

DRAFT BYLAWS REVISION 7

Proposed Amendment of April 25th, 2016 to the By-Laws of Calvary Evangelical Lutheran Church

All of the Articles of the Current By-Laws of Calvary Evangelical Lutheran Church are deleted and replaced with the Articles given below. Following the approval of this revision, the revised Bylaws will read as follows:

Calvary Evangelical Lutheran Church Silver Spring, Maryland

Article I. Office

The principal office of Calvary Evangelical Lutheran Church shall be in Montgomery County, Maryland at 9545 Georgia Ave., Silver Spring, MD 20910.

Article II. Corporate Seal

The corporate seal shall have a cross in the center and shall be inscribed "Calvary Evangelical Lutheran Church, Silver Spring, Maryland."

Article III. Spiritual Sanctuary

In recognition of the spiritual and public trust given to this faith community, Calvary Evangelical Lutheran Church is committed to being a true sanctuary, both nurturing and protecting its members and visitors. Worship of God requires openness, trust, intimacy, vulnerability, and a safe supportive community. Accordingly, the congregation will maintain official policies and procedures which assure prevention of abuse, appropriate intervention into alleged incidents of abusive behavior, and care for all involved.

Article IV. The Voters Assembly

Section 1. Membership

The voting members of the congregation comprise the Voters Assembly. The Voters Assembly is the body supreme in the congregation, having the final word and decision in all matters pertaining to the affairs of Calvary Evangelical Lutheran Church, Silver Spring, Maryland.

Section 2. Meetings

Meetings of the Voters Assembly may be held at Silver Spring, Maryland or at such other place the Board of Directors may from time to time determine and as may be specified in any notice of a meeting.

Section 3. Regular, Special, and Emergency meetings

The Board of Directors shall schedule and hold a minimum of three Regular Meetings of the Voters Assembly during the fiscal year, the agendas of which will include "New Business" during which issues not on the agenda may be addressed by voting members. Written and electronic notice of these meetings must be given at least two weeks in advance and written notice must be provided in the worship services at a minimum of two Sundays in advance of the meeting. A Regular Meeting must be held in three of the four quarters of the fiscal year.

Special Meetings of the Voters Assembly may be called by the Board of Directors for a stated purpose or purposes and such meetings are confined to the purpose or purposes stated in the notice. The Board shall call a Special Meeting in response to a request of the Pastor or upon the written request of ten voting members of the congregation or ten percent of the voting members, whichever is larger. The Board may call a Special Meeting on its own initiative. Written and electronic notice of a Special Meeting, with a published agenda, shall be made two weeks in advance and written notice shall be given in the worship services a minimum of two Sundays in advance of the meeting.

Emergency Meetings of the Voters Assembly may be called by the Board of Directors for a stated purpose or purposes and such meetings are confined to the purpose or purposes stated in the notice. Written and/or electronic notice shall be given as soon as possible after the decision to call an Emergency Meeting is made by the Board, and notice shall be given at all worship services preceding the Emergency Meeting. Such meetings may only be called when issues of substantial importance arise and timely resolution is required.

Section 4. Annual Meeting

The Annual Meeting of the Voters Assembly shall be a Regular Meeting held in the fourth quarter of the fiscal year at a time, date, and place designated by the Board of Directors. At this meeting, members of the Board of Directors shall be elected by a majority vote using a written ballot.

Section 5. Adoption of the Operating Budget for the Fiscal Year

The adoption of the Operating Budget for the Fiscal Year shall be at a Regular Meeting of the Voters Assembly and must be adopted prior to the beginning of the Fiscal Year. It may be adopted at the Annual Meeting.

Section 6. Quorum

The quorum of voting members, present in person, required for all meetings of the Voters Assembly shall be thirty voters or 20% of the voting membership of the congregation, whichever is larger.

Section 7. Voting

At each meeting of the Voters Assembly, every voting member present shall be entitled to vote on each matter before the body. No proxy voting is allowed. For all elections, each voting member shall be entitled to one vote for each available position. All election votes shall be by written ballot. Upon the demand of any voting member, the vote upon any other issue before the Voters Assembly shall be by written ballot. All elections and all issues shall be decided by a majority vote except as otherwise required by the Constitution or these Bylaws. If there are multiple candidates or multiple options on an issue before the Voters Assembly, the candidate or option with the lowest vote shall be dropped and another vote taken until a majority vote is achieved.

Section 8. List of Voting Members

The Secretary shall hold a complete list of the voting members, arranged in alphabetical order, that shall be used at each meeting of the Voters Assembly to determine the eligibility

of members present and to determine the quorum necessary for the meeting. The Secretary shall be assisted in maintaining this list by the Pastor and the staff of the congregation.

Article V. The Board of Directors

Section 1. The Board of Directors shall have seven elected members. At the Annual Meeting of the Voters Assembly, three shall be elected in years that are an integer multiple of 3, two shall be elected in the other years. The term of each Director shall be three years. No Director shall serve on the Board for more than two consecutive three-year terms. The Pastor shall be a non-voting *ex officio* member of the Board. Employees of Calvary are not eligible to serve as a Director.

Section 2. The Directors who will serve in the fiscal year following the Annual Meeting shall elect from among these Directors those who will serve as the President, Vice President, Treasurer, and Secretary of the congregation for the coming fiscal year. The election of these officers shall occur within two weeks of the Annual Meeting and no later than the beginning of the fiscal year. The terms of office are July 1st to the following June 30th. Officers may serve a maximum of three consecutive one-year terms in a particular office.

Section 3. The four Trustees of the congregation shall be the President, the Vice President, the Treasurer, and the Secretary of the congregation.

Section 4. In the case of a vacancy on the Board of Directors, a majority of the remaining Directors shall appoint a voting member of the congregation to fill the vacancy for the remainder of the term of the missing Director. If the remainder of the term is one and a half years or more, this service as a Director will count as a full three-year term for the provisions of Section 1, above, limiting the Voting Member filling the vacancy to a single consecutive term as a Director. If the remainder of the term is less than one and a half years, the Voting Member filling the vacancy may be elected to two consecutive three-year terms as a Director following the completion of the vacancy appointment as Director.

Section 5. The Board of Directors shall have a minimum of four meetings per year. The Board shall concern itself with envisioning the future, planning, and with establishing the operational structure of member involvement in the management, programs, and activities of the congregation. The Board shall evaluate the progress of congregational programs and the development and performance of the professional staff. The Board shall devote its efforts to these high-level activities and covenant with each other not to take on, as the Board, the day-to-day management issues properly the responsibility of the Pastor, the staff of the congregation, or the committees it establishes.

Section 6. Actions of the Board require an affirmative vote by a majority of the Directors.

Section 7. The Board shall work in partnership with the Pastor in advancing the mission and ministry of our church, providing prayerful advice and support in accomplishing the goals established by the Voters Assembly.

Section 8. In order to implement the congregation's programs and initiatives, the Board is authorized to establish standing or short-term committees for specified tasks, *ad hoc* work groups for specific assigned purposes, and, if necessary, a task force charged with addressing a major congregational issue. All these groups must work within the provisions

of the Constitution, the provisions of the Bylaws, and the Budgets approved by the Voters Assembly.

Section 9. The Board shall establish a Nominations Committee of three voting members of the congregation who are not members of the Board plus the Pastor. This Committee shall recommend to the Voters Assembly a slate of candidates for election as Directors at the next Annual Meeting.

Section 10: The Board shall establish a Call Committee with a minimum of five Voting Members whenever the congregation anticipates calling an ordained or commissioned church worker. No more than one member of the Call Committee may be a Director.

In all matters involving a Call, everyone involved shall work within the policies of the Southeastern District, the Synod, Calvary's Constitution, and Calvary's Bylaws. All proposed actions shall be recommendations to the Voters Assembly for its action.

Section 11. The Board shall present the Annual Budget, any other budgets such as a Capital Improvements Budget, and proposals for major congregational initiatives to an appropriate meeting of the Voters Assembly for its approval.

Section 12. The Board shall keep the congregation informed of its activities and actively seek feedback from the membership of the church.

Section 13. The Board of Directors shall issue a written Annual Report to the congregation on the activities and accomplishments of the previous fiscal year before the end of the first quarter of the current fiscal year.

Section 14. The Board of Directors is responsible for adopting, modifying, updating, and periodically reviewing the Policies and Procedures Manual. This Manual shall be a publicly available document.

Section 15. Responsibilities of Directors

The Board shall encourage the Pastor, the congregational staff, and the members of Calvary in their work through prayer, word, and action. The Board shall promote a work environment for its employees that supports their spiritual health, physical health, and welfare.

Article VI. Officers, Trustees, and Elders

Section 1. President. The President shall chair the meetings of the Board of Directors and meetings of the Voters Assembly; in the absence of the President, the Vice President shall chair these meetings. The President, along with the Secretary, shall sign all contracts on behalf of the congregation. The President shall be a member of the Executive Committee of the Board of Directors. The President shall be an *ex-officio* member of all committees and organizations of the church and shall have such other powers and duties as the Voters Assembly or the Board of Directors may determine.

Section 2. The Vice President shall be a member of the Executive Committee of the Board of Directors and shall succeed to the office of President in the event of a vacancy in that position.

Section 3. The Secretary shall record the minutes of the meetings of the Voters Assembly

and the minutes of the meetings of the Board of Directors. The Secretary shall hold the list of Voting Members of the congregation. The Secretary shall, along with the President, sign all contracts on behalf of the congregation.

Section 4. The Treasurer shall be a member of the Executive Committee. The Treasurer shall have general supervision of the financial records and activities of the congregation. The Treasurer shall report to the Board of Directors any significant concerns about the financial status of the congregation and shall report to each Regular Meeting of the Voters Assembly on the finances of the congregation.

Section 5. The Trustees of Calvary Evangelical Lutheran Church are responsible for carrying out those actions involving Calvary that are required by law, including real estate transactions. In addition, the Trustees have a responsibility to examine the provisions accompanying a bequest or a special gift to the church and make a recommendation concerning the acceptance of the bequest or special gift to the Board of Directors; if the bequest or special gift with provisions is accepted, the Trustees have a fiduciary responsibility to see that the donor's provisions are honored.

Section 6. The Executive Committee of the Board is composed of the President, the Vice President, and the Treasurer. The Executive Committee and the Pastor shall prepare the Agenda for the Board meetings. Relevant materials for the Board meetings will to the extent possible be prepared and distributed to all the Board members in advance of the meetings. The Executive Committee and the Pastor shall maintain close communications and working relations, exchanging information on issues, problems, and opportunities that may require discussion and/or action on the part of the Pastor, the Board of Directors, or the Voters Assembly. Acting on behalf of the Board of Directors, the Executive Committee shall meet with the Pastor for the Pastor's Annual Review. The Executive Committee serves the Board of Directors and maintains frequent communication with the other Directors. The Executive Committee may not by itself exercise the authority granted the Board of Directors by the Constitution and the Bylaws.

Section 7. Elders of the congregation are appointed by the Pastor for three-year terms to assist in the spiritual care of members of the congregation. Elders may be re-appointed by the Pastor.

Article VII. The Pastor

The Pastor is the head of the entire congregation in all spiritual and ecclesiastical matters. The Pastor is the spiritual leader and the advisor of every organization within the congregation. The Pastor is an *ex-officio* member of every committee or other organization within the congregation. The Pastor oversees the work of Calvary's paid staff.

The Pastor shall maintain the congregational records with the assistance of Calvary's staff.

Article VIII. The Fiscal Year

The fiscal year of the congregation begins on July 1st and ends on June 30th.

Article IX. Management

The intent of the Constitution and Bylaws of the congregation is to advance the mission and ministry of the congregation through the partnership of the Pastor and the Board of Directors and the participation of our members in achieving the goals and the carrying out the plans of the Voters Assembly in an effective and efficient manner. The Board has the primary responsibility for policies and procedures necessary to achieve the congregational mission and ministries, and the Pastor has the primary responsibility for the management of mission and ministry activities.

Section 1. The day-to-day management of the congregation is the responsibility of the Pastor, assisted by the staff of the congregation and by committees or work groups established by the Board of Directors.

Section 2. With the approval of the Board of Directors, the Pastor is responsible for the hiring and for the termination of non-called paid staff members.

Section 3. Establishment of a staff position meeting the requirements for Concordia Plan benefits requires approval of the position and of the necessary budgetary support by the Voters Assembly. Such approval may be an explicit part of the Annual Budget adopted by the Voters Assembly or it may be an agenda item at a regular or special meeting of the Voters Assembly.

Section 4. The Board of Directors shall establish a Spending Approval Policy consistent with Calvary's Constitution and Bylaws that implements the Budget and the programs approved by the Voters Assembly. The Board has the responsibility for keeping expenditures within the budget. The Board shall promptly call a meeting of the Voters Assembly in the event that a significant negative change occurs in the financial condition of the congregation.

Section 5. In the proposed Annual Budget that the Board of Directors recommends to the Voters Assembly, the Board shall include an appropriate contingency line item for unknown and/or unexpected personnel expenses and an appropriate contingency line item for unknown and/or unexpected non-personnel expenses. The purpose of these contingency line items is to enable the current programs to continue as approved and for newly approved initiatives to be implemented in most fiscal years despite the occurrence of such unanticipated expenses.

Section 6. For special projects requiring financial resources that are not included in the Annual Budget, the Board shall propose a Special Budget including a contingency line item in its recommendation prior to the action of the Voters Assembly.

Section 7. When the Board of Directors has determined that Calvary's financial condition is appropriate and that the timing is right, the Board has the authority to authorize the signing of contracts for goods and for services that are explicitly included in the Annual Budget approved by the Voters Assembly or explicitly included in a Special Budget approved by the Voters Assembly. The Board also has authority to sign other contracts involving one percent or less of the Annual Budget. Contracts not complying with these requirements require approval by the Voters Assembly before the Board may authorize signing.

Section 8. The first Board of Directors shall propose to the Voters Assembly the establishment of a "Directors Fund for Mission and Ministry" and the adoption of an

accompanying policy authorizing the Board of Directors to receive funds for and to make expenditures from the fund. The initial funding would be from congregational financial resources. Separate from the Annual Budget, this Fund would enable the Board to try out new ideas for mission and ministry as opportunities arise. The policy could provide for any surpluses in the Annual Budget at the end of the fiscal year to be transferred to this Fund and for the Fund to balance out deficits in the Annual Budget. The fund would be expected to serve as a financial reserve for unusual financial challenges – those of a size unexpected to occur in most years. The funding level proposed to the Voters Assembly shall be set as a percentage of the Annual Budget so that it continues to reflect the size of the Annual Budget. The proposed policy shall include a requirement for an annual financial report on the fund at the Annual Meeting. The Board shall review the policy before the Annual Meeting in years that are an integer multiple of 3 and make recommendations at that Annual Meeting for needed changes in the policy and/or in the level of funding; the Board may make such recommendations in other years if the Board deems changes to be necessary.

Section 9. The first Board of Directors shall propose to the Voters Assembly a policy enabling the Board to re-allocate a limited percentage of specified budget categories in the Annual Budget during the current fiscal year. The Board shall review the policy before the Annual Meeting in years that are an integer multiple of 3 and make recommendations at that Annual Meeting for any needed changes in the policy; the Board may make such recommendations in other years if the Board deems changes to be necessary.

Section 10. Congregational Funds other than the Annual Budget or Special Budgets created under provisions of these Bylaws remain fully under the control of the Voters Assembly; their use requires the action of the Voters Assembly.

Section 11. The Board shall adopt a policy providing for a periodic review of Calvary's finances by a third party.

Article X. Amendments

These Bylaws may be amended, altered, changed, added to, or repealed by the Voters Assembly at any regular or special meeting. Notice of the proposed changes in the Bylaws shall be announced, with a published agenda, on the two Sundays prior to the date of the meeting. A two-thirds majority of the votes cast shall be required for adoption.