

Guiding Principles

Growing Healthy Churches

revised 10-20-03

PREAMBLE

The following document is designed by the regional board to implement a staff-led, policy-governed model modified for the specific needs of the Growing Healthy Churches. The Guiding Principles fall into three categories: Through “Mission Principles” the board prescribes for the Executive Minister the ends to be achieved by GHC. Through “Boundary Principles” the board sets constraints on the means that may be used in pursuit of those ends. (However, the board is careful not to prescribe any particular means for the Executive and the staff.) Through “Accountability Principles” the board instructs the President of the GHC as its chairperson how to maintain the linkage of the board with its constituents, the monitoring of Executive Minister performance, and the integrity of the board’s own process. In any case where these Guiding Principles delegates to the Executive Minister and staff a decision required by the bylaws to be made by the board or committee, the requirement of the bylaws will be fulfilled through the use of a routine consent agenda by the board.

These Guiding Principles are not intended to communicate all that we believe and practice. We affirm our commitment to an orthodox and evangelical Christian faith, the value of all persons and cultures, and the variety of legitimate ministries in God’s Kingdom. Through these Guiding Principles, we merely intend to focus the priority outcomes, the ethical boundaries, and the organizational strategy of the GHC through its board and Executive Minister.

MISSION PRINCIPLES

[Defining for the Executive Minister what difference this organization exists to make for whom and to what extent]

MP1.0 Comprehensive Mission Statement

The Growing Healthy Churches exist to grow healthy churches; that is our permanent mission. Our current vision is to be a God-empowered movement of 300 growing, reproducing churches in the Region by 2012.

MP1.1 Component: Regional Ministries

The top priorities of the region will be church reproduction, leadership development, and church training.

MP1.1.1 Detail: Church Reproduction

Planting healthy, reproducing churches among every people group will be a top priority of the region.

MP1.1.2 Detail: Leadership Development

Developing effective church leadership will be a top priority of the region.

MP1.1.3 Detail: Church Training

Providing training for the purpose of growing healthy churches will be a top priority of the region.

MP1.2 Component: Global Ministries

A second-level priority of the region will be networking congregations and resources to grow healthy churches beyond the cultural and geographical boundaries of the Region.

MP1.3 Component: Strategic Partnerships

A third-level priority of the region will be working with other evangelical ministries, regardless of denomination, to grow healthy churches through alliances and projects that create a win for each ministry and for the advancement of God's Kingdom.

BOUNDARY PRINCIPLES

[Defining the limits of acceptable means that the Executive Minister is hereby authorized to use in achieving the Mission]

BP1.0 Comprehensive Boundary Statement

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

BP1.1 Component: Biblical and Moral Integrity

With regard to teaching and leadership the executive minister shall not fail to uphold high standards of biblical teaching and morality.

BP1.2 Component: Financial Planning and Budgeting

Financial planning for any fiscal year or the remaining part of any fiscal year shall not deviate materially from the board's Mission Principles or risk financial jeopardy.

BP1.2.1 Detail: Sufficient Information

The executive minister shall not allow budgeting that contains too little information to enable credible projection of revenues and expenses, separation of capital and operational items, relation of expenditures to Mission Principles, and disclosure of multiyear planning assumptions.

BP1.2.2 Detail: Expenditures within Projected Funds

The executive minister shall not allow budgeting that plans the expenditure in any fiscal year of more funds than are conservatively projected to be received in that period, unless special circumstances are adequately described including a realistic plan to make up the deficit within the following fiscal year.

BP1.2.3 Detail: Asset and Cash Margins

The executive minister shall not allow budgeting that intentionally creates a debt to equity ratio of greater than 30% or allows cash and readily marketable securities to drop below a safety reserve of less than three month's expenses.

BP1.2.4 Detail: Board Funding

The executive minister shall not allow budgeting that provides less for board activities during the year than is set forth in the Cost of Governance Principle, AP1.2.7.

BP1.3 Component: Financial Condition and Activities

With respect to the actual, ongoing financial conditions and activities, the executive minister shall not allow the development of fiscal jeopardy or a material deviation of actual expenditures from board priorities established in Mission Principles.

BP1.3.1 Detail: Expenditures

The executive minister shall not expend more funds than have been received in the fiscal year to date unless the following debt guideline, BP1.3.2, is met.

BP1.3.2 Detail: Borrowing

The executive minister shall not borrow an amount greater than can be repaid by reliable, otherwise unencumbered revenues within twelve months, except for vehicles or capital investments.

BP1.3.3 Detail: Inter-fund Shifting

The executive minister shall not make inter-fund transfers in amounts greater than can be restored to a condition of discrete fund balances by reliable, otherwise unencumbered revenue within twelve months..

BP1.3.4 Detail: Payroll and Debt Settlement

The executive minister shall not fail to settle payroll and debts in a timely manner.

BP1.3.5 Detail: Government Payments and Filings

The executive minister shall not allow tax payments, if any, or other government-ordered payments or filings to be overdue or inaccurately filed.

BP1.3.6 Detail: Purchase Cap

The executive minister shall not make a single expenditure of greater than 5% of the annual budget, aside from staff, non-discretionary expenses, and capital investments.

BP1.4 Component: Asset Protection

The executive minister shall not allow the assets to be unprotected, inadequately maintained, or unnecessarily risked.

BP1.4.1 Detail: Insurance

The executive minister shall not fail to insure against theft and casualty losses to at least 80 percent of replacement value and against liability losses to board members, staff, and the region itself in an amount greater than the average for comparable organizations.

BP1.4.2 Detail: Bonding

The executive minister shall not allow unbonded personnel access to material amounts of funds.

BP1.4.3 Detail: Facilities and Equipment

The executive minister shall not subject facilities and equipment to improper wear and tear or insufficient maintenance.

BP1.4.4 Detail: Liability

The executive minister shall not unnecessarily expose the organization, its board, or its staff to claims of liability.

BP1.4.5 Detail: Purchases

The executive minister shall not make any purchase 1) wherein normally prudent protections have not been made against conflict of interest; 2) of over \$1,000 without having made comparisons of prices and quality; and 3) of over \$5,000 without a stringent method of assuring the balance of long-term quality and cost.

BP1.4.6 Detail: Information Protection

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

BP1.4.7 Detail: Auditor

The executive minister shall not receive, process, or disburse funds under controls that are insufficient to meet the board-appointed auditor's standards.

BP1.4.8 Detail: Secure Instruments

The executive minister shall not purchase insecure instruments, including uninsured checking accounts and bonds of less than "investment grade" rating, except for non-rated bonds that are asset-backed with a debt-to-equity ratio not to exceed 70% and an income-to-debt ratio not to exceed 30%. The executive minister shall not hold operating capital in non-interest bearing accounts except when necessary to facilitate ease in operational transactions.

BP1.4.9 Detail: Public Reputation

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

BP1.5 Component: Compensation and Benefits

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

BP1.5.1 Detail: Executive Minister Compensation

The executive minister shall not change his or her own compensation and benefits.

BP1.5.2 Detail: Promise of Employment

The executive minister shall not promise or imply permanent or guaranteed employment.

BP1.5.3 Detail: Market Value

The executive minister shall not establish current compensation and benefits that deviate materially from the geographic or professional market for the skills employed.

BP1.5.4 Detail: Term of Compensation

The executive minister shall not create compensation obligations over a longer term than revenues can be safely projected, in no event longer than one year, and in all events subject to losses in revenue.

BP1.5.5 Detail: Fairness of Benefits

The executive minister shall not establish or change health or pension benefits so as to cause unpredictable or inequitable situations.

BP1.6 Component: Treatment of Staff

With respect to the treatment of paid and volunteer staff, the executive minister may not cause or allow conditions that are unfair or illegal.

BP1.6.1 Detail: Personnel Policies

The executive minister shall not operate without concise personnel policies that clarify rules for staff, provide for effective handling of grievances, and protect against wrongful conditions such as nepotism and grossly preferential treatment for personal reasons.

BP1.6.2 Detail: Grievance

The executive minister shall not prevent staff expressing a grievance to the board when (1) internal procedures have been exhausted, and (2) the employee alleges *either* that board principles have been violated to his or her detriment *or* that board principles do not adequately protect his or her human rights.

BP1.7.3 Detail: Notice

The executive minister shall not fail to acquaint staff with their rights according to these principles.

BP1.7 Component: Communication with and Support to the Board

The executive minister shall not permit the board to be uninformed or unsupported in its work.

BP1.8 Component: Real Property

The executive minister shall not buy, sell, or manage real property in a manner that fails to put maximum resources to work for the mission of the region, to facilitate property ownership by autonomous churches, and to aid the broader advance of God's Kingdom through win-win ventures with other like-minded ministries.

BP1.8.1 Detail: Maximum Resources for Mission

The executive minister shall not allow real property of the region to remain underproductive when there is an opportunity for it to better advance the current mission priorities of the region through its usage, lease, or sale.

- BP1.8.2 Detail: Property Ownership by Autonomous Churches*
The executive minister shall not foster dependence of an autonomous church on the region by maintaining regional ownership of property rather than offering it to the church for sale or lease at a fair market price less any legally verifiable equity that the church already has in the property.
- BP1.8.3 Detail: Advancing God's Kingdom*
The executive minister shall not sell or lease real property for general usage when a like-minded Christian ministry is willing and able to obtain it for Kingdom usage for at least 95% of its value on the open market.
- BP1.8.4 Detail: Certification Prior to Sale*
The executive minister shall not finalize the sale of any real property owned directly by the region without prior certification by the board in writing that such a sale violates none of the Boundary Principles and is therefore authorized by current board policy.

ACCOUNTABILITY PRINCIPLES

*[Defining for the chairperson the standards to uphold for enforcing **the integrity and fulfillment of the board's process**]*

AP1.0 Comprehensive Accountability Statement

The accountability of the board before God, on behalf of the member churches of the GHC is to see that regional staff, through the leadership of its executive minister, (1) achieves the fulfillment of its Mission Principles, and (2) avoids violation of its Boundary Principles.

AP1.1 Component: Connecting the Region to Its "Moral Owners"

The board shall maintain an active connection the "moral ownership" of the region: Christ and the churches he has called this region to serve.

- AP1.1.1 Detail: Devotion to Prayer and the Word of God*
Under the teaching and guidance of the executive minister, the board will continually seek the wisdom and leading of Christ as the Lord of His church. To this end, significant attention will be given to prayer and study of Scripture as a group.
- AP1.1.2 Detail: Constituent Input and Feedback*
The board will receive input and feedback from member churches to better understand their needs. Periodically the board will arrange an objective assessment by a competent consulting group.
- AP1.1.3 Detail: Demographic and Cultural Research*
The board will invest significant resources each year to enhance its understanding of the needs of people in the communities and cultures where it is planting, revitalizing, and resourcing churches.

AP1.2 Component: Maintaining the Process of the Board

The board shall conduct itself with discipline and integrity with regard to its own process of governance.

AP1.2.1 Detail: Board Style

The board will govern with an emphasis on (1) outward vision rather than internal preoccupation, (2) encouragement of diversity in viewpoints, (3) strategic leadership more than administrative detail, (4) clear distinction of board and staff roles, (5) collective rather than individual decisions, (6) future rather than past or present, and (7) proactivity rather than reactivity.

AP1.2.2 Detail: Board Job Responsibilities

The essential responsibilities of the board are linkage to the people served, definition of guiding principles, and monitoring of executive minister performance. In addition to these three essentials, the board shall exercise authority granted to it in the bylaws and not delegated to the executive minister.

AP1.2.3 Detail: Board Member Code of Conduct

The board commits itself and its members to the following code of conduct:

- a. Members of the board must represent unconflicted loyalty to the interests of Christ regarding those whom he has called the region to serve (Matt. 28: 18-20). This loyalty supersedes any personal or group interest among or outside consumers of the region's services. A member must disclose any conflict of interest, fiduciary or otherwise, and withdraw from any decision-making affected by it.
- b. Members of the board must honor the principles and decisions of the board acting as a whole. They may not foster dissent or attempt to exercise individual authority over the staff or the organization except as explicitly stated in the guiding principles.
- c. Members of the board must respect the confidentiality of sensitive board issues and must avoid facilitating gossip or other "triangulation" against the practice of direct, biblical resolution.

AP1.2.4 Detail: Responsibility of the Chairperson for Integrity of Process

The chairperson enforces the integrity and fulfillment of the board's process. The chairperson is authorized to use any reasonable interpretation of the Accountability Principles as he or she acts to ensure the integrity of the board's process.

AP1.2.5 Detail: Responsibility of the Executive Minister for Visionary Leadership

The executive minister has the responsibility, authority, and accountability to serve as the primary leader of the region at every level: constituents, board, and staff. With respect to the board, the executive minister will provide the primary vision and guidance on all actions except for monitoring of executive minister performance. If a question of process arises with regard to the bylaws or guiding principles of the region, the executive minister will defer to the judgment of the chairperson.

API.2.6 Detail: Use of Board Committees

Board committees, if used, will be assigned so as to reinforce the wholeness of the board's job and never to interfere with the delegation from the board to the executive minister or with the work of the staff.

API.2.7 Detail: Cost of Governance

The board will invest amply in its own governance capacity through training, outside expertise, research mechanisms, and meeting costs.

API.3 Component: Monitoring the Performance of the Executive Minister

The board's sole official connection to the operating organization of the region, its achievement, and conduct shall be through the executive minister.

API.3.1 Detail: Unity of Control

Only decisions of the board acting as a whole are binding on the executive minister.

API.3.2 Detail: Accountability of the Executive Minister

The executive minister is the board's only link to operational achievement and conduct, so that all authority and accountability of staff, as far as the board is concerned, is considered the authority and accountability of the executive minister.

API.3.3 Detail: Delegation to the Executive Minister

The board will instruct the executive minister through written principles that prescribe the mission to be achieved and establish the boundaries to be respected, allowing the executive minister to use any reasonable interpretation of these principles.

API.3.4 Detail: Performance of the Executive Minister

Systematic and objective monitoring of executive minister job performance will be solely against region accomplishment of the board's Mission Principles and region operation within the board's Boundary Principles.

- a. The executive minister will be required to write measurable goals each year that correspond to each of the board's mission principles.
- b. Each year the board shall review the results achieved by the executive minister on each of the annual goals, as the basis of either a raise or corrective action.