

The Good Shepherd United Methodist Church

Guiding Principles for the Governing Board 5/7/2017 version

The following document is designed to immediately implement a staff-led, policy-governed model modified for Good Shepherd United Methodist Church. The Guiding Principles fall into three categories:

1. Through "Mission Principles," the Governing Board prescribes for the Lead Pastor the ends to be achieved by the church.
2. Through "Boundary Principles," the Governing Board sets constraints on the means that may be used by the Lead Pastor or their appointed staff in pursuit of the Mission Principles. (The Governing Board must be careful not to prescribe any particular means for accomplishing the ends. Means are the domain of the Lead Pastor and staff.)
3. Through "Accountability Principles," the Governing Board defines how to monitor the Lead Pastor's performance and maintain the integrity of Governing Board's own process.

These Guiding Principles are intended to focus on priority outcomes, ethical boundaries and organizational accountability of the Lead Pastor. These Guiding Principles are not intended to communicate all that the church believes and practices.

Definitions:

Quorum – 2/3 of all members must be in attendance to take a vote

Majority vote- 51% of the quorum

Email vote- When an email vote is required an online form will be used to receive votes. Responses within a week are expected. There will be exceptions when a more urgent response is needed and that will be communicated in the initial email.

MISSION PRINCIPLES

MP1.0 Comprehensive Mission Statement

Good Shepherd United Methodist Church exists to make disciples of Jesus Christ for the transformation of the world.

MP 2.0 Comprehensive Vision Statement

Our primary task is to transform 1 life at a time by sharing Jesus in energizing and compelling through a multi-campus ministry.

MP 3.0 Discipleship Path

We seek to make disciples of Jesus Christ by inviting them to worship, serve, and belong in the life of our church.

MP 3.1 Practice of Community Worship

We believe in the practice of regular worship through our prayers, our consistent presence in Sunday morning worship, and our financial gifts (generosity) – giving all of ourselves to God

MP 3.2 Practice of Serving Others

We believe that we have been blessed by God to be a blessing to others: in our church, in our community, and around the world. We encourage each person to give back to our church by serving regularly within it, forming community relationships by serving through A Turning Point, the non-profit outreach arm of our church, and by reaching out internationally, through our missional partnership with Guatemala.

MP 3.3 Practice of Belonging in our faith community

We believe that there is a place at the table for everyone to witness to the presence of God in their lives. We invite people to say yes to opportunities to belong here at Good Shepherd through large fellowship events or be spiritually formed alongside others through small group opportunities. Part of belonging is being invited, which is why we elevate the importance of personal invitation to others as a means to belong.

MP 4.0 Pastoral Goals and Objectives

The Lead Pastor will submit a Strategic Plan and Annual Goals to Governing Board no later than the December Board meeting. These Goals and Objectives should correspond to the mission, vision and discipleship path as described above. Through a review of annual Goals and Objectives, Governing Board seeks to gain a clear understanding of the ministry objectives for which the Lead Pastor is to be held accountable. The status of these objectives is to be reviewed at each meeting.

BOUNDARY PRINCIPLES

Boundary Principles (BP) define the limits of acceptable means the Lead Pastor or his appointed staff is authorized to use in achieving the Mission Principles. The Lead Pastor has the responsibility, authority and accountability to serve as the primary leader of the church at every level: congregation, Governing Board and staff.

BP 1.0 Comprehensive Boundary Statement

The Lead Pastor shall not cause or allow any practice, activity, decision or organizational circumstance that is unlawful, imprudent, unethical, unbiblical or inconsistent with the UMC Book of Discipline.

BP 2.0 Biblical and Moral Integrity

With regard to the teaching, leadership and membership of the church, the Lead Pastor shall uphold high standards of biblical teaching and morality.

BP 3.0 Fiscal Responsibility

BP 3.1 Accounting

Financial planning for any fiscal year shall not deviate from the Mission Principles, or risk financial jeopardy.

BP 3.2 Financial Conditions and Activities

With respect to the actual ongoing financial conditions and activities of Good Shepherd, the Lead Pastor shall not risk fiscal jeopardy or allow a Material Deviation of actual expenditures from the board approved budget.

BP 3.2.1 Material Deviation – Definition

A “Material Deviation” shall be defined as 1.5% of the current budget, or any contract of \$20,000 or more.

BP 3.2.2 Loans

The Lead Pastor shall not allow the church to enter into any loans without first communicating the need to Governing Board and obtaining an affirmative vote from Governing Board approving such loan. The chair of the Governing Board shall serve as the primary signer on all loans.

BP 3.2.3 Spending Limits

The Lead Pastor shall not allow unbudgeted spending that exceeds 1.5% of the current budget in aggregate in the calendar year without communicating the need and details via email in advance to the Governing Board and receiving approval via an affirmative vote of Governing Board. This would include a specific purchase alone or multiple purchases in aggregate.

BP 3.2.4 Deficit Spending

The Treasurer shall not fail to communicate via email and in advance to Governing Board any/all deficit spending for any calendar quarter.

BP 3.3 Asset Protection

The Lead Pastor shall not cause or allow the physical assets of the church to be inadequately insured or inadequately maintained, or the financial assets unnecessarily risked.

BP 3.3.1 Disposing of Assets

The Lead Pastor shall not cause or allow the selling or disposal of any church assets of aggregate value of \$10,000 or greater without communicating via email and in advance and receiving an affirmative vote of the Governing Board.

BP 4.0 Growth and Expansion

BP 4.1 Long Term Leases

The Lead Pastor shall not cause or allow the entering into any lease without communicating in advance and receiving an affirmative vote of Governing Board.

BP 4.2 Acquisition of Assets

The Lead Pastor shall not cause or allow the acquisition of or merger with the assets of another entity without communicating via email and in advance and receiving an affirmative vote of Governing Board.

BP 4.3 Real Estate Contracts

The Lead Pastor shall not cause or allow the entering into any real estate contract without communicating via email and in advance and receiving an affirmative vote of Governing Board. The Chair of the Governing Board will serve as the primary signer of all real estate contracts.

BP 5.0 Human Resources

BP 5.1 Hiring Staff

The Lead Pastor and Executive Director shall not hire staff without working through the church new hire process in compliance with the church employee handbook. The Lead Pastor and Executive Director shall not hire unbudgeted staff without first communicating in advance and receiving an affirmative vote of Governing Board.

BP 5.2 Compensation and Benefits

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

BP 5.3 Treatment of Staff

With respect to the treatment of paid and volunteer staff, the Lead Pastor and Executive Director may not cause or allow conditions that are unfair, illegal or undignified.

BP 5.4 Termination of Ministry Staff

The Lead Pastor and Executive Director shall not terminate ministry staff without first communicating the plan in advance and via email to Governing Board except in the case

of gross misconduct. The plan should include the reason for termination, outline of procedures followed leading up to termination, the termination plan, and the transition plan for the ministry. "Ministry staff" is defined as all church staff (exempt employees), including those who are ordained

BP 6.0 Treatment of Church Attendees

With respect to interactions with attendees or potential attendees, the Lead Pastor shall not cause or allow conditions, procedures, or decisions that are unsafe, undignified, unnecessarily intrusive, or that fail to provide appropriate confidentiality or privacy.

BP 7.0 Communication and Support to Governing Board

The Lead Pastor shall not permit Governing Board to be uninformed or unsupported in its work.

BP 7.1 Annual Reporting

BP 7.1.1 Presentation of Budget

The Lead Pastor and Executive Director, shall present to the Governing Board an operating budget for approval for the following fiscal year prior to December 15 of the current fiscal year. An operating budget is defined as a statement of revenue and expense, in coordination with the finance advisory team and presented to Governing Board for approval.

BP 7.1.2 Commitments to Christ

The Lead Pastor, or his appointed representative, shall not neglect to present year-end totals of new members and baptisms.

BP 7.2 Quarterly Reporting

The Treasurer, or his appointed representative, shall present quarterly income and expense reports to Governing Board no later than the second bi-monthly meeting following the quarter end.

BP 7.3 Bi-monthly Reporting

BP 7.3.1 Bi-monthly Metrics

The Lead Pastor, or his appointed representative, shall present bi-monthly metrics to Governing Board.

BP 7.4 Administrative Policies

The Lead Pastor, or his appointed representative, shall provide Governing Board with any and all administrative policies and/or processes that are relevant to Governing Board's governance responsibilities. These policies include but are not limited to:

- A. Church New Hire Process
- B. Pastoral Evaluation and Compensation Process
- C. Nomination Process
- D. The Guiding Principles

ACCOUNTABILITY PRINCIPLES

Accountability Principles define for the chairperson the standards to uphold for enforcing the integrity and fulfillment of Governing Board's process.

AP 1.0 Comprehensive Accountability Statement

The responsibility of Governing Board before God, on behalf of people and the surrounding region who need to be led to Christ and nurtured in Him, is to see that Good Shepherd, through the leadership of it's Lead Pastor, (1) achieves the fulfillment of its Mission Principles, and (2) avoids violation of its Boundary Principles.

AP1.1 Stewardship to Christ for those He calls us to serve

Governing Board shall maintain an active connection to the "moral ownership" of the church: Christ and the people He has called His church to serve.

AP 2.0 Board Member Election Process

AP 2.1 Eligibility

Eligibility to serve on Governing Board shall be limited to members of Good Shepherd who are committed to the Vision of Good Shepherd and who demonstrate active participation in the Discipleship Path. Paid ministry staff and sitting Governing Board members and their spouses, partners or immediate relatives (mother, father, brother, sister, child, in-laws) are ineligible to serve on Governing Board.

AP 2.2 Board Composition

Governing Board shall reflect the vision of diversity we have for our congregation by striving for a composition that is diverse in age, gender, race, orientation, and that includes representation for all sites. Members of the Governing Board cannot be related to each other.

AP 2.3 Term

All Board members shall serve three-year terms. Terms follow the calendar year, with the exception of those who are nominated mid-term as replacements.

AP 3.0 Board Member Expectations

AP 3.1 Board Requirements

Board members shall:

- A. Be committed to growing spiritually and willing to share personal faith with pastor and board.
- B. Be committed to the sharing your prayers, presence, gifts, service and witness.
- C. Be present at scheduled meetings and additional meetings, as needed.
- D. Serve on or support sub-committees, as needed.
- E. Maintain strict confidentiality and integrity regarding matters of church business

AP 3.2 Board Functions

AP 3.2.1 Board Responsibilities

Governing Board and its members shall be responsible for:

- A. Resolving (as sole voting body) all decisions pertinent to the governing of the church, with regards to budget, buildings, nominations, and other required Conference tasks;
- B. Conducting Lead Pastor annual performance review;
- C. Reviewing compensation packages for all appointed staff;
- D. Holding Lead Pastor accountable (and by extension, the staff) for implementation of the Vision;
- E. Monitoring matrices of measures and statistics, as indicators of church health;
- F. Acting as a sounding board for pastor on both issues and visions;
- G. May oversee sub-committees (i.e. finance, personnel, building task force) and/or serve on sub-committees for at least one year;
- H. Assist Lead Pastor in nominating Governing Board replacements annually; include 3 members (outgoing members preferred) of the board in the process.
- I. Developing ongoing organization of church structure and documentation of procedures;
- J. A representation of the board will participate in the creation of the multi-year Strategic Plan.

AP 3.2.2 Governance

Governing Board will govern with an emphasis on:

- A. Outward vision rather than internal preoccupation;
- B. Encouragement of diversity in viewpoints;
- C. Strategic leadership more than administrative detail;
- D. Clear distinction of board and staff roles;
- E. Collective rather than individual decisions;
- F. The future rather than the past or present;
- G. Pro-active discernment rather than reactivity.

AP 3.3 Meeting Attendance Requirements

Board members are expected to be present at bi-monthly Board meetings and at Annual Charge Conference. Inability to attend a meeting of Governing Board shall be communicated in advance to the Chair. Failure of a Board member to be present at a minimum of 65% of the meetings in a calendar year will result in a review of his or her ability to fulfill the obligations of his or her term.

AP 3.4 Board Member Code of Conduct

Governing Board commits itself and its members to the following code of conduct:

- A. Members of Governing Board must exhibit loyalty to the mission of Christ regarding those whom He has called to serve His church. This loyalty supersedes any personal or group interest.
- B. Members of Governing Board must honor the principles and decisions of Governing Board acting as a whole. Decisions of Governing Board will be supported publicly and privately, regardless of one's personal position, opinion or belief on the issue.
- C. Members of Governing Board must respect the confidentiality of sensitive issues and must avoid facilitating gossip or other "triangulation" against the practice of direct, biblical resolution.
- D. If there is a decision or discussion to which a board member has a conflict of interest-- financial, relational or any other interest that could be seen as a conflict of interest—Governing Board member must first state that and then excuse him or herself from all votes pertaining to it.

AP 3.5 Officers

The Governing Board shall annually, elect a Chair, a Vice-Chair, Treasurer and a Secretary (may be filled by an appointed staff member).

AP 4.0 Responsibility of the Chairperson for Integrity of Process

The chairperson enforces the integrity and fulfillment of Governing Board's process including the monitoring of the Lead Pastor's performance.

Unless otherwise agreed on, the chairperson will conduct bi-monthly meetings of Governing Board. A proposed meeting agenda will be provided by the Chairperson to Governing Board no less than three (3) days prior to a regularly scheduled meeting. Any requests for additions to the agenda should typically be made via email, with a statement of how the proposed item falls within the purview of Governing Board, no later than 24 hours prior to a regularly scheduled meeting. The Chair shall ensure the agenda is limited to items necessary for (1) furthering the mission and vision of Good Shepherd and (2) enforcing Boundary Principles.

The Chair, Lead Pastor, Executive Director, and Vice Chair will attempt to meet every 4 to 6 weeks. The chair will use email to communicate changes or updates with the Governing Board in-between meetings.

AP 5.0 Limitations on GOVERNING BOARD's Activities

Governing Board's official connection and communication to the organizational operations of the church, its achievement, accountability, and conduct shall be through the Lead Pastor.

AP 5.1 Unity of Control

Only decisions of Governing Board acting as a whole and documented in the Guiding Principles or the minutes of board meetings are binding on the Lead Pastor. With respect to any decision requiring an affirmative vote of Governing Board, such decision must be approved by a majority vote of a quorum of Governing Board members.

AP 6.0 Performance of the Lead Pastor

Governing Board will conduct systematic and objective monitoring of the Lead Pastor's performance solely against the accomplishment of the Mission Principles and in compliance with the Boundary Principles. The Lead Pastor will be required to write measurable goals that correspond to the Annual Plan of the 3-year Strategic Plan. (See MP 4.0)

AP 6.1 Annual Review of Lead Pastor and appointed clergy

In conjunction with the Annual Conference review and pastoral compensation process, a sub-group of the Governing Board will provide to the Lead Pastor detailed, specific and written feedback related to each of the Goals and Objectives submitted by the Lead Pastor for that calendar year. The annual Lead Pastor review shall be completed when required by the District.

Governing Board Structure:

9 positions with 3 year staggered term; 3 people are outgoing each year. However, initially there will be 12 until we reduce down to the 9.

Positions:

Chair

Vice Chair

Treasurer

At- large with marketing experience

At- large with legal experience

At- large (7 individuals)

Advisory Teams:

Finance Advisory Team, led by Treasurer and Executive Director

A team of 4-6 individuals who review the quarterly financials of the church and provide advisement on the annual budget and financial decisions. The team is chosen by the Treasurer, Executive Director and Lead Pastor. The group meets 5 times a year, 4 quarterly meetings, plus a November budget meeting

Marketing Advisory Team, led by At-large marketing person and Director of Communications
A team of 4-6 individuals who plan and implement marketing efforts for community outreach.
The team is selected yearly by the Marketing Governing Board member and the Marketing Staff Member. Meeting schedule to be determined by the group.

Ad hoc HR Advisory Team

Primary supervision of staff is managed by the Executive Director and Campus Pastors. This team will be comprised based on the need such as a lawyer or experienced HR professional. The Finance Committee will review and approve anything with a budget impact. The Governing Board will be updated on staffing changes, terminations, raises and other appropriate topics.

Compensation Advisory Team

Comprised of the Chair, Vice Chair and 2 at large board members the goal of the team is to solicit feedback from the Governing Board and complete the annual Pastoral evaluations and compensation packages. The Executive Director shall serve as the liaison on staff compensation.

Ad hoc Trustee Advisory Teams (called Property Teams)

There will not be a formal Trustees group under the Governing Board, instead the work previously done by the Trustees will be led by the Executive Director, Property Manager or Campus Pastor. The Executive Director or campus pastor will select advisors based on the need. The Finance Committee will review and approve anything with a budget impact. The Governing Board will be updated on plans having a budget variance impact and any significant changes to our buildings or property.