

Guiding Principles of the Mount Olive Lutheran Church Governance Board BOUNDARY PRINCIPLES

I. GENERAL BOUNDARIES

A. Ethical & Moral

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

B. Constitutional

The Pastor shall not knowingly cause or allow any practice, activity, decision, or organizational circumstance that may be judged inconsistent with Mt. Olive's Constitution, By-Laws, Articles of Incorporation, or the Board's Guiding Principles.

II. RELATIONAL BOUNDARIES

A. Relating to The Congregation and Friends

1. The Pastor shall not cause or be unresponsive to conditions, procedures, or decisions that are unsafe, undignified, unnecessarily intrusive, or that fail to provide appropriate confidentiality or privacy.

2. The Pastor shall not fail to regularly communicate pertinent information about ministries, events, programs, and serving opportunities at or through Mount Olive Lutheran Church.

B. Relating to Ministry Staff & Support Personnel (paid and unpaid)

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

1. Personnel Policies

The Pastor shall not operate outside the Personnel Policies, developed by the Governance Board, that clarify rules for all paid personnel.

2. Conflict Resolution

The Pastor shall not fail to seek resolution of conflicts in a timely Christian manner, being open to the views of all parties involved, so that the ministry and mission of Mt. Olive Lutheran Church are not adversely affected.

3. Grievance

The Pastor shall not prevent personnel from expressing a grievance to the Board when 1) internal procedures have been exhausted, and 2) the employee alleges that either the Board's Guiding Principles have been violated to his or her detriment, or that the Board's Guiding Principles do not adequately protect his or her human rights.

4. Notice

The Pastor shall not fail to acquaint personnel, or cause personnel to be acquainted with their rights according to these Guiding Principles.

5. Position Descriptions

The Pastor shall not allow positions to be undefined and shall not allow position descriptions to exist that may inaccurately describe the duties and responsibilities of a position.

6. Evaluations

The Pastor shall not fail to conduct, or cause to be conducted, annual evaluations, and to ensure the results are shared with the appropriate personnel and the Board.

7. Assume Authority

The Pastor shall not assume authority that is delegated to some other entity or person without justification and proper communication with that person or entity.

8. Decision Making

The Pastor shall not fail to provide, or cause to be provided, reasoning for decisions, or the process used to make decisions, to any staff member, except to maintain the personal privacy of those being served or as required by law or the Guiding Principles.

C. Relating to the Board

1. General Principles

The Pastor shall not fail to present to the Board for approval, a written plan for the performance of his duties in the event of his temporary unavailability to serve the congregation.

2. Communication and Support to the Board

a. The Pastor shall not permit the Board to be uninformed or unsupported in its work by failing to report at least quarterly on major areas of congregational ministry.

b. The Pastor shall not fail to promptly advise the Board or allow the Board to be unaware of:

1. Relevant trends and developments within and outside of the congregation, including, but not limited to, spiritual, social & political matters.
2. Anticipated adverse media coverage and/or negative occurrences within the Congregation.
3. Hiring, promotion, reassignment, demotion of staff.
4. Claims or lawsuits against the Congregation.
5. Death, disability, or serious illness of staff.
6. Major ministry programs, or programs with high public visibility.
7. Crises affecting the work, health, or safety of staff.
8. Other facts or developments that reasonably should be brought to the attention of the Board.

c. The Pastor shall not fail to receive prior approval from the Board before dismissal of non-called staff.

III. MINISTRY BOUNDARIES

- A. The Pastor shall not operate without ministry goals that clarify the purpose and objectives of each ministry.
- B. The Pastor shall not allow communications to the community or congregation that do not reflect the ministry and mission of Mt. Olive Lutheran Church.
- C. The Pastor shall not permit groups to use Mt. Olive Lutheran Church's facilities whose activities might conflict with the mission, vision, and faith of Mt. Olive Lutheran Church without securing the approval of The Board.
- D. The Pastor shall not allow ministry programs or other services that have a negative effect on the ministry goals of the congregation.
- E. The Pastor shall not allow ministry programs and other services that do not contribute to the congregation's visions and goals.
- F. The Pastor shall not begin or continue ministries that are not resourced adequately.
- G. The Pastor shall not make, or cause to be made, ministry assignments or positions without providing adequate resources and direction.

IV. FINANCIAL BOUNDARIES

A. General Planning & 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, risk financial jeopardy, or fail to be derived from the annual ministry plan.

1. Pastor shall not fail to meet with ministry teams to develop realistic expenditure levels for the annual ministry plan.
2. Pastor shall not fail to provide a proposed ministry plan budget to the Board in a timely manner.
3. Pastor shall not fail to provide sufficient information to substantiate the proposed budget.
4. Pastor shall not allow deviations from the ministry plan without approval.

B. Unbudgeted Projects

The Pastor shall not allow an unbudgeted project to be considered by the Board without accompanying plans for project management and project funding.

C. Expenditures

With respect to actual, on-going financial conditions & activities, the Pastor shall not allow material deviations of actual expenditures from Board priorities established in the Mission Principles.

1. Indebtedness

The Pastor shall not incur indebtedness on behalf of the Congregation.

2. Purchase Limitations

a. The Pastor shall not make a single purchase of greater than \$2,000, aside from staff and non-discretionary expenses unless approved by the Board.

b. The Pastor shall not enter any agreement with a term longer than one year without Board approval.

c. The Pastor shall not make any purchase 1) wherein normally prudent protections have not been given against conflict of interest and 2) of over \$1,000 without obtaining comparative prices and quality.

3. Variances within Ministry Areas

The Pastor shall not allow unbudgeted expenses to exceed the smaller of 10% or \$500, by ministry area, without consultation with the Board.

4. Real Property

The Pastor shall not acquire, encumber or dispose of real property on behalf of the congregation.

D. Asset Protection

The Pastor shall not allow the assets within his control to be unprotected, inadequately maintained or unnecessarily risked.

1. Facilities & Equipment

The Pastor shall not allow facilities and equipment to be subjected to improper wear and tear or insufficient maintenance.

2. Liability

The Pastor shall not unnecessarily expose the organization, its Board or its Staff to claims of liability.

3. Purchases

The Pastor shall not make any purchase 1) wherein normally prudent protections have not been given against conflict of interest and 2) of over \$1,000 without obtaining comparative prices and quality.

4. Information Protection

The Pastor shall not fail to protect intellectual property, information, and files from loss or significant damage.

5. Public Reputation

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

E. Compensation & Benefits

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

1. Pastor Compensation

The Pastor shall not change his own compensation & benefits.

2. Promise of Employment

The Pastor shall not promise or imply permanent or guaranteed employment for church employees.

3. Market Value

The Pastor shall not establish compensation & benefits for employees without approval of the Governance Board.

4. Term of Compensation

The Pastor shall not create compensation obligations other than authorized by the Annual Ministry Plan or as approved by the Governance Board

5. Fairness of Benefits

The Pastor shall not establish or change health or pension benefits without approval from the Governance Board.

6. Salary Increases

The Pastor shall not allow salary increases to be based on anything other than merit, as justified in the performance review, and or cost of living adjustment without approval from the Governance Board.

F. Gifts and Bequests Boundaries

1. Plans for Gifts & Bequests

The Pastor shall not fail to develop a plan to promote and receive gifts and bequests.

2. Use for Gifts & Bequests

The Pastor shall not permit the congregation to accept gifts and bequests with a special use that is contrary to the congregation's Values and Mission Principles, and that have a neutral or negative effect on the Visions and Goals of the congregation.

3. Use of Designated Offerings

The Pastor shall not allow the use of any planned or designated offerings and receipts that deviates from the giver's intended purpose without Board approval.