



**Lay  
Leader  
Training  
2019**

# Welcome

- Purpose
  - Encourage, Network, Equip
- Materials
  - Folder with agenda/handouts
  - Book *Heart of Leadership*
- Begin with the end in mind: exit tickets
- PowerPoint and Evaluation at [nwdlcms.org](http://nwdlcms.org)



# Opening Devotion Servant Leadership

Leader: a person who leads



*The supreme quality for leadership is unquestionably integrity. Without it, no real success is possible, no matter whether it is on a section gang, a football field, in an army, or in an office.*

Dwight D. Eisenhower



*A leader is one who knows the way, goes the way, and shows the way.*

John C. Maxwell



*A genuine leader is not a searcher for consensus but a molder of consensus.*

Martin Luther King, Jr.



*Leadership and learning are  
indispensable to each other.*

John F. Kennedy



*Management is doing things right; leadership is doing the right things.*

Peter Drucker





*A leader is a dealer in hope.*

Napoleon Bonaparte



# Servant Leadership

But Jesus called them to him and said, “You know that the rulers of the Gentiles lord it over them, and their great ones exercise authority over them. It shall not be so among you. But whoever would be great among you must be your servant, and whoever would be first among you must be your slave, even as the Son of Man came not to be served but to serve, and to give his life as a ransom for many.”

Matthew 20:25-28



# King Rehoboam - I Kings 12

v7 “If today you will be a servant to these people and serve them and give them a favorable answer, they will always be your servants.”

v18 King Rehoboam sent out Adoniram, who was in charge of forced labor, but all Israel stoned him to death. King Rehoboam, however, managed to get into his chariot and escape to Jerusalem. So Israel has been in rebellion against the house of David to this day.



“The servant leader constantly works to help others win.” Mark Miller

"People do not care how much you know until they know how much you care."

John C. Maxwell

“The first responsibility of a leader is to define reality. The last is to say thank you. In between, the leader is a servant.”

Max De Pree



# Servant leadership from THE HEART OF LEADERSHIP

- Focus on those being served
- Motivation – others first
- Honors others
- Builds trust
- Energizes followers
- Reveals the heart



# THE HEART OF LEADERSHIP

- Hunger for Wisdom
- Expect the Best
- Accept Responsibility
- Respond with Courage
- Think Others First



# FACEBOOK REACTIONS EXIT TICKET

*How do you feel about today's lesson? Circle a reaction and explain your choice.*



Like



Love



Haha



Wow



Sad



Angry

**facebook**<sup>®</sup>  
**reactions**

# Strategic: The What and the How

- Mission, Vision, Strategic Plan
- Roles, Policy, Monitoring
- Meeting Agenda







I HATE MY JOB

OH PLEASE!

# Mission Warm-Up

- Why is there a church?
- What is the purpose of our church?
- If we disappeared, who would care?



# Mission means...

- The reason we exist
- Where we are going
- What we are supposed to be doing
- What's our business, who do we serve, how well
- Broad, Brief, Biblical



# Vision

- Our preferred future
- What it looks like
- The brochure describing our destination

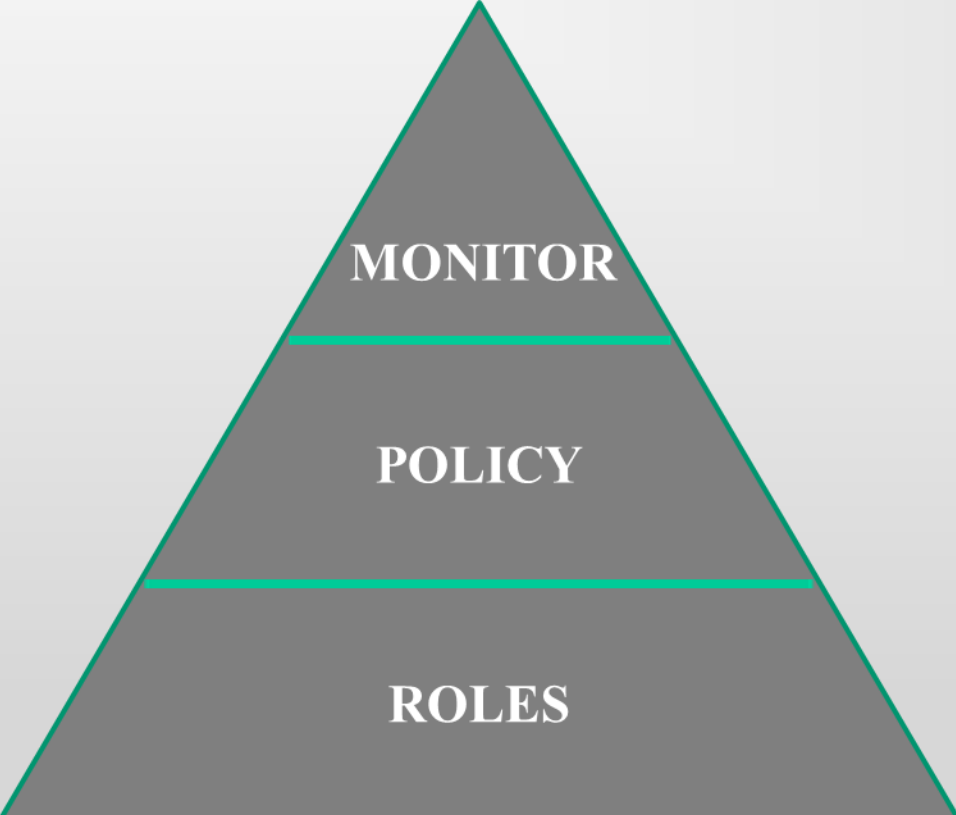


# Strategic Planning

- Outcomes
  - If we do these, we achieve our mission
  - The ends, the target
  - Broad goals
  - Accountability for leadership
- Strategy
  - The means to our ends
  - The right work
  - How we will accomplish our mission
  - Lead and Lag goals
  - SMART goals
    - strategic, measurable, attainable, realistic, timed



# Roles, Policy, Monitoring



Mission – Vision – Strategic Plan



# Roles, Policy, Monitoring

## Conflict

*WHO makes WHAT decision?*

According to...

- Constitution/bylaws
- Board manual
- Past practice in the church
- Prior experiences outside the church



# Roles

- Board= Strategic
  - Staff= Operational
- 
- Board = Ends, big picture
  - Staff = Means, day to day
- 
- Board = The right things
  - Staff = Do things right



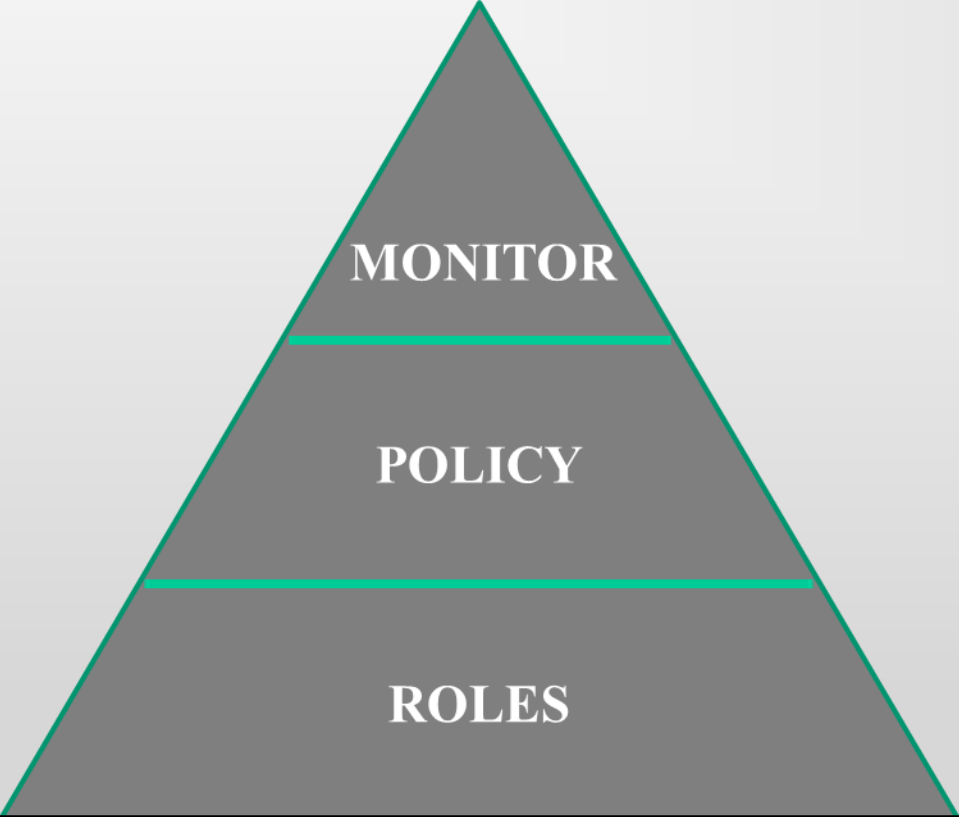


# Policy

- Think boundaries
- Broadly written
- Annually reviewed
- 4 Areas
  - Board-Staff Relationship
  - Self Governance
  - Staff Limitations
  - Outcomes



# Roles, Policy, Monitoring



Mission – Vision – Strategic Plan



# Monitor

- Reports
- Reviews
- Interviews
- Dashboard Indicators

...Without blurring roles.



# Meeting Agenda

- Pre-Meeting
  - Prepped by...
  - Out by...
  - Annual Calendar
  - Reviewed
- Three Areas
  - Bible Study
  - Board Training
  - Business
- Consent Agenda
- Timed



# Resources

- [Consent Agenda](#)
- [Board Evaluation](#)
- [Policy Manual – Divine Redeemer](#)
- [LCMS Ministry Mailing](#) for parents, directors, board members, teachers, etc
- [SMART Goals](#) video



# FACEBOOK REACTIONS EXIT TICKET

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# Financial Leadership:

Remember, you are in triangles...lots of them.

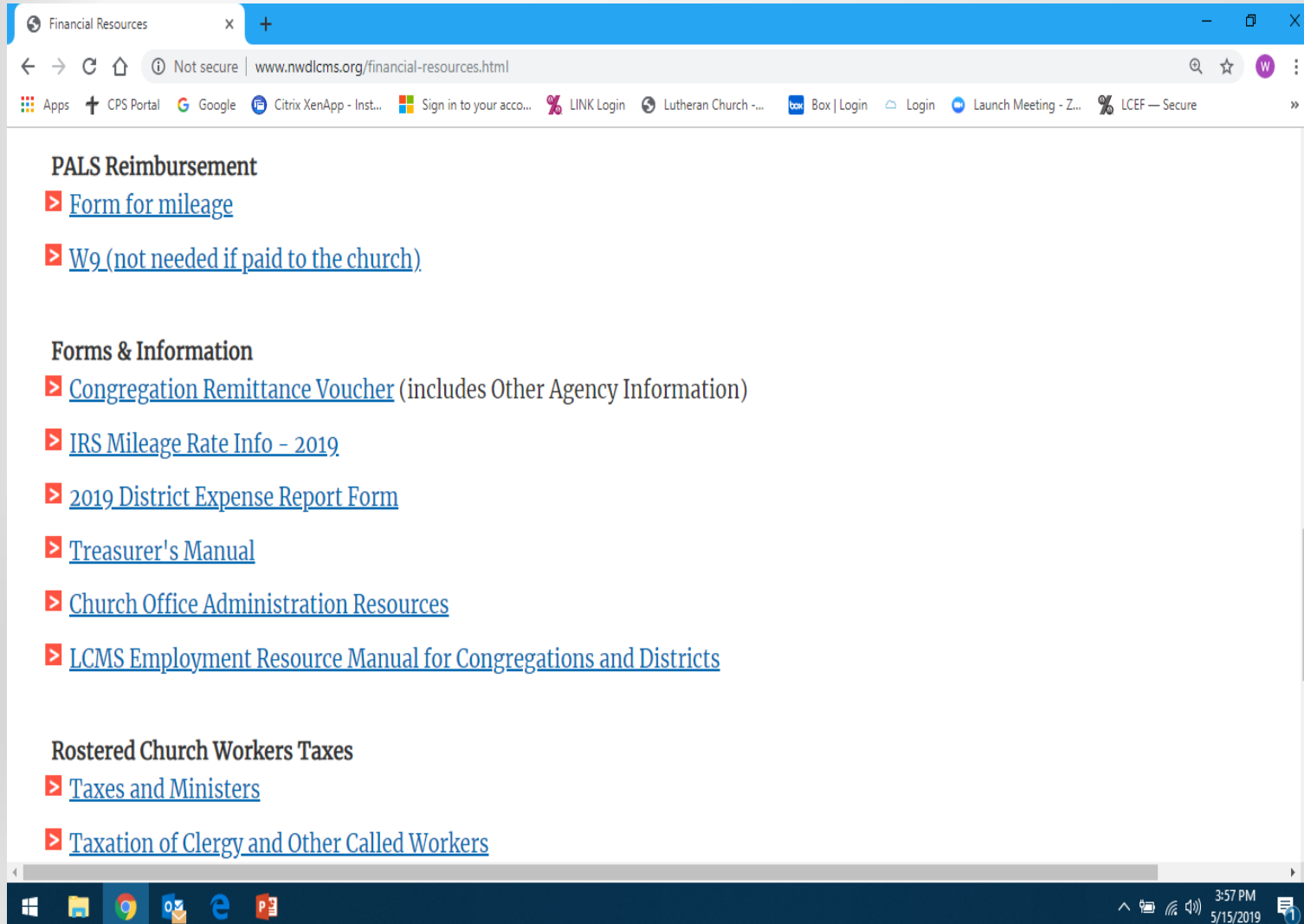
- with the pastor and the board.
- with the board and the congregation.
- with everyone in the church and their money.

And that's a good thing. Triangles are not bad – they just are. The key thing to remember: you can't control the relationships other people have with each other. Work on your own connection to individuals and key groups.



# LCMS Treasurer's Manual

<http://www.nwdlcms.org/financial-resources.html>



The screenshot shows a web browser window with the following content:

- Financial Resources**
- Not secure | [www.nwdlcms.org/financial-resources.html](http://www.nwdlcms.org/financial-resources.html)
- Navigation icons: Apps, CPS Portal, Google, Citrix XenApp - Inst..., Sign in to your acco..., LINK Login, Lutheran Church ..., Box | Login, Login, Launch Meeting - Z..., LCEF - Secure
- PALS Reimbursement**
  - ▶ [Form for mileage](#)
  - ▶ [W9 \(not needed if paid to the church\)](#)
- Forms & Information**
  - ▶ [Congregation Remittance Voucher](#) (includes Other Agency Information)
  - ▶ [IRS Mileage Rate Info - 2019](#)
  - ▶ [2019 District Expense Report Form](#)
  - ▶ [Treasurer's Manual](#)
  - ▶ [Church Office Administration Resources](#)
  - ▶ [LCMS Employment Resource Manual for Congregations and Districts](#)
- Rostered Church Workers Taxes**
  - ▶ [Taxes and Ministers](#)
  - ▶ [Taxation of Clergy and Other Called Workers](#)

The Windows taskbar at the bottom shows the time as 3:57 PM on 5/15/2019.





# 14.100:

## Introduction

Churches and religious organizations can conduct their temporal and spiritual affairs only through individuals. State laws require that church corporations appoint an initial board of directors. The Model Nonprofit Corporation Act specifies that a corporation shall have a president, one or more vice presidents, a secretary, a treasurer, and such other officers or assistant officers as the corporation deems necessary.

Officers and members of boards of church organizations regularly exercise their judgment on matters concerning the organization.

"It is a fundamental principle of corporate law

# 14.305:

## Treasurer

**Qualifications:** The treasurer of the congregation. The individual shall have experience in bookkeeping and

### Responsibilities:

The treasurer shall serve as the chief financial officer for the congregation and shall be responsible for the following:

1. Disbursing funds of the congregation in accordance with its budgets, restricted purposes, and other funds directed by the church.
2. Filing all the tax forms

**14.305:**

## **Treasurer**

**Qualifications:** The treasurer shall be a voting member of the congregation. The individual should have experience in bookkeeping and accounting.

### **Responsibilities:**

The treasurer shall serve as the financial

an initial board of directors. The Model Nonprofit Corporation Act specifies that a corporation shall have a president, one or more vice presidents, a secretary, a treasurer, and such other officers or assistant officers as the corporation deems necessary.

Officers and members of boards of church organizations regularly exercise their judgment on matters concerning the organization.

"It is a fundamental principle of corporate law that officers and directors lawfully acting on behalf of their corporation should do so at no risk of personal expense or liability. Nevertheless, a corporate officer is individually liable for the wrongs he personally commits and cannot shield himself behind a corporation when he is the perpetrator. The fact that an officer or director is acting for the corporation may also make the corporation secondarily liable, but this does not relieve the individual of his personal responsibility."

(Richard Hammar, Pastor, Church & Law [Springfield, Mo.: Gospel Publishing House, 1983], p. 168.)

## 14.200:

### Conflict Of Interest

The legal responsibility mentioned in the preceding paragraph usually arises from a loss resulting from a decision that, although unwise, was made in good faith. There is, in addition, responsibility for a loss when an individual participates in a decision that was not innocent. One important example of this involves "conflict of interest" and "self-dealing," as when a member of an organization's board helps make a decision that will personally benefit him or her, such as

### Responsibilities:

The treasurer shall serve as the financial officer for the congregation. He/she shall be responsible for the following:

1. Disbursing funds of the congregation in accordance with its resolutions, approved budgets, restricted purposes and as directed by the church council.
2. Filing all the tax forms (federal, state, and city) by the appropriate due dates.
3. Investing all funds as directed by the congregation or church council.
4. Monitoring the cash flow of the operational budget and make prudent decisions in disbursing funds in periods of low receipts.
5. Maintaining the cash journals, general ledger and all subsidiary ledgers.
6. Giving complete financial reports at each church council or voters assembly.
7. Providing other financial information as requested by the church body.
8. Keeping informed as changes occur in requirements for reporting of tax and financial information.
9. Maintaining the treasurer's manual with updates provided by the district office.
10. Maintaining all records for the various designated funds and trusts and administering such monies as set forth by the church council, voters assembly and the desires of the donors.

...ision that will personally benefit him or her, such as  
...e involving his or her own employment or the  
...urchase by the organization of goods and services from  
...n or her. Such situations should be avoided, not only  
...prevent personal legal liability but also to eliminate  
...appearance of impropriety, which is especially  
...vious when it involves church organizations. To make  
...own any of these situations that an officer may be  
...olved in, all officers should be asked at least annually  
...complete and submit a Conflict of Interest Statement.

## 4.300: Job Descriptions

The job descriptions that follow many of the  
responsibilities also include suggested functions for  
internal control. The financial secretary and treasurer  
should be familiar with suggested financial review  
questions in Chapter 25. Separation of duties is very  
important in these two jobs.

Checks should be prepared by the church's  
bookkeeper who is often the treasurer. All bills should  
be approved with signatures of the persons responsible  
for initiating the bills. Records should be kept. To deter  
theft, proper internal controls should be in place. For  
example, a minimum of two signatures should be  
required for checks—those of the treasurer and president  
of the congregation.

No one should handle funds alone. Investments,  
purchases beyond the budget, etc., should be  
approved by the church council. The Voters Assembly  
should approve large expenditures. A financial review  
committee (see Chapter 25) should annually review all  
receipts and expenditures for approval by the church  
council. Pastors should be excluded from handling  
contributions and church funds.

The treasurer often also serves as an advisory  
member of the finance board and the board of  
stewardship.

### 14.310:

#### Financial Secretary

**Qualifications:** The financial secretary shall be a voting member of the congregation. He/she should have experience in the handling of receipts and the maintenance of orderly records.

#### Responsibilities:

1. Oversee the counting of all service offerings and deposits to the bank account.
2. Report to the treasurer via the weekly offering form the total breakdown of contributions for the week.
3. Oversee the posting of all contributions to individual member's contribution records and to resolve disputes in posting errors.
4. Report to the church council and congregation monthly and year-to-date total contributions received for various purposes.
5. Notify the pastor of any special contributions that might require a special acknowledgment to the donor.
6. Make sure donors receive proper substantiation for all gifts as noted in 10.515.

The financial secretary oversees the activities of the church's money counters. As a safeguard against church

### 14.400:

#### Fiduciary Responsibilities

### 14.405:

#### Introduction

All officers and managers having the responsibility will be held responsible by law to ensure that the financial activities of the church are carried out correctly. As an example, by willfully not forwarding income and employment tax withholdings on a timely basis, serious penalties and interest charges are incurred. Also, those who knowingly participate in "excessive benefit transactions" are at risk of penalties (see paragraph 8.100). The government can collect (and has done so) the monies due from the appropriate officers' own resources.

### 14.410:

#### Restricted Funds

Use of restricted funds for purposes other than those designated by the donor should never be allowed. At the same time, it is just as important to release the restricted funds in a timely manner when the designated purpose has been fulfilled.

### 14.415:

#### Secretary

The secretary should record all minutes in a clear and concise manner. The minutes could be a resource for defending a lawsuit at some future time. In addition, the

substantiation for all gifts as noted in 10.515.

The financial secretary oversees the activities of the church's money counters. As a safeguard against church member theft, no one should handle contributions alone. Rather, two or more people who are not closely related (such as family members) should count worship offerings together. Loose cash should be tallied twice by different counters. Offering envelopes should be opened in the presence of all and counted twice by different people. Amounts written on envelopes should be checked to see if they correspond with the contributions within the envelopes. Stamp the back of each check with deposit endorsement. Cash and check totals should be recorded

## 14.415: Secretary

The secretary should re-  
concise manner. The m-  
defending a lawsuit at s-  
minutes could be the b-  
by an individual or grou-  
church should have offi-  
structed minutes should

### "Recon

Minutes of a (*regular*)  
*organization*) held at ci-  
ant to the (*constitution*

The meeting was calle

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ll be placed and if the  
derations include available  
emperature, internet ac-  
nsion, etc. Offsite hosting

l secure environment  
outsiders, and secure the  
n vandalism, hackers and  
ions include:

**16.500:**

## **Non-Profit Pricing**

Many software and hardware providers offer proprietary software and equipment with discounts for non-profit organizations. These discounts may or may not be listed in the provider's marketing materials. It is recommended that the purchaser inquire about pricing specifically for non-profit organizations. The non-profit organization may need to provide evidence of their 501(c)(3) status to receive the discounted pricing. Some software and hardware are available for a minimal administrative fee. Some software is available as Free (as in Freedom) Software and Open Source software.

ministries you care about.

No matter what your age or financial circumstance, we can help you support ministry. Every year, we assist thousands of faithful donors like you provide for their families and support hundreds of Lutheran ministries including:

- Congregations
- Lutheran elementary schools and high schools
- LCMS Colleges and Universities
- LCMS Seminaries
- National and international LCMS ministry and out-reach efforts

#### LCMS Entities and Auxiliaries

- Concordia Historical Institute (CHI)
- Concordia Publishing House (CPH)
- Lutheran Church Extension Fund (LCEF)
- LCMS Foundation
- Concordia Plan Services
- Lutheran Hour Ministries
- Lutheran Women's Missionary League

...And other local, district, national and international missions, ministries and organizations.

will also aid the recipients of that generosity, whether family or ministry, to responsibly receive these gifts. For ministry, that means having policies and procedures in place that address the proper receipt, management and distribution of gifts. This gives the faithful giver confidence that the ministry will properly handle their generosity.

#### Managing the Gifts Given

The LCMS Foundation has many resources and consulting opportunities for ministry organizations. Chartered as a companion to all LCMS ministries and congregations, we have more than fifty years of experience with supporting ministry leaders in their efforts to build up treasures dedicated to the Lord.

Endowment funds and investment funds are professionally managed under the same Foundation program. Organizations may describe their investment fund using different names, such as endowment, memorial, scholarship, etc., to reflect the governance or purpose of the fund. Each fund is governed by policy and managed within a framework to fulfill the intentions of the organization.

The LCMS Foundation staff has developed a rigorous



## 20.100:

### The Need for Control

A system of internal control is required wherever money is received or expended. The control not only assists in preventing fraud or embezzlement but maintains the integrity of the individuals who handle funds, avoids unnecessary suspicions, removes temptation, protects those responsible for financial records and maximizes possibilities of discovery of theft.

To assume that everyone who works for the church is honest and therefore, "we do not require control," does not take into account that these same people, who are members of the church, work in the business world where control is required. Given certain circumstances, opportunities, or the right conditions, these same members can misappropriate funds whether handling church or business money.

Although the church council or board of elders may have the responsibility to ensure that the internal control is adequate, the treasurer with the financial secretary and counters should assist the governing body in installation and operation of the required control.

## 20.200:

### What Is Internal Control?

Internal control is a plan to do the following:

1. Check accuracy of financial reports.
2. Ensure dependability of records and reports.
3. Discourage error or fraud.
4. Safeguard the assets.
5. Encourage efficiencies through adherence to rules, regulations, and policies as established by the governing church body.
6. Maintain and defend the integrity of members who deal with the finances of the church.

## 20.300:

### Internal Control Plan

The internal control plan should do the following:

1. Separate responsibilities for counting, writing checks, recording contributions and reconciling bank statements.
2. Ensure that the counting team (two or more) is in custody of the collection from the altar to the preparation of the deposit. The counters should prepare a form as shown in Exhibit 23-A.
3. Provide for the prompt depositing of all money.
4. Encourage the use of offering envelopes.
5. For checks that are received during the week, provide the person opening the mail (no one who is connected to financial receipting and disbursing should open mail) with a "For Deposit Only" stamp.
6. Ensure that the counting team does not have access to the checkbook. A counter should not be in a position to sign checks.
7. Limit check-signing authority to a select few who are familiar with the internal controls.
8. If appropriate, require two signatures on the church bank accounts. Blank checks should never be signed in advance.
9. Ensure that all payments be made by check. Do not pay in cash (except petty cash). The use of checks provides a permanent record.
10. If using online bill pay, have one person set-up payments and another approve the payments.
11. Assign the responsibility of bank reconciliation to members other than those who handle cash or maintain financial records.
12. Prepare a reasonable and detailed budget. Monthly or yearly budget comparisons will point out to governing bodies unusual deviations.
13. Provide that recorded pledges are not written off by the financial secretary without appropriate

# A Case Study for Your Enjoyment...

We have an unusual problem and I wonder if you or the district has ever had to deal with a similar situation. Over the years, XYZ Church has had “special offerings” for stained glass windows, a bell tower, air conditioning etc. Those special offerings have all been funded very well by our members...too well actually. The funds were placed in restricted fund balance and all donations were for specific purposes. In that each special project became over funded, we now have approximately \$40,000.00 designated a special donations-restricted funds. As I understand the law, we are not able to use these funds for any purposes except the specific purpose for which the money was donated. Others in the congregation suggest that we contact all of the donors and obtain their individual consent to change the purpose to the general fund or some other special fund. Or, return the donations. Therein lies a problem. Most of these special offerings were completed ten or more years ago and many of the donors are now deceased, or gone.

Has the district ever had a problem like this? Any suggestions?

Thanks

# FACEBOOK REACTIONS EXIT TICKET

*How do you feel about today's lesson? Circle a reaction and explain your choice.*



Like



Love



Haha



Wow



Sad



Angry

**facebook**<sup>®</sup>  
**reactions**

# Stand and Stretch



# Policy: Critical Handbooks and Policy

- [Constitution and Bylaws](#)
- Articles of Incorporation
- Dual Parish Agreements
- Personnel Handbook
- Annual Reviews
- Compensation Guidelines
- Child Safety
- Protect Your Ministry



# Constitution and Bylaws

- The first question when making any decision...  
*What do our Constitution and bylaws say?*
- Any changes come to NWD Board of Directors
- NWD Review Process document
- LCMS Guidelines for rewrites



# Articles of Incorporation

- Know if you are Chapter 181 or 187
  - If you don't know, find out.
  - Are you dissolved? Get reinstated.
  - Chapter 187 is easier, no fee, no annual report.
  - Ministries often filed 181 as the obvious not for profit, not knowing there was a 187.
  - Our attorney does NOT recommend changing from 181 to 187. File the annual report and pay the fee.
- Closing a congregation
  - Contact the District President
  - The NWD-LCMS does not close congregations



# Dual Parish Agreements

- Agreements made between leaders
- Agreements must be in writing
- Sample agreements available from the District President
- Circuit Visitors will support your church on behalf of the District President





# Personnel Handbook

- Do you have one?
- Do you use it?
- Is it annually reviewed?



# Annual Reviews

- Why? Clear expectations. Accountability.
- Created by who?
- Based on what tool?
- Where does the buck stop?
- Plan implemented a year in advance of review
- Clear goals/outcomes/measures – YES or No
- No surprises – don't wait to handle issues



# Compensation Guidelines

- No more one size fits all
- Concordia Plan Services tool
  - Non-Teacher
  - Teachers/Directors
- Existing District tool limited to...
  - Vacation
  - Pulpit supply
  - Sabbatical
  - Severance



# Child Safety No Soft Targets

- Background checks
  - Group Purchasing with Protect My Ministry
- Child Risk Management Policy
  - Pilgrim Safe School initiative
- Staff and volunteer sexual abuse training
  - Ministry Safe roll-out



# Protect Your Ministry SOGI Laws

- Statement of Faith
  - Handbooks
  - Signed by worker
- Employment Criteria
- Facility Use
- Marriage
- [Protect Your Ministry Sample Policies](#)



# Policy: Critical Handbooks and Policy

- [Constitution and Bylaws](#)
- [LCMS Personnel Handbook Resource](#)
- [Reduction in Force Sample](#)
- [Compensation Guidelines](#) pastors
- [Compensation Guidelines](#) schools
- [Pilgrim Safe Initiative](#) Child Risk Management Policy
- [Protect Your Ministry](#)
- [LCMS Governing Manual Resource](#)
- [LCMS Taxes and Ministers](#)



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Relational:  
Communication, Change, Conflict

*The most important thing in communication is hearing what isn't said.*

Peter Drucker





# Tower of Babel

## Genesis 11:1-9

- Commitment to work on a goal
- Unity among the people
- An effective communication system
- Doing the will of God (clear focus on His will)

*Every organization possessing these four ingredients will be successful!*



# Communication

Errors common to organizational change efforts and their consequences

- Under communicating the vision. John Kotter
- People need to hear things 7 times.



# Communication

Leaders keep their people regularly informed about what is going on.

- Informed people are trusting people.
- Uninformed people are suspicious people
- If people suspect that the leadership is trying to keep something from them, they will not follow them.
- Exception – personal matters of confidentiality



# Communication

- Use – newsletter, announcements at worship (use screen), website, email, text, Facebook
- No Surprises
- Celebrate Victories



# Communication

Give Hope – Faith turned toward the future

- If you don't – who will?
- Summarize some positive results of a meeting.
- Annual report – powerpoint of pictures of things that took place at church during the year.



# Change

*“After refreshing ourselves we proceeded on to the top of the dividing ridge from which I discovered immense ranges of high mountains still to the West of us with their tops partially covered with snow.”*

Meriwether Lewis, Canoeing the Mountains by Tod Bolsinger



# Change

What did they have to do?

Educate – read a book, download an article

- Our Iceberg is Melting – John Kotter
- Who Moved My Cheese – Dr. Spencer Johnson
- Who moved my Pulpit – Thom Rainer
- Movie: SISTER ACT



# Conflict

Goal: Christian conflict resolution seeks to resolve disputed issues in a manner pleasing to God.





If your brother sins against you, go and tell him his fault, between you and him alone. If he listens to you, you have gained your brother.

But if he does not listen, take one or two others along with you, that every charge may be established by the evidence of two or three witnesses.

Truly, I say to you, whatever you bind on earth shall be bound in heaven, and whatever you loose on earth shall be loosed in heaven.

Matthew 18:15-20



# CONFLICT

LCMS offers DISPUTE RESOLUTION  
(LCMS Bylaw 1.10) for...

1. members of the synod
2. corporate Synod or an agency of the Synod
3. members of congregations challenging the procedure used in their excommunication (1.10.2)



# Conflict – Dispute Resolution

- District President, District Vice-Presidents, Circuit Visitors
- District has four trained reconcilers
- Ambassadors of Reconciliation



# Conflict - Opposition

- Careful in reading unsigned material
- Deal with people in private if possible...ahead of time
- When people come to you with list of grievances against staff, members...ask if they followed Matthew 18
- Do not give former members the floor
- Do not accept hearsay from opponents who supposedly speak for others



# CONFLICT

So if you are offering your gift at the altar and there remember that your brother has something against you, leave your gift there before the altar and go. First be reconciled to your brother, and then come and offer your gift.

Matthew 5:23-24



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# Final Thoughts and Prayer

- Evaluation coming
- Reminder emails coming
- Exit Tickets - Next steps for ministry
- We work for you

