

**BY-LAWS**  
**OF**  
**ST. MARK'S LUTHERAN CHURCH**  
**SAN FRANCISCO, CA**  
**JANUARY 26, 2020**

**I. MISSION STATEMENT**

St. Mark's is a growing Christian Community rooted in tradition and open to new expressions. Responding to God's compassionate love, we reach out in service to the community and the world. With openness of heart and spirit, we welcome all.

**II. FISCAL YEAR**

The fiscal year of the congregation shall be the calendar year.

**III. ANNUAL MEETING**

The Annual Meeting of the congregation shall be held in January on a date to be set by the Congregation Council no later than the preceding December. The Annual Report shall be made available to all confirmed members of the congregation at or before the Annual Meeting and shall include the report(s) of the Pastor(s), the President, the Treasurer, each Ministry Team of the congregation and each congregation organization, as well as special task forces and study groups or others as appropriate. The Annual Budget shall be adopted at this meeting.

**IV. CHURCH POLICY**

The Congregation Council shall maintain written policies for use of church facilities, for the solicitation of funds, use of the membership list, acceptance of gifts and memorials the circulation of petitions and other matters that may require a policy statement.

**V. MEMBERSHIP**

Each year the pastor(s) shall identify to the Congregation Council those members who have not communed or contributed of record during the current or previous calendar year. The Congregation Council may then vote to remove such members from the active membership roll only after contact with those members has been attempted.

**VI. ORGANIZATION STRUCTURE**

Congregation Council members shall be elected at the Annual Meeting according to procedures established in Chapter 12 of the Constitution of St. Mark's Lutheran Church. The voting membership of the Congregation Council shall consist of the pastor(s) and not more than 15 members of the congregation. Ministry Teams shall be established by the Congregation Council and shall serve as an extension of the Congregation Council. These teams shall reflect the major functions and ministries of the congregation and are assigned responsibilities in support of the mission of the congregation and

have authority to prepare and carry out goals and plans and spend allocated funds to fulfill these responsibilities. The pastor(s) and staff will provide guidance to these teams. The names, makeup, objectives and duties of Ministry Teams shall be spelled out in the Continuing Resolutions.

## VII. EXECUTIVE COMMITTEE

The Executive Committee of the Congregation Council shall consist of the Pastor(s), the President, the Vice-President, the Secretary, the Treasurer, and an At-large Member. The President, Vice-President, Secretary, and At-large Member shall be elected at the first Council meeting following the Annual Meeting of the congregation. The Treasurer, who does not necessarily have to be a member of the Congregation Council, shall be appointed on the basis of his/her qualifications and serve no longer than two consecutive three-year terms.

The Executive Committee shall serve as the Administrative Committee of the Church and shall receive and review a proposed budget from the Finance Committee and present this to the Congregation Council for approval. The Executive Committee shall perform such other functions as directed by the Congregation Council.

The duties of the Executive Committee are as follows:

### A. The Committee

1. Meet monthly and/or regularly to review the agenda for the upcoming Council Meeting and any Congregational Meeting.
2. Arrange the annual audit of the financial records.
3. Take actions as authorized by the Council

### B. Pastor(s)

1. Is (are) on all committees to ensure St. Mark's fulfills its mission.
2. Is (are) responsible for the hiring and supervision of salaried lay-workers (full-time, part-time and temporary staff members) and coordination of the staff with the overall ministry and program of the congregation
3. Is (are) accountable to the congregation to carry out the terms of the constitution of St. Mark's Lutheran Church.
4. Informally evaluate(s) the performance of the Congregation Council and other organizations of the congregation, making appropriate recommendations to the president, the Executive Committee or the Congregation Council.

### C. President

The President is an ex-officio of all committees except the Nominating Committee.

The duties of the President are:

1. Chair meetings of the congregation, Congregation Council and Executive Committee;
2. Ensure issues important to the congregation's health and its mission are brought before

the Congregation Council and/or Executive Committee;

3. Prepare an agenda in consultation with the Executive Committee and ensure it is distributed to Congregation Council members in advance of each meeting;
4. Maintain positive and supportive relationships with the pastor(s) and lay leaders, including members and chairs of the Ministry Teams and committees of the Congregation Council;
5. Maintain positive and cooperative relationship with the chair of Martin Luther Tower board of directors;
6. Ensure the financial, property and business matters of the parish are conducted in a fiscally responsible manner consistent with the mission of the congregation;
7. Report to the congregation at its annual meeting; and
8. Lead the council with a spirit of peace and goodwill in times of stress, crisis or change to resolve conflicts and promote the mission of the congregation.

D. Vice President

In the absence or disability of the President, the Vice President shall perform all the duties of the President and, when so acting, shall have all the powers of, and be subject to all the restrictions upon the President. The duties of the Vice-President are:

1. Serve as a member of the Executive Committee;

E. Secretary

The Secretary shall keep a book of current working policies and minutes for all meetings as follows:

1. All Congregation Council meetings and
2. All congregational meetings

The minutes shall include the date, beginning and ending times, location of meeting, whether it's a regular or special meeting and, if special, how authorized. For all meetings the names of those present, the number of members present and the proceedings shall be recorded. The Secretary shall keep, or cause a set of minutes to be kept in the church office and post Congregation Council and congregational meeting minutes for general view. Highlights of these minutes shall be submitted to the editor of the newsletter by the Secretary for insertion in the newsletter. The Secretary shall give notice, or cause notice to be given, of all meetings as specified above or required by the Laws of Incorporation of the State of California

F. Treasurer

The Treasurer is a member of the Finance Committee and the Stewardship Committee and is required to attend Church Council meetings. The duties of the Treasurer are:

1. Ensure the funds are paid out according to congregational policy including follow up on

all designated funds;

2. Analyze and reconcile the reports of income and expense provided by the St. Mark's office staff and report to the Congregation Council;
3. Oversee monthly journal entries recognizing income from investments and accruing income and expenses as necessary, (e.g., Synod benevolence);
4. Oversee the completion and filing of all government forms;
5. Monitor cash flow to ensure that adequate funds are available to meet responsibilities, including moving cash into and out of investment accounts as necessary;
6. Draft the annual budget after getting input from staff, committees (especially the Finance Committee) and the congregation Council.
7. Report annually to the congregation with income and expense report summaries and balance sheet;
8. Prepare the financial section of the annual Synod and/or ELCA reports; and
9. Submit the records for regular audit.

G. At-large Member: The duties of the At-large Member are:

1. Serve as a member of the Executive Committee;
2. Perform other responsibilities as delegated by the President.

#### VIII. MUTUAL MINISTRY COMMITTEE

The Mutual Ministry Committee shall serve as a support group for the staff and provide a bridge between the staff and the congregation. The staff shall make known any special needs and the committee shall interpret the concerns of the congregation.

Members of the Mutual Ministry Committee shall serve at the request of the Pastor(s).

#### IX. HUMAN RESOURCES COMMITTEE

St. Mark's Lutheran Church is an employer operating in the state of California and is therefore held accountable for complying with all employment laws. A Human Resources Committee shall advise the pastors on Human Resources issues for St. Mark's Lutheran Church.

The membership of the Human Resources Committee shall consist of at least one member of the Congregation Council and at least two appointed members from the congregation who, wherever possible, have professional experience in Human Resources. Membership on the Human Resources Committee is not necessarily tied to membership on the Congregation Council. The President of the Congregation Council shall appoint the Chair of the Human Resources Committee. The duties of the Human Resources Committee are:

1. Approve lay person hiring;
2. Approve job descriptions;
3. Establish, update and enforce the Human Resources policies;

4. Monitor the church's compliance with changing employment laws;
5. Monitor yearly evaluations;
6. Develop salary recommendations as part of the annual budget process;
7. Assist pastor(s) to mediate disputes between personnel;
8. Set goals, objectives and possible incentives for staff members with the pastor(s); and
9. Establish a paid holiday calendar.

In the event of a change in pastor(s), it is expected that the Human Resources Committee will meet at least bi-monthly. Otherwise, the Human Resources Committee will meet at least quarterly, or as deemed necessary.

#### 10. AUDIT COMMITTEE

An Audit Committee of three voting members who are not members of the Congregation Council shall be selected and approved by the Congregation Council by the February meeting of each year. The Audit Committee shall audit all financial activities of the congregation each calendar/fiscal year by no later than the end of May following the close of the preceding calendar/fiscal year and report the results of the audit to the Congregation Council by its June meeting. Copies of the Audit Report will be made available to members of the congregation upon request. Upon acceptance of the Audit Report by the council, the Audit Committee will prepare and submit any required certification to the Synod.

#### 11. NOMINATING COMMITTEE

The purpose of the Nominating Committee is twofold:

1. To identify nominees for election to the congregation council and to place the names of qualified candidates for service on the Congregation Council before the congregation of St. Mark's Lutheran Church;
2. To identify nominees for representation to the Synod Assembly. The Nominating Committee shall consist of three voting members of this congregation -- one current member of the Congregation Council, one outgoing member of the Congregation Council and one member of the congregation not on the Congregation Council. The committee shall be appointed no later than the September meeting of the Congregation Council.

The following may be used as guidelines to evaluate suitable candidates:

1. The candidate shall have demonstrated an ability to lead others;
2. The candidate shall have expressed a desire to serve on the Congregation Council or Synod Assembly;
3. The candidate shall have been a member of St. Mark's for more than six months; and
4. The candidate shall have been active in one of the Parish Life Committees for a minimum of one year.

Every effort should be made to maintain a diverse representation of the Congregation with regard to

sex, race, sexual orientation and age group.

12. CALL COMMITTEE

In case of a pastoral vacancy in the congregation the Bishop shall be notified, a Pastoral Call Committee shall be appointed by the Congregation Council following the guidelines of the literature provided by the Sierra Pacific Synod, and this committee shall meet with the Bishop or his/her representative(s) so that the materials which have been prepared to guide such committees are made available.

After proper study, review and evaluation, the committee shall recommend a Pastor for call to the Congregation Council.

13. MEMORIAL FUNDS

i. Undesignated Funds

Allocation of undesignated funds shall be at the discretion of the Congregation Council.

ii. Designated Funds

Designated Funds must be used for a related purpose, (e.g., Education Funds for education expenses). If the need for a fund no longer exists and/or the donor is no longer a member of St. Mark's Lutheran Church, the Congregation Council can re-designate funds up to an amount equal to ten percent (10%) of the church's annual operating budget. This policy shall be made known to the congregation.

14. ENDOWMENT FUND

i. Endowment Committee

The Endowment Committee, appointed by the Congregation Council, shall have between 5 and 9 members (exclusive of ex-officio members), all of whom shall be voting members of the Congregation, and one of whom shall be a member of the Congregation Council. Except as herein limited, the term of each appointed member – other than the Council Representative - shall be three years; the Council Representative shall have a one year term. Upon adoption of this resolution, terms for the appointed members shall be staggered so that not more than 1/3 of the Endowment Committee has 3-year terms, not more than 1/3 have 2-year terms and not more than 1/3 have a 1-year term. Thereafter, on an annual basis at the first Council meeting following the Annual Meeting of the Congregation, the Council shall appoint the necessary number for a term of 3 years. Members shall be eligible to serve no more than two full terms consecutively. The Congregation Council shall appoint members to the Endowment Committee to fill vacancies which occur on the committee. In addition to ex-officio members provided for in Section VII herein, the Treasurer or their designee from the Finance Committee shall be an ex-officio member of the Endowment Committee.

The Endowment Committee is authorized to take the following actions and has the following

responsibilities:

1. To establish the St. Mark's Evangelical Lutheran Church Endowment Fund ("the Fund"), and related sub-funds, if required, at the Lutheran Community Foundation (LCF).
  2. To transfer ownership of initial and future endowment gift assets to the Fund at the LCF. The LCF owns, invests and holds the Fund for the benefit of St. Mark's and in turn, offers ongoing support to the purpose of the Fund.
  3. To appoint a member of the Committee to act as Advisor and liaison to the LCF with respect to administrative matters, day to day operation of the Fund, and the recommendation of distributions from the fund.
  4. To elect from its membership a chairperson and secretary, and to recommend the duties of such officers to the Congregation Council.
  5. To recommend the policies and procedures for distributions from the Fund to the Congregation Council for approval.
  6. To recommend and implement procedures and policies for soliciting, processing and disbursing funds in a manner consistent with the mission and purpose of the Fund. All disbursements recommended by the Endowment Committee must be approved by the Congregation Council. Such disbursements are limited to legally valid non-profit entities only.
  7. To review, at least annually, the investment portfolio choices available at the LCF, and report the results of such review to the Congregational Council.
  8. To educate the Congregation about the Fund and adopt and implement strategies which promote giving to the Fund.
  9. To report to the congregation, at least annually, the balance of the Fund, the year's financial activity in the Fund, and the amounts and beneficiaries of disbursements from the Fund.
  10. To recommend guidelines for the acceptance of gifts to the Fund, and ensure that acceptance of such gifts is in accordance with the Gift Acceptance Policy of St. Mark's Lutheran Church.
  11. To undertake any other related matters delegated to the Endowment Committee by the Congregation Council.
  12. To make a copy of the agreement between St. Mark's and the LCF available for inspection by any voting member of the Congregation during normal business hours.
- ii. Distributions from the Fund
- Gifts to the Fund shall accumulate for three years or until the value of the Fund reaches \$100,000, whichever comes first, after which distributions from the fund shall commence.

Thereafter, the Committee shall annually recommend to the Congregation Council the percent of value of the Fund to be distributed that takes into account the fluctuating value of the Fund and that aims for growth in the Fund's value in years when actual investment return in the Fund exceeds such percentage, as well as permitting distributions in other years when market performance is poor. Using this method, it is possible that a minor amount of principal of the Fund could occasionally be spent in years when investment performance is lowest.

Disbursement from the Fund need not occur annually if in the judgment of the committee, as approved by the Council, annual disbursement of income is not recommended.

It is the intent of this Congregation that the Fund shall be managed in perpetuity employing the restriction that the principal of the Fund will not be used, except as specified above. Any other proposed additional use of the principal requires two-thirds (2/3) approval of the voting members present in a duly called Congregational meeting.

iii. Amendments

Any amendment to these by-laws for the Fund shall be adopted in accordance with procedures specified in the Constitution, except that such amendments require a two-thirds (2/3) majority vote of the voting members present at a duly called Congregational meeting.