

LEADERSHIP COUNCIL POLICY BOOK

FIRST MENNONITE CHURCH OF IOWA CITY

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Overview

Using the authority the Congregation has given it through the Bylaws, the Leadership Council has adopted the following policies. The Leadership Council records all of its actions in its minutes; for ease of reference, it also records in this policy book any action intended to authorize others to make decisions or to control multiple decisions over time.

1. Leadership Council

1.1 Role of Leadership Council

The Leadership Council will govern primarily by discerning mission; planning for the future; partnering with the Pastor(s) and staff; and holding leaders of the Congregation, including its own members, accountable for their performance.

1.1.1. Annual Leadership Council Work Products

In concert with the Pastor(s), staff, and congregation, the Leadership Council will produce and adopt:

- An annual short list of **Open Questions** about the church's future as the basis for ongoing planning and conversation in the Leadership Council, with the Pastors(s), with the staff, and with the congregation at large.
- An annual **Vision of Ministry**, consisting of a short list of top-priority areas where the church will advance its work in the coming year, as a starting point for budgeting and staff planning.

- An annual **Ministry Evaluation** of the church's successes or difficulties in achieving the prior year's Vision of Ministry.
- An annual, mutual **Performance Self-Evaluation** of the Pastor(s), Church Life Facilitator, and Leadership Council's effectiveness in their respective roles.

1.1.2. Less Frequent Leadership Council Work Products

In concert with the Pastor(s), staff, and congregation, the Leadership Council will produce and adopt:

- A **Triennial Evaluation** of the Pastor(s) performance in their wider pastoral role.
- A **Strategic Plan**, to be updated every five to ten years, consisting of a short list of the most important results the Leadership Council intends to achieve through the church's ministry and the strategic choices (regarding programming, membership, capital and operating budgets, and staffing) the Leadership Council has made about how to achieve those results.
- A **Mission Statement**, to be updated as needed, that articulates the church's purpose and related statements (vision, values, and a tagline) to communicate the reason for the church's work.

1.2 Expectation of Leadership Council Members

1.2.1 Leadership Council Covenant

We, the members of the Leadership Council, enter into this covenant of mutual expectations for Leadership Council service. New members of the Leadership Council will be asked to join us in these commitments, and the Leadership Council will review this covenant at least annually, and update it as needed. As Leadership Council members, we will:

- **Prepare** for Leadership Council meetings. We will read the Leadership Council packet sent prior to each meeting and accept responsibility to seek and provide information necessary for the Leadership Council to make well-informed decisions.
- **Attend** Leadership Council meetings. When possible, we will attend all duly called Leadership Council meetings. If it is necessary to miss a Leadership Council meeting, then we will inform the Leadership Council Chair as early as possible. If we do not expect to be able to attend meetings consistently, then we will resign for the good of the Leadership Council.
- **Participate** in Leadership Council meetings. We will listen carefully to others, giving special attention to ideas and perspectives different from our own. We will feel free to state the obvious and ask questions when we do not understand. We will speak forthrightly in Leadership Council meetings and vote according to our understanding of the church's mission.
- **Share** the work of the Leadership Council. We will respond to emails and other communications in a timely manner. We will accept assignments and other tasks and complete them as agreed. Each Leadership Council member is equally responsible for speaking up to ensure compliance with the Bylaws, ethical values, and this covenant.

- **Treat one another with respect and courtesy.** When we have disagreements or conflicts, we will address those directly with the persons concerned, seeking assistance from others as necessary to sustain a positive working atmosphere at the Leadership Council table.
- **Use discretion** in communicating about Leadership Council discussions. We will treat the views expressed in Leadership Council discussions as tentative and refrain from reporting the opinions of others. We will respect the Leadership Council's authority to make decisions, even when individually we were not in agreement with a decision. When the Leadership Council agrees that certain matters will be kept confidential, we will honor those agreements.

1.2.2 Conflicts of Interest

The Leadership Council expects all of its members to carry out their duties with undivided loyalty to the church and its mission. A conflict of interest exists whenever the Leadership Council member has interests or duties that may hinder or appear to hinder the Leadership Council member from fulfilling this duty.

1.2.2.1 Definition. Conflicts of interest arise when the Leadership Council Member:

- Stands to gain or lose financially because of an action of the church in which they have a decision-making role.
- Cannot set aside their personal preferences as an individual participant of the church community to act on behalf of the whole church and its mission.
- Faces any other situation that impairs or reasonably appears to impair their independence of judgment.
- Has a close relationship with someone who has a conflict of interest, as defined here. A close relation includes any person, corporation, or other business entity with which the Leadership Council member has a close personal, family, or business relationship.

1.2.2.2 Conflict-of-Interest Process. When a Leadership Council member reports a potential conflict of interest related to a matter before the Leadership Council, the Leadership Council (minus the affected member) will determine how to handle the situation. Possible responses include:

- Disclosure in Leadership Council minutes of the nature of the conflict.
- Leaving the room during all Leadership Council discussions and votes related to the conflict of interest.
- Resignation from the Leadership Council.

1.2.3 Discipline and Removal of Leadership Council Members

In exercising its power under the Bylaws to remove a Leadership Council member, the Leadership Council will follow the following procedures:

1.2.3.1 Removal for Misconduct. The Secretary will notify the member in writing and offer a hearing before the Leadership Council. Pending such hearing, the Leadership Council may suspend the member's voting privileges.

1.2.3.2 Removal for Absence from Leadership Council Meetings. If a member misses more than three meetings in a twelve-month period, then the Secretary may notify the member in writing that the member may appear at the next meeting to ask the Leadership Council to excuse the absences, or the Leadership Council will request the member's resignation.

1.2.4 Voting at Leadership Council Meetings Consensus when voting is the goal. For most issues, a simple majority is needed for approval. For particularly vital or sensitive issues, as identified by the Leadership Council ahead of a vote, 5/6 or a unanimous vote may be called for.

1.2.5 Amending Leadership Council Policies To amend or add to the Leadership Council Policy Book, a 5/6 majority vote is needed.

1.3 Leadership Council Members

As defined in the Bylaws, the Leadership Council is made up of six members, one of which also serves on the Stewardship Committee, chosen for three-year terms, as well the Senior Staff Team as ex-officio, non-voting members. In addition to the duties defined by the Bylaws, the members have the following responsibilities:

1.3.1 The Leadership Council Chair prepares the Leadership Council's agenda in collaboration with the Senior Staff Team, facilitates or arranges for facilitation of Leadership Council meetings, and works in partnership with the Senior Staff Team to ensure productive partnership between the Leadership Council and staff.

1.3.1.1 The Leadership Council Chair sends out, or directs someone to send out, the following at least three days in advance of a Leadership Council meeting: the agenda including the purpose of each item (e.g. for discussion, for a vote), the ministry program report from the Senior Staff Team, the financial reports from the Stewardship Committee, and any other documentation that supports an item on the agenda.

1.3.2 The Secretary ensures the safety and accuracy of Leadership Council records, including the minutes and these policies. In cooperation with the staff, the Secretary sees that minutes and Leadership Council policies are promptly posted on the church website and distributed to the congregation.

1.4 Leadership Council Committees

Committees exist to help the Leadership Council govern and not for administration or program management or to make decisions on the Leadership Council's behalf. (To manage programs, the church uses Ministry Teams responsible to the Senior Staff Team.) Ad hoc committees can be formed and dissolved as needed. The standing Leadership Council committees are:

1.4.1 Stewardship Committee

Assists the Leadership Council in its oversight of the congregation's finances, ensures that routine financial reports are clear and helpful, and coordinates the financial audits. From time to time, holds educational sessions to ensure that Leadership Council members have adequate understanding of the congregation's financial status and goals. Directs the Treasurer to make disbursements, within the limits defined herein. Representative from the

Stewardship Committee is a member of the Leadership Council, following the same term duration and selection process as the other Leadership Council member positions.

1.4.2 Transition Committee

Helps the Leadership Council to focus on its chosen role, advises Gifts Discernments on desired qualities for filling Leadership Council vacancies, trains Leadership Council members, and leads the annual Leadership Council Performance Evaluation process. The Transition Committee plays a key role in facilitating parts of the Annual Retreat where the Annual Vision of Ministry and the Open Questions are identified. The Transition Committee supports the Leadership Council in questions of implementing the new structure and facilitating adjustments of the structure, as needed.

2. Delegation to the Staff

2.1 Global Delegation to Pastor(s) and Church Life Facilitator

The Leadership Council hereby delegates all of its authority to manage the work and resources of the church, except as expressly limited by these policies, to the Pastor(s) and the Church Life Facilitator.

2.2 Senior Staff Team

The Senior Staff Team manages the work of the church and is comprised of the Pastor(s) and the Church Life Facilitator. The Senior Staff Team reports directly to the Leadership Council. The Leadership Council expects the Senior Staff Team, individually and jointly:

- To lead and unify the paid and volunteer staff in directing their efforts toward the fulfillment of the church's mission and goals.
- To ensure compliance with the Bylaws, Leadership Council policies, and applicable laws and regulations.
- To uphold a high standard of ethical and professional conduct.
- To accomplish the goals contained in the Annual Vision of Ministry by developing annual goals for its work as a team.

2.3 Staff Accountability

All members of the Senior Staff Team are accountable to the congregation through the Leadership Council for their performance.

3. Guidance and Limitations

3.1 Personnel Decisions

The Leadership Council will take the lead in the selection, hiring, and discharge of the Senior Staff Team.

3.1.1 Hiring Pastors

Before filling a Pastoral position, the Leadership Council will appoint a Search Committee, who will recommend a final candidate to the Leadership Council. Upon affirmation from the Leadership Council, the final candidate will be presented to the congregation for approval. The Leadership Council will set the percentage of affirmative votes needed for filling a Pastoral position, at or above eighty percent (80%).

3.1.2 Hiring Church Life Facilitator Before filling the Church Life Facilitator position, the Leadership Council will appoint an ad hoc Hiring Committee that will recommend a final candidate to the Leadership Council for approval. The Leadership Council will seek a vote of affirmation from the congregation before giving its approval to any candidate.

3.1.3 Hiring Non-Pastoral Staff

Before filling non-pastoral staff positions, other than the Church Life Facilitator position above, the Senior Staff Team will consult with lay leaders and others directly impacted by the open position, before recommending a final candidate to the Leadership Council for approval.

3.1.4 New Positions

New positions are normally created through the budget process by requesting funds for an additional staff position.

3.1.5 Employment at Will

All paid staff are employees at will, unless the Leadership Council approves the terms of a contract that states otherwise. Employment at will means the paid staff are hired for an indefinite period of time and their employment can be terminated by either party at any time.

3.1.6 Discipline and Termination

The Senior Staff Team will discipline and direct paid staff as necessary, ensuring that any action complies with applicable laws, Leadership Council policies, contracts, and the personnel policies discussed herein. If termination of paid staff is desired, the Senior Staff Team must promptly notify the Leadership Council. A hearing may be held with an ad hoc Personnel Committee and a final decision will be made by the Leadership Council.

3.2 Care for Paid Staff

The church intends to be a fair, ethical, and attractive employer; to achieve high staff morale and productivity; and to protect members of the staff from all forms of injustice and abuse related to their employment.

3.2.1 Supervision and Evaluation

Each new employee will be provided with an up-to-date job description and the position or body to which the new employee reports. The reporting body will facilitate an annual review and evaluation of the employee.

3.2.2 Compensation and Benefits

As part of the annual budget process, the Leadership Council will direct its Stewardship Committee to review compensation and benefits for all paid staff and recommend adjustments for the coming year.

3.2.3 Personnel Policies

The following principles will be followed:

3.2.2.1 Nondiscrimination. The church does not discriminate because of race, color, age, sex, marital status, sexual orientation, gender identity and expression, disability, national origin or ancestry, economic status, union membership, or political affiliation. Religious opinion and affiliation may be considered only to the extent that it may be a bona fide

occupational requirement or may prevent an employee from being fully supportive of the church's mission and values.

3.2.2.2 Harassment. The church is committed to maintaining a work environment that is free of harassment. Harassment of any kind, including sexual harassment, is absolutely prohibited, and allegations of harassment must be reported and acted upon promptly.

3.2.2.3 Grievances. The church intends to protect the right of staff to raise concerns about working conditions without fear of retaliation. A staff member who alleges that the law or Leadership Council policies have been violated to their detriment may present a grievance to the Chair of the Leadership Council, who must immediately acknowledge the complaint in writing and report it to the rest of the Leadership Council, which will undertake an investigation and response.

3.2.3.4 Conflict Resolution. Conflicts between paid staff members that the staff members are unable to resolve on their own will bring the conflict to the Leadership Council. The Leadership Council will either apply a standing policy to resolve the conflict, or will delegate the conflict to an ad hoc committee. The ad hoc committee will meet with the staff members as needed until resolution of the conflict. If resolution is not possible, the ad hoc committee will make a recommendation to the Leadership Council on how to move forward. The Leadership Council will make the final decision.

3.2.3.5 Whistleblower Protection. The church prohibits retaliation against employees or other persons who in good faith report:

- A suspected violation of law, such as harassment, fraud, or misappropriation of church assets.
- A suspected danger to public health or safety.
- Suspected violation of these policies.

An employee who retaliates against anyone who has made such a report is subject to discipline up to and including termination of employment.

3.3 Care for Members and Guests

The Senior Staff Team must take all reasonable care to prevent harm to members, guests, program participants, and other people affected by the church.

3.3.1 Health and Safety

The Senior Staff Team must ensure that all church programs are safe for participants and staff; that facilities are maintained in a safe, sanitary, and secure condition; that required licenses and inspections are kept up to date; and that hazards are corrected promptly.

3.3.2 Emergency Planning

The Leadership Council will task an ad hoc committee with the creation of a written plan for responding to reasonably foreseeable emergencies, including serious accident, fire, toxic conditions, weather problems, threatening communications, power outages, and natural disasters. The Senior Staff Team must be well-informed of these plans and ready to implement them when

needed. The Leadership Council will ensure that the written plan is reviewed periodically and updated as needed.

3.3.3 Child Protection

Because of the church's special responsibility for children and youth in its care, the Leadership Council will task an ad hoc committee as needed with the maintenance of the Safe Church Policy that includes clear procedures for the selection, training, and supervision of anyone who works with persons aged eighteen and younger. The Senior Staff Team must oversee the implementation of such procedures. The Leadership Council will ensure that the written plan is reviewed periodically and updated as needed.

3.3.4 Disruptive Behavior

In order to sustain an atmosphere that is truly open to a wide variety of individuals, the church must firmly and promptly address behavior that threatens the physical or emotional safety of any adult or child or chills the free exchange of opinions and beliefs. When such behavior occurs, the Senior Staff Team must take immediate action if required and report promptly to the Leadership Council, recommending any further disciplinary action, which may include termination of church employment or membership.

3.3.5 Termination of Membership

As needed, the Leadership Council will appoint an ad hoc Membership Committee of three to five persons held in high esteem by the church to address an issue of a member who renounces faith in Jesus Christ as Lord, who is unwilling to participate in relationships as stated in the congregational covenant, or whose conduct brings reproach upon the church. The ad hoc Membership Committee will meet with the member in question and other relevant persons, and will make a recommendation to the Leadership Council on whether membership of such person should be removed. The Leadership Council will make the final decision.

3.3.6 Harassment

Employees, volunteers, and agents of the church are specifically prohibited from acts of harassment, including sexual harassment, against any member or participant in church activities or any employee or applicant for employment.

3.3.7 Firearms

The church prohibits anyone other than on-duty law enforcement officials from carrying a firearm on church property.

3.3.8 Building Security

The Senior Staff Team must ensure that access to the church building is limited to those who have legitimate business there.

3.3.9 Universal Access

The church intends to make its premises and activities safely and conveniently accessible to persons with disabilities. The Senior Staff Team must ensure that church facilities, programs, and policies meet or exceed all applicable legal requirements and that the church engages in continued learning and improvement in this area.

3.4 Care for Material Resources

Leadership Council with support from its Stewardship Committee must take all reasonable care to prevent harm to the church's financial assets, property, credit, and tax exemptions. Stewardship Committee must develop administrative practices and procedures designed to prevent such harm and must report promptly to the Leadership Council on any significant shortcomings in their implementation.

3.4.1 Operating and Ministry Budgets

The Senior Staff Team will, by July 1 of each year, present an annual Ministry Budget request to the Stewardship Committee, along with an aspirational budget for the upcoming three years. The Stewardship Committee will review these requests to create the Ministry Budget portion of the annual Spending Plan. Additionally, the Stewardship Committee will compile the annual Operating Budget covering fixed spending of the church and spending that is not at the discretion of the Senior Staff, as shown in the Spending Plan Template in Addendum A. The Stewardship Committee will then recommend an annual Spending Plan, made up of both the Ministry Budget and the Operating Budget, for review by the Leadership Council. The Leadership Council will then recommend an annual Spending Plan for approval by the congregation.

3.4.1.1 Proposed Ministry Budgets must be based on the Annual Vision of Ministry and any strategic plan currently in effect.

3.4.2 Spending Authority

The Senior Staff Team is responsible for overseeing all spending out of church accounts, in accordance with the annual Spending Plan, subject to the following limitations:

3.4.2.1 Donor-restricted funds may not be used in violation of donor restrictions.

3.4.2.2 The Senior Staff Team must anticipate and prevent spending in excess of the overall Ministry Budget. If it foresees any material deviation from budgeted spending, the Senior Staff Team member must promptly inform the Stewardship Committee and recommend options for adjusting the Ministry Budget.

3.4.2.3 Any overspending of a budget category within the Ministry Budget that exceeds 10 percent must be requested to the Stewardship Committee prior to spending or committing to spend along with a recommendation of whether the requested funds can be pulled from another budget category within the Ministry Budget. The Stewardship Committee may approve overspending up to a total of \$2,000.00. Above that, the Stewardship Committee must seek approval from the Leadership Council. In seeking approval, the Stewardship Committee will give its recommendation to the Leadership Council on whether the request should be approved or denied, along with highlighting any major considerations to the decision.

3.4.2.4 Any desired spending outside of the Ministry Budget must be first requested to the Stewardship Committee prior to spending or committing

to spend. The Stewardship Committee may approve spending outside the Ministry Budget up to a total of \$2,000.00. Above that amount, the Stewardship Committee must seek approval from the Leadership Council. In seeking approval, the Stewardship Committee will give its recommendation to the Leadership Council on whether the request should be approved or denied, along with highlighting any major considerations to the decision.

3.4.2.5 A Senior Staff Team member may request that the decision of the Stewardship Council to approve or deny the Senior Staff's spending request be reviewed by the Leadership Council. The Leadership Council may choose whether to review the decision and whether to invite further information to be presented to it. The decision of the Leadership Council, including a decision not to review the decision, is final.

3.4.2.6 The Stewardship Committee must monitor giving receipts. If income is insufficient to fund the Ministry Budget, the Stewardship Committee must promptly inform the Senior Staff Team and recommend options for adjusting the Ministry Budget.

3.4.3 Accounting and Financial Standards

Church accounting and financial controls must conform to accepted best practices for churches of comparable size, including:

3.4.3.1 Cash Management. The Stewardship Committee must maintain written procedures to govern the handling of receipts, access to cash and bank balances, approval of expenditures, payment of invoices and other obligations, and management of invested funds.

3.4.4 Asset Protection

The Stewardship Committee must take all reasonable care to ensure that church assets are protected from loss or theft, including:

3.4.4.1 Adequate insurance to protect against property losses, liability for injuries to others, corporate liability, and personal liability of Leadership Council members and staff.

3.4.5 Document Retention

The Leadership Council will appoint an ad hoc committee to create written procedures to govern the backup, retention, and destruction of the church's documents, giving definite retention periods for classes of financial, business, pastoral, personnel, and corporate records in both paper and electronic forms. The Senior Staff Team will oversee that such procedures are implemented. The Leadership Council will periodically review the procedures and update them as needed.

4. Leadership Council Oversight

4.1 Mission Focus

The Leadership Council's duty of care requires it to ensure that the church's human and material resources are used for the benefit of its mission. The Leadership Council fulfills this duty formally in two ways: by monitoring regular reports provided by the staff and by

scheduled evaluation of the church's progress toward achieving the goals established in the Annual Vision of Ministry.

It is the expectation of the congregation that members of the Leadership Council will informally execute this responsibility through active participation in various ministries and activities and through connection with other members of the congregation.

4.2 Monitoring

4.2.1 Programmatic Monitoring. The Senior Staff Team will provide quarterly written reports to the Leadership Council. Reports must focus on progress of priorities, as set by the Leadership Council through the Annual Vision of Ministry, and on compliance with Leadership Council policy. Monitoring reports must be emailed to the Leadership Council Chair in advance of the Leadership Council meeting, for inclusion with the agenda to the rest of the Leadership Council members, but will not normally be a subject of Leadership Council discussion except when they require Leadership Council action or raise issues of compliance with Leadership Council policy.

4.2.2 Financial Monitoring. The Stewardship Committee must email to the Leadership Council Chair in advance of each monthly meeting, for inclusion with the agenda to the rest of the Leadership Council members, but will not normally be a subject of Leadership Council discussion, a monthly financial statement that shows overall financial performance compared to budget and highlights significant financial or operational issues. These reports will be filed and made available to any church member who wishes to examine them.

4.3 Evaluation

Everyone responsible for work on behalf of the church will engage in a continual process of evaluation. The purposes to be accomplished through evaluation are to foster excellence in ministry work by ensuring that all church leaders:

- Practice open communication and regular feedback.
- Meet performance standards appropriate to their roles.
- Maintain effective working relationships with one another.
- Focus on achieving goals as approved by the Leadership Council and staff.

4.3.1 Leadership Council and Senior Staff Team Evaluation

Annually, as part of the creation of the Annual Vision of Ministry, the Senior Staff Team members and Leadership Council will together review their respective contributions to the fulfillment of the prior year's Annual Vision of Ministry.

4.3.2 Evaluation of Ministry Teams

The Senior Staff Team will ensure that leaders of teams engaged in ministry develop goals supportive of the Annual Vision of Ministry. The Senior Staff Team will evaluate annually in writing the work of their area of ministry, including the work of teams relating to that area of ministry.

4.3.3 Senior Staff Team's Triennial Performance Review

Every three years, the Leadership Council and the Senior Staff Team will together appoint an ad hoc Review Committee of three persons held in high esteem by the church and mutually acceptable to the Leadership Council and the Senior Staff Team. Working with the Senior Staff Team, the committee will design

and facilitate a review of each of the Senior Staff Team member's performance. The goals of the evaluations are to call the congregation's attention to the mutual, relational nature of ministry and the respective responsibilities of all who contribute to its success and to help the Senior Staff Team members to remain motivated, creative, and flexible. The ad hoc Review Committee will provide feedback from the congregation to the Senior Staff Team members, as well as create a summative report to the Leadership Council. The committee's report to the Leadership Council, together with a written response from each of the Senior Staff Team members, will be published to the church along with the Leadership Council plan for addressing any recommendations it may contain.

4.3.4 Annual Financial Audit or Review

At least every three years, the Leadership Council through its Stewardship Committee will engage a qualified professional to conduct an audit or review of the church's financial records and report in writing to the Stewardship Committee, who will share the report with the Leadership Council. In alternate years, the Stewardship Committee will appoint a volunteer to perform an informed review of some aspect of the church's financial records.

ADDENDUM A SPENDING PLAN TEMPLATE

MINISTRY BUDGET

Requested by the Senior Staff Team (with input from the teams)

Worship
Trustees
Faith Formation
Fellowship
Missions

Total Ministry Budget:

OPERATING BUDGET

Compiled by the Stewardship Committee

Hillcrest Academy
Utilities
Insurance
Conference and denominational support
Seminary and colleges
Staff salaries and benefits
Large capital improvements and maintenance

Total Operating Budget:

TOTAL SPENDING PLAN: