

Atonement Lutheran Church

Continuing Resolution C12.04.A19: Policies of the Congregation Council

adopted by Council on January 14, 2019

I. Ends

- A. Recognizing our responsibility to raise the next generation of Christians, the church will increase participation from young families (households headed by individuals between the ages of 30 and 45) at a cost not to exceed our financial means.
1. By 2024, our congregation will grow so that there are never fewer than 250 individuals in worship, there are often 500+ in worship, and there are 1000+ in worship for Christmas and Easter.

II. Executive Limitations

Global Executive Limitations Policy: The senior pastor shall not cause or allow any organizational practice, activity, decision, or circumstance that is either unlawful, unethical, imprudent, inconsistent with the governing documents of Atonement Lutheran Church or its spiritual mission, or in violation of commonly accepted business practices.

A. Treatment of Staff and Volunteers

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

Without limiting the scope of the previous statements, the senior pastor shall not:

1. Operate without written rules for staff, including a personnel handbook, that (a) clarify work expectations; (b) provide for effective handling of grievances; (c) protect against wrongful conditions such as nepotism and grossly preferential treatment for personal reasons.
2. Retaliate against any staff member or volunteer for non-disruptive expression of dissent.
3. Allow staff and volunteers to be unprepared to deal with emergency situations.

4. Fail to acquaint staff and volunteers with the senior pastor's interpretation of their protections under this policy.

B. Treatment of Donors

The senior pastor shall not cause or allow conditions, procedures, or decisions for donors that are unsafe, untimely, disrespectful, or unnecessarily intrusive.

Without limiting the scope of the previous statements, the senior pastor shall not:

1. Elicit information for which there is no clear necessity.
2. Use methods of collecting, reviewing, transmitting, or storing donor information that fail to protect against improper access to the material.
3. Allow the acknowledgement of donations to be untimely or improper.

C. Treatment of People Served

The senior pastor shall not cause or allow conditions, procedures, or decisions related to those served that are unsafe, untimely, disrespectful, or unnecessarily intrusive.

Without limiting the scope of the previous statements, the senior pastor shall not:

1. Elicit information for which there is no clear necessity.
2. Use methods of collecting, reviewing, transmitting, or storing information that fail to protect against improper access to the material.
3. Operate facilities with inappropriate accessibility.

D. Financial Planning

The senior pastor shall not cause or allow financial planning that risks financial jeopardy or deviates materially from the Council's Ends priorities.

Without limiting the scope of the previous statements, the senior pastor shall not:

1. Risk incurring those situations or conditions described as unacceptable in the Council policy "Financial Condition and Activities."

2. Omit credible projection of revenues and expenses, separation of capital and operational items, cash flow, and disclosure of planning assumptions.
3. Provide less for Council prerogatives during the year than is set forth in the Council's "Cost of Governance" policy.

E. Financial Conditions and Activities

With respect to the actual, ongoing financial condition and activities, the senior pastor shall not cause or allow the development of financial jeopardy or material deviation of actual expenditures from Council priorities established in the Ends policies.

Without limiting the scope of the previous statements, the senior pastor shall not, without Council approval:

1. Expend more funds than the yearly budget allows for expenses while still maintaining adequate cash reserves to pay recurring bills.
2. Incur debt in an amount greater than can be repaid by certain and otherwise unencumbered revenues by the end of the fiscal year.
3. Use designated gifts to pay for operational expenditures unless permission is explicitly granted by the donor.
4. Conduct interfund shifting in amounts greater than can be restored to a condition of discrete fund balances by certain and otherwise unencumbered revenues within thirty days.
5. Fail to settle payroll and debts in a timely manner.
6. Allow tax payments or other government-ordered payments or filings to be overdue or inaccurately filed.
7. Make a single unbudgeted purchase or commitment of greater than \$20,000 from undesignated or unrestricted funds. Splitting orders to avoid this limit is not acceptable.

F. Asset Protection

The senior pastor shall not cause or allow assets to be unprotected, inadequately maintained, or unnecessarily risked.

Without limiting the scope of the previous statements, the senior pastor shall not:

1. Fail to insure adequately against theft and casualty and against liability losses to Council members, staff, and the organization itself.
2. Allow undesignated personnel access to material amounts of funds.
3. Subject facilities and equipment to improper wear and tear or insufficient maintenance.
4. Unnecessarily expose the organization, its Council, or its staff to claims of liability.
5. Make any purchase (a) wherein normally prudent protection has not been given against conflict of interest; (b) of more than \$20,000 without having obtained comparative prices and quality; (c) of more than \$50,000 without a stringent method of assuring the balance of long-term quality and cost. Orders shall not be split to avoid these criteria.
6. Fail to protect intellectual property, information, and files from loss or significant damage.
7. Receive, process, or disburse funds under controls insufficient to meet the Council-appointed auditor's standards.
8. Compromise the independence of the Council's audit or other external monitoring or advice, such as by engaging parties already chosen by the board as consultants or advisers.
9. Invest or hold operating funds in insecure instruments (including uninsured checking accounts) at any time; or in non-interest-bearing accounts except when necessary to facilitate ease in operations transactions.
10. Endanger the organization's public image, its credibility, or its ability to accomplish Ends.
11. Change the organization's name or substantially alter its identity in the community.
12. Create or purchase any subsidiary.
13. Change the investments made for the Endowment Fund as dictated by the Endowment Investment Policy and the Endowment Committee.

G. Compensation and Benefits

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

Without limiting the scope of the previous statements, the senior pastor shall not:

1. Change the senior pastor's own compensation and benefits, except as those benefits are consistent with a package for all other employees.
2. Promise or imply permanent or guaranteed employment.
3. Establish current compensation and benefits that deviate materially from the geographic or professional market for the skills employed.
4. Create 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.

H. Emergency Succession Planning

To protect the Council from sudden loss of the senior pastor, the senior pastor shall not permit there to be fewer than two other staff members and/or lay leaders sufficiently familiar with Council and senior pastor issues and processes to take over with reasonable proficiency as an interim successor.

I. Communication and Support to Council

The senior pastor shall not cause or allow the Council to be uninformed or unsupported in its work.

Without limiting the scope of the previous statements, the senior pastor shall not:

1. Neglect to submit monitoring data (a) required by the Council in Executive Accountability policy "Monitoring Senior Pastor Performance" (b) in a timely, accurate, and understandable fashion (c) that includes interpretations and rationale for interpretations and evidence of compliance of the Council policies being monitored as described in the Executive Accountability policies "Delegation to the Senior Pastor" and "Monitoring Senior Pastor Performance."
2. Allow the Council to be unaware of actual or anticipated noncompliance with any Ends or Executive Limitations policies regardless of the Council's monitoring schedule.

3. Allow the Council to be without information that assists the Council in making informed decisions, including relevant trends, relevant perspectives of personnel within and outside of the organization, and implications of Council decisions.
4. Allow the Council to be unaware of any significant incidental information it requires including anticipated media coverage, pending lawsuits, and material internal and external changes.
5. Allow the Council to be unaware that, in the senior pastor's opinion, the Council is not in compliance with its own policies, particularly in the case of Council behavior that is detrimental to the work relationship between Council and senior pastor.
6. Deal with the Council in a way that favors certain members over others, except when fulfilling individual requests for information or responding to officers or committees duly charged by the Council.
7. Fail to submit to the Council consent agenda any items delegated to the senior pastor yet required by law, regulation, or contract to be Council-approved, along with applicable monitoring information.

III. Council Governance Process

Global Council Governance Process Policy: The purpose of the Congregation Council is to see to it that Atonement Lutheran Church (a) achieves appropriate results for appropriate persons for an appropriate cost (as specified in Council Ends policies) and (b) avoids unacceptable actions and situations (as prohibited in Council Executive Limitations policies). The Council is accountable to the voting members of the church and responsible to the gathered body of Christ that is Atonement Lutheran Church.

A. Governing Style

The Council, guided by scripture and prayer, will collectively discern God's will. The Council will govern lawfully, observing the principles of the Policy Governance model, with an emphasis on:

- outward vision rather than internal preoccupation
- encouragement of diversity in viewpoints
- strategic leadership more than administrative detail
- clear distinction of Council and chief executive roles
- collective rather than individual decisions
- future rather than past or present

- proactivity rather than reactivity
1. The Council will cultivate a sense of group responsibility. The Council, not the staff, will be responsible for excellence in governing. The Council will initiate policy, not merely react to staff initiatives. The Council will not use the expertise of individual members to substitute for the judgment of the Council, although the expertise of individual members may be used to enhance the understanding of the Council. The Council will allow no individual, officer, or committee to hinder or serve as an excuse for not fulfilling group obligations.
 2. The Council will direct, control, and inspire the organization through the careful establishment of broad written policies reflecting the Council's values and perspectives. The Council's major policy focus will be on the intended long-term impacts outside the staff organization, not on the administrative or programmatic means of attaining those effects.
 3. Continual development will include orientation of new members in the Council's governing process. Council will regularly monitor and discuss its governance process and its performance.
 4. The Council will enforce upon itself whatever discipline is needed to govern with excellence. Discipline will apply to matters such as its code of conduct, policy-making principles, respect of roles, Council self-assessment, and ensuring the continuance of governance capability. Although the Council can change its governance process policies at any time, it will scrupulously observe those currently in force.

B. Council Responsibilities

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

1. The link between the ownership and the operational organization.
2. Written governing policies that address the broadest levels of all organizational decisions and situations.
 - a. Ends: The church's benefits, impacts, outcomes; the recipients, beneficiaries, and impacted groups; and relative worth in cost or priority.
 - b. Executive Limitations: Constraints on the authority of the chief executive officer (currently the senior pastor) that establish the prudence and ethics

boundaries within which all executive activity and decisions must take place.

- c. Council Governance Process: Specification of how the Council conceives, carries out, and monitors its own task.
 - d. Executive Accountability: Delegation of power and the monitoring of its proper use, including the senior pastor role, authority, and accountability.
3. Assured organizational performance on Ends and Executive Limitations through systematic monitoring.
 4. Decisions and execution of responsibilities that are required of Council by external organizations, even if the Council has delegated such decisions to the senior pastor, or that the Council has prohibited the senior pastor from making in its Executive Limitations policies and that are not reserved by the congregation.
 5. Care for the welfare of the senior pastor, those personnel reporting directly to him, and their immediate families.
 6. An annual agenda that includes prayerful discernment of God's will for Atonement Lutheran Church; reviews Ends policies, in conversation with the ownership; continually improves Council's performance; ~~and~~ systematically monitors and reviews Council policies; and decides senior pastor's compensation.

C. Chief Governance Officer's Role

The chief governance officer, titled president, ensures the integrity of the Council's process.

1. The assigned result of the president's job is that the Council behaves consistently with its own rules and those legitimately imposed upon it from outside the organization.
2. The authority of the president consists in making decisions that fall within topics covered by Council policies on Governance Process and Executive Accountability, except situations where Council specifically delegates portions of this authority to others. The president is authorized to use any reasonable interpretation of the provisions in these policies.
 - a. The president is empowered to chair Council meetings with all the commonly accepted power of that position, such as ruling and

recognizing. In the absence of the president, the vice-president will preside at Council meetings.

- b. The president has no authority to make decisions about policies created by the Council within Ends and Executive Limitations. Therefore, the president has no authority to supervise or direct the senior pastor.
- c. The president may represent the Council to outside parties in announcing Council-stated positions and in stating chair decisions and interpretations within the area delegated to the president.
- d. The president may delegate this authority, for instance to the vice-president, but remains accountable for its use.

D. Council Secretary's Role

The secretary ensures the integrity and availability of the Council's documents. The secretary shall ensure that all Council documents are recorded in an accurate and timely manner and distributed to Council members, the senior pastor, and the congregation.

- 1. The secretary shall record minutes, including attendance and vote count, of all meetings of the congregation.
- 2. The secretary shall record minutes of Council meetings. These minutes shall reflect official actions of the Council, receipt of monitoring data, and member statements given for the record.
- 3. The secretary shall record all official amendments and maintain the master copy of Council's policies. Policies will be current in their reflection of Council decisions and will rigorously follow Policy Governance principles.
- 4. The secretary shall record the information required to conduct the formal evaluation of the senior pastor as specified in the Monitoring Senior Pastor Performance policy under the Executive Accountability policies
- 5. The secretary shall record attendance at Council meetings and notify the president if any member's attendance does not conform to constitutional provisions.
- 6. The authority of the secretary is access to and control over Council documents and the reasonable use of administrative staff time.
- 7. Council may assign some or all of these tasks to another position (e.g., Recording secretary), but the Council secretary retains the responsibility for

the Council's documents.

E. Council Member Code of Conduct

The Council commits itself and its members to Christian, lawful, ethical, and businesslike conduct, including proper use of authority and appropriate decorum. Council members will relate to each other with grace, honesty, and straightforwardness.

1. The loyalty of Council members is to Christ and His church, not conflicted by loyalties to members, staff, other people (including family members), other organizations, or any personal interest as a member.
2. Council members must avoid conflict of interest concerning their fiduciary responsibility and will not use their position to gain employment for themselves, family members, or close associates.
3. Council members may not attempt to exercise individual authority over the staff, including the senior pastor, the congregation, or any of its ministries.
4. Council members will respect the confidentiality of sensitive issues
5. Council members will attend Council meetings regularly. Should it be necessary to miss a meeting, members shall notify the president beforehand when possible.
6. Council members will be prepared for Council meetings.
7. Council members will be familiar with the constitution, bylaws, and continuing resolutions of the church, including Council policies, hold each other accountable for acting accordingly, and bring to the Council's immediate attention any condition or action they believe is in non-compliance.
8. Council members will regularly participate in the worship and educational life of the congregation, practice personal spiritual disciplines, provide prayer and financial support to the church, regularly attend congregational events, and invest time and energy in the ministries.
9. Council members will support the legitimacy and authority of the Council decisions, irrespective of a council member's personal position on an issue.
10. If a Council member does not live up to these Code of Conduct standards, the Council will discuss and vote upon whether the member shall continue to serve.

F. Council Committee Principles

Council committees, when used, will be assigned projects and authority to reinforce the unity of the Council's job and never to interfere with delegation from Council to senior pastor.

1. Council committees will be used sparingly and ordinarily in an ad hoc capacity.
2. Council committees are to help the Council do its job, not to help or advise the staff. In keeping with the Council's broader focus, Council committees will normally not have direct dealings with current staff operations and cannot exercise authority over staff. The senior pastor works for the full Council and will therefore not be required to obtain approval of a Council committee before an executive action.
3. Council committees may not speak, act, or commit funds on behalf of the Council except when formally given such authority for specific and time-limited purposes. The Council will state carefully in policy the expectations and authority of a committee to avoid conflict with authority delegated to the senior pastor.
4. Council committees should avoid over-identification with organizational parts rather than the whole. Therefore, a Council committee convened to help the Council create policy on some topic will not be used to monitor organizational performance on that same subject. The Council as a whole has the responsibility and authority to monitor organizational performance.
5. The principles of this policy, as well as the Council's Code of Conduct, apply to any group formed by Council action, regardless of whether it is called a committee or includes Council members.

G. Cost of Governance

The Council will invest in its governance capacity and expend the necessary funds to accomplish its job description.

1. Council skills, methods, and supports will ensure governing with excellence.
 - a. Training will be used to orient new Council members and increase existing Council members' skills and understanding of Policy Governance and the Council's governance processes.

- b. Outside monitoring assistance will be arranged so that the Council can exercise control over organizational performance.
 - c. Outreach efforts will be used to ensure the Council's ability to listen to the viewpoints and values of the congregation.
2. Costs of governance will be prudent. Each year, at the meeting prior to the senior pastor's preparation of the annual budget for the church, the Council shall provide a budget for its own proposed activities.

IV. Executive Accountability

Global Executive Accountability Policy: The Congregation Council will exercise governing control over the operations of Atonement Lutheran Church exclusively through delegation to a chief executive officer, who is currently the senior pastor. The Council will monitor the senior pastor's performance and hold him or her accountable for progress on the Ends and compliance with the Limitations.

A. Unity of Control

Only officially passed motions of the Council are binding on the senior pastor.

1. Decisions or instructions of individual Council members, officers, or committees are not binding on the senior pastor except in rare instances when the Council has specifically authorized such exercise of authority.
2. When Council members or committees request information or assistance without Council authorization, the senior pastor may refuse such requests that require, in the senior pastor's opinion, a material amount of staff time or funds or are otherwise disruptive.

B. Accountability of the Senior Pastor

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

1. The Council will never give instructions to persons who report directly or indirectly to the senior pastor.
2. The Council will not evaluate, either formally or informally, any paid or volunteer staff other than the senior pastor.

3. The Council will view the senior pastor's performance as identical to organizational performance, so that organizational accomplishment of a reasonable interpretation of Ends and compliance with a reasonable interpretation of Executive Limitations will be viewed as successful performance.

C. Delegation to the Senior Pastor

The Council will instruct the senior pastor through written policies that prescribe the organizational Ends to be achieved and proscribe organizational conditions and actions to be avoided, allowing the senior pastor to use any reasonable interpretation of these policies.

1. The Council will develop policies instructing the senior pastor to achieve specified results, for specified recipients, at a specified cost. These policies will be developed systematically from the broadest, most general level to more defined levels and will be called Ends policies. All issues that are not ends issues as defined here are means issues.
2. The Council will develop policies that limit the latitude the senior pastor may exercise in choosing the organizational means. These limiting policies will describe those practices, activities, decisions, and circumstances that would be unacceptable to the Council even if they were effective. These limiting policies will be developed systematically from the broadest, most general level to more defined levels and will be called Executive Limitations policies. The Council will never prescribe organizational means delegated to the senior pastor.
 - a. A limitation at any given level does not limit the scope of any foregoing level.
 - b. Below the global level, the aggregate of limitations on any given level may embrace the scope of the foregoing level, but only if justified by the senior pastor to the Council's satisfaction.
3. The senior pastor may use any reasonable interpretation of the Council's Ends and Executive Limitations policies and is authorized to make decisions, take actions, establish practices, and pursue activities to achieve the Ends. Such decisions of the senior pastor shall have full force and authority as if decided by the Council.
4. The Council may change its Ends and Executive Limitations policies, thereby shifting the boundary between Council and senior pastor domains. By doing so, the Council changes the latitude of choice given to the senior pastor. But

as long as any particular delegation is in place, the Council will respect and support the senior pastor’s choices.

D. Monitoring Senior Pastor Performance

Systematic and rigorous monitoring of senior pastor performance will be solely against the expected senior pastor job outputs: organizational accomplishment of any reasonable interpretation of Ends policies and organizational operation within the boundaries of any reasonable interpretation of Executive Limitations policies.

1. Monitoring is simply to determine the degree to which Council policies have been met. Only information that accomplishes this will be considered monitoring information.
2. The Council will monitor each policy using one or more of three methods:
 - a. internal report: the senior pastor discloses interpretations of Council policy and compliance information to the Council
 - b. external report: an external, disinterested third party selected by the Council assesses compliance
 - c. direct inspection: the Council as a whole, a designated Council committee, or a designated Council member assesses compliance
3. Regardless of the method of monitoring, the Council will determine the reasonableness of the senior pastor’s interpretation and whether the data demonstrate accomplishment of the interpretation.
4. The standard of compliance shall be any reasonable senior pastor interpretation of the Council policy being monitored. The Council is the final arbiter of reasonableness but will always judge with a “reasonable person” test rather than with interpretations favored by Council members or even the Council as a whole.
5. All policies that instruct the senior pastor will be monitored at a frequency and by a method chosen by the Council. The Council may monitor any policy at any time by any method, but will ordinarily depend on a routine schedule:

Policy	Method	Frequency
Ends	Internal	Annually
Global Executive Limitations	Internal	Annually

Treatment of Staff and Volunteers	Internal	Annually
Treatment of Donors	Internal	Annually
Treatment of People Served	Internal	Annually
Financial Planning	Internal	Annually
Financial Conditions and Activities	Internal External	Quarterly Annually
Asset Protection	Internal	Annually
Compensation and Benefits	Internal	Annually
Emergency Succession Planning	Internal	Annually
Communication and Support to Council	Direct Inspection	Annually