

Proposed Constitution  
St. Stephens Lutheran Church – Missouri Synod of Hickory, North Carolina, INC

# CONSTITUTION

2/11/2010

Presented by

The Constitutional Revision Committee

**Preamble**

**Article 1-Name**

**Article 2-Mission**

**Article 3-Confessional Position**

**Article 4-Synodical Affiliation**

**Article 5-Membership**

**Article 6-Authority in the Congregation**

**Article 7-Congregational Property**

**Article 8-Office of Public Ministry**

**Article 9-Amendments to the Constitution and Bylaws**

# **CONSTITUTION**

## **Preamble**

We, the members of St. Stephens Lutheran Church – Missouri Synod of Hickory, North Carolina, INC., accept and subscribe to the following Constitution and Bylaws. They shall govern the spiritual and material affairs of this congregation.

## **Article I-Name**

The name of this congregation shall be St. Stephens Lutheran Church – Missouri Synod of Hickory, North Carolina, INC.

## **Article II-Mission**

To reach out to people and bring them into a growing relationship with Jesus Christ through: worship of the Triune God, vigorous study of His Word, individual loving care, uplifting of one another, and the committed support of His work throughout the world as directed in Matthew 28: 18-20. We, therefore, with the help of God, dedicate ourselves to the task of:

- Witnessing of our faith in Jesus Christ to each other, the community in which we live, and to the nation and the world.
- Offering service to our fellow man by acts of mercy and concern.
- Practicing stewardship by the intelligent management and use of God's gifts to us.
- Celebrating fellowship with one another so that a spirit of unity and joy exists in the congregation.
- Growing in faith and knowledge of Jesus Christ by the education of all ages through study and the mutual sharing of God's Word and Sacraments.
- Caring for each member of our congregation physically, emotionally and spiritually.
- Equipping the saints (Eph 4:12) for the mission given to us by God (Mark 16:15).
- Identifying and encouraging members within the church to pursue careers as professional church workers.

## **Article III-Confessional Position**

This congregation accepts and acknowledges all the canonical books of the Old and New Testaments as the inspired Word of God and all the Symbolical Books of the Evangelical Lutheran Church contained in the Book of Concord of 1580 as a true and sound exposition of Christian Doctrine, in full agreement with the Holy Scriptures. In this congregation, no doctrine shall be taught or tolerated which is at variance with these symbols of the Evangelical Lutheran Church.

- The three Ecumenical Creeds (Apostolic, The Nicene, and the Athanasian).
- The unaltered Augsburg Confession (1530).
- The Apology of the Augsburg Confession.
- The Smalcald Articles.
- Luther's Large Catechism.
- Luther's Small Catechism.
- The Formula of Concord (1580).

All doctrinal controversies, which may arise in this congregation, shall be decided and judged according to this norm of doctrine.

## **Article IV-Synodical Affiliation**

This congregation shall be affiliated with the Lutheran Church – Missouri Synod and the Southeastern District, in which it is geographically located, so long as the confessions and the Constitution of said synod and district are in accord with the confession and Constitution of this congregation.

It shall be the duty of this congregation and its individual members to support the work of the Lutheran Church- Missouri Synod.

## **Article V-Membership**

### **1. Baptized Members:**

Baptized members are those who have been baptized, "in the name of the Father, Son and Holy Spirit", and who are under the spiritual care of this congregation.

### **2. Communicant Members:**

Communicant members are those who have been baptized, and accept and believe without reservation the Doctrinal standards in Article III of the Constitution, and have been accepted into confirmed membership in accordance with the Bylaws of this congregation.

### **3. Requirements for voting:**

All Communicant members age eighteen (18) and over are considered voting members and are eligible to vote at all Voters' Assemblies.

- Voting church members should attend meetings and conscientiously vote on all matters presented to this congregation.
- All elected or appointed officials shall be voting members.
- Proxy or absentee voting will not be permitted.

## **Article VI-Authority in the Congregation**

### **1. Approval Authority**

The Voters' Assembly shall be the final approval authority for all congregational matters. Matters which are presented to St. Stephens Lutheran Church – Missouri Synod of Hickory, North Carolina, INC. by the Lutheran Church Missouri Synod or Southeastern District – Missouri Synod, district or synod committees or persons shall require congregational action.

Areas requiring congregational attentions include but are not limited to:

- Approval of annual budget.
- Calling of pastors or full-time church employees.
- Election of all Board members and officers of the congregation.
- Approval of changes to the Constitution and Bylaws of the congregation or synod.
- Approval of church objectives (Annual and/or Long Term). Special issues as presented by the Church Council.
- Establishment of congregational boards, committees, auxiliaries as outlined in the Bylaws.
- The Congregation has to approve changes to all regularly permanent scheduled worship services times.

### **2. Governing Authority**

The voting members of the congregation will be the final governing body and shall administer all spiritual and material affairs of the congregation. The daily operation of the Church and School is defined in the Bylaws.

### **3. Special Assemblies/ Lawful Assembly**

Subject to the Bylaws, (Article II of the Bylaws; Article VI of the Constitution) a Special Voters' Assembly or Lawful Assembly of the Voters' Assembly may be called as follows:

- A. Meetings not requiring Church Council approval:
  - Request from the Senior Pastor of St. Stephens Lutheran Church – Missouri Synod of Hickory, North Carolina, INC, from the Circuit Counselor, District President, or Synod President.
- B. Meetings requiring Church Council review and approval:
  - Request from any elected board.
  - Special Voters' Assembly may be requested by a voting member/members through the Church Council, or as indicated in Article II of the Bylaws.

### **4. Right of Calling**

The calling of a pastor or professional church worker, whether an ordained or commissioned employee, shall be vested in the Voters' Assembly.

Qualification for Called Positions - Persons submitted for consideration must meet the following criteria:

- Be approved by the district and the synod.
- Meet the requirements of Articles VIII.
- Meet the requirements of the position under considerations as outlined in the Bylaws.

### **5. Removal from the Office of Ministry**

Any ordained or commissioned minister may be removed from office by a Voters' Assembly, conducted in a Christian and lawful manner for, persistent adherences to false teaching contrary to Article III, leading a scandalous life (Gal 5:19-26), inability to perform or willful neglect of duties as enumerated and defined in the Constitution, Bylaws and approved job description.

This action shall be taken after the following:

- The individual will be informed of all charges.
- The individual will be given an opportunity to respond.
- The individual will be counseled according to Matthew 18.

Also the circuit counselor and district president shall have full knowledge of removal procedures against the ordained or commissioned minister charged. In addition all actions shall be taken in full consultation with said officials. In situations where persons are being considered for removal (whether ordained, commissioned) these matters will be presented to the Voters' Assembly for approval.

The Board of Elders will administer the process for removal from the Office of Ministry and the Church Council will review all matters concerning any procedures regarding the removal of the pastors and elected or appointed church officers.

The Voters' Assembly will have final adjudication in all matters of removal from office.

### **6. Removal from elected or appointed office**

Any elected or appointed lay-worker may be removed from office by a Voters' Assembly, conducted in a Christian and lawful manner for, persistent adherences to false teaching contrary to Article III, leading a scandalous life (Gal 5:19-26), inability to perform or willful neglect of duties as enumerated and defined in the Constitution, Bylaws and approved job description.

This action shall be taken after the following:

- The individual will be informed of all charges.
- The individual will be given an opportunity to respond.
- The individual will be counseled according to Matthew 18.

In situations where persons are being considered for removal (whether elected or appointed) these matters will be presented to the Voters' Assembly for approval.

The Church Council will review all matters concerning any procedures regarding the removal of elected or appointed church officers.

The Church Council may at its discretion suspend any elected or appointed church officer from their duties until the issues are resolved.

The Voters' Assembly will have final adjudication in all matters of removal from office.

## **7. Authority of Officers**

Board Members and Officers elected by the Voters' Assembly shall have no authority beyond that which is conferred upon them and whatever power has been delegated to them by the Constitution, Bylaws or the Voters' Assembly. At any time the Voters' Assembly may alter or revoke any authority it has delegated to a Board or Officer or rescind any action taken by a Board, Officer or member of the Ministry staff that exceeds its/his/her authority or falls short of their responsibilities as set forth in the Constitution, Bylaws or job description.

## **Article VII - Congregational Property**

This congregation may receive, acquire, hold title to, and manage such real estate and other property as it may deem necessary to accomplish its purpose as a congregation and may sell or dispose of such real estate or other property or any part thereof. This congregation shall have all rights and powers granted by the laws of the State of North Carolina to religious organizations. Should a separation in the congregation occur, the entire property of the congregation and all rights connected therewith shall remain with those members who hold fast to this constitution. In the event the congregation should disband, the property and all rights connected therewith shall be transferred to that district of the Lutheran Church Missouri Synod of which the congregation is a member.

## **Article VIII - Office of Public Ministry**

The pastoral office of this congregation shall be conferred upon such ministers whose beliefs are in accord with the confessional standards of this congregation (Article III of the Constitution) and have been approved by the synod as being qualified.

The pastor in his ministries shall:

- Proclaim to the congregation, the word of God in its purity as outlined in Article III of this Constitution.
- Administer the Sacraments in accordance with their divine institution as ordained in the Holy Scriptures.
- Execute the office of pastor to meet the requirements of our mission as stated in Article II of this Constitution.
- Lead a Christian life as taught in Galatians 5:19-26.

## **Article IX - Amendments to the Constitution and Bylaws**

Article III of this constitution shall not be subject to change or appeal. Amendments to the constitution and bylaws shall be decided by a majority 2/3 vote of the voting membership present. No vote may be taken on any amendments to the constitution and bylaws without prior notice. See Bylaws.

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# BY-LAWS

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2/11/2010

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Constitutional Revision  
Committee

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**Article I-Membership**  
**Article II-Voters' Assembly**  
**Article III-Establishing Committees**  
**Article IV-Church Members**  
**Article V-Congregational President**  
**Article VI-Congregational Vice-President**  
**Article VII-Congregational Treasurer**  
**Article VIII-Church Council**  
**Article IX-Board of Elders**  
**Article X-Finance/Facility Board**  
**Article XI-Board of Education**  
**Article XII-Senior Pastor**  
**Article XIII-Associate Pastor**  
**Article XIV-Principal**  
**Article XV-Administrator**  
**Article XVI-Finance Manager**  
**Article XVII-Establishing Ministry Staff Position**  
**Article XVIII-Nominating Committee/Election of Officers**  
**Article XIX-Family Member/Employee Conflict of Interest**  
**Article XX-Vacancies of Board Members or Staff**  
**Article XXI-Board Member Compensation**  
**Article XXII-Indemnification**  
**Article XXIII-Dissolution**  
**Article XXIV-Conflict of Interest**  
**Article XXV-Definitions**

## **Article I-Membership**

### **A. Communicant Members**

1. Reception - Baptized members shall be required to complete confirmation instruction before being recommended as confirmed members. Unbaptized persons (older than adolescent confirmation age) shall complete confirmation instruction before being baptized and being received as confirmed members. Persons from other denominations shall be required to attend confirmation / new member instruction before becoming confirmed members. When requirements have been met the Pastor shall recommend to the Board of Elders that such persons are ready for reception into membership. They shall be received by profession of faith during a regular worship service of their choice.
2. Profession of Faith - Persons who have received confirmation instruction but who have fallen away from the church may again become members by indicating their desire to the Pastor(s) with approval of the Board of Elders, and by reaffirming their faith during a regular worship service of their choice.
3. Transfer - Persons coming with a communicant letter of transfer from another congregation of the Lutheran Church - Missouri Synod or church body in fellowship that conforms in all respects to those of this congregation. Shall be recommended into membership by the Pastor(s) and approval by the Board of Elders and will be received following a profession of faith during a regular worship service of their choice.

### **B. Baptized Members**

1. Reception - Baptized members are received through the sacrament of Holy Baptism, through transfer, or at the request of one or both parents or guardian(s) of a child, who has been previously baptized in the name of the Triune God.
2. Duties - Baptized members shall be encouraged to grow in their faith by regularly attending worship, Bible study, and confirmation classes and by adhering to their baptismal vows and frequent prayer.

### **C. Termination of Membership**

1. Transfer to other Congregations in Fellowship - Members desiring to join another church congregation shall present their request for transfer to the Pastor(s) to whom authority is granted to issue such a transfer. Such transfers shall be reported to the Board of Elders monthly and the Voters' Assembly annually.
2. Joining other Denominations - Members who have joined or request to join a congregation not in fellowship with the Lutheran Church Missouri Synod, may be issued a release of membership. This action shall be reported to the Board of Elders monthly and the Voters' Assembly annually.
3. Whereabouts Unknown - The names of members whose whereabouts are unknown and cannot be established within a period of one (1) year shall be removed from the membership by recommendation of the Board of Elders and approval by the Voters' Assembly annually.
4. Self Exclusion - The following conditions apply for self-removal from the church membership roles:  
Persons who state that they no longer desire to be a member of St. Stephens Lutheran Church - Missouri Synod of Hickory, North Carolina, INC. Prior to removal from church membership, these members shall be contacted and visited by Elders, and/or the Pastor(s). Every effort should be utilized to inform the person of his/her spiritual condition and the result to their eternal salvation. Persons who have moved away may be contacted by certified mail or telephone to satisfy this requirement. If the member still fails to respond to urging to return to the faith, the Elders will present the person's name to the Pastor(s) for removal from membership. All persons submitted for removal from membership require approval by the Board of Elders and the Voters' Assembly.
5. Ex-communication - Members who persist in living as manifest and impenitent sinners and have resisted all efforts by the Pastors, Elders, or members of the congregation to convince them to repent of their sins shall be removed from membership by the Congregation at the next Voters' Assembly. However, prior to ex-communication, announcement of the intention to ex-communicate shall be made during regular worship services.

6. Membership Status - Those who forfeit membership by self-exclusion or ex-communication are released from all responsibilities to this Congregation and are excluded from its privileges such as Holy Communion, transfer to another Lutheran congregation, burial privileges, and claims against properties or assets of this Congregation. They will at all times, however be welcome to seek restoration and rejoin the church membership.
7. Restoration - See Article I - Profession of Faith

## **Article II - Voters' Assembly**

### **A. Assembly**

- The Voters' Assembly shall be held, as a minimum, twice annually. The meetings shall be publicly announced four (4) weeks in advance with written announcements placed in the bulletin and monthly newsletter or other means of communication.
- Special Voters' Assembly may be requested by voting member/members through the Church Council, or as indicated in Article VI, Section 3 of the Constitution. The date, time and agenda of such meetings shall be publicly announced two (2) weeks prior to the date and placed in the church bulletin. All Voters' Assemblies shall be requested through the Church Council.
- The Vice President/Secretary is responsible for establishing the meeting dates and setting up all Voters' Assemblies. The current President of the Congregation will preside at all Voters' Assembly and is responsible for announcing all voter counts.
- Method of voting (i.e. ballot, show of hands, standing, etc.) shall be determined by the President based on the needs of the situation. Written ballots shall be used at all elections when an issue is deemed controversial by the Church Council and the Congregational President.
- Semi-Annual Voters' Assembly shall be held on Sunday afternoon or, Special Voters' Assembly may be held any other day of the week that shall become necessary or convenient to the voters. Voters' Assemblies shall always be scheduled to allow adequate time for discussion and shall not conflict with Worship services and Sunday school.
- All pertinent information concerning the matter to be voted on shall be made available at the Voters' Assemblies and to voters at all Worship services at least two (2) weeks prior to the scheduled Voters' Assemblies.
- All Voters' Assemblies shall have all minutes recorded as a matter of record to facilitate the execution of future business approved by the Congregation. The Secretary of the Church Council shall assure that there is proper recording of all Voters Assemblies. Robert's Rules of Order shall govern all Voters' Assemblies.
- The process for electing a chairperson for boards that require staggered terms. Through this process there will be a method established for replacing the chairperson whose term has expired.  
The process will be as follows:
  1. The board members still activity serving their terms will be placed on a ballot along and the newly elected board members.
  2. Each voting member attending the Voters' Assembly will vote for one of the individuals on the ballot.
  3. The new chairperson will be the individual who receives the largest vote count.
  4. The results from the elections will be announced before the Voters' Assembly is adjourned.

### **B. Quorum and Voting**

A minimum of fifty (50) voting members must be present at any duly called Voters' Assembly to constitute a quorum. A majority vote of all voting members present shall constitute lawful action of the congregation unless otherwise stated in the Constitution and Bylaws.

### **C. Majority Rule**

Areas requiring Voters' approval will be passed or rejected based on a total count of votes at all assemblies with the decision deferring to the majority vote. Amendments to the Constitution and Bylaws require a two-thirds (2/3) vote for approval.

### **D. Order of Business**

All Voters' Assemblies shall be conducted in accordance with the Constitution and Bylaws.

The order of Business shall be as follows:

Opening prayer  
Election of new Church Officers and Board Members; all must be voting members of the Congregation.  
Written reports of progress against objectives  
Written reports from the boards  
Presentation of objectives  
Presentation of the church and school budget  
Other business  
Voting Results  
Election of Chairperson for boards with staggered terms.  
Closing prayer

Special congregational meetings will utilize the following order of business:

Opening prayer  
Presentation of special matter(s)  
Discussion  
Vote and announcement  
Closing prayer

### **Article III - Establishing Committees**

- The Voters' Assembly delegates to the Church Council, the Board of Elders, the Financial and Facility Board, the Board of Education, and the Pastors the authority to establish working committees in their areas of authority to execute the plans and requirements of the church.
- These committees shall have no authority granted or restrictions imposed other than those granted or imposed by the Voters' Assembly or the Board(s) that established their existence.
- All committees will report to the group or person(s) that established their existence.
- The group or person(s) prior to the establishment of the committee will create a document that describes the committee's goals and objectives to be presented to the Church Council for approval.
- When the committee has achieved its objective it will be dissolved.
- Church Council will announce through appropriate means, the establishment of committees to allow lay persons to volunteer/sign up.
- Announcements shall be made in the Sunday bulletin in all worship services on the same day and by other means of communication. Individuals shall be allowed at least two (2) weeks to volunteer. Individuals will sign up to volunteer through the Nominating Committee.

## **Article IV - Church Members**

### **DUTIES AND RESPONSIBILITIES:**

- Lead a Christian life as taught in Galatians 5: 19-26.
- Out of Christian love, submit to brotherly admonition, according to Matthew 18, when having erred or offended.
- Accord the Pastor(s), and other staff employees; honor, love and obedience in the execution of their ministry.
- Faithfully pray for the Pastor(s), and other employees.
- Faithfully and regularly attend worship services and actively study the Bible.
- Live by faith in Jesus Christ, providing their fellow members with love, concern, prayer and support.
- Support the work of all church officials; elected, called, appointed or employed.
- Contribute as God has blessed them, of their time, personal talents and finances toward the support of this congregation and the extension of the church at large (I Corinthians 16:2).
- Work to fulfill the mission of this congregation as stated in Article II of the constitution.
- Attend faithfully and regularly Voters' Assemblies to provide direction for church activities.

## **Article V – Congregational President/Chairperson of the Church Council**

**PURPOSE:** The President of the Congregation shall be a communicant member, thirty (30) years old or older with minimum of (5) years as a voting member of a LCMS congregation, and shall be elected for a three (3) year term. The President shall monitor and direct the Voters' Assemblies, to act as the Chairperson of the Church Council and exercise general administrative responsibility for the entire organization of the congregation and be responsible for ensuring that all elected or appointed officers, boards and committees function and carry out their duties and responsibilities. This individual shall also serve as Chairperson of the Nominating Committee.

### **DUTIES AND RESPONSIBILITIES:**

1. Preside over all Voters' Assemblies.
2. May serve as an advisory member of all boards and committees of the congregation if requested by the boards.
3. Represent the congregation in matters of business and sign or countersign all legal documents.
4. Represent the congregation at the Regular Convention of the Southeastern District—Missouri Synod or any other function requiring a representative or assign an individual as a representative with the approval of the Church Council.
5. The President shall serve as the Chairperson of the Church Council and Chairperson of the Nominating Committee.
6. Meet periodically with the Pastor(s) and President to review past progress and plan future efforts and priorities.

## **Article VI – Congregational Vice President/Secretary of the Church Council**

**PURPOSE:** To serve as the second-level executive of the congregation. Shall be a communicant member, thirty (30) years old or older with minimum of (5) years as a voting member of a LCMS congregation, and shall be elected for a three (3) year term. Work with all elected and appointed officers, boards and committees to assist them in carrying out their assigned duties and responsibilities.

The Vice President/Secretary will plan the Voters' Assemblies to include presentation of:

- Opening prayer
- Election of new Church Officers and Board Members; all must be voting members of the Congregation.
- Written reports of progress against objectives
- Written reports from the boards
- Presentation of objectives
- Presentation of the church and school budget
- Other business
- Voting Results
- Closing prayer

### **DUTIES AND RESPONSIBILITIES:**

1. Preside at all meetings of the Church Council and the Voters' Assembly at the request of, or in the absence of, the president.
2. Meet periodically with the Pastor(s) and President to review past progress and plan future efforts and priorities.
3. Coordinate with the Boards and Senior Pastor the Voters' Assemblies agenda.
4. Perform the duties of recording secretary for the congregation and the Church Council.
5. Ensure that all employee job descriptions and personnel records are reviewed and updated annually.

## **Article VII – Congregational Treasurer/Chairperson of the Finance and Facility Board**

**PURPOSE:** The elected Treasurer shall serve as Chairperson of the Board of Finance and Facility Board. This individual shall be a communicant member, thirty (30) years old or older with minimum of (5) years as a voting member of a LCMS congregation, and shall be elected for a three (3) year term. This individual will work with all elected and appointed officers, boards and committees to assist them in carrying out their assigned duties and responsibilities.

### **DUTIES AND RESPONSIBILITIES:**

1. This individual will be the chief financial officer of the congregation and shall be responsible for the overall financial program of the congregation in accordance with policies approved by the Church Council and the Voters' Assembly.
2. This individual will be responsible for the safekeeping of all funds, securities and fiduciary documents of the congregation.
3. This individual will be the disbursing agent of the congregation. All checks shall be issued under the authority and supervision of the treasurer, who shall be responsible for the establishment of appropriate fiscal controls over congregational funds.
4. This individual will serve as the Treasurer of the congregation and will review the financial accounting system, review the preparation of financial statements and the periodic reporting of them to the congregation, and the establishment or review of all financial accounting procedures. All accounting procedures are subject to the approval of the Church Council.
5. This individual will have oversight responsibilities for the maintenance of the buildings and grounds.

## **Article VIII - Church Council**

**PURPOSE:** The Church Council shall serve as the coordinating, conciliation, and communication body of the congregation of St. Stephens Lutheran Church- Missouri Synod of Hickory, North Carolina, INC. Primarily in the areas of policy review, oversight.

The Church Council will consist of the five (5) voting members:

- The Congregational President
- The Congregational Vice President/ Secretary.
- The Chairperson of the Finance and Facility Board/ Congregational Treasurer.
- The Chairman of the Board of Elders.
- The Chairperson of the School Board.

Non-voting Advisors to the Church Council:

- School Principal
- Senior Pastor
- Administrator
- Finance Manager

### **DUTIES AND RESPONSIBILITIES:**

As the governing body of the congregation of St. Stephens Lutheran Church- Missouri Synod, the Church Council shall:

- Ensure that the policies established by the Voters' Assembly are maintained, altered or revised in accordance with the will of the Voters' Assembly.
- Delegate authority from the Voters' Assembly as necessary to enable the desired policy change.
- Review and approve all policy changes and these changes will be presented to the Voters' Assembly.
- Monitor the financial situation of the Congregation in the interests of the Voters' Assembly.
- Review monthly reports from all Boards and ministries and ensure timely reporting to the congregation.
- At its discretion call a meeting of the Voters' Assembly.
- Establish all new Boards, Official Offices and Ministry positions as instructed by the Voters' Assembly and as policy and job descriptions are set forth by the council.
- The President shall determine by the situation the method of voting (i.e. ballot, show of hands, standing, etc.) and a written ballot shall be used at all elections or when an issue is deemed controversial by this council.
- Review the job performance evaluation of Pastors and Ministry Staff completed by the Board of Elders.
- Review the job performance evaluation of the School Principal and school staff completed by the Board of Education.
- Review the job performance evaluation conducted through the Finance / Facility Board for all staff under their supervision.
- Schedule monthly meetings. The president may call special meetings by notifying each member of the church council of the time and place. A majority of members of the council shall constitute a quorum.
- Serve as one of the coordinating, conciliation, and communication bodies of the congregation of St. Stephens Lutheran Church- Missouri Synod primarily in the areas of policy review and oversight. Except to the extent powers and authorities are retained by the Voters' Assembly, all corporate powers shall be exercised by or under the authority of the Church Council. The business and legal affairs of the congregation shall be managed under the direction of the Church Council.
- Shall approve additional funding sources developed and managed by the Finance / Facility Board.
- Oversee any disputes concerning functions and authorities of officers, boards and committees.
- Review any changes to the church organizational chart.
- Review all board and committee handbooks annually.
- Review their handbook annually.
- Conduct a self evaluation annually and make recommendations for changes to the Church Council. Each member shall also evaluate his or her willingness and ability to continue in a Board position.

## **Article IX - Board of Elders**

### **A. Number and Term:**

The Board of Elders shall consist of twelve (12) communicant male members with a minimum of seven (7) male members and the Chairman (1) – total 8. The board members shall be thirty (30) years old or older with a minimum of (5) years as a voting member of a LCMS congregation and each board member shall be elected for a one (1) year term. The Chairman will be the individual who receives the largest vote total from the Voters' Assembly. The individual receiving the largest vote count can refuse the position of Chairman during the Voters' Assembly and the individual with the next highest vote count will take the role of Chairman. The Nominating Committee shall replace all vacant board members within a three (3) month period to ensure the board maintains a total of twelve (12) male members.

## **B. Officers:**

The Chairman of the Board of Elders shall oversee all board meetings. The Chairman shall be a voting member of the Church Council. The Chairman will be the individual who receives the largest vote totals from the Voters' Assembly. If the Chairman can no longer fulfill his duties the Nominating Committee will begin the replacement process, and until the Voters' Assembly can vote in a new Chairman the Vice-Chairman will fill the position.

The Vice-Chairperson shall be selected by a majority vote of the Board, perform the duties of the Chairperson in the latter's absence, disability or refusal to act. When so acting, the Vice-Chairperson shall have all powers of and be subject to all the restrictions upon the Chairperson.

The Vice-Chairman will be the acting Secretary and will keep a permanent record of all board activities and record all minutes of meetings.

## **DUTIES AND RESPONSIBILITIES:**

- Ensure that the Word of God in its purity is proclaimed as outlined in Article III of the Constitution.
- Ensure that the Church and the Church staff execute all of the requirements of our mission as stated in Article II of the Constitution.
- Represent God's church and its members in accordance with the scriptures, doctrines and confessions of the LCMS.
- Evaluate, organize and present to the congregation special matters for approval.
- Provide oversight in all matters that contain scriptural, doctrinal or confessional elements.
- To assist the Pastor(s) in administering discipline within the congregation in order to promote a congregational climate of peace and goodwill.
- To encourage and assist face-to-face resolution of differences and conflicts as the endeavor for fostering mutual understanding.
- To assist Pastoral service and demonstrate lay leadership and worship.
- To seek to involve all members of the congregation in worship, learning and witness.
- Whether by complaint of any member or its own knowledge, any matter requiring implementation of Article VI-Authority in the Congregation, Section 5-Removal from Office of Ministry shall be referred to the Board of Elders. If the matter cannot be resolved by the Board of Elders to the satisfaction of those involved it shall be sent to the Church Council for review, and then referred to the Voters' Assembly for final adjudication.
- Conduct the Senior Pastors annual job evaluation and report findings to the Church Council.
- Review all annual job evaluations for the staff under the supervision of the Senior Pastor and report findings to the Church Council.
- A minimum of seven (7) board members and the Chairman (1) must be present to constitute a quorum.
- The board shall review and update their handbook annually.
- Shall conduct a self evaluation annually and make recommendations for changes to the Church Council. Each member shall also evaluate his or her willingness and ability to continue in a Board position.
- The Board will work in conjunction and in harmony with the Senior Pastor.

## **Article X- Finance and Facility Board**

### **A. Number and Term:**

The elected Treasurer shall serve as Chairperson of the Finance / Facility Board. The Finance / Facility Board shall consist of four (4) additional communicant members including the Chairperson for a total of five (5) members, board members shall be thirty (30) years old or older with a minimum of (5) years as a voting member of a LCMS congregation, and each board member shall be elected for a three- (3) year term. The terms of the board members shall be staggered with one (1) board member's terms expiring the first year, one (2) board member's terms expiring the second year, and two (2) board member's terms expiring the third year.

### **B. Officers:**

The Chairperson shall have the authority to sign those documents as are approved by the Church Council or the Voters' Assembly. The Finance / Facility Board shall also elect a Vice Chairperson who shall serve in the event the Chairperson is unable to do so. The Chairperson of the Board is designated for the purpose of administering the board meetings and has no additional authority other than that of a board member. The Chairperson will be a voting member of the Church Council.

The Vice-Chairperson shall be selected by a majority vote of the Board, perform the duties of the Chairperson in the latter's absence, disability or refusal to act. When so acting, the Vice-Chairperson shall have all powers of and be subject to all the restrictions upon the Chairperson.

The Vice Chairperson will be the acting Secretary to the Board and maintain a permanent record of the minutes of all meetings of the Finance and Facility Board; have custody of the seal, record books and other documents of the congregation; conduct all authorized correspondence, and issue official notices.

The Nominating Committee shall replace all vacant board members within a three (3) month period to ensure the board maintains a sufficient number to operate.

### **DUTIES AND RESPONSIBILITIES:**

- Represent God's Church and its members in accordance with the church constitution and by-laws.
- Monitor and provide for all the financial and facilities operations for the church and school.
- Complete an annual job evaluation for the Administrator and the Board shall review all other job evaluation completed by the Administrator.
- The Board members shall be elected by the Voter's Assembly.
- The Vice-Chairperson of the Board shall act as a recorder secretary for all Finance and Facility Board meetings. This person is elected by the Board members.
- The Chairperson shall be responsible for calling board meetings monthly or may call for additional meetings as deemed necessary.
- All members of the Finance and Facility Board must be informed of all Board meeting in ample time to attend or respond as normal.
- A minimum of two (2) members and the Chairperson (total 3) must be present to constitute a quorum for a vote.
- The minutes of each Finance and Facility Board meeting shall be recorded and maintained as a permanent record and made available to the congregation.
- Develop, review, plan and control the implementation of the annual church budget and objectives.
- Be responsible for the disbursing of all funds of the congregation in accordance with its constitution, resolutions, approved budgets and facility procedures.
- Implement the Church's financial and facility policies and directives as set forth in the church constitution, with regard to financial and facility management, advising the Church Council and other boards on financial and facility matters where appropriate.
- The board shall review and update their handbook annually.
- Shall conduct a self evaluation annually and make recommendations for changes to the Church Council and each member shall also evaluate his or her willingness and ability to continue in a Board position.
- The board shall be the acting hiring authority for the Administrator position.
- Shall ensure a Faculty and Staff Handbook is developed, revised as needed, and annually signed by all employees.
- Review and direct the development and management of additional funding sources which are not included in the budget. The approval of these additional funding sources shall be approved by the Church Council.

### **As Respect to the Church's Facilities:**

The Finance / Facility Board shall ensure the planning and oversee building maintenance, custodial maintenance, grounds maintenance, security, and safety functions for the Church and School. Establishes, implements, and enforces facilities policies and procedures, and ensures that workflow priorities and quality standards for maintenance, custodial, security, and safety tasks are completed. Ensures the management of all work priorities through the use of a Work Order Management System. Will oversee the day to day operation of the Church and School properties through the Administrators position. The board through the Administrator shall respond to all work requests and congregational inquiries in a timely and courteous manner. Regularly contacts various building and grounds users and Church and School staff to resolve a variety of problems. The Finance / Facility Board shall develop and maintain an in-depth knowledge of Church and School operations and objectives, and overall knowledge of other departments. The Board shall oversee a fixed asset inventory system.

## ***Article XI - Board of Education***

### **A. Number and Term:**

The Board of Education shall consist of five (5) board members. The board shall consist of communicant members, thirty (30) years old or older with a minimum of (5) years as a voting member of a LCMS congregation, and each member shall be elected for a three- (3) year term. The terms of the members shall be staggered with one (1) board member's terms expiring the first year, and two (2) board member's terms expiring the second year and two (2) Board members terms expiring the third year. All Board members must be voting members of the Congregation. A minimum of two (2) members and the (1) Chairperson - (total 3) must be present to constitute a quorum for a vote.

## **B. Officers:**

The Chairperson shall be elected by the Congregation, preside at all Board of Education meetings and perform such other duties as approved by the Board. The Chairperson shall be the Principal's point of contact with the Board when the Board is not in session. The Chairperson will be a voting member of the Church Council.

The Vice-Chairperson shall be selected by a majority vote of the Board, perform the duties of the Chairperson in the latter's absence, disability or refusal to act. When so acting, the Vice-Chairperson shall have all powers of and be subject to all the restrictions upon the Chairperson. The Vice Chairperson shall act as Recording Secretary.

## **DUTIES AND RESPONSIBILITIES:**

- Ensure that the Word of God in its purity is proclaimed as outlined in Article III of the Constitution.
- Represent the school, staff, and students in accordance with the scriptures, doctrines and confessions of the Lutheran Church- Missouri Synod.
- Board of Education shall oversee the continuing operation of this ministry and oversee the school's business affairs. The responsibilities of the Board shall include, but not be limited to, review and approval of policies, acting on matters of personnel including hiring and firing pursuant to other provisions of the Bylaws, review and approval of tuition and fees, promoting Christian education in the community, and praying for the ministry of the School.
- Assist in setting the spiritual tone for the school. Board members shall pray both individually and corporately for the administration, faculty, staff, parents, and children of the school. They will be inclined to prayer, ever mindful of their own dependence on God for His grace and wisdom manifest in their leadership.
- Review and approve school policy, not to administer the school. The daily administration is the work of the Principal. The Board's policies set the general boundaries within which the Principal administers the school.
- The Board's authority is corporate. Individual Board members have authority to act only when the Board is convened in regular or special session. There shall be only one line of authority, which will flow from the Congregation to the Church Council to the Board of Education through its Chairperson to the Principal, who is charged with the responsibility for properly conveying the decisions and actions of the Board to the faculty, staff, students, and parents as appropriate.
- Shall oversee the general financial operation of the school by approving annual budgets, approving methods of raising necessary operating funds, and determining how these funds shall be disbursed. The Board shall adopt a policy requiring officers, employees, or others responsible for any aspect of the finances of the School to make accurate and complete financial accounting to the Board and shall encourage the reporting to the Board of any suspected financial impropriety.
- Shall exercise due care to determine the school operates according to accepted legal principles which should include, but not be limited to, obtaining competent legal advice and consideration of safety and personnel issues.
- A significant duty is its role and interaction with the Administrative Officer (Principal). The Principal will implement the Board's legislated policies and directives and manage the day-to-day operation of the school. The annual evaluation of the Principal is the responsibility of the entire Board of Education.
- Upon recommendation of the Principal, the faculty and staff of the school shall be approved by the Board of Education after careful consideration of their spiritual and academic qualifications.
- Shall ensure a Faculty and Staff Handbook is developed, revised as needed, and annually signed by all employees.
- Shall ensure curriculum, educational programs and standards of achievement for the School are consistent with established goals of the Congregation and these Bylaws. This shall be accomplished in partnership with the Principal and faculty.
- Shall conduct a self evaluation annually and make recommendations for changes to the Church Council. Each member shall also evaluate his or her willingness and ability to continue in a Board position.
- The Nominating Committee shall replace all vacant board members within a three (3) month period to ensure the board maintains a sufficient number to operate.

## **Operating Rules:**

- The Chairperson of the Board is designated for the purpose of administering the board meetings.
- Terms are staggered with no more than two (2) members replaced at one time.
- Board members may not serve consecutive terms.
- Minutes will be recorded by the Vice- Chairperson and retained as public records.
- A minimum of two (2) board members and the (1) chairperson – total 3, must be present to constitute a quorum.
- All members of the board must be informed of all board meetings.
- Act as the final approval for all changes to school curriculum.

*Below are brief descriptions of the purpose of the position and the individual or group who supervises the staff position. The job descriptions are located within a job description manual.*

## **Article XII- Senior Pastor**

**PURPOSE:** To serve the church by providing spiritual leadership, pastoral care, member visitation, ministry oversight and direction to the congregation, with a broad program of worship, music, preaching, teaching and fellowship. This individual will complete an annual job evaluation of the Associate Pastor's and Ministry Staff and report these evaluations to the Board of Elders and these evaluations will be reported to the Church Council. The Senior Pastor shall work in conjunction with the Board of Elders. The Senior Pastor shall be an advisor to the Church Council.

## **Article XIII- Associate Pastor**

**PURPOSE:** To serve the church by providing spiritual leadership, pastoral care, member visitation, ministry oversight and direction to the congregation, with a broad program of worship, music, preaching, teaching and fellowship by providing comprehensive and broad-based assistance to the Senior Pastor. An Associate Pastor will work under the direct supervision of the Senior Pastor and work in conjunction with the Board of Elders.

## **Article XIV- Principal**

**PURPOSE:** Manage and maintain the school as an agency of the church where the confessions and doctrine of St. Stephens Lutheran Church - Missouri Synod will be taught and professed. The Principal shall be synodically trained and a called position. This individual should attempt to fill all teacher vacancies with synodically trained teachers, if available, and qualified as directed by the Board of Education. The Principal will complete an annual job evaluation of all Educational Staff and report these evaluations to the Board of Education. The Principal will work under the direct supervision of the Board of Education. The Principal will be an advisor to the Church Council. The principal will be a non-voting member of the Board of Education.

## **Article XV – Administrator**

**PURPOSE:** This position shall plan, direct, or coordinate the Human Resource activities for the Church and School. Monitor and maintain the facilities, develop and maintain all contract services, coordinate all the supportive services of this organization; example of the positions or departments, record keeping, clerical and administrative support workers, custodial operations. The Administrator shall work under the supervision of the Finance and Facility Board. The Administrator shall be an advisor to the Church Council. This position is considered support staff.

## **Article XVI – Finance Manager**

**PURPOSE:** This position shall plan, direct, or coordinate services of this organization in regards to the development and monitoring of the direct financial activities conducted through the church and school. The Finance Manager shall work under the supervision of the Administrator and will be an advisor to the Church Council. This position is considered support staff.

## **Article XVII- Establishing Ministry Staff Position**

The process for interviewing and filling any vacant Ministry Staff positions shall follow the following guidelines:

- Candidates for the vacant ministry staff position can be submitted by any member of St. Stephens Lutheran Church – Missouri Synod of Hickory, North Carolina, INC.
- Candidates for Called positions shall have their names submitted to the Southeastern District for their review.
- The Senior Pastor and the Board of Elders shall review the list to determine which individual or individuals will be submitted as final candidates for the vacant ministry staff position.
- The Church Council shall review the candidate or candidates for consideration. The Church Council will present the candidate or candidates to the congregation at a called Voters' Assembly.
- The Voters' Assembly shall have final approval for the hiring of any vacant ministry staff position.

## **Article XVIII – Nominating Committee and Election of Officers**

The Church Nominating Committee is an elected committee of four (4) voting members of the church for a term of two (2) year. The President of the Congregation will serve as the Chairman and shall vote only if the committee is dead locked in a tie vote.

No person may serve more than two (2) consecutive terms.

Persons placed in nomination for election as a member of any Church Board or Office must be an eligible voting church member in good standing as described in Galatians 5: 19-26.

The Nominating Committee will select and screen all candidates to ensure that they meet the election criteria as set forth in Article VI of the constitution and Article IV of the by-laws. The candidates for all elected positions must understand the duties required and be willing to serve.

The nominating committee will select, as a minimum, one more candidate than the total number of positions to be filled.

Persons placed in nomination shall be knowledgeable of the confessional position of the LCMS as put forth in Article III of the Constitution for a period of no less than two (2) years, and five (5) years for Elders.

The Nominating Committee shall operate under the guidance of the Church Council.

- *Note that this committee is different from a Pastor Nominating Committee which is a committee of the Board of Elders searching for a new pastor. The Board of Elders will complete the searching process and the Nominating Committee will conduct the calling process. The Voters' Assembly will be the final approval authority for all congregational matters. Matters which are presented to St. Stephens Lutheran Church – Missouri Synod of Hickory, North Carolina, INC. by the Lutheran Church Missouri Synod or Southeastern District – Missouri Synod, district or synod committees or persons shall require congregational action.*

### **Election of Officers**

Individuals shall not serve as a member of more than one board during their tenure.

No employee of the church or school shall be eligible to serve on any board. This shall apply to the employees family members (see definition of Family Member in Article XXV of the By Laws).

Any member of the congregation can submit an individual's name for consideration to the Nomination Committee.

The President of the Congregation will present the slate of nominees compiled by the Nominating Committee to fill the vacant positions to the congregation.

The President of the Congregation will direct the Voters' Assembly and present any necessary reports to the Congregation.

Voting shall be by preprinted written ballot, each slate of officers must be considered separately. With the exception of voting on the Chairperson of boards with staggered terms ( see Article II section A. Assembly for description of exception).

The ballots will be collected with one (1) ballot per eligible voting member and secured for counting by the Nominating Committee.

The President of the Congregation will announce the outcome of all votes and determine if a second ballot is required; in the event of a tie vote, a second ballot will be conducted for the tied positions only.

The nominated person(s) receiving the most votes will be elected.

All balloting and counting must be completed, announced and recorded in the minutes during the Voters' Assembly.

## **Article XIX- Family Member/Employee Conflict of Interest**

St. Stephens Lutheran Church will not consider hiring Ministry Staff and administration and supervisory staff positions that are in a Family Member relationship as defined in Bylaw Article XXV-Definitions- The term family member shall mean.

Individuals shall not serve as a member of more than one board during their tenure.

Family members shall not serve on the same board or as chairman/chairperson of any board.

*See Article XXV of the Bylaws for the definition of a family member.*

No employee of the church or school, employee spouse, or their children shall be eligible to serve on any board.

No employee of the church or school shall be eligible to serve on any board. This shall apply to the employees family members (see definition of Family Member in Article XXV of the By Laws).

## **Article XX- Vacancies of Board Members or Staff**

Any vacant board position, other than expiration of term, shall be filled by a majority resolution of the remaining members with approval by the Church Council. The individual appointed to hold the vacated position shall hold the position until the Nominating Committee can approve a list of possible replacements for the board position. The Voters' Assembly shall vote on the replacement at the next regularly scheduled Voters' Assembly. In the event a chairman/chairperson position becomes vacant the vice-chairman/chairperson shall take responsibility for the position until the replacement is voted on at the next Voters' Assembly.

A vacant position shall be deemed an exist in the case of a resignation, incapacitation, death, or removal from the position. In the case of called or appointed staff the board with acting supervision shall select an interim individual by majority consent of the supervising board and receive approval by the Church Council. The Interim shall serve up to 180 days or until the Congregation can successfully fill the vacant position.

## **Article XXI- Board Member Compensation**

Members of the any board or committee for the church or school shall receive no compensation for their services. The board may authorize the reimbursement of expenses incurred by any board or committee member in the performance of official business.

## **Article XXII – Indemnification**

Any person who at any time serves or has served as an officer of the corporation shall have a right to be indemnified by the corporation to the fullest extent permitted by law against (a) expenses, including reasonable attorneys' fees, actually and necessarily incurred by him or her in connection with any threatened, pending or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, whether formal or informal, and whether or not brought by or on behalf of the corporation, arising out of his or her status as officer, employee, or agent of any other corporation, partnership, joint venture, trust or other enterprise or as a trustee or administrator under an employee benefit plan, or his or her activities in any of the foregoing capacities, and (b) any liability incurred by him or her, including without limitation, satisfaction of any judgment, money decree, fee (including any excise tax assessed with respect to an employee benefit plan), penalty of settlement for which he or she may have become liable in connection with any such action, suit, or proceeding. The Church council of the corporation shall take all such action as may be necessary and appropriate to authorize the corporation to pay the indemnification required by this By-law, including without limitation, to the extent necessary,

(a) making a good faith evaluation of the manner in which the claimant for indemnity acted and of the reasonable amount of indemnity due him or her and (b) giving notice to and obtaining approval by the members of the corporation expenses incurred by an officer in defending an action, suit, or proceeding may be paid by the corporation in advance of the final disposition of such action, suit, -or proceeding upon receipt an undertaking by or on behalf of the officer to pay such amount unless it shall ultimately be determined that he or she is entitled to be indemnified by the corporation against such expenses.

Indemnification provided herein, and any modification or repeal of these provisions for indemnification shall be prospective only and shall not affect any rights or obligations existing at the time of such modification or repeal. Such right shall inure to the benefit or the legal representatives of any such person, shall not be exclusive of another rights to which such person may be entitled apart from the provisions of this By-law, and shall not be limited by the provisions for indemnification in Sections 55A-8-51 through 55-8-56 of the North Carolina Non-Profit Corporation Act or any successor statutory provisions.

Any person who is entitled to indemnification by the corporation hereunder shall also be entitled to reimbursement of reasonable costs, expenses and attorneys' fees incurred in obtaining such indemnification.

## Article XXIII - Dissolution

In the event the corporation shall at any time dissolve and/or terminate its corporate existence the Church Council of the corporation shall consider and adopt a plan of liquidation and dissolution with the approval of the congregation. Said plan shall provide for the collection of all assets, the payment of all liabilities and the remaining portion thereof be assigned to the Lutheran Church - Missouri Synod and/or its designee.

## Article XXIV- Conflict of Interest

**Purpose:** The purpose of this conflict of interest policy is to protect this tax-exempt organization's (Organization) interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or Member of the Organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

### A. Definitions:

1. Interested Person: Any Member, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.
2. Financial Interest: A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
  - a. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,
  - b. A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or
  - c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

### B. Procedures

1. Duty to Disclose: In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Members and members of committees with governing board delegated powers considering the proposed transaction or arrangement.
2. Determining Whether a Conflict of Interest Exists: After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.
3. Procedures for Addressing the Conflict of Interest:
  - a. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
  - b. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
  - c. After exercising due diligence, the governing board or committee shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
  - d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested Members whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.
4. Violations of the Conflicts of Interest Policy:
  - a. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
  - b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

### **C. Records of Proceedings:**

The minutes of the governing board and all committees with board delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing boards or committee's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

### **D. Compensation:**

- a. A voting member of the governing board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- c. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

### **E. Annual Statements:**

Each Member, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

- a. Has received a copy of the conflicts of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

### **F. Periodic Reviews:**

To ensure the Organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information and the result of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

### **G. Use of Outside Experts:**

When conducting the periodic reviews, the Organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

## Article XXV- Definitions

The term *Family Member* shall mean:

- Husband, Father, Step-Father
- Wife, Mother, Step-Mother
- Son, Daughter, Step-Son, Step Daughter
- Brother, Sister, Step-Brother, Step-Sister

The term *Support Staff* shall mean any staff position under the supervision of the Principal or the Administrator; these individuals will not have a title of ministry attached to the position. Examples: Administrator, Finance Manager, Secretary, Custodians, Contractors or Vendors, After-school program staff, Cafeteria staff, Assistant Principal, and Teachers or Assistant Teachers, etc.

The term *Ministry Staff* shall mean any staff position under the supervision of the Senior Pastor and in conjunction with the Board of Elders. These individuals will have the title of Ministry attached to the position. Examples: Children's Ministry Director, Youth Ministry Director, Music Ministry Director.

The term *Vacancy of Position* shall be deemed to exist in the case of a resignation, incapacitation, death, or removal from the position.

The phrase *Member or Officer* shall include a person who, while serving as a Member of a Board or an Officer of a Board, is or was serving at the request of the Church as Board member, Officer, Partner, Member, Manager, Trustee, Employee, Fiduciary, or Agent of a nonprofit organization, or other person or employee benefit plan. The phrase *Member or Officer* shall also include the estate or personal representative of a Member or Officer, unless the context requires otherwise.

The term *proceeding* shall mean any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, whether formal or informal; any appeal in such action, suit, or proceeding; and any inquiry or investigation that could lead to such action, suit, or proceeding.

The term *party* includes an individual who is, was, or is threatened to be made a named defendant or respondent in a proceeding.

The term *liability* shall mean any obligation to pay a judgment, settlement, penalty, fine, or reasonable expense incurred with respect to a proceeding.

The term *official capacity* shall mean the office of Member in the Church, and, when used with respect to a person other than a Member, shall mean the office in the Church held by the Officer or the employment, fiduciary, or agency relationship undertaken by the employee or agent on behalf of the Church, but in neither case shall include for any other person or other enterprise.

The term *official business* is connected to regularly scheduled district or synodical events.

The term *Interested Person* means any Member, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

The term *Financial Interest* means a person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

An ownership or investment interest in any entity with which the Organization has a transaction or arrangement.

A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement.

A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

