

Operations Policy Manual

Living Hope of the Bay Lutheran Church of Chesterfield Township, Michigan

Preamble

Whereas our Lord Jesus Christ set forth the Gospel Imperative to “... go and make disciples of all the nations” (Matthew 28:18-20), this body of Christians known as Living Hope of the Bay Lutheran Church of Chesterfield Township, Michigan is dedicated to mission (making more disciples through outreach) and ministry (growing mature disciples through education and nurture). In order to accomplish this mission and ministry, this governance and organizational system is built upon the following presuppositions:

1. All organizational systems/practices must be in agreement with the Word of God (2 Timothy 3:16-17, 1 Corinthians 14:40).
2. God’s mission and ministry are best accomplished through God’s people, working in the power of the Holy Spirit through Word and Sacrament (Joel 2:28-29).
3. Mission and ministry functions are best released to God’s people according to gifts, passion and calling (1 Corinthians 12, Romans 12, 1 Peter 4).
4. The People of God are to do the ministry and the pastor(s) and ministry staff are to equip the baptized people of God for ministry (Ephesians 4:11-13).
5. Defining congregational Values, Mission and Vision bolster the achievement of mission and ministry goals (Luke 14:25-35)
6. Mission and Ministry are best supported as God’s people practice first fruits, proportionate management of time, talent, treasure and testimony.
7. Prayer is an integral part of all mission and ministry planning, decision-making and implementation (Matthew 7:7).
8. Wherever it is possible, mission and ministry functions will be mobilized around short-term, ad hoc task forces instead of standing boards and committees (1 Peter 4:10).
9. Strategic mission and ministry decisions will be based upon the principle of policy-based leadership (setting limitations and encouraging creativity).
10. Individual ministry decisions are best made by those doing that ministry.
11. Practical, on-going mission and ministry decisions of deployment/mobilization will be based upon the principles of high trust relationships and empowerment of God’s people to do the ministry according to passion and calling (Ephesians 4:7 and 1 Corinthians 4:2).
12. Healthy congregations are values-driven, mission-focused and vision-energized (Luke 10:2).

I. VALUES, MISSION AND VISION

A. Core Values of Living Hope of the Bay Lutheran Church

PRAYER

We believe God’s people need to pray without ceasing, relying on Him in everything we do.

COMPASSIONATE OUTREACH

We commit to share Jesus' love through genuine acts of compassion and service to our community and world.

RELEVANT WORSHIP

We believe God transforms lives through Biblical, culturally relevant, and innovative worship.

GROWTH

We nurture all people spiritually with God's Word in every stage of life and faith.

CHRIST-CENTERED RELATIONSHIPS

We will live in loving, Christ-like relationships, inviting others into the family of God.

EXCELLENCE

Every Christ-follower has an important role in the family of God, and we respond to God's grace by returning to Him the *best* of our time, service, and offerings.

(Adopted by Voters' Assembly, April 26, 2015)

B. Mission

Our mission statement is:

"With grace, truth, and passion lead people to a new and ever-growing relationship with Jesus Christ."

"With grace..." reminds us not only of God's grace show to us, but also of our sharing of God's grace in a warm welcome of all people. No matter what a person's economic level, race, or background, all people are welcomed and accepted among the people of Living Hope.

"Truth ..." reminds us of the truth of God's Word, and our unchanging beliefs, as we have come to know them in the Lutheran Church.

"Passion ..." means *energetically*, giving 110% to lead people to know God, and grow in their relationship with Him.

"New ..." reminds us of the joy of introducing people far from God to their best Friend, Jesus Christ. There is no more important work than being witnesses and evangelists for Jesus.

"Ever-growing ..." once a relationship with Jesus has begun, it must be fed and nurtured. Growing in relationship with Jesus never stops in this life, no matter what a person's needs, or stage of life.

(Adopted by Voters' Assembly, April 26, 2015)

C. Vision (Preferred Future)

God's people of Living Hope Lutheran Church, gather together and go out in His name. We desire to follow God's leading hand in our individual and collective lives. We have

attempted to capture in words a picture of our ministry together – to visualize future possibilities – with the prayer that we join together in anticipation of an exciting future for our ministry – **what it can be and what it must become – carried out in the powerful name of our Lord Jesus Christ.**

Living Hope Lutheran Church is a thriving family of God, joyfully inviting the people of our community and beyond into the family of God, as we proclaim the REAL HOPE in Jesus Christ in grace filled, casual, and relevant ways.

(Adopted by Voters' Assembly, April 26, 2015)

D. Strategy

IN PURSUIT OF HER VISION, LIVING HOPE WILL USE SEVEN STRATEGIC PRIORITIES.

1. *Living Love[d] as the Family of God, Living Hope Lutheran Church will*
LOVE one another as we speak truthfully, forgive, know, and care for one another, increasingly growing to become a family of God which draws people to want to know more of the Jesus who lives in and among us.
2. *Living Love[d] as the Family of God, Living Hope Lutheran Church will*
PRAY intentionally and continually for conversion, transformation and healing of individual lives, and for God's Spirit to guide, bless and provide resources for all we do as the family of God.
3. *Living Love[d] as the Family of God, Living Hope Lutheran Church will*
INVITE our family, friends, neighbors, and co-workers to discover the hope God gives through a relationship with Jesus Christ, and the joy and healing found in the family of God.
4. *Living Love[d] as the Family of God, Living Hope Lutheran Church will*
CELEBRATE WHO God is, what he has done, and continues to do for His people in creative, casual, sacramental, grace-filled, and relevant worship.
5. *Living Love[d] as the Family of God, Living Hope Lutheran Church will*
TRANSFORM individuals, families, and groups through the reading, discussing, and applying God's Word to life. The Holy Spirit shapes us to have the mission and values of Jesus, fills us with REAL HOPE, and joyfully motivates us to serve, encourage, witness, lead, and give time, talents, and treasures for God's mission.
6. *Living Love[d] as the Family of God, Living Hope Lutheran Church will*
CARE for the physical and emotional needs of everyone within the family of Living Hope and in the community. People feel love and concern, encouragement and support, and freely share the same with others without exception.
7. *Living Love[d] as the Family of God, Living Hope Lutheran Church will*

EMPOWER every member to take up their unique and important role within the family of God, and to respond to God's grace and His Call to mission by returning to Him the best of our time, talents, and treasures.

(Adopted by Voters' Assembly, April 26, 2015)

E. Development of Vision (Change Process)--

Living Hope will follow the Biblical model of how the vision (preferred future) and planning for God's people is developed. Throughout Scripture, God spoke to an individual who was the appointed and Called leader of God's people. The leader interpreted God's vision and shared it with the larger community of God's people. God's people gave input, and confirmation of the vision. Together the leader(s) and people worked prayerfully towards the implementation.

The vision of Living Hope's preferred future will be initiated by the Senior Pastor. All members of Living Hope can certainly have a private vision for the future of Living Hope. Members are encouraged to share their ideas with a small group of trusted Christians. If this small group provides confirmation and affirmation, members are encouraged to suggest ideas for new ministries and future changes for the congregation to the senior pastor. Certainly the senior pastor will seek out the advice of the congregation's professional staff workers, and leaders in the congregation. The senior pastor will annually prepare a draft document of the congregation's vision. The document is to consider a five-year time frame.

The senior pastor will share the draft document first with the Strategic Planning Council. They will provide input on affirmations and omissions. The vision proposal will be refined into a well-defined plan. The plan will include rationale, objectives, goals, incremental measurements, time-lines, and financial projections.

The plan will next be referred to the Board of Elders. The Elders will determine whether the plan is God's Call for this Body of Christ in this time and place. When the plan receives the affirmation of the Board of Elders, it is communicated to the congregation. The Voters' Assembly will be given notice of the plan, along with the budget, which they will vote on annually.

Once approved by Voters' the plan will be referred to the Board of Elders. The Elders will delegate by policy to the Board of Directors and the senior pastor and ministry staff for the implementation of the plan.

II. FELLOWSHIP

D. CELEBRATION OF SACRAMENTS IN SMALL GROUP SETTINGS The Sacraments will only be served in the corporate setting of the public worship service. Holy Communion may be brought to those physically unable to attend the corporate celebration in the worship service, as an extension of the worship service. The Senior Pastor must approve any exceptions to this policy. Small Groups and other small gatherings of Living Hope members are to encourage participation in the Sacraments in the regular worship services of the congregation.

- E. USE OF ALCOHOL – No alcohol will be served at any Living Hope congregational fellowship event. Alcoholic wine will be served in the distribution of Holy Communion in worship services. A non-alcoholic wine may also be served, at the discretion of the Senior Pastor, in the distribution of Holy Communion.

Alcohol may be consumed at small group gatherings meeting in members' private homes IN MODERATION. In such gatherings, the principles established regarding the issue of meat sacrificed to idols (Romans chapters 14 and 15) are to be observed, that is, if the practice offends a member of the group or causes one to stumble in their faith, it is better for the whole group to refrain, in loving respect for the unity of the body.

III. AUXILIARY ORGANIZATIONS

- A. Auxiliary organizations are self-funded groups and organizations operating within Living Hope's congregation, and bearing the name of the congregation.
- B. All auxiliary organizations within this congregation shall exist to assist the Church body in its total ministry to the membership and to all those whom it can reach with the Gospel of Jesus Christ. These special interest groups may be organized only upon the authorization of the Senior Pastor and the Board of Elders who in turn will approve their policies and guide their activities. Regular reports concerning membership, work, and finances will be submitted to the Board of Elders for review.
- C. All auxiliary organizations within this congregation must submit an application for charter annually to the Board of Elders, who may grant or deny any request, based on the overall benefit to the mission and ministry of this congregation.

IV. MEMBERSHIP

- A. Membership is defined in Article 4.0 of Living Hope's Constitution, and Article 5.0 of Living Hope's By-Laws.
- B. Associate Church Membership -- Associate Church membership is not practiced by Living Hope of the Bay Lutheran Church.

- C. Joining Living Hope -- All adult new members are to complete Living Hope's "New Hope" class prior to acceptance into membership. Upon acceptance into membership, adults are to complete Living Hope's Core classes ("Hopeful," "Hope Is On The Way," and "Living Hope") at their convenience within approximately one year of joining. Junior confirmands are teenagers who become non-voting members of Living Hope after completing the prescribed Confirmation Ministry program.
- D. Membership Required for Leadership – While guests and those who attend regularly are encouraged to participate in all ministries of Living Hope, some positions are restricted to members of the congregation. Membership is required for anyone who leads a ministry of Living Hope or who serves as a teacher.

V. CONFLICT RESOLUTION

Conflict is a normal occurrence within any relationship between human beings, even within the Church. Conflict can be healthy, providing an opportunity for growth, provided the conflict is managed according to Biblical principles and in a Christ-honoring way.

Biblical counsel for managing conflict is found in Matthew 18, the Eighth Commandment and its explanation, 1 Corinthians 10, and the book of 1 John.

Conflict that is managed Biblically and results in reconciliation gives credibility to the Gospel of forgiveness which we proclaim. Conflict that is managed in willfully un-Biblical actions and words, discredits both Christ and the congregation's proclamation of His Gospel. Those individuals who willfully pursue conflict in non-Biblical ways may become subject to Church Discipline.

The Board of Elders is charged with overseeing the resolution of conflict in a Biblical manner which honors Christ and His bride, the Church.

The Steps of Conflict Resolution:

1. When conflict occurs between individuals, the offended party is urged to go privately to explain the offense taken and to seek reconciliation. Gossip and back-channel communications are to be avoided. It is encouraged that this step be repeated as necessary.
2. If reconciliation is not achieved between the two parties, the offended party may invite two or three witnesses. The witnesses are to be mature Christians who are committed to facilitating reconciliation if at all possible. This step may be repeated.
3. If reconciliation is not achieved, a pastor or Elder may be involved to facilitate reconciliation. Individual Elders are to apprise the Board regarding their role in each conflict resolution case.
4. If reconciliation is still not achieved, the case may be referred to the Board of Elders for a decision.
5. If the aggrieved party is also a rostered member of the Lutheran Church – Missouri Synod, and does not feel that justice has been served, the individual may appeal through the appellate procedure of the Michigan District LC-MS.

If an unresolved conflict involves, either as defendant or plaintiff, a member of the Board of Elders, the member is encouraged to excuse himself from the Board of Elders as they preside over the case. The Board of Elders by majority vote may also exclude an individual elder who is involved in a case of unresolved conflict as the elders preside over the case.

If the conflict involves at least one-third of the Board of Elders, the Senior pastor, Chairman or Vice-Chairman of the congregation is to request District and Synodical conflict resolution assistance as soon as possible.

In conflict resolution cases which threaten the unity and integrity of the congregation of Living Hope, the Elders are encouraged to seek District and Synodical assistance as soon as possible.

VI. ADMINISTRATION

A. NOMINATION OF OFFICERS

1. Each year a Nominations Committee is to be formed, consisting of three or five voting members, depending upon the need. The Senior Pastor, or his representative, is to serve on the Nominations Committee.
2. The Senior Pastor is to appoint the individual committee members, with the Board of Elders approving such appointment.
3. No individual on the Nominations Committee can serve in an elected office in the congregation, or currently aspire to an elected office in the congregation.
4. The Nominations Committee shall elect its own chairperson and recording secretary.
5. The Board of Elders shall determine the number of Elders needed to perform its duties, according to the constitution and by-laws. Similarly, the Board of Directors shall determine the number of Directors needed to perform its duties.
6. The Nominations Committee shall meet with the Board of Elders to review the qualifications for elders and determine questions that should be posed to candidates. Similarly, the Nominations Committee shall meet with the Board of Directors to review the qualifications for directors and determine questions that should be posed to candidates.
7. The Board of Elders shall be given the opportunity to prayerfully submit the names of voting members for consideration as elders and as members of the Board of Directors.
8. The Board of Directors shall be given the opportunity to prayerfully submit the names of voting members for consideration as members of the Board of Directors.
9. The congregation shall be provided with teaching regarding the Biblical qualifications for elders and their role, and the role of the Board of Directors in providing excellence in stewardship.
10. With the qualifications in mind, members of the congregation will be given a period of time to be determined by the Board of Elders, not to be less than two weeks including two Sundays, to submit prayerfully the names of participating voting members for consideration for holding office.
11. No man or woman who is employed by the congregation shall be eligible for election as elder or director, or officer of the congregation.
12. Men or women whose names are submitted shall be so informed, and they shall

be urged to engage in self-appraisal and personal evaluation in light of the qualifications. Any person may withdraw his name at that point if he does not aspire to the position, or if he does not believe he adequately meets the qualifications.

13. The Nominations Committee shall review the names of the nominees and shall conduct interviews with each nominee.
14. After prayerfully considering each nominee, the Nominations Committee will prepare a final ballot with their recommendations. Those nominees who have not been recommended may request the Nominations Committee as to the reason for their not being recommended, with reference to whatever qualifications in the congregation's By-Laws might not have been fulfilled.
15. The final ballot of prospective elders and directors shall be brought before the Voters' Assembly, who will be given a period of time not less than two weeks including two Sundays to show cause why anyone of the prospective elders or directors would not be qualified to serve. Consistent with Matt. 18:15 and Matt. 5:24, any members with such "cause" must first express his or her concern to the prospective elder or director, and then must express his or her concern to the Nominations Committee and the Board of Elders.
16. At the end of the period of time not less than two weeks including two Sundays, the ballot will be voted on by the Voters' Assembly, according to the constitution and by-laws.
17. Those elected shall be presented to the congregation in a service of dedication. Such a time of dedication shall occur every year, whether to affirm those newly elected, or reaffirm the service of those continuing their terms of office.

B. RECALL OF ELECTED CHURCH OFFICERS, ELDERS AND DIRECTORS

The Voters' Assembly alone has the authority to recall those who have been elected to the lay roles of church officers, elders, and directors. The procedure shall be:

1. Conflict resolution processes shall be used as a first resort.
2. When conflict resolution processes have been exhausted any voting member in good standing may circulate a petition of recall.
3. It is recommended that the circulation of the petition of recall be done openly and not secretly.
4. The petition of recall shall state in writing the formal resolution being proposed for adoption by the Voters' Assembly. The wording of the resolution shall state the name(s) of the individual(s) proposed for recall. The wording of the resolution shall also state the specific qualifications and duties which might not have been fulfilled by the individual(s). The qualifications and duties unfulfilled shall be referenced by the governing documents of this congregation. The wording of the resolution shall also state whether voting shall take place in a Meeting of the Voters' Assembly, or by a ballot vote of the Voters' Assembly without convening a meeting.
5. A petition of recall may be circulated for a maximum period of fourteen consecutive days.
6. A petition of recall containing the signatures of a minimum of ten percent (10%) of the

congregation's communicant members, age eighteen years or older shall be considered valid to bring the matter to a vote by the Voters' Assembly.

7. The Secretary of the Congregation shall certify a valid petition of recall, and shall within seven days of certifying a valid petition, announce the date of the Voters' Assembly meeting, or the period of balloting.
8. Voters' Assembly and balloting procedures shall be in agreement with the stipulations of the congregation's Constitution, By-laws, and adopted Policy documents.
9. This recall policy shall only be modified by the Voters' Assembly.

C. STANDING COMMITTEES

The Board of Elders may establish standing committees according to the provisions in the constitution and by-laws.

1. Church Worker Care and Compensation -- A committee shall be established consisting of at least two elders, two members of the Board of Directors, the senior pastor, and an additional called staff worker appointed by the senior pastor. The committee members will be elected annually by the Board of Elders. The purpose of the Church Worker Care and Compensation Committee is to foster a healthy culture within Living Hope for her professional church workers. This committee will set salary scales for use by those with supervisory responsibilities; create systems for and assist with regular performance reviews; select worker benefit plans that properly and fairly support Living Hope's workers and their families; create ways for staff workers to grow educationally; foster the emotional, spiritual, relational, and physical health of those who serve God professionally among us. This committee will use District and Synod resources to inform and guide their decision making. A helpful text for reference is *It Only Hurts On Monday*, Gary McIntosh, Churchsmart Resources, 1998.
2. Strategic Planning Council – The Board of Elders will establish a standing committee to facilitate long-term planning for Living Hope. The congregation will not operate with less than a five-year plan. Committee members include two members of the Board of Elders, two members of the Board of Directors, the senior pastor, a staff person appointed by the senior pastor, and may include two additional committee members who are appointed by the senior pastor and elected by the committee. The two additional members appointed by the senior pastor will be non-voting members of the committee and may or may not be voting members of Living Hope. The two Elders and two Directors are to be elected annually by the Board of Elders. All committee members are to be people of prayer, wisdom, discernment, and vision. The purpose of this committee will be to assess ministry effectiveness, scan the environment looking for God-given opportunities for Gospel-centered ministry, evaluate Living Hope's mission, vision, and ministry strategy and suggest improvements and make plans to further the same.

The senior pastor shall be responsible for initiating vision and ministry proposals, in agreement with the procedure for development of vision.

D. AD HOC COMMITTEES -- The Board of Elders may establish ad hoc committees as needs arise.

Call Committees for Called staff workers –

The Board of Elders may establish Call committees to facilitate the search for Called staff workers. Call Committees shall be an odd number of voting members of Living Hope, not less than 3 and not more than 9. It is best that committee members represent a wide spectrum of people and diverse perspectives. One member shall be an Elder. When Calling for a position other than the senior pastor, the senior pastor shall be a member of the Call Committee. No person who currently aspires to the vacant office may be a member of the Call committee. The Board of Elders shall elect the members of the Call committee and notify the Voters' Assembly, with the exception of a Call Committee for a newly created ministry staff position, which shall be nominated by the Elders and elected by the Voter's Assembly. The length of term shall be for one year, and may be renewed.

E. PROCEDURE FOR CALLING STAFF WORKERS --

1. A position description shall be written, noting the qualifications necessary. The Call Committee shall consult with the Elders, and the Senior Pastor when writing the position description.
2. The position description will be approved by the Board of Elders.
3. The congregation will be provided teaching about the position and the Biblical qualifications.
4. Newly created Called staff positions must first be approved by the Voters' Assembly, along with the Call Committee members, before any candidates are nominated for the office.
5. The congregation will be provided a minimum of fourteen days to submit the names of qualified candidates to the church office.
6. The names of all candidates nominated by the congregation will be sent to the District Office along with a letter formally requesting a list of recommended candidates for the Call.
7. The Circuit Counselor will be notified.
8. The Call Committee will develop an interview procedure and conduct interviews with candidates.
9. The Call Committee will prepare a ballot of at least two recommended candidates.
10. The Call Committee will consult with the Congregational President who shall call

for a vote by the Voters' Assembly.

11. The voting procedure must be in accordance with the constitution and by-laws.
12. A prayer vigil and/or special prayers shall be offered before voting occurs.
13. Once a candidate receives a two-thirds majority vote by the Voters' Assembly, the Voters shall be asked to make the ballot unanimous.
14. The Senior pastor will oversee the completion of Call documents and communication with the candidate.
15. Prayers will be offered for the candidate.
16. If the candidate prayerfully accepts the position, remaining candidates on the call list will be notified and told the reasons they will no longer be considered for this position. The Senior Pastor will oversee plans to install the candidate. The congregation will thank and dismiss the Call Committee.
17. If the candidate prayerfully declines the position, the Call Committee will determine whether to place another call from the same list of candidates or accept the nomination of new candidates from the congregation and District according to the procedure outlined above.

F. PARLIAMENTARIAN -- the Chairman of the Congregation shall annually appoint a parliamentarian who will advise meetings of the Voters' Assembly in parliamentary procedure. The appointment shall be for one year and is renewable.

G. PUBLICATION OF BOARD MEETING MINUTES – The Board of Directors shall keep minutes of meetings, and make them publicly available to members of Living Hope of the Bay Lutheran Church in a timely manner, using a means of communication which the Board of Directors deems best. The Board of Elders shall do likewise on matters which the Board of Elders deems it best for the ministry to be made public, and which do not damage the ministry of the congregation or compromise necessary confidentiality.

H. ADMINISTRATIVE MEETINGS ON SUNDAYS: Since the Third Commandment clearly commands Christians to give priority to worship and the study of God's Word, Living Hope will encourage all to participate in these opportunities for spiritual growth whenever they are offered. No administrative or leadership group, Board, Council, or Committee shall schedule or hold a meeting or perform administrative tasks during the hours designated for worship services, Sunday School or Bible Classes.

VII. FINANCIAL

- A. MISSIONS AND CHARITIES – Living Hope of the Bay shall designate thirteen and one-half percent (13 ½%) of each year's annual offering income to be used for missions and charities. This is in keeping with Old Testament Biblical practice in which a tithe was collected each year to support the Temple ministry with an additional tithe collected every three years to assist the poor and needy. Living Hope is to be an example to her members in the practice of tithing. Living Hope's budgeted support of missions and charities is to be applied in the following manner:
1. An amount equal to three and one-half percent (3 ½%) of the annual offering income shall be designated for local charities to help the poor and disadvantaged.

2. An amount that is at least five percent (5%) of the annual offering income shall be given to the Michigan District in support of District and Synod-wide work.

B. OUTREACH BUDGET – Local outreach and evangelism is essential to Living Hope to fulfill the congregation’s stated mission. Therefore designating money in the annual budget is a priority. The amount of the annual outreach budget is to be determined annually by the Board of Directors, in consultation with the Board of Elders and the Senior Pastor or his designee in charge of outreach ministry.

C. FUND RAISING AND SOLICITATION

1. DEFINITIONS

Fundraising: Activities designed to bring money or other resources into the Church other than through the regular offering system. Typically, fund raising activities involve receipt of goods or services of value in exchange for financial resources.

Solicitation: Asking for funds or resources in exchange for recognition, items of value, or due to the affiliation of the solicitor.

Contributions: A gift of cash or property, unconditional in nature, and without material personal benefit to the contributor.

2. POLICY

Living Hope Lutheran Church will avoid all forms of fundraising and solicitation, which seek funds from the world, or from other members of Living Hope, for the work of the Church. Instead, Living Hope will seek support for its mission entirely through the use of member contributions. Free will offerings or the sale of tickets may be used to offset the cost of events (e.g., Wednesday night dinners, men’s prayer breakfasts, etc.) with the permission of the appropriate staff person in charge of the requesting ministry.

Items (e.g. books, tapes, etc.) may be sold at events provided that the appropriate staff person and/or the Board of Directors approve these items. These items must not conflict with our Christian beliefs.

Also, the directory of our members and all other forms of internal communication (e.g. mailboxes) will not be used to solicit business for personal profit.

3. POLICY RATIONALE

a. Fundraising events and solicitation can detract from each disciple’s understanding that the giving of our first fruits is a privilege and responsibility given to believers in order to support God’s Kingdom work.

b. Fundraising events and solicitation can cause

- c. confusion in the world regarding our true mission. Support for our mission is to come from the contributions that are given freely, willingly, and directly as God has prospered us.
 - d. Members should have the confidence that their addresses, phone numbers, and mailboxes will be used only for church related information.
- 4. EXAMPLES OF PROHIBITED ACTIVITIES (This list is meant to be illustrative, not all-inclusive.)
 - a. Solicitation of funds for school projects.
 - b. Sale of Girl Scout cookies.
 - c. Bake sales
 - d. Raffles or lotteries
- 5. EXAMPLES OF PERMITTED ACTIVITIES are relief projects to ease human suffering, for which both funds *and personal participation* are requested. Examples:
 - a. Christmas Giving Tree
 - b. Food Baskets for local people in need
 - c. Habitat for Humanity home building projects
 - d. Juarez, Mexico home building mission
 - e. Disaster relief for victims of hurricanes, tornados, etc.
- 6. Permitted activities usually benefit people *beyond* those who attend Living Hope, though members and guests of the congregation may occasionally be selected as recipients.
- 7. Up to two (2) international projects and four (4) local projects may be carried out each year. Additional projects must be approved by the Elders.
- 8. RESPONSIBILITY
When in doubt regarding an activity, please consult the Chairman of the Board of Directors and/or the Senior Pastor.

D. DESIGNATED AND UNDESIGNATED GIFTS

- 1. DEFINITIONS
Gifts: All other contributions of property or money, other than those given as regular offerings, by members or nonmembers of Living Hope of the Bay Lutheran Church.
- 2. POLICY
 - a. Any item either accepted, and/or purchased

with these funds will become the property of the church and is subject to the decisions made by the staff.

- b. Gifts of real property, and/or monetary gifts, designated for a specific purpose, must be approved by the Senior Pastor prior to acceptance.
- c. Confidentiality, where requested by the donors, will be maintained.
- d. Where sufficient money has not been received for the purchase of an approved item, or where the expenditure is not currently prudent, a separate fund will be maintained for the proceeds until a balance exists which is sufficient to purchase that item.
- e. Upon request, the Treasurer or Financial secretary will sign a receipt, acknowledging the gift.
- f. Any gift should not substitute for tithing.

3. POLICY RATIONALE

- a. Problems can occur with unsolicited gifts which may be unneeded or which may not be consistent with the mission of the Church.
- b. Memorials and other gifts should only be used to serve God and His people in the life and mission of the Church.

4. RESPONSIBILITY

- a. Maintain proper accounting for cash received. Treasurer
- b. Approval of gifts. Senior Pastor

E. PETTY CASH FUND

1. DEFINITION

A petty cash fund is a small fund of cash, available for small expenditures for which the inconvenience and cost of writing checks are not warranted.

2. POLICY

- a. A petty cash fund will be maintained by the Church Administrative Assistant.

- b. When cash is depleted, or on the last business day of each month, a check will be drawn to replenish the fund. When this check is drawn, an accounting entry will be made to reflect the activities of the fund.
- c. Disbursements will be made upon completion of a Petty Cash Voucher. This voucher will state the date the funds are received from the petty cash, the amount of funds received, a brief description of purpose, and the signature of the person requesting reimbursement.

3. POLICY RATIONALE

Certain small expenditures for supplies occur which are necessary to the operation of the Church. When these expenditures must be made immediately, are routine in nature, and are small in amount, reimbursement through the petty cash fund is more effective than preparation of a check.

4. RESPONSIBILITIES

- | | | |
|----|---------------------|--------------------------------|
| a. | Fund disbursements. | Church
Administrative Asst. |
| b. | Fund replenishment. | Treasurer |
| c. | Fund amount. | Treasurer |

F. EXPANSION FUND

1. DEFINITION

An Expansion Fund represents a special fund for the sole purpose of supporting the future growth of the congregation. Fund proceeds may be used to purchase real, and/or personal property in the support of this growth.

2. POLICY

- a. The Voters will approve expansion plans.
- b. A separate ledger account will be established and maintained for an Expansion Fund. A separate bank account may also be established with the approval of the Board of Directors.
- c. The Building Committee will create a priority list of all items needed to erect or expand a building, furnish it, and equip it for ministry.

The Board of Directors must approve this priority list.

- d. The Building Committee will disburse funds.
- e. At such time when a fund is no longer deemed necessary, it will be dissolved by a vote of the congregation. Any remaining unrestricted funds will then either be returned to the General Fund, or used for any other purpose In support of the mission of Living Hope of the Bay. This disposition of funds upon the dissolution of the Expansion Fund will be determined by a vote of the congregation.

3. RESPONSIBILITIES

- a. Establish ledger account. Treasurer
- b. Establish bank account. Treasurer
- c. Recommendations for expenditures Building Committee
- d. Final approval of expenditures Board of Directors
- e. Disbursement of funds Building Committee
- f. Keeping congregation informed Building Committee Chairman
- g. Dissolution of Expansion Fund Congregation

G. SPENDING POLICY

1. SPENDING FOR MATERIALS AND SERVICES

- a. EXPENDITURES OF \$100.00 AND LESS. Must be substantiated by receipt, if possible. Request for Expenditure Form must be submitted by the individual requesting the expenditure, and signed by both the appropriate staff person and the Treasurer.
- b. EXPENDITURES OF MORE THAN \$100.00. Receipt of expenditure is required. If expenditure falls within the department's total budget, approval by both the appropriate staff person and the Treasurer is required. If expenditure exceeds the department's total approved budget, approval by the appropriate staff person and the Board of Directors is required. Request for Expenditure Form and receipt must be submitted by the individual

requesting the expenditure, and signed by both the appropriate staff person and the treasurer.

- c. **EXPENDITURE REQUEST FORM**
The appropriate staff person must sign any Expenditure Request Form that is requesting payment to an individual or to a company that the individual is affiliated with. The Treasurer must sign any Expenditure form that is requesting payment to a staff person or to a company that the staff person is affiliated with.

2. **SPENDING FOR TRAVEL**

- a. **Prior Approval Requirements:**
For Living Hope of the Bay employees, approval by immediate supervisor is required. For church members (other than employees), approval by the appropriate staff person is required.
- b. **Reimbursement rates for travel on approved church business:**

Daily Food Allowance	Within Reason
Room	Within Reason
Auto Allowance	IRS Approved Standard Mileage Rate
Cab Allowance	As Required
Tolls & Parking	As Required
Supplies	As Required
Airfare	As Required
- c. Receipts are required for each expenditure (excluding daily food allowance) that exceeds \$10.00
- d. **Reimbursement Procedure**
The traveler must submit Travel and Business Expense Report with the required receipts within seven days of return for approval signatures.
After the Travel and Business Expense Form has the required signatures, the traveler should submit it to the Treasurer for reimbursement of expenses or for receipt of remaining cash advances.

H. CHECK WRITING POLICY

POLICY

1. All checks processed from any bank account will require two signatures. If two signatures are not available, then the following procedures must be followed for proper separation of responsibilities:
 - a. Check Processing and Bank Reconciliation will be the responsibility of the Board of Directors.
 - b. Check Signing and Transfer Authority will be the responsibility of the Treasurer.
 - c. Payroll Checks may have a stamped signature on them by the payroll processing company or the checks may be electronically transferred into the employee's account as long as someone other than an employee audits the payroll runs.
2. The Treasurer will recommend and the Voters' Assembly will approve who has check signing authority at the annual voters' meeting. The person(s) in charge of processing the checks is not allowed to have check signing authority on any bank account.
3. Expenditure Request Form must be submitted in accordance with the Spending Policy.
4. One non-employee signature is required on all checks.

RESPONSIBILITY

The Treasurer is responsible for the implementation of this policy.

I. HANDLING OF OFFERINGS

1. POLICY

- a. A minimum of two unrelated people will remove the offering from the altar and put it in a locking bank bag, and deposit into the bank.
- b. The offering will be removed from the altar immediately after the service.
- c. A minimum of two unrelated people will be present when the offering is removed from the bank, and there will always be at least two unrelated people present up to the time the money is ready for deposit.

2. RESPONSIBILITY

The Financial Secretary will be responsible for the implementation of this policy. It is the Treasurer's responsibility to periodically oversee the implementation of this policy.

J. FINANCIAL RECORDS

The financial records of the congregation are to be kept securely in the church office in

both electronic and paper forms.

K. APPOINTMENT OF FINANCIAL SECRETARY - The Board of Directors shall annually appoint the congregation's Financial Secretary, selecting a capable voting member of Living Hope in good standing. A majority vote of the Board of Directors shall constitute an appointment.

L. DISPOSAL OF USED EQUIPMENT

1. POLICY

The Board of Directors will determine when a piece of equipment is no longer useful, and will donate, sell, or dispose of it properly and in the best interest of Living Hope of the Bay,

2. RESPONSIBILITY

The Board of Directors is responsible for the implementation of this Policy.

M. TUITION ASSISTANCE FUND POLICY

1. POLICY

We want to assist families who have enrolled their children in Missouri Synod Lutheran Schools from kindergarten through the twelfth grade. Living Hope of the Bay may establish a Tuition Assistance Program upon vote of the congregation.

- a. A family may apply for assistance if the parent(s) or guardian, and child are members of Living Hope of the Bay Lutheran Church.
- b. The child must be enrolled in a Missouri Synod Lutheran elementary school or high school.
- c. A Tuition Assistance Form must be filled out and submitted to the Board of Directors during the registration period in order for a child to be considered.
- d. Each family that the Board of Directors approves, will be eligible to receive up to 25 % of their child's tuition paid for by Living Hope of the Bay. All approved families will receive the same percentage of assistance for their child, but because of the differences in cost of tuition between schools, they may not receive the same dollar amount for their child. The assistance is for the tuition only; it will not be used or be based on books, fees, or dues.
- e. The tuition assistance will be paid directly to

the Lutheran school or LHSA in the recipient child's name and will not be paid directly to the family. The Board of Directors and staff will review the Tuition Assistance line item to determine the amount that will be budgeted each year based on tuition cost and number of possible students enrolled in Lutheran schools.

2. POLICY RATIONALE

We believe that Christian education is an important part of an adult's life, as well as a child's life. Since we are not affiliated with a Christian school and do not participate in the Lutheran High School Association, we believe this fund will help families that are struggling with keeping their children in a Lutheran School and keeping their membership here at Living Hope of the Bay.

3. RESPONSIBILITY

The Board of Directors.

N. MISSION EVENT OR TRIPS

1. DEFINITION

Mission Event or Trip is defined as an event or trip wherein a person(s) is participating in such an activity for the sole purpose of doing religious missionary work or religious charity work. In all cases the Saving Gospel of Jesus Christ must be an integral part of the activity and sponsored by a duly organized and registered organization, i.e. Christian church, Christian missionary organization, Christian medical missionary organization, etc.

2. POLICY

- a. In an effort to assist members who plan to participate in a Mission Trip or Event, Living Hope of the Bay may provide financial assistance for personal expenses of \$250.00 per participating member per event or trip.
- b. Living Hope may consider additional funds for materials, supplies, and in some cases, transportation.
- c. To qualify for financial assistance, the applicant must submit a written request to the Board of Directors, along with answers to the following questions, sixty

days (60) prior to the event or trip:

Member/staff person's name requesting assistance.

Event or trip sponsor's name, mission statement, organization or affiliation, tax status-for profit or nonprofit, Federal I.D. number.

Total anticipated cost.

Total amount requested.

Location or destination of the event or trip.

Date(s) of event or trip.

Length of time requestor plans on participating.

Purpose of the event or trip.

- d. The implementation of this policy is not to be interpreted as approval for financial assistance for Mission Events or Trips. No plans for financial assistance should be made until approval of the request is finalized.

2. RESPONSIBILITY

The Board of Directors is responsible for the implementation of this policy and will evaluate each request on the merits of the event or trip and the sponsoring organization.

.VIII. Staff standards for maintaining moral integrity:

All Staff members of Living Hope of the Bay Lutheran Church are expected to live a godly life to glorify Christ, and to be an example to the congregation. All staff workers are expected to conform to the ethical standards contained in the most recent edition of the document published by the Michigan District LC-MS entitled, "*Partners in Ministry: Ethical Conduct for Professional Church Workers.*"

IX. Ethical Commitments of Lay Leaders and Living Hope Lutheran Church

All Officers and appointed leaders of Living Hope of the Bay Lutheran Church are expected to live a godly life to glorify Christ, and to be an example to the congregation. In their individual lives and in the life together as the congregation of Living Hope, they conform to

the ethical standards contained in the most recent edition of the document published by the Michigan District LC-MS entitled, "*Partners in Ministry: Ethical Conduct for Congregations.*"

X. Acceptance and Refusal to Officiate Wedding Ceremonies:

The marriage policy of Living Hope of the Bay Lutheran Church, a member congregation of The Lutheran Church – Missouri Synod, is and always has been consistent with the Synod's beliefs on marriage. We believe that marriage is a sacred union of one man and one woman (Gen. 2:24-25), and that God gave marriage as a picture of the relationship between Christ and His bride the Church (Eph. 5:32). The official position of The Lutheran Church – Missouri Synod, as set forth in 1998 Res 3-21 ("To Affirm the Sanctity of Marriage and to Reject Same-Sex Unions"), is that homosexual unions come under categorical prohibition in the Old and New Testaments (Lev. 18:22,24; 1 Cor. 6:9-10; 1 Tim. 1:9-10) as contrary to the Creator's design (Rom. 1:26-27). These positions and beliefs can be found on the LCMS website, along with other statements, papers and reports on the subject of homosexuality and same-sex civil unions and "marriage." Our pastors will not officiate over any marriages inconsistent with these beliefs, and our church property may not be used for any marriage ceremony, reception or other activity that would be inconsistent with our beliefs and this policy.