

# Board Policies Manual (BPM)

## New Life Assembly of God Owasso, Oklahoma, Inc.

### Part 1: Introduction and Administration

This Board Policies Manual (BPM) contains all of the current standing (on-going) policies adopted by the board of New Life Assembly of God since the initial approval on **October 20, 2020**.

**1.1 Reasons for Adoption.** Our reasons for adopting this BPM include:

- \* Efficiency of having all on-going board policies in one place
- \* Ability to quickly orient new board members to current policies
- \* Elimination of redundant, or conflicting, policies over time
- \* Ease of reviewing current policy when considering new issues
- \* Clear, pro-active policies to guide the Pastor and staff
- \* Models an approach to governance that other organizations might use

**1.2 Consistency.** Each policy in this document is expected to be consistent with the law, the Articles of Incorporation, and Bylaws, all of which have precedence over these board policies. Except for time-limited or procedural-only board decisions (approve minutes, elect an officer, etc.), which are recorded in regular board minutes, all standing policies shall be included or referred to in this document. The Pastor is responsible for developing organizational and administrative policies and procedures that are consistent with this BPM.

**1.3 Transition.** Whether adopted part by part or as a complete document, as soon as some version of the BPM is voted on as the “one voice” of the board, those policies are deemed to supersede any past policy that might be found in old minutes unless a prior board resolution or contract obligates the organization to a specific matter. If any actual or apparent conflict arises between the BPM and other policies or board resolutions, the matter shall be resolved by the Pastor or the entire board as may be appropriate.

**1.4 Changes.** These policies are meant to be reviewed constantly and are frequently reviewed and refined. The executive Committee helps the board formulate new language in the BPM by distributing proposed changes in advance. We will use software that shows all changes for readers to review, or when language is recommended for deletion, it is shown in ~~strike-through~~ format and proposed new language is underlined. Each section with a proposed change can be preceded by the # sign to help readers quickly locate proposed changes. Any change to this BPM must be approved by the full board. Any board member as well as the Pastor may submit proposed changes. In most cases, proposed changes shall be referred to and reviewed by the appropriate committee before being presented to the board for action. Whenever changes are adopted, a new document should be printed, dated, and quickly made available to the board and staff. The previous version should be kept on file for future reference.

1.5 **Specificity.** Each new policy will be drafted to fit in the appropriate place within the BPM. Conceptually, policies should be drafted from the "outside in, i.e., the broadest policy statement should be stated first, then the next broadest, etc. down to the level of detail that the board finds appropriate for board action and below which management is afforded discretion as to how it implements the policies in this BPM.

1.6 **Oversight Responsibility.** Below are the parts, the committees primarily responsible for drafting and reviewing those parts, and the individuals given authority to interpret and make decisions within the scope of those policies:

<b>Part/Chapters</b>	<b>Oversight Committee</b>	<b>Implementation Authority</b>
1. Introduction	Full Board	Pastor
2. Organization Essentials	Full Board	Pastor
3. Board Structure & Processes	Full Board	Pastor/Chair
4. Board-Staff Relationship	Full Board	Chair/CEO
Executive Parameters -----		
5. Finance	Finance	Pastor/Fin. Sec.
6. Programs	Executive	Pastor
7. Advancement	Executive	Pastor
8. Audit and Compliance	Full Board	Pastor/Fin. Sec.
9. Miscellaneous	Full Board	

1.7 **Maintenance of Policies.** The Financial Secretary shall record and publish all standing policies correctly. The Pastor or the their designee shall maintain the policies file and provide updated copies to the board whenever the policies change, or upon request. The board may ask that legal counsel review this BPM every three years to ensure compliance with the law. Documents referred to in the BPM will be kept in a three-ring notebook called the Board Reference Book, and if requested, provided to board members in digital format.

1.8 **Context of Other Policies.** This BPM fits into this hierarchy of policies within which authority flows down and accountability flows up.

1. Laws and Applicable Regulations
2. Parent Organization Controlling Documents (if applicable)
3. Articles of Incorporation
4. Bylaws
5. Board Policies Manual
6. Pastor-approved Organizational Policies
7. Policies Set by Managers Under the Pastor

## Part 2: Organization Essentials

- 2.1 Our **vision** is to reflect Jesus to others and encourage them to live out their faith to the fullest.
- 2.2 Our **mission** is to REACH people where they are, LOVE people how they are, and LEAD people in becoming fully committed to Christ.
- 2.3 The **values** that guide all we do are Biblical instruction, Christ-like love, and God-honoring integrity.
- 2.4 The **moral owners** to whom the board feels accountable are the regular attenders and members of New Life Assembly.
- 2.5 **Strategic Plans.** The board is expected to think strategically at all times. The Pastor is expected to develop a staff strategic plan based on the policies in this BPM, update it as necessary, link major activities in the plan to the relevant sections of this BPM, and provide copies of the plan to the board for information by March 1 of each year.

### **Part 3: Board Structure and Processes**

- 3.1 **Governing Style.** The board will approach its task with a style that emphasizes outward vision rather than an internal preoccupation, encouragement of diversity in viewpoints, strategic leadership more than administrative detail, clear distinction of board and staff roles, and pro-activity rather than reactivity. In this spirit, the board will:
  - 3.1.1 Enforce upon itself and its members whatever discipline is needed to govern with excellence. Discipline shall apply to matters such as attendance, respect of clarified roles, speaking to the congregation and the public with one voice, and self-policing of any tendency to stray from the governance structure and process adopted in these board policies.
  - 3.1.2 Be accountable to church membership and the general public for competent, conscientious and effective accomplishment of its obligations as a body. It will allow no officer, individual, or committee of the board to usurp this role or hinder this commitment.
  - 3.1.3 Monitor and regularly discuss the board's own process and performance, seeking to ensure the continuity of its governance functions by selection of capable directors, orientation and training, and evaluation.
  - 3.1.4 Be an initiator of policy, not merely a reactor to staff initiatives. The board, not the staff, will be responsible for board performance.
- 3.2 **Board Job Description.** In addition to Bylaws Article VI, Section 1, Paragraph B & C; Article VIII Section 1, Paragraph D & Section 2 Paragraph C; the job of the board is to lead the organization toward the desired performance and ensure that it occurs.

The board's specific contributions are unique to its trusteeship role and necessary for proper governance and management. To perform its job, the board shall:

- 3.2.1 Communicate the mission, values, strategies, and major goals/outcomes and hold the Pastor accountable for developing a staff strategic plan based on these policies.
- 3.2.2 Monitor the performance of the organization relative to the achievement of the goals/outcomes within the executive parameters.
- 3.2.2 Maintain and constantly improve all on-going policies of the board in this BPM.
- 3.2.4 Select, fairly compensate, nurture, evaluate annually and, if necessary, report the Pastor to the Sectional Presbyter, who functions as the board's sole agent.
- 3.2.5 Ensure financial solvency and integrity through policies and behavior (including help as volunteers with "general fund" fundraising opportunities).
- 3.2.6 Require periodic financial and other external audits to ensure compliance with the law and good practices.
- 3.2.7 Evaluate and constantly improve our board's performance as the governing board and set expectations for board members' involvement as volunteers.
- 3.3 Board Member Criteria.** Potential nominees for the church board shall reflect guidelines outlined in Bylaws Article VI, Section 1, Paragraph B; which in part requires financial support, support of the Pastor, and church attendance.
- 3.4 Orientation.** Prior to election, each nominee shall be given this BPM along with adequate briefings on the role of the board, officers, and staff, and an overview of programs, plans, and finances. Soon after election, each new board member will be given additional comprehensive orientation material and training.
- 3.5 Chair's Role.** The job of the Chair (held by the Pastor or designated Vice-Chair when the church is without a pastor) is, primarily, to maintain the integrity of the board's process. The Chair "manages the board." The Chair is the only board member authorized to speak for the board, other than in rare and specifically board-authorized instances. The Chair ensures that the board behaves consistent with its own rules and those legitimately imposed upon it from outside the organization. Meeting discussion content will be those issues that, according to board policy, clearly belong to the board to decide, not staff.
- 3.6 Vice Chair's Role.** The job of the Vice Chair (designated by the pastor) is to assist the Chair with certain board meeting agenda items or potential Bylaws changes/resolutions, fill-in for any absence of the Chair; and serve as the third member of the Executive Committee.

- 3.7 Board Meetings.** Board meetings or events may include time for guest presenters, interaction with staff and members, board training, committee meetings, social activities, and plenary business sessions. Policies that are intended to improve the process for planning and running meetings follow:
- 3.7.1 The Pastor shall develop agendas which, along with documents relevant to the upcoming meeting, any recommendations for changes in the BPM, nomination of new board members, proposed changes to Bylaws, etc. shall be emailed to all board members approximately two days prior to any regular scheduled meeting.
  - 3.7.2 Minutes and any BPM updates shall be sent by the Board Secretary to board members within 14 days of board meetings.
  - 3.7.3 Regular board meetings shall be held a minimum of four times a year as set by the Pastor, preceded by a reminder notice three-five days in advance of the meeting date. The April meeting shall include a review of the planning and budgeting for the upcoming year. The June meeting shall include a review of the performance of the Pastor and the organization for the past year. Special meetings of the board can be called according to the Bylaws.
- 3.8 Standing Committees.** Committees help the board be effective and efficient. They speak "to the board" and not "for the board." Unless authorized by the whole board, any committee may not exercise authority that is reserved to the whole board by the Bylaws or by the laws of Oklahoma governing nonprofit organizations. Committees are not created to advise or exercise authority over staff. Once committees are created by the board, the board Chair shall recommend committee chairs and members for one-year terms, subject to board approval. The Chair is an *ex officio* members of all committees.
- 3.8.1 **Finance Committee.** This committee shall be made up of the Financial Secretary and the Chair, and may include up to two more church members when deemed necessary by the Chair or Financial Secretary, in order to develop and recommend to the board those financial policies, plans, and courses of action that provide for mission accomplishment and organizational financial well-being. Consistent with this responsibility, it shall review the annual budget and submit it to the board for its approval. In addition, the committee shall make policy recommendations with regard to the level and terms of indebtedness, cash management, investment policy, risk management, financial monitoring and reports, employee benefit plans, signatory authority for expenditures and other policies for inclusion in this BPM that the committee determines are advisable for effective financial management.
  - 3.8.2 **Executive Committee.** This committee shall comprise of the Chair, the Vice Chair, and all corporate officers. Except for the actions enumerated below, it shall have the authority to act for the board on all matters so long as the Executive Committee determines that it would be imprudent to wait for the next board meeting to take such action. With respect to any action taken on behalf of the board, (1) the Executive

Committee is required to report the action to the board within 10 days and (2) the board must ratify the action at the next board meeting.

The Executive Committee is **not** authorized to make decisions with respect to the following matters:

- 3.8.2.1 Dissolve the corporation
- 3.8.2.2 Hire or fire any staff, including the Pastor
- 3.8.3.3 Enter into major contracts (lasting longer than 24 mos) or sue another entity
- 3.8.2.4 Make significant changes to a board-approved budget
- 3.8.2.5 Adopt or eliminate major programs
- 3.8.2.6 Buy or sell real property (buildings, land, etc)
- 3.8.2.7 Amend the Bylaws
- 3.8.2.8 Change any policies the board determines must be changed only by the board.

**3.9 Advisory Groups, Coordinators, Leadership Teams.** To increase its knowledge base and depth of available expertise, the board supports the use of groups, coordinators, and leadership teams of qualified advisers. The term "leadership team" refers to any group appointed by the Pastor to assist in carrying out various time-limited goals and responsibilities. Although the Pastor may form a team, he or she shall notify the board of its formation, purpose and membership within 30 days of its formation. The Pastor may assign a senior staff member/leader to oversee such leadership teams.

**3.10 Board Members' Code of Conduct.** The board expects of itself and its members ethical and businesslike conduct. Board members must represent unconflicted loyalty to the interests of the entire organization, superseding any conflicting loyalty such as that to family members, a business, advocacy or interest groups and membership on other boards or staffs. Board members must avoid any conflict of interest with respect to their fiduciary responsibility. There must be no self-dealing or any conduct of private business or personal services between any board member and the organization except as procedurally controlled to assure openness, competitive opportunity, and equal access to "inside" information.

Board members will make no judgments of the Pastor except as the performance of the Pastor is assessed against explicit board policies and agreed upon personal performance objectives. Each board member is expected to complete and sign an Annual Agreement and Conflict of Interest Statement, which covers, among other things, board conflicts of interest, in accordance with the laws of the State governing nonprofit organizations, and other expectations of board members.

**3.11 Board Finances.** Every board member is expected to be a regular tither (10% of their income) to the church. The church will pay any meeting, travel, food or conference expense that requires the attendance of any board members. Any reimbursement expenses must be requested within 30 days of expense and requires all receipts.

## **Part 4: Board – Pastor/Staff Relationship**

- 4.1 Delegation to the Pastor.** While the board's job is generally confined to establishing high-level policies, implementation and subsidiary policy development is delegated to the Pastor.
- 4.1.1 All board authority delegated to staff is carried out by the Pastor, so that all authority and accountability of staff -- as far as the board is concerned -- is considered to be the authority and accountability of the Pastor.
- 4.1.2 Organizational Essentials policies (Part 2) direct the Pastor to achieve certain results. Executive Parameters policies (Part 5) define the acceptable boundaries of prudence and ethics within which the Pastor is expected to operate. The Pastor is authorized to establish all further policies, make all decisions, take all actions, and develop all activities as long as they are consistent with any reasonable interpretation of the board's policies in this BPM.
- 4.2 Pastor Job Description.** As the board's single official link to the operating organization, pastor performance will be considered to be synonymous with organizational (church) performance as a whole. In addition to Bylaws Article VI, Section 2, Paragraph B; the Pastor's contributions can be also be viewed through performance in two areas: (a) organizational accomplishment of the major organizational essentials in Part 2, and (b) organization operations within the boundaries of prudence and ethics established in board policies on Executive Parameters in Part 5.
- 4.3 Communications and Counsel to the Board.** With respect to providing information and counsel to the board, the Pastor shall keep the board informed about matters essential to carrying out its policy duties. Accordingly, the Pastor shall:
- 4.3.1 Inform the board of relevant trends, anticipated adverse media coverage, material external and internal changes, particularly changes in the assumptions upon which any board policy has previously been established, always presenting information in as clear and concise formats as possible.
- 4.3.2 Relate to the board as a whole except when fulfilling reasonable individual requests for information or responding to officers or committees duly charged by the board.
- 4.3.3 Report immediately any actual or anticipated material noncompliance with a policy of the board, along with suggested modifications for the future.
- 4.4 Staff Compensation.** The Pastor is expected to hire, train, motivate, compensate, and terminate staff in a professional and caring fashion. Salaries will be set only by a unanimous consent of the board. Benefits to be considered are housing allowance (for credentialed ministers only), retirement matching and health care reimbursement for any other employees. The Financial Secretary shall (A) develop and maintain an

employee manual that is reviewed periodically by the board and (B) provide updates of manual to the board when changes are made.

- 4.5 Staff Treatment.** With respect to treatment of paid and volunteer staff, the Pastor should build a climate of trust and determine policies based on competent legal counsel.
- 4.6 Pastoral Transitions.** When a vacancy arises for the Pastor, the guidelines set forth in Bylaws, Article VIII, Section 2, Paragraph A; shall be followed. Additionally, within 14 days of the Pastor's last Sunday, the guidelines in Article VI, Section C, Board of Elders, C shall be implemented by a unanimous consent of the full board to determine a temporary board Chair. The temporary board Chair is authorized to nominate pastoral search committee candidates, *equal to the number of all remaining board members*. With unanimous approval, the temporary board Chair may also serve as the Chair for the pastoral search committee if no other individual desires the role. When the search committee is finalized, the temporary Chair is recommended to seek direction and assistance from the Oklahoma District Council within 14 days.
- 4.7 Accessing Board Documents.** A "Board Reference Book" shall be maintained with all pertinent documents to which board members might want to refer during board meetings (e.g., Articles of Incorporation, Bylaws, recent minutes, church membership roster, list of key vendors, attorneys and consultants, board documents referenced in this BPM, current contracts and loan information, etc.). This book may either be electronic and readily available or a binder kept with the Board Secretary or the Chair.

## **Part 5 – Executive Parameters**

The purpose of Part 5 (with its several sections) is to detail those Executive Parameters that will guide the Pastor and the staff as they accomplish the mission. These parameters are intended to free the Pastor and staff to make timely decisions without undo board directives.

Overall, the board expects that the Pastor will do nothing that is illegal, unethical, or imprudent. Beyond these general parameters, the board details its Executive Parameters in the major sections that follow.

### **Section 5. Finance Parameters**

- 5.1 Finance General.** The Pastor must ensure that the financial integrity of the organization is maintained at all times; that proper care is exercised in the receiving, processing, and disbursing of funds; and that financial and non-financial assets are appropriately protected.
- 5.2 Financial Controls.** The Pastor must exercise care in the accounting for and protecting the financial assets of the organization. To the end, the Pastor is expected



to incorporate generally accepted principles of accounting and internal controls in the financial systems that are employed in the organization. In addition, the Pastor may not:

- 5.2.1 Receive, process, or disburse funds under controls insufficient to meet the board-appointed auditor's standards.
- 5.2.2 Approve an unbudgeted expenditure or commitment of greater than \$1,000 in a 30 day period without approval of the full board.
- 5.3 Asset Protection.** The Pastor may not allow assets to be unprotected, inadequately maintained, or unnecessarily risked. Accordingly, the Pastor may not:
  - 5.3.1 Fail to insure against theft and casualty losses to at least 80 percent replacement value and against liability losses to board members, staff, or the organization itself beyond the minimally acceptable prudent level.
  - 5.3.2 Unnecessarily expose the organization, its board, or staff to claims of liability.
  - 5.3.3 Acquire, encumber, or dispose of real property (land, buildings, etc) without approval from the full board. (see Bylaws Article XI, Section 2)

## **Section 6. Program Parameters**

In general, the Pastor is expected to establish, maintain, and eliminate programs and services as will best achieve the mission and goals in the most effective and efficient manner.

- 6.1 New programs should be projected to serve at least 10% of the congregation.
- 6.2 New programs with an expected annual budget exceeding \$1,000 must be approved by the Executive Committee.
- 6.3 Any program executed in partnership with another organization shall be permitted so long as they meet the requirements of either 6.1 or 6.2.

## **Section 7. Advancement Parameters**

The various efforts to represent the organization to the public (media, public relations, fundraising, new member recruitment, etc.) shall be integrated sufficiently so that the organizations brand/positioning in the external world is positive and effective.

- 7.1 Fund Raising Strategy.** The Pastor and/or Financial Secretary shall supply direction and instruction to other staff and leaders in order to develop and maintain a fund raising plan to help offset costs that would otherwise be pulled from the general fund of the church.

- 7.2 Public Affairs.** The Pastor shall exercise care in representing that we are a Christ-centered, community focused nonprofit and develop policies and procedures for communicating with church membership and the public at large in a way that reinforces that image.
- 7.3 Communications Restrictions.** To preserve our image in the community, the Pastor and any designee he appoints are the only spokespersons authorized to speak for the organization and for the board. None of the spokespersons may represent the organization in any way inconsistent with the policies in Part 2 of this BPM; make statements that may be perceived as supporting a political party or platform; author an article, book, or publication that includes classified or sensitive information about the organization; or engage in lobbying activities at any governmental level without prior permission from the board.

## **Section 8. Audit and Compliance**

The Chair shall take the necessary steps to ensure that the integrity of our systems and procedures comply with all pertinent legal, regulatory, and professional requirements and to report to the board any material variations or violations.

- 8.1 Annual External Audit.** Every 3 years beginning in 2022, an independent auditor may be hired and supervised by the Finance Committee after careful selection and evaluation. The Financial Secretary shall work with the auditor to gain a clean opinion of the annual financial statements and respond in detail to items in the auditor's management letter concerning opportunities to improve systems and procedures related to financial controls.
- 8.2 Internal Compliance.** The Financial Secretary shall comply with all federal, state, or local laws and regulations. The Financial Secretary shall maintain a list of compliance actions and reports that are required of a nonprofit organization, or recommended by the IRS as reflected in questions contained in the Form 990 report. Beginning in 2022, the Executive Committee shall contract with competent legal counsel so that, every three years all pertinent laws, regulations and contracts are reviewed for compliance and ensure reports are made available to the Financial Secretary, whom in turn, will report to the board on the overall status of the organization with respect to compliance matters.

## **Section 9. Miscellaneous**

[available for policies that do not fit naturally in other chapters]

### **9.1 Guidelines for Determining Special Business Meetings**

While acknowledging Church Bylaws Article IX, Section 3 allows for special business meetings to occur but doesn't set forth any guidelines, the following recommendations are to be considered and if all are true, a special business meeting should be scheduled:

**For matter pertaining to the business affairs of the church....**

- Was it submitted in writing by the individual with the concern?
- Was it submitted to the pastor or the secretary of the board?
- Was it submitted by an active member in good standing with the church?
- Is the person willing to share their thoughts in person should a special business meeting occur?
- Did the full Board of Elders come to a majority agreement for the matter to go before the assembly in a special business meeting?

**For matters pertaining to the status of the pastor...**

- Did the person go to the pastor to discuss their complaint, in accordance with the instruction of Jesus in Matthew 18?

Matthew 18:15-17 “If another believer sins against you, go privately and point out the offense. If the other person listens and confesses it, you have won that person back. <sup>16</sup> But if you are unsuccessful, take one or two others with you and go back again, so that everything you say may be confirmed by two or three witnesses. <sup>17</sup> If the person still refuses to listen, take your case to the church.

- Has the individual submitting the complaint prayed about the matter?
- Was it submitted in writing by the individual bringing the complaint against the pastor?
- Was it submitted to an active member of the Board of Elders?
- Was it submitted by an active member in good standing with the church?
- Is the individual aware that the pastor will be notified of their complaint?
- Was the pastor notified the Board of Elders plan to meet on this matter without his attendance at the meeting?
- Is the person willing to share their thoughts in person should a special business meeting occur?
- Did the Board of Elders (not including the pastor) come to a majority agreement for the matter to go before the assembly in a special business meeting?

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Any questions about this Board Policies Manual should be directed to the Board Secretary of New Life Assembly.

**Adopted 10-20-2020**

**Revised 3-15-2021;** added 9.1, removed “Melinda Voss” as listed name regarding questions