

## Detailed Set of Guiding Principles

The following document is designed to immediately implement a staff-led, policy-governed model modified for a Church of God congregation. The Guiding Principles fall into five categories:

1. through Mission Principles the board prescribes for the Lead Pastor the ends to be achieved by the church.
2. through Boundary Principles the board sets constraints on the means that may be used in pursuit of those ends. (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 board instructs its chairperson how to maintain the linkage of the board with its constituents, the monitoring of Lead Pastor's performance, and the integrity of the board's own process. Through Goals and Behaviors the board gains a clear understanding of the ministry objectives for which the Lead Pastor is to be held accountable. The Lead Pastor is expected to submit a set of annual goals at the outset of each year.

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

### **MP1.0 Comprehensive Mission Statement**

In order to glorify God by bearing much fruit, \_\_\_\_\_ exists to lead people into a life changing relationship with Jesus Christ. We exist so that people in our ministry area will become committed followers of Jesus Christ.

#### MP1.1 Component: Evangelism

The highest priority of \_\_\_\_\_ Church is to be an outward focused church that puts the priority on reaching people who are "not here yet". We are committed to being a church that encourages members to invite their unsaved and unchurched friends. We will find ways to be intentionally involved in our community as a positive Christian presence that draws people to us and then Christ.

#### MP1.2 Component: Maturity

A significant and supporting priority of \_\_\_\_\_ Church shall be helping believers to become grounded in the Christian faith and to grow in their participation with the body of Christ.

MP1.3 Component: Ministry

A significant and supporting priority of \_\_\_\_\_ Church shall be equipping and deploying each believer for a significant ministry by developing their God-given gifts, talents, and experiences.

MP1.4 Component: Mission

The second highest priority of \_\_\_\_\_ Church shall be empowering each church member for a personal life mission in the world, sending out missionaries, and planting new churches.

MP1.5 Component: Worship

A significant and supporting priority of \_\_\_\_\_ Church shall be gathering and leading people into the presence of God through worship so that they are transformed and mobilized.

**BOUNDARY PRINCIPLES**

*[Defining **the limits of acceptable means** that the Lead Pastor is hereby authorized to use in achieving the Mission Principles]*

**BP1.0 Comprehensive Boundary Statement**

The Lead pastor shall not cause or allow any practice, activity, decision, or organizational circumstance that is unlawful, imprudent, unethical, or unbiblical.

BP1.1 Component: Biblical and Moral Integrity

With regard to the teaching, leadership, and membership of the church, the Lead Pastor shall not fail to uphold high standards of biblical teaching and morality.

BP1.2 Component: Financial Planning and Budgeting

Financial planning for any fiscal year or the remaining part of any fiscal year shall not deviate materially from the board's Mission Principles, or risk financial jeopardy.

## BP 1.2.1 Detail: Sufficient Information

The Lead Pastor shall not allow budgeting that contains too little information to enable credible projection of revenues and expenses and or fails to disclose multi-year planning assumptions.

## BP 1.2.2 Detail: Expenditures within Projected Funds

The Lead Pastor shall not allow budgeting that plans the expenditure in any fiscal year of more funds than are reasonably projected to be received in that period, unless special circumstances are adequately described including a realistic plan to make up the deficit with the following fiscal year.

BP1.3 Component: Financial Condition and Activities

With respect to the actual, ongoing financial conditions and activities, the Lead Pastor shall not allow the development of fiscal jeopardy or a material deviation of actual expenditures from board priorities established in Mission Principles.

**BP 1.3.1 Detail: Expenditures**

The Lead Pastor shall not expend more funds than have been received in the fiscal year to date unless the following guideline, BP 1.3.2. is met.

**BP 1.3.2 Detail: Borrowing**

The Lead Pastor shall not borrow an amount greater than can be repaid by reliable, otherwise unencumbered revenues within twelve months, except for vehicles or capital investments.

**BP 1.3.3 Detail: Inter-fund Shifting**

The Lead Pastor shall not make inter-fund transfers in amounts greater than can be restored to a condition of discrete fund balances by reliable, otherwise unencumbered revenue within twelve months.

**BP 1.3.4 Detail: Payroll and Debt Settlement**

The Lead Pastor shall not fail to settle payroll and debts in a timely manner.

**BP 1.3.5 Detail: Check Signing Procedure**

The Lead Pastor shall not release any check over \$500 without two signatures. The Lead Pastor and paid staff shall not sign any check written to themselves. The Lead Pastor shall not release any check over \$5,000 without the consent of the board chairperson or in the event of the chairperson's absence, the board secretary, unless the payment is a budget approved item.

**BP 1.3.6 Detail: Financial Reports**

The Lead Pastor shall provide the Governing Board with financial reports at least on a quarterly basis.

**BP 1.3.7 Detail: Government Payments and Filings**

The Lead Pastor shall not allow tax payments, if any, or other government required payments or filings to be overdue or inaccurately filed.

BP1.4 Component: Asset Protection

The Lead pastor shall not allow the assets of the church to be unprotected, inadequately maintained, or unnecessarily risked.

BP 1.4.1 Detail: Insurance

The Lead Pastor shall not fail to insure against theft and casualty losses to at least 80 percent of replacement value and against liability losses to board members, staff, and the church itself in an amount greater than the average for comparable organization.

BP 1.4.2 Detail: Facilities and Equipment

The Lead pastor shall not subject facilities and equipment to improper wear and tear or insufficient maintenance.

BP 1.4.3 Detail: Liability

The Lead Pastor shall not unnecessarily expose the organization, its board, or its staff to claims of liability.

BP 1.4.4 Detail: Auditor

The Lead Pastor shall not receive, process, or disburse funds under controls that are insufficient to meet auditor's standards.

BP 1.4.5 Detail: Public Reputation

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

BP1.5 Component: Treatment of Constituents

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

BP1.6 Component: Compensation and Benefits

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

BP 1.6.1 Detail: Lead Pastor's Compensation

The Lead Pastor shall not change his or her own compensation and/or benefits.

**BP 1.6.2 Detail: Market Value**

The Lead Pastor shall not establish current compensation and benefits that deviate materially from the geographic or professional market for the skills employed.

**BP 1.6.3 Detail: Term of Compensation**

The Lead Pastor shall not create compensation obligations over a longer term than revenues can be safely projected, in no event longer than one year, and in all events subject to losses in revenue.

**BP 1.6.4 Detail: Fairness of Benefits**

The Lead Pastor shall not establish or change health or pension benefits so as to cause unpredictable or inequitable situations.

**BP1.7 Component: Treatment of Staff**

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

**BP1.8 Component: Communication and Support to the Board**

The Lead pastor shall not permit the board to be uninformed or unsupported in its work.

**ACCOUNTABILITY PRINCIPLES**

*[Defining for the chairperson the standards to uphold for enforcing **the integrity and fulfillment of the board's process**]*

**AP1.0 Comprehensive Accountability Statement**

The responsibility of the 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 \_\_\_\_\_ Church, through the leadership of its Lead Pastor, (1) achieves the fulfillment of its Mission Principles, and (2) avoids violation of its Boundary Principles.

**AP1.1 Component: Stewardship to Christ for Those He Calls Us to Serve**

The board shall maintain an active connection to the "moral ownership" of the church: Christ and the people he has called his church to serve.

***AP1.1.1 Detail: Community Research and Public Relations***

The board will seek to enhance its understanding of the needs of people in the community and to enhance the church's reputation of service to the community.

*AP1.1.2 Detail: Church Feedback and Assessment*

The board will collect input and feedback from members, attendees, and non-returning visitors to better understand their needs. Periodically, the board will arrange an objective assessment by a competent consulting group.

*AP1.1.3 Detail: Devotion to Prayer and the Word of God*

Under the teaching and guidance of the Lead Pastor, the board will continually seek the wisdom and leading of Christ as the Lord of the church. To this end, significant attention will be given to prayer and study of Scripture as a group.

AP1.2 Component: Disciplining the Process of the Board

The board shall conduct itself with discipline and integrity with regard to its own process of governance.

*AP1.2.1 Detail: Board Style*

The board will govern with an emphasis on (1) outward vision rather than internal preoccupation, (2) encouragement of diversity in viewpoints, (3) strategic leadership more than administrative detail, (4) clear distinction of board and staff roles, (5) collective rather than individual decisions, (6) future rather than past or present, and (7) proactivity rather than reactivity.

*AP1.2.2 Detail: Board Job Description*

The essential job outputs of the board are linkage to the people served, definition of Guiding Principles, and monitoring of Lead Pastor performance. In addition to these three essentials, the board shall exercise authority granted to it in the bylaws and not delegated to the Lead Pastor.

*AP1.2.3 Detail: Board Member Code of Conduct*

The board commits itself and its members to the following code of conduct:

- a. Members of the board must exhibit loyalty to the interests of Christ regarding those whom he has called his church to serve (Matt. 28:18-20). This loyalty supersedes any personal or group interest among or outside consumers of the church's services. A member must disclose any fiduciary conflict of interest and withdraw from any decision-making affected by it.
- b. Members of the board must honor the principles and decisions of the board acting as a whole. They may not foster dissent or attempt to exercise individual authority over the staff or the organization except as explicitly stated in the guiding principles.

- c. Members of the board must respect the confidentiality of sensitive board issues and must avoid facilitating gossip or other “triangulation” against the practice of direct, biblical resolution.
- d. If there is a decision or discussion by the board and a member has a special or close financial, relational or any other interest that could be seen as a conflict of interest, the board member would first state that and then excuse him or herself from all votes pertaining to it.

*AP1.2.4 Detail: Responsibility of the Chairperson for Integrity of Process*

The chairperson enforces the integrity and fulfillment of the board’s process including the monitoring of Lead pastor performance. The chairperson is authorized to use any reasonable interpretation of the Accountability Principles as he or she acts to ensure the integrity of the board’s process.

*AP1.2.5 Detail: Responsibility of the Lead Pastor for Visionary Leadership*

The Lead Pastor has the responsibility, authority, and accountability to serve as the primary leader of the church at every level: congregation, board, and staff. With respect to the board, the Lead Pastor will envision the board on all actions except for monitoring of Lead pastor performance. If a question of process arises with regard to the bylaws or Guiding Principles of the church, the Lead Pastor will defer to the judgment of the board chairperson.

*AP1.2.6 Detail: Use of Board Committees*

Board committees, if used, will be assigned so as to reinforce the wholeness of the board’s job and never to interfere with the delegation from the board to the Lead Pastor or with the work of the staff.

*AP1.2.7 Detail: Cost of Governance*

The board will invest amply in its own governance capacity through training, outside expertise, research mechanisms, and meeting costs.

AP1.3 Component: Monitoring the Performance of the Lead Pastor

The board’s sole official connection to the operating organization of the church, its achievement, and conduct shall be through the Lead Pastor.

*AP1.3.1 Detail: Unity of Control*

Only decisions of the board acting as a whole and documented in the Guiding Principles or the minutes of board meetings are binding on the Lead Pastor.

*AP1.3.2 Detail: Accountability of the Lead Pastor*

The Lead 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 Lead Pastor.

*AP1.3.3 Detail: Delegation to the Lead Pastor*

The board will instruct the Lead Pastor through written principles that prescribe the mission to be achieved and establish the boundaries to be avoided, allowing the Lead Pastor to use any reasonable interpretation of these principles.

*AP1.3.4 Detail: Performance of the Lead Pastor*

The board will conduct systematic and objective monitoring of the Lead Pastor's performance solely against accomplishment of the Mission Principles and compliance with the Boundary Principles.

The Lead Pastor will be required to write measurable goals each year that correspond to each of the board's Mission Principles. At least one of these goals for each mission principle must project growth in the number of people who benefit or participate.

- a. Each year the board shall review the results achieved by the Lead Pastor on each of the Mission Principles as the basis of compensation increase or corrective action. These results include both those achieved with reference to annual goals and those achieved in addition to annual goals.
- b. The Lead Pastor will be required to report to the board on compliance with the Boundary Principles at each annual performance review and to affirm or give evidence of compliance upon request by the board at any time.