CENTRE STREET CHURCH
(A Federal Corporation)

EXECUTIVE LIMITATION POLICIES

Board Approval the 24th day of May, 2011

Wendy Lowe, Chair
Shirley G. Yule, Secretary
EXECUTIVE LIMITATION POLICIES (EL’S)

Executive limitation policies are those policies which prescribe means that must be used or that shall be avoided by the Senior Pastor to realize CSC ends. The CEO has latitude to exercise whatever other means he deems appropriate to accomplish organizational ends, but in so doing must comply with the following executive limitations. Accordingly the Senior Pastor shall:

0.0 Global Executive Constraint

Make reasonable efforts to ensure CSC practices, activities and decisions are lawful, in keeping with commonly accepted business practices, professional ethics, Biblical tenets, and Board policy/decisions and protect the reputation of CSC.

1.0 Treatment of Staff

With respect to the treatment of volunteers and paid staff, the Senior Pastor shall protect against any condition, procedure, action or decision that is harassing, abusive, or discriminatory; that negatively impacts the ability of staff and volunteers to responsibly perform their work and ministries and to work in an environment of professional support and respect, or that in any way does not uphold the dignity of the person.

Accordingly, the Senior Pastor shall:

1.1 Ensure that clear, consistent personnel policies and procedures are in place and made available to all employees.
1.2 Ensure personnel decisions are consistent with CSC values, best human resource practice, applicable Labor legislation, Board policy and reflect due process.
1.3 Ensure only qualified persons are hired or continue to be employed.
1.4 Ensure pastoral or leadership staff have become members of CSC.
1.5 Ensure the Senior Pastor operates with a Senior Pastor’s support group.
1.6 Ensure appropriate action is taken with any employee who willfully contravenes Board policy.
1.7 Not cause or permit the consideration to hire or promote a family member related to any CSC executive employee or any senior leadership employee without first securing the approval of the Board, and shall ensure any family member hiring is consistent Appendix A: Employment of Relatives (Nepotism Policy)
1.8 Not allow the hiring of employees or non-permanent contract or temporary staff, who do not profess Christian faith, support the CSC statement of faith, or agree to uphold the CSC Statement of Conduct for CSC employees, except in rare circumstances where such qualified persons may not be available in critical technical or instrumental roles for temporary engagements.
2.0 Treatment of Members, Adherents, the Public and Stakeholders

With respect to the treatment of members, adherents and the public (MAP), the Senior Pastor shall not cause or allow conditions, procedures, actions or decisions that are unsafe, abusive, discriminatory or harassing, or that do not protect confidentiality or ensure privacy. Accordingly, the Senior Pastor shall:

2.1 Ensure an accurate, up-to-date membership role is maintained.
2.2 Effectively handle complaints and concerns.
2.3 Ensure members and adherents are provided with up-to-date information on church affairs.
2.4 In matters of discipline, ensure ministry functions with conflict resolution steps based on Matthew 18:15-17.
2.5 Provide required reports to government or other stakeholders in a timely manner

3.0 Risk Management

With respect to managing risk the Senior Pastor shall not allow conditions, procedures, actions or decisions that put at risk, the health and safety of individuals, the assets of the church and its reputation.

Accordingly, the Senior Pastor shall:

3.1 Ensure CSC functions in accordance with applicable privacy legislation.
3.2 Ensure any program or service provided to special needs individuals functions with the safety and security of the individuals in mind in keeping with accepted standards in the disabilities community of the province of Alberta.
3.3 Ensure children are supervised and in a safe environment while participating in CSC activities sponsored for children and that any person ministering to children has passed a staff screening process, which includes at minimum a Criminal Record Check.
3.4 Ensure that appropriate risk management assessments are conducted prior to the implementation of any major facility expansion/new construction project, regional development or the implementation of any new ministry program.
3.5 Ensure the handling, counting and deposit of church offerings is done in a manner which protects against theft, fraud, misappropriation of funds or allegations of impropriety by any volunteer or employee.
3.6 Ensure staff and volunteers do not represent themselves as professional counselors.
3.7 Ensure the Missions Mobilization teams operates with a staff policy and procedures handbook.
4.0 Asset Protection

With respect to asset protection the Senior Pastor shall not allow CSC assets to be unprotected, inadequately maintained, inappropriately used or exposed to unnecessary risk. Accordingly, the Senior Pastor shall:

4.1 Obtain insurance against theft and property losses to a minimum of 80% of replacement value and against public liability, Board of Governors and staff liability.
4.2 Not expose CSC, the Board, or staff to claims of liability.
4.3 Ensure CSC is protected against liability in the case of CSC facilities being used, leased, maintained, renovated or constructed by third parties.
4.4 Protect property, intellectual property, information, files and records of CSC from loss or significant damage.
4.5 Ensure expenditures guard against conflict of interest.
4.6 Ensure CSC facilities, property, equipment and funds are not used in violation of CSC values.  
4.7 Receive, process, hold or disburse funds under controls that are insufficient to meet CSC auditor’s standards.
4.8 Seek Board approval for dissolution and for disposition of CSC owned land, buildings.
4.9 Ensure investment in equities or other financial instruments are consistent with the “prudent person” rule.

5.0 Financial Planning

With respect to budgeting, financial planning for the fiscal year or remaining part of any fiscal year shall manifest generally accepted budgeting principles and shall not deviate from Board policies. Accordingly, the Senior Pastor shall ensure financial planning which:

5.1 Presents to the Board a balanced consolidated budget prior to the start of the fiscal year that is based on reasonable assumptions, is derived from strategic planning, takes into account proposed ministry plans and includes separate budget statements for General Fund, Missions and Outreach, Development Fund and Capital Fund.
5.2 Considers obligations and impacts which may extend beyond the fiscal year.
5.3 Includes a capital budget for all capital expenditures in excess of $5,000.  

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1 “or in support of commercial or political benefit for any parties or any individual financial gain.” DELETED
2 “and membership” DELETED
3 “at least six weeks” DELETED
4 5.4 - Includes a budget for each separate ministry fund. DELETED. (Included in normal FAC budget overview requirements)
5.4 Is presented in a format understandable to a reasonably informed layperson and which facilitates ease of monitoring.

6.0 Financial Management

With respect to the ongoing financial health of CSC the Senior Pastor shall not cause or allow the financial affairs of CSC to be conducted outside generally accepted accounting control and management principles applicable to charitable organizations, to deviate from any Board approved budget or policy, or permit fiscal jeopardy to develop.

Accordingly, the Senior Pastor shall:

6.1 Ensure expenditures do not exceed revenues that have been received or are reasonably expected to be received in the fiscal year, except by Board approval or direction, and ensure that no commitments binding CSC will be entered into by any staff member other than those authorized by a Board of Governors “Delegation of Authority” resolution.

6.2 Ensure prior Board approval for:

6.2.1 any expenditure of funds from the Capital Reserve Fund or from any other long term reserves.

6.2.2 long term debt.

6.2.3 Use of funds from a bequest or estate in excess of $50,000.

6.2.4 Expenditure of any year-end surplus in excess of the total approved budget.

6.2.5 Expenditure of any large individual donations exceeding 25% of the annual General Fund budget.

6.2.6 A. Capital expenditures not included in the BoG approved Annual Capital Budget in excess of $35,000.

   B. Existing lease renewals that substantively change the monetary value or length of term of the commitment.

   C. Any new lease arrangements that are not included in a current BoG approved Capital or Operating Budget and which are longer than 24 months and/or with annual costs exceeding $24,000.

6.2.7 Asset sales or capital lease commitments in excess of $5,000.

6.2.8 Any major new facility development or alteration in excess of $100,000.

6.2.9 Any requests for Missions support outside the Missions Budget by a project, missionary or agency.

6.2.10 Establishment or deletion of any funds or material change in use of funds.

6.2.11 Ensure any operating or capital project funding is not disaggregated so as to avoid limitations on BoG expenditure approvals.

6.3 Ensure any inter-fund transfers are conducted with a reasonable plan to ensure budgeted ministries are not jeopardized.
6.4 Ensure any ministry fund balance in excess of $2,000 at fiscal yearend is transferred to the General Fund, Missions Fund or the Building Fund at the direction of the Board.
6.5 Maintain a Capital Reserve Fund of a minimum of $100,000 for the replacement and or repair of existing assets.
6.6 Maintain a current record of capital assets, date of purchase, supplier, serial number and cost.
6.7 Ensure not less than 16.7% of annual ministry and missions giving is transferred to the missions fund.
6.8 Ensure annual expenditures on salaries, benefits and contracted labor do not exceed 64% of general fund revenue.
6.9 Ensure 9.1% of funds contributed annually to the CSC Development Fund are allocated to the Missions Capital Fund.
6.10 Ensure any grant allocations from the Missions Capital Fund are first approved by the Executive Pastor in accordance with Board approved criteria, do not exceed the total funds available in the Missions Capital Fund, and are reported to the Board through the Finance and Audit Committee of the Board.
6.11 Ensure the preparation of an annual external audit and timely response to any Board-approved auditor’s recommendations.
6.12 Provide monthly financial statements to the Finance and Audit Committee of the Board.
6.13 Provide annual financial statements to the Board within two months of the fiscal year end.
6.14 Ensure donations or bequests are directed to Board approved projects or funds unless the donor prescribes the donation or bequest to be used otherwise at which time the request shall be presented to the Board for consideration.
6.15 Ensure funds maintained by CSC operate with guidelines that define: fund purpose, sources of income, expenditures permitted, and management, accountability and control of the fund.
6.16 Ensure the practice of comparative pricing is reasonably used to achieve maximum value for money.\(^5\)
6.17 Ensure the advance of any monies\(^6\) in excess of $2,000 to CSC affiliated and/or approved groups or ministries for specific projects, ministry activities, or significant events does not occur without due diligence.

7.0 Strategic Planning and Monitoring

In order to accomplish reasonable progress towards the achievement of Board Ends, the Senior Pastor shall ensure that an integrated strategic plan is developed for annual review by the Board which takes into account Board policy and has been developed through a prayer-based, consultative process.

\(^5\) “Make any purchase of over $5,000 without having obtained three comparative prices for similar quality of goods and services.” \(^6\) “from General Fund”
8.0 Information, Support and Counsel to the Board

The Senior Pastor shall not permit the Board to be uninformed in matters pertinent to the Board nor unsupported in its work. Accordingly the Senior Pastor shall.

8.1 Provide the following information in a timely, accurate and understandable manner
   8.1.1 Ends monitoring reports as per the Board’s monitoring schedule which inform the Board on progress toward achieving the Board’s Ends.

   8.1.2 Executive Limitation monitoring reports as per the Board’s monitoring schedule which provide detailed information in the case of non-compliance with a specific EL, along with an indication of steps to be taken to achieve compliance, as well as a general summary statement of compliance for all other EL’s.

   8.1.3 Senior Pastor’s update report at each meeting of the Board, such report to include but not be limited to comments on the health of the church.

   8.1.4 An annual report for presentation to the membership regarding how CSC is progressing towards accomplishing its mission, including comments on the state of the church.

   8.1.5 Any correspondence to or from a government department, elected or denominational official pertaining to CSC

   8.1.6 Significant and relevant changes in legislation or judicial rulings that may impact CSC and the impact those changes may have.

   8.1.7 Senior level pastoral salaries on an annual basis.

   8.1.8 Any anticipated or actual non-compliance with any policy of the Board

   8.2 Advise the Board if, in the opinion of the Senior Pastor, the Board is not in compliance with its own policies.

8.3 Ensure the Board is informed of:
   8.3.1 Anticipated adverse media coverage.
   8.3.2 Threats to CSC staff.
   8.3.3 Emergency situations (fire, flood, disaster).
   8.3.4 Abrupt change in leadership or dismissal of staff.
   8.3.5 Any reports to or inquiries of Child Services.
   8.3.6 Any allegations of abuse by staff or volunteers.
   8.3.7 Any potential of actual lawsuits affecting CSC or its staff
   8.3.8 Any cause for legal counsel initiated by staff.
   8.3.9 Any informing, invoking or notification to an insurance company
   8.3.10 Death of any staff or leadership.
   8.3.11 Any likely or marked deviation in CSC fiscal condition.

7 “by May 15” DELETED
8.4 Provide wise counsel to the Board:
   8.4.1 Where the Senior Pastor believes the Board’s behaviour or decisions is detrimental to the working relationship between the Senior Pastor and the Board.
   8.4.2 Through as many staff and external points of view as may be reasonably needed to keep the Board fully informed.
   8.4.3 On any matter which the Senior Pastor deems important to assist the Board in the conduct of its work.

8.5 Provide support to the Board in the following areas:
   8.5.1 Legal opinions, advice and representation to the Board.
   8.5.2 Expertise in the Board’s governance role.
   8.5.3 Orientation of new Board members, and Board development

8.6 Deal with the Board as a whole regarding Board business except when fulfilling reasonable individual requests for information or responding to officers or committees duly charged by the Board.

8.7 Ensure all items requiring Board approval by law or contract which are not covered by Executive Limitations are included for the Board’s consent agenda.

9.0 Ministry Programs

The Senior Pastor shall ensure that CSC ministries are informed by the Board’s Ends policies, operate with a biblically-based written philosophy, are guided by an annual strategic plan, reflect innovation, are adequately resourced and regularly reviewed for effectiveness.

10.0 Senior Pastor Succession

In order to protect CSC from the sudden loss of Senior Pastor services, the Senior Pastor shall have designated on file the name of at least one senior ministry leader who is familiar with Board and Senior Pastor issues and processes and is capable of assuming Senior Pastor responsibilities in the event of an unexpected absence.

11.0 Compensation and Benefits

With respect to employment, compensation, and benefits to employees and contracted employees, the Senior Pastor shall not cause or allow jeopardy to CSC’s fiscal integrity or public image. Accordingly, the Senior Pastor shall not:

   11.1 Change his/her own compensation and benefits, or allow any employee to be involved in setting their compensation.
   11.2 Promise or imply permanent or guaranteed employment.
   11.3 Create compensation obligations longer than one year.
11.4 Provide compensation and benefits that exceed market and professional levels.
11.5 Compensate employees without reasonable benefits.