor required to screen candidates based on the Board's Code of Conduct, Governing Style, and Governance Succession policies.

2.7 The Committee Chair has the authority to make any reasonable interpretation of this policy.

**Committee Composition and Tenure**

3. The Committee's composition shall enable it to function effectively and efficiently.

3.1 Consistent with the Bylaws, the Committee shall be comprised of at least five voting members of the congregation, including the Vice-President, no more than two other members of the Board, and at least two members of the congregation not currently serving on the Board.

3.2 The Vice-President shall serve as Committee Chairperson.

3.3 Members shall be appointed by the Board annually for a one year term.

**BOARD OF DIRECTORS POLICY**

| | | | |
|---|---|---|---|
| **Policy Name:** Ownership Linkage Committee Charter | | **Number**: | GP-7.2 |
| **Policy Type:** Governance Process | | **Date Approved:** | **12/14/2024** |
| | | **Date Amended:** | |
| | | **Date Last Reviewed:** | **12/14/2024** |

The Ownership Linkage Committee will assist the Board in fulfilling its responsibilities regarding connection with the owners.

**Committee Products**

1. The committee products are to support the Board's job, never to decide for the Board unless explicitly stated below.

   1.1. A current ownership linkage plan that enables constructive Board dialogue with owners related to Ends issues.

      1.1.1. An initial ownership linkage plan provided to the Board for decision by the June 2018 meeting.

      1.1.2. An organized written presentation of information collected from groups within the ownership, in a format useful to the Board for Ends deliberations, annually by the March meeting, beginning in 2019.

      1.1.3. An evaluation of the effectiveness of the plan, annually by the March meeting beginning in 2019, with input from the Board.

      1.1.4. An updated ownership linkage plan, annually by the June meeting beginning in 2019, with input from the Board.

**Committee Authority**

2. The Committee's authority enables it to assist the Board in its work, while not interfering with Board holism.

   2.1. The committee has no authority to change or contravene Board policies.

   2.2. The committee has authority to use staff resource time normal for administrative support around meetings, as well as administrative support included in the Board's ownership linkage plan.

   2.3. The Committee Chair has the authority to make any reasonable interpretation of this policy.

**Committee Composition and Tenure**

3. The Committee's composition shall enable it to function effectively and efficiently.

   3.1. The Committee shall be comprised of three Board members.

   3.2. The Chief Governance Officer shall appoint the Committee Chair and the members of the Committee.

   3.3. Members shall be appointed for a 1-year term.

**BOARD OF DIRECTORS POLICY**

| | | | |
|---|---|---|---|
| **Policy Name:** Governance Development Committee Charter | | **Number**: | GP-7.3 |
| **Policy Type:** Governance Process | | **Date Approved:** | **12/14/2024** |
| | | **Date Amended:** | |
| | | **Date Last Reviewed:** | **12/14/2024** |

The Governance Development Committee assists the Board to improve its abilities to govern effectively using Policy Governance®.

**Committee Products**

1. A Board properly informed and educated to govern effectively and governing documents consistent with Policy Governance principles.

   1.1. Options for Board consideration and recommendation to the members regarding Constitution and/or Bylaws provisions, especially to ensure consistency with Policy Governance principles.

   1.2. Advice to the Board regarding proposed policy changes, when requested by the Board.

   1.3. Options for Board consideration regarding 1) risk assessment to help the Board understand the probability of risks and impact of particular risks as background context for policy review, and 2) Board education designed a) to help the Board learn and practice Policy Governance effectively, including how to properly monitor the Executive Pastor, and b) to provide the Board insight that will inform future Ends decisions regarding benefits provided to specified recipients and the worth, cost, or prioritization of those benefits and recipients.

      1.3.1. Options for the Board education and risk assessment plan provided to the Board for discussion by the March meeting with a final decision by the June meeting.

      1.3.2. Written summary annually by the December meeting of the significant insights gained from the Board's risk assessment and the Executive Pastor's environmental scanning report regarding the Ends issues, arranged in a manner that will assist the Board evaluate its Ends decisions.

      1.3.3. Evaluation of the plan annually by the December meeting.

      1.3.4. Revision of the plan annually by the June meeting, based on the evaluation.

   1.4. Governance budget estimate for Board education for the following fiscal year no later than the June meeting to be included in the Board's governance budget and available for the Executive Pastor's budget planning cycle.

**Committee Authority**

2. The Committee's authority helps the Board ensure governance excellence, while not interfering with the Board acting as a whole.

    2.1. The committee has authority to use the amount of staff time normal for administrative support around meetings.

    2.2. The committee has no authority to change or contravene Board policy.

    2.3. The Committee Chair has the authority to make any reasonable interpretation of this policy.

**Committee Composition and Tenure**

3. The Committee's composition shall enable it to function effectively and efficiently.

    3.1. The Committee shall be comprised of three Board members.

    3.2. The Chief Governance Officer shall appoint the Committee Chair and the members of the Committee.

    3.3. Members shall be appointed for a 1-year term.

| BOARD OF DIRECTORS POLICY | |
|---|---|
| **Policy Name:** Audit Committee Charter | **Number**: GP-7.4 |
| | **Date Approved:** 12/14/2024 |
| **Policy Type:** Governance Process | **Date Amended:** |
| | **Date Last Reviewed:** 12/14/2024 |

The Audit Committee enhances the Board's effectiveness and efficiency in fulfilling its external and direct inspection monitoring responsibilities of fiscal policy.

**Committee Products**

1. The committee products are to support the Board's job, never to decide for the Board unless explicitly stated below.

1.1. A transparent process of review and disclosure that enhances owner and stakeholder confidence in the organization's financial reporting.

1.1.1. Options for Board decision, by the March meeting of the year when the audit occurs, regarding specification of the scope of the financial audit, which may include an independent opinion regarding either the first or both of the following: a) whether the data provided by the Executive Pastor to demonstrate compliance with specific planning, financial conditions and activities, and asset protection policies was accurate, b) whether the Executive Pastor's interpretation of such policies was reasonable.

1.1.2. Options for Board decision, by the June meeting of the year when the audit occurs, regarding selection of the financial auditor.

1.1.3. Liaison with auditor on behalf of Board.

1.1.4. An opinion for the Board at the September meeting, based on evidence required of the external auditor, as to whether the independent audit of the organization was performed in a competent and independent manner.

1.1.5. A report to the Board at the September meeting highlighting the committee's review of the audited financial statements and any other significant information arising from its discussion with the external auditor.

1.2. Current information for the Board on significant new developments in accounting principles or relevant rulings of regulatory bodies that affect the organization.

**Committee Authority**

2. The Committee's authority enables it to assist the Board in its work, while not interfering with Board holism.

   2.1. The committee has no authority to change or contravene Board policies.

   2.2. The committee has authority to use staff resource time normal for administrative support around meetings.

   2.3. The Committee does not have authority to instruct the Executive Pastor or any other staff member, other than to request information required in the conduct of its duties.

   2.4. The Committee has the authority to meet independently with the organization's external auditors.

   2.5. The Committee Chair has the authority to make any reasonable interpretation of this policy.

**Committee Composition and Tenure**

3. The Committee's composition shall enable it to function effectively and efficiently.

   3.1. The Committee shall be comprised of three Board members.

   3.2. The Chief Governance Officer shall appoint the Committee Chair and the members of the Committee.

   3.3. Members shall be appointed for a 1-year term.

**BOARD OF DIRECTORS POLICY**

| | |
|---|---|
| **Policy Name:** Board Code of Conduct | **Number**: GP-8 |
| | **Date Approved:** 12/14/2024 |
| **Policy Type:** Governance Process | **Date Amended:** |
| | **Date Last Reviewed:** 12/14/2024 |

The Board commits itself and its members to Christ-like, ethical, professional, and lawful conduct, including proper use of authority and appropriate decorum when acting as Board members. Recognizing the Board's accountability to God, Board members are expected not only to meet the highest secular standards, but also to seek to meet the standard of Scripture. This includes conducting themselves with integrity, honesty and straightforwardness, and speaking the truth in love.

1. Board members must have loyalty to the ownership that supersedes any loyalties to staff, other organizations or any personal interest as a member of Palisades Lutheran Church.

**Commented [JC1]:** Need to decide if Ownership or Membership - This is on hold.

2. Board members are accountable to exercise the powers and discharge the duties of their office honestly and in good faith. Board members shall exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

3. Board members must avoid a conflict of interest with respect to their fiduciary responsibility.

   3.1. There must be no self-dealing or any conduct of private business or personal services between any Board member and the organization, except as procedurally controlled to assure openness, competitive opportunity, and equal access to otherwise "inside" information. Board members will annually disclose their involvements with other organizations, with vendors, or any associations that might be or might reasonably be seen as being a conflict.

   3.2. When the Board is to decide upon an issue, about which a Board member has an unavoidable conflict of interest, that member shall absent herself or himself without comment from not only the vote, but also from the deliberation.

   3.3. Board members will not use their Board position to obtain employment in the Church for themselves, family members, or close associates. Should a Board member apply for employment, he or she must first resign from the Board.

   3.4. Each Board member annually must sign a statement which affirms that he/she a) has read and understood this policy, b) has agreed to comply with this policy, and c) has provided material details on any potential conflict of interest.

**Commented [JC2]:** Pastor will research what other churches and our insurance company says.

   3.5. Any state law governing conflicts of interest applicable to not-for-profit and charitable organizations takes precedence over this policy.

4. Board members will respect the confidentiality appropriate to issues of a sensitive nature.

5. Board members will commit themselves to holding the Biblical convictions contained in the Confessional basis of the Constitution of the Church to which they belong, Article 2 or Article 3 respectively.

6. Board members will regularly participate in the worship and educational life of this congregation, seeking opportunities to grow in their faith relationship with God.

7. Board members will provide prayer and financial support to the mission and ministry of this congregation.

8. Board members are expected to maintain an accessible digital account and to be responsive to such digital communication.

9. Board members shall not attempt to exercise individual authority over the organization.

    9.1. Board members' interactions with the Executive Pastor or staff must recognize that individual Board members have no authority to instruct or evaluate employees, and no authority to insert themselves into employee operations.

    9.2. The Board Chair or his/her designee is the only person authorized to speak to the media on behalf of the Board. Board members shall not presume to speak for the Board when interacting with the public. Board members shall only report actual Board policy decisions when interacting with the public.

**Commented [JC3]:** Pastor will look into this. This will need some wordsmithing.

10. Board members shall be familiar with the incorporating documents, relevant legislation and regulations, by-laws, and governing policies of the organization as well as the rules of procedure and proper conduct of a meeting so that any decision of the Board may be made in an efficient, knowledgeable and expeditious fashion.

11. Board members will be properly prepared for Board deliberation.

12. Board members will support the legitimacy and authority of Board decisions, regardless of the member's personal position on the issue.

13. Board members shall regularly take part in educational activities that will assist them in carrying out their responsibilities and will endeavor to gain a working knowledge of Policy Governance® so that they may govern with excellence.

14. Board members shall attend meetings on a regular and punctual basis. Unexcused absence of a Board member from two consecutive regular meetings shall be considered a resignation from the Board. A Board member may request reinstatement. The Board may, by majority vote, reinstate a Board member upon such a request. Only one such reinstatement per Board term is permitted.

15. A Board member who is alleged to have violated the Code of Conduct shall be informed in writing and the Chief Governance Officer (CGO) shall meet with the Board member to evaluate and resolve the issue in a timely and Christian manner. If the CGO cannot resolve the issue, the Board member who is alleged to have violated the Code of Conduct shall be allowed to present his or her views of such alleged breach at the next Board meeting. The complaining party must be identified. If the complaining party is a Board member, he or she and the respondent Board member shall absent themselves from any vote upon resolution of censure or other action that may be brought by the Board. Board members who are found to have violated the Code of Conduct may be subject to censure.

## BOARD OF DIRECTORS POLICY

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|---|---|---|---|
| **Policy Name:** Investment in Governance | | **Number**: | GP-9 |
| | | **Date Approved:** | **12/14/2024** |
| **Policy Type:** Governance Process | | **Date Amended:** | |
| | | **Date Last Reviewed:** | **12/14/2024** |

Consistent with its commitment to excellence in governance, the Board will invest in its governance capacity.

1. Candidates for Board membership shall be provided with information that clearly outlines the role of the Board, the necessary qualifications and the Board's expectations of Board members.

2. Board skills, methods, and supports will be sufficient to assure governing with excellence.

   2.1. Board members shall receive a complete orientation to ensure familiarity with the Church's issues and structure, and the Board's process of governance, including the principles of Policy Governance®.

   2.2. Board members shall have ongoing opportunity for continued education to enhance their governance capabilities.

   2.3. Outreach mechanisms will be used as needed to ensure the Board's ability to listen to owner viewpoints and values.

   2.4. Outside monitoring assistance will be arranged so that the Board can exercise sufficient control over organizational performance. This includes, but is not limited to, fiscal auditor financial review.

3. Costs will be prudently incurred, though not at the expense of endangering the development and maintenance of superior governance capability.

   3.1. The Board will establish annually prior to the budget cycle, and be accountable for an annual budget for its own governance functions, which shall include costs for:

   - Board meetings;
   - Board education, including Board member attendance at conferences and conventions, orientation regarding Policy Governance® and its application;
   - Environmental scanning to assist in Ends decisions;
   - any Divine Call process for an Executive Pastor;
   - fiscal audit or financial review and any other outside monitoring assistance required; and
   - implementing the ownership linkage plan.

4. The Board will use its governance means policies as measurable standards against which the Board's performance can be evaluated.

    4.1. The Board will evaluate and discuss the Board's process and performance at each meeting.

    4.2. Under the leadership of the Chair, at least annually the Board will conduct a self-evaluation. As a result of this evaluation, the Board will establish a governance action plan for improvement of identified areas.

        4.2.1. The Board will monitor its adherence to its own Governance Process and Board-Executive Pastor Delegation policies regularly. Upon the choice of the Board, any policy can be monitored at any time. However, at minimum, the Board will monitor its own adherence to them, according to the following schedule:

| Number | Policy | Frequency | Initial Date |
|---|---|---|---|
| GP | Global Governance Commitment | Every two years | |
| GP-1 | Governing Style | Every two years | |
| GP-2 | Board Job Contributions | Annually | |
| GP-3 | Board Planning Cycle and Agenda Control | Every two years | |
| GP-4 | Role of Chair (CGO) | Annually | |
| GP-5 | Role of Board Secretary | Annually | |
| GP-6 | Board Committee Principles | Every two years | |
| GP-7 | Board Committee Structure | Every two years | |
| GP-7.1 | Nominating Committee Charter | Annually | |
| GP-7.2 | Ownership Linkage Committee Charter | Every two years | |
| GP-7.3 | Governance Development Committee Charter | Every two years | |
| GP-7.4 | Audit Committee Charter | Every two years | |
| GP-8 | Board Code of Conduct | Annually | |
| GP-9 | Investment in Governance | Every two years | |
| GP-10 | Board Linkage with Ownership | Annually | |
| GP-11 | Governance Succession Planning | Annually | |
| GP-12 | Special Rules of Order | Every two years | |
| GP-13 | Handling Operational Complaints | Every two years | |
| GP-14 | Handling Apparent Policy Violations | Every two years | |
| BEPD | Global Board-Executive Pastor Delegation | Every two years | |
| BEPD-1 | Unity of Control | Every two years | |
| BEPD-2 | Accountability of the Executive Pastor | Every two years | |
| BEPD-3 | Delegation to the Executive Pastor | Every two years | |
| BEPD-4 | Monitoring Executive Pastor's Performance | Annually | |

## BOARD OF DIRECTORS POLICY

| | | | |
|---|---|---|---|
| **Policy Name:** Board Linkage with Ownership | | **Number**: | GP-10 |
| | | **Date Approved:** | **12/14/2024** |
| **Policy Type:** Governance Process | | **Date Amended:** | |
| | | **Date Last Reviewed:** | **12/14/2024** |

The Sovereign Owner of the Church is God. As stewards under God's authority, the moral owners of the Church are members; regularly attending non-members; and non-member regular donors of time, talent, and treasure. The Board shall be accountable for the Church to its owners as a whole. Board members shall act on behalf of the owners as a whole, rather than being advocates for specific interest groups.

1. When making governance decisions, Board members shall maintain a distinction between their personal interests as recipients of the organization's services, and their obligation to speak for others as a representative of the owners as a whole. As the agent of the owners, the Board is obligated to identify and know what the owners want and need.

2. The Board recognizes the necessity of corporately and individually communicating with God, the Church's Sovereign Owner. The Board will set aside planned times for corporately listening to God and seeking His direction regarding Board issues.

3. The Board shall gather data in a way that reflects the diversity of the ownership. It shall meet with, gather input from, and otherwise interact with owners in order to understand the diversity of their values and perspectives.

4. The Board will establish and maintain a two-year ownership linkage plan, in order to ensure that the Board has intentional and constructive dialogue and deliberation with the owners, primarily around the organization's Ends. The plan will include selection of representative owners for dialogue, methods to be used, and questions to be asked of the owners. The information obtained from this dialogue with owners will be used to inform the Board's policy deliberations.

   4.1. All Board members are accountable to the Board for participating in the linkage with owners as identified in the plan.

5. The Board will report to the moral ownership regarding the Board's stewardship of its job contributions in GP-2 at least once a year.

6. The Board will consider its ownership linkage successful if, to a continually increasing degree:

   - When developing or revising Ends, the Board has access to diverse viewpoints that are representative of the ownership regarding what results the organization should achieve, for whom, and the relative priority of those results.
   - The owners are aware that the Board is interested in their perspective.
   - If asked, the owners would say that they have had opportunity to let the Board know their views.
   - The owners are aware of how the Board has used the information they provided.

**BOARD OF DIRECTORS POLICY**

| | |
|---|---|
| **Policy Name:** Governance Succession Planning | **Number**: GP-11 |
| | **Date Approved:** 12/14/2024 |
| **Policy Type:** Governance Process | **Date Amended:** |
| | **Date Last Reviewed:** 12/14/2025 |

In keeping with the Board's commitment to excellence in governance, the Board shall strive to solicit for positions on the Board candidates who have characteristics that will enable them to govern, not to manage, the organization. In addition to the requirements of the Constitution and Bylaws, these characteristics include:

1. Passion for the ministry of the church.

2. Commitment to linking with the ownership. Understanding that they stand in for an ownership of diverse people; willing to actively seek to access and understand that diversity.

3. Ability to think in terms of systems and context — to see the big picture.

4. Interest in and capability to discuss the values underlying the actions taken in the organization and to govern through the broader formulations of these values.

5. Willingness to delegate the operational detail to the Executive Pastor within pre-defined limits.

6. Ability and willingness to deal with vision and the long term, rather than day-to-day details.

7. Ability and willingness to participate assertively in deliberation, while respecting the opinions of others.

8. Willingness and commitment to honor Board decisions.

9. Commitment not to make judgments in the absence of previously stated criteria.

10. Willingness and ability to adhere to the Board's Code of Conduct.

**BOARD OF DIRECTORS POLICY**

| | |
|---|---|
| **Policy Name:** Special Rules of Order | **Number**: GP-12 |
| | **Date Approved:** 12/14/2024 |
| **Policy Type:** Governance Process | **Date Amended:** |
| | **Date Last Reviewed:** 12/14/2025 |

Board meetings will be conducted in an orderly, effective process, led and defined by the Chair.

1. All Bylaw obligations respecting Board meetings must be satisfied.

2. Board meetings shall be called to order at the time specified in the notice of meeting and upon satisfaction of quorum.

3. Meeting order and decorum shall be maintained and all members treated with dignity, respect, courtesy, and fairness during discussion and debate and in all other respects.

4. Board members must keep their comments relevant to the issue under consideration.

5. Board meetings will be conducted at a level of informality considered appropriate by the Chair, including that discussion of a matter may occur prior to a proposal that action be taken on any given subject.

6. Proposals that the Board take action, or decide a particular matter, shall (unless otherwise agreed to by unanimous consent) be made by main motion of a Board member, discussed, and then voted on. Motions require a second to proceed to discussion and subsequent vote.

   6.1. The Chair of the Board may to the same extent as any Board member, make motions, engage in debate, or vote on any matter to be decided.

   6.2. A motion to amend a main motion may be amended but third level amendments are out of order.

   6.3. A motion to refer to a committee, postpone, or table, may be made with respect to a pending main motion, and if carried shall set the main motion (the initial proposal) aside accordingly.

7. Board members may speak to a pending motion on as many occasions, and at such length, as the Chair may reasonably allow.

8. A vote on a motion shall be taken when discussion ends but any Board member may, during the course of debate, move for an immediate vote (close debate) which, if carried, shall end discussion and the vote on the main motion shall then be taken.

9. A majority vote will decide all motions before the Board excepting those matters in the Bylaws which oblige a higher level of approval.

10. A motion to adjourn a Board meeting may be offered by any Board member or, on the conclusion of all business, adjournment of the meeting may be declared by the Chair.

11. A Board member may request to have his or her vote on the record.

12. When further rules of order are to be developed by the Board, the Board will consider the most recent edition of *Robert's Rules of Order* as a resource guide.

**BOARD OF DIRECTORS POLICY**

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|---|---|---|
| **Policy Name:** Handling Operational Complaints | **Number**: | GP-13 |
| | **Date Approved:** | **12/14/2024** |
| **Policy Type:** Governance Process | **Date Amended:** | |
| | **Date Last Reviewed:** | **12/14/2025** |

To ensure that the Board fulfills its accountability to the ownership, but does not interfere in matters it has delegated to the Executive Pastor, the following process shall be followed in the case of a Board member receiving a complaint regarding an operational matter.

1. The Board member shall ask the person making the complaint whether he or she has already discussed this matter with someone within the operating organization. If the person has not discussed the matter internally, the Board member shall direct the individual to the Executive Pastor or person designated by the Executive Pastor to handle complaints, and the Board member shall take no further action.

2. If the person making the operational complaint has talked with the staff person charged with handling complaints and the concern has not been resolved through that action, the Board member shall explain to the individual that the Board has delegated certain responsibilities to the Executive Pastor, and that the Board holds the Executive Pastor accountable. The Board member shall indicate that he/she will ask the Executive Pastor to ensure that the matter is looked into and that the Executive Pastor or his designee respond directly to the person making the complaint.

3. The Board member shall not offer any evaluative comments or solutions.

4. The Board member shall ask the individual to contact him or her again if the matter has not been addressed within a reasonable time period.

5. The Board member shall inform the Executive Pastor of the complaint and request that it be resolved directly with the person making the complaint by either the Executive Pastor or his designee.

## BOARD OF DIRECTORS POLICY

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| **Policy Name:** Handling Apparent Policy Violations | | **Number**: | GP-14 |
| | | **Date Approved:** | **12/14/2024** |
| **Policy Type:** Governance Process | | **Date Amended:** | |
| | | **Date Last Reviewed:** | **12/14/2024** |

The Board as a whole has the responsibility to regularly monitor the performance of the Executive Pastor as outlined in the Board-Executive Pastor Delegation policies. If there is a reasonable appearance of policy violation, even though a particular policy is not scheduled for monitoring, the Board may choose to request a monitoring report at any time. The Board may also use the occasion of a concern to re-evaluate the adequacy of its policy to address the issue raised.

1. Conditions which may trigger a request for monitoring beyond the normal schedule may include:

   - Board member has been contacted regarding a complaint by a member of the ownership or a customer. After the Board member has followed the procedure for handling complaints (See Policy on Handling Operational Complaints), the individual again contacts the Board member indicating that the complaint still exists, and in the Board member's opinion the incident appears to be a potential policy violation.

   - One or more Board members receive complaints or become aware of a pattern of similar instances that taken together raise questions of general policy violation.

   - A single incident of complaint is of a nature that regardless of how it is resolved, there is a serious question of policy violation.

2. If any of the above conditions exist:

   - The Board member shall inform the Chair of the situation.

   - The Chair shall request the Executive Pastor to provide to the Board his interpretation of the policy, rationale for why the interpretation should be considered reasonable, and evidence of policy compliance with reference to the situation(s) in question.

   - The Board as a whole shall determine whether the Executive Pastor's interpretation falls within any reasonable interpretation of the policy.

3. If the Executive Pastor's interpretation is assessed by the Board to be reasonable and there is evidence of compliance with that interpretation, the matter shall be dropped at the Board level. (The Executive Pastor will handle the issue directly with the complainant.)

4. If the Executive Pastor's interpretation is assessed by the Board as not being a reasonable interpretation of the policy, or there is a clear violation of a reasonable interpretation, the Board shall determine the degree of seriousness of the issue and deal with the Executive Pastor regarding performance.

5. If the incident(s) in question do(es) not appear to be a potential violation of policy:

- Board member should consider if he or she believes the policy should be amended to prevent a future occurrence of a similar situation.

- If the Board member considers that a policy amendment should be made, the Board member should ask the Chair to put the item on the next agenda.

- The Board as a whole then shall debate whether or not the policy should be amended, making the reported event explicitly unacceptable in the future.

| BOARD OF DIRECTORS POLICY | |
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| **Policy Name:** Global Board-Exec. Pastor Delegation | | **Number**: | BEPD |
| | | **Date Approved:** | **12/14/2024** |
| **Policy Type:** Board-Executive Pastor Delegation | | **Date Amended:** | |
| | | **Date Last Reviewed:** | 1.8.26 |

The Board's sole official connection to the operational organization, its achievements and conduct will be through the Executive Pastor.

**BOARD OF DIRECTORS POLICY**

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|---|---|---|---|
| **Policy Name:** Unity of Control | **Number**: | BEPD-1 | |
| | **Date Approved:** | **12/14/2024** | |
| **Policy Type:** Board-Executive Pastor Delegation | **Date Amended:** | | |
| | **Date Last Reviewed:** | 1.8.26 | |

Only officially passed motions of the Board are binding on the Executive Pastor.

1. Decisions or instructions of individual Board members, officers, or committees are not binding on the Executive Pastor except in rare instances when the Board has specifically authorized such exercise of authority.

2. In the case of Board members or committees requesting information or assistance without Board authorization, the Executive Pastor can refuse such requests that require, in the Executive Pastor's opinion, a material amount of staff time or funds or are disruptive.

**BOARD OF DIRECTORS POLICY**

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| **Policy Name:** Accountability of the Executive Pastor | **Number**: BEPD-2 |
| | **Date Approved:** 12/14/2024 |
| **Policy Type:** Board-Executive Pastor Delegation | **Date Amended:** |
| | **Date Last Reviewed:** 1.8.26 |

The Executive Pastor is the Board's only link to operational achievement and conduct, so that all authority and accountability of staff, as far as the Board is concerned, is considered the authority and accountability of the Executive Pastor.

1. The Board will never give instructions to persons who report directly or indirectly to the Executive Pastor.

2. The Board will refrain from evaluating, either formally or informally, any paid or volunteer staff other than the Executive Pastor, unless otherwise provided for in the Bylaws.

3. The Board will view Executive Pastor performance as identical to organizational performance, so that organizational accomplishment of Board-stated Ends and compliance with Executive Pastor Limitations will be viewed as successful Executive Pastor performance. Therefore the Executive Pastor's job contributions shall be accomplishment of the Ends while maintaining compliance with the Executive Pastor Limitations.

**BOARD OF DIRECTORS POLICY**

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| **Policy Name:** Delegation to the Senior Pastor | | **Number**: | BEPD-3 |
| | | **Date Approved:** | 12.14.2024 |
| **Policy Type:** Board-Senior Pastor Delegation | | **Date Amended:** | |
| | | **Date Last Reviewed:** | 1.8.26 |

The Board will instruct the Executive Pastor through written policies which prescribe the organizational Ends to be achieved and will describe organizational situations and actions to be avoided, allowing the Executive Pastor to use any reasonable interpretation of these policies.

1. The Board will develop Ends policies instructing the Executive Pastor to achieve specified results, for specified recipients at a specified worth.

    1.1. Policies that do not address the subjects of results, recipients or worth will not be included in Ends, as they relate to means.

    1.2. Specifically, documents such as strategic plans and budgets will not be considered Ends, as they relate to operational means of achieving the Ends.

2. The Board will develop Executive Pastor Limitations policies which limit the latitude the Executive Pastor may exercise in choosing the organizational means.

    2.1. These limiting policies will describe those practices, activities, decisions and circumstances that the Board would find unethical or imprudent, and therefore unacceptable, even if they were to be effective.

    2.2. The Board will never prescribe organizational means delegated to the Executive Pastor.

3. All policies will be developed systematically from the broadest, most general level to more defined levels.

4. As long as the Executive Pastor uses any reasonable interpretation of the Board's Ends and Executive Pastor Limitations policies, the Executive Pastor is authorized to establish all further policies, make all decisions, take all actions, establish all practices and develop all activities. Such decisions of the Executive Pastor shall have full force and authority as if decided by the Board.

5. The Board may change its Ends and Executive Pastor Limitations policies, thereby shifting the boundary between Board and Executive Pastor domains. By doing so, the Board changes the latitude of choice given to the Executive Pastor. But as long as any particular delegation is in place, the Board will respect and support the Executive Pastor's choices. This does not prevent the Board from obtaining information from the Executive Pastor about the delegated areas, except for data protected by privacy legislation.

**BOARD OF DIRECTORS POLICY**

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| **Policy Name:** Monitoring Senior Pastor Performance | **Number**: BEPD-4 |
| | **Date Approved:** 12.14.2024 |
| **Policy Type:** Board-Executive Pastor Delegation | **Date Amended:** |
| | **Date Last Reviewed:** 1.8.2026 |

Executive Pastor job performance will be measured solely by systematic and rigorous monitoring of Executive Pastor job performance in comparison to the Board's required Executive Pastor job outputs: organizational accomplishment of the Executive Pastor's reasonable interpretation of Ends policies and organizational operation within the boundaries of the Executive Pastor's reasonable interpretation of Executive Pastor Limitations policies.

1. Only the Board as a whole has authority to assess the Executive Pastor's compliance with the Board's Ends and Executive Pastor Limitations policies.

2. The Board's assessment will be based upon evidence of the Executive Pastor's achievement of a reasonable interpretation of each of the Board's Ends and Executive Pastor Limitations policy items.

   2.1. The Board shall assess the reasonableness of the Executive Pastor's written interpretation based upon:

   - Whether the interpretation provides the observable metrics or conditions which, if achieved, would demonstrate compliance, including the standard or type of measure and the level of achievement on that measure, and

   - Whether there is justification sufficient to show why that standard or type of measure and that level of achievement are reasonable.

   2.2. The Board shall assess evidence of compliance on the basis of data received from a credible examining source which enables comparison of actual conditions to the measures and conditions in the Executive Pastor's reasonable interpretation. The Board may obtain data from any of the following three sources:

   - Written internal report from the Executive Pastor

   - External report from an external, objective third party selected by and reporting directly to the Board. The Board also may ask the external third party to provide the Board with an expert opinion on the reasonableness of an interpretation.

   - Direct Board Inspection by a designated Board member or members of the Board, a Board committee or the Board as a whole. Such an inspection is only undertaken at the instruction of the Board.

3. The Board shall never assess the Executive Pastor's performance against any criteria other than the Executive Pastor's reasonable interpretation of the Board's Ends and Executive Pastor Limitations policies.

4. For any of the above methods chosen by the Board, it will only judge:

- Whether or not a reasonable person could have made the interpretation provided by the Executive Pastor.

- Whether the data provided or reviewed demonstrates accomplishment of the reasonable interpretation of the policy.

4.1 When the Executive Pastor's interpretation is not reasonable, the Board shall specify when a reasonable interpretation can be expected, and monitor the Executive Pastor to ensure a reasonable interpretation is received within the time allowed.

4.2 If the interpretation is reasonable but the data does not indicate compliance, the Executive Pastor will inform the Board of when compliance can be expected, and the Board shall determine whether or not to accept that time frame or require another. The Board will monitor the Executive Pastor to ensure the non-compliance has been corrected within the time allowed.

4.3 When the Executive Pastor's interpretation is reasonable but not consistent with the Board's intent when writing the policy, the Board will change or further define the policy to more clearly reflect the Board's values.

4.4 In the case of unreasonable interpretations or non-compliance, if a satisfactory report is not received within the specified time frame, the Board shall consider whether disciplinary action is warranted.

5. Upon the choice of the Board, any policy can be monitored by any of the above methods at any time. For regular monitoring, however, each Ends and Executive Pastor Limitations policy will be classified by the Board according to frequency and method as noted in the table at the end of this policy.

6. A formal evaluation of the Executive Pastor by the Board will occur annually, based on the achievement of the Board's Ends Policies and compliance with its Executive Pastor Limitations policies. This formal evaluation will be conducted by cumulating the regular monitoring data provided during the year and the Board's recorded assessment of the reports, and identifying performance trends evidenced by that data.

7. The Board may initiate the process to rescind the call of the Executive Pastor if, based on a pattern that emerges through this monitoring process, the Executive Pastor is performing below a level required by the Board and does not have the level of competence required to achieve compliance. Such a situation shall be considered an allegation of evident and protracted incompetence consistent with Article 9 of the Bylaws.

| Number | Policy | Method | Frequency | Date |
|---|---|---|---|---|
| E | Mega-End | Internal Report | Annually | December |
| E-1 | | Internal Report | Annually | December |
| E-2 | | Internal Report | Annually | December |
| E-3 | | Internal Report | Annually | December |
| EPL | General Executive Pastor Constraint | Internal Report | Annually | December |
| EPL-1 | Treatment of People Served | Internal Report | Annually | June |
| EPL-2 | Treatment of Staff and Volunteers | Internal Report | Annually | September |
| EPL-3 | Treatment of Donors | Internal Report | Annually | March |
| EPL-4 | Planning | Internal Report | Annually | June |
| EPL-5 | Financial Condition: Only Fiscal jeopardy in Global Statement and items 1 and 2 | Internal Report | Quarterly | December, March, June |
| EPL-5 | Financial Condition-All policies | Internal Report | Annually | September |
| | | External Report | Biennually | September |
| EPL-6 | Asset Protection | Internal Report | Annually | September |
| | | External Report | Biennually | September |
| EPL-7 | Compensation and Benefits | Internal Report | Annually | June |
| EPL-8 | Communication and Support to the Board | Direct Inspection | Annually | December |
| EPL-9 | Ethical Behavior | Internal Report | Annually | March |
| EPL-10 | Elders | Internal Report | Annually | March |