



LIVING WORD
LUTHERAN CHURCH



The purpose of the Executive Committee is to assist the Congregation Council (Council) in overseeing the duties of Living Word and making recommendations to the Council to maintain the congregation's mission. The Executive Committee shall have no other authority without the consent of the Congregational Council. The Executive Committee shall consist of the president, vice president, secretary/treasurer, and Lead Pastor (LP).

The Executive Committee shall be responsible for the preparation of the annual report and budget, and shall present the report and the budget to the Congregation Council for approval. Thereafter, the Congregation Council shall present the report and the budget to the congregation at the general business meeting. The Executive Committee shall meet on an "as needed basis" to conduct emergency matters where the meeting of the full Congregation Council is not practical. All actions taken by the Executive Committee shall be ratified at the next regularly scheduled meeting of the Congregation Council.

Membership: The Executive Committee will include the following voting members: Lead Pastor, President, Vice President, and Secretary/Treasurer. Members will serve a one (1) year term and may serve up to four (4) consecutive terms.



General Description

The Call Committee will be assembled during the most critical period(s) in the history of Living Word Lutheran and is tasked with

1. Performing the search for a new pastor as efficiently as possible and
2. Identifying a call candidate that has the capacity to perform the role to which he/she is called as effectively as possible. To these ends, Call Committee will identify, discern, pray, and ultimately provide for the call of a rostered clergy member by the congregation. The members of the committee will be selected by the Council from an approved roster presented by the Nominating Committee. The Call Committee is empowered to work with the Bishop's office to find a pastoral candidate suitable for Living Word and its ministries. Selection decisions are informed by the Ministry Site Profile (MSP) which is jointly developed by the Lead Pastor and the Call Committee.

Membership:

The Call Committee will include the following voting members: Lead Pastor, and up to seven (7) active members of the congregation. It is intended that the Call Committee will convene for the period required to develop the MSP, identify viable candidate(s), perform candidate interviews, and lead the ultimate congregational vote. Once an extended Call has been accepted, and an offer/acceptance

agreed with the selected candidate(s), the Call Committee will be disbanded. Each new pastoral vacancy will initiate the assembly of a new Call Committee.

Term:

Members will serve on a call-by-call basis, completing the current call process, yet remain eligible for consideration in the creation of subsequent call committees.

Reporting:

The Call Committee will report to the Council, through the Executive Committee (Lead Pastor, President, Vice President, and Treasurer).

A chairperson, recording secretary and correspondent shall be chosen from among the lay personnel. The chairperson will work in partnership with the Lead Pastor to convene meetings, set meeting agendas, be the primary contact with candidates and contact person with the synod office.

The recording secretary shall keep minutes of Call Committee meetings for future reference and may be responsible for final preparation of the Ministry Site Profile (MSP). All minutes must be mindful to respect matters of personnel confidentiality.

The correspondent shall coordinate updates to the Congregation and is responsible for written communication between candidates and committee, sends copies of correspondence to the synod office, and leads internal communications including writing Connect articles and notes for Sunday announcements.

Duties & Responsibilities

The Call Committee will focus on:

1. Developing/updating the Ministry Site Profile (MSP). The MSP or congregational profile is intended for use by congregations and church-related organizations that are seeking to call an ordained or lay rostered minister of the Evangelical Lutheran Church in America, or First Call candidates for rostered ministry. The MSP is a summary description of the make-up the congregation, the community demographic, strengths, opportunities, and specific ministries for which the congregation seeks to call a pastor or rostered minister.

2. Determine, with input from Church Council, the job description and duties to be performed by the candidate.
3. Work with the Synod and Bishop's office to identify candidates, establish interview criteria, set up interviews, follow up on personal and character references, assign objective competency ratings to each of the MSP-defined areas of ministry, opportunities, etc.
4. Coordinate with the Executive Committee to determine the process and schedule a congregational meeting for the purpose of voting to extend a call.
5. In preparation for the meeting, develop a brief description of each candidate's background, family, years in ministry, and strengths which may be provided for Living Word members.
6. Determine, with input from the Director of Operations (DO), the amount of money to be appropriated for the Call Committee to complete their assigned duty, and the source of funding. Costs the Call Committee are authorized to incur, with upfront approval from the Executive Committee, may include:
 - Travel and Entertainment of the selected candidate(s), including personal mileage
 - Communication costs (stationery, postage, etc.) - for targeted communications with the congregation and to the candidate(s)
 - Lodging and meals - for candidate site visits
 - Other (to be defined and valued)
7. Recognize there is a hand-over to the Executive Committee and Council to determine, and gain upfront approval for the total financial offer to be extended to the candidate, including but not limited to:
 - Salary and Benefits
 - Housing
 - Personal technology (e.g., personal laptop, cellphone, iPad, etc.) note: any technology that is included in the offer becomes the personal property of the candidate, who is also personally responsible for loss and damage/replacement/upgrade costs
 - Other (to be defined and valued)
8. Coordinate with the Executive Committee and the Synod Representatives to extend and offer and shepherd the process through to final acceptance or rejection.

9. Coordinate with the Executive Committee to post-assess the Call Committee process and experiences, documenting best-practices and lessons-learned to be fully leveraged by the next Call Committee.



General Description:

The purpose of the Stewardship Committee is to help God's people (Living Word) grow in their relationship with Jesus, using the time, talents and finances God has entrusted to them. Stewardship is our calling and is woven into every facet of our communal life. The Stewardship Committee typically uses the month of October to challenge the congregation into using their time, talent, and finances. These efforts usually run two or three weekends every year and may include:

- Monthly Stewardship Campaign
- Sermon Series
- Personal testimony from congregants
- Commitment Sunday
- Recruiting volunteers for specific ministries based on spiritual gift surveys

Membership:

The Stewardship Committee will include the following voting members: Lead Pastor, at least one (1) Council member, and up to three (3) members of the congregation. In addition, the Director of Missional Living will be an ex-officio member of the committee.

Term:

Members will serve two (2) year terms and may serve up to three consecutive terms, however, the Council shall review the need for a Stewardship Committee annually after the Council is formally installed before the congregation.

Reporting:

The Stewardship Committee will report to the Council as necessary, through the Executive Committee (Lead Pastor, President, Vice President, and Secretary/Treasurer).

Duties & Responsibilities

The Stewardship Committee will focus on:

- The study and growth in its understanding of Biblical stewardship so it can help church members see the relationship between whole-life stewardship and the life of discipleship.
- Helping members understand how the budget is the “mission statement” for the church.
- Planning a year-round stewardship program in support of the church mission statement.
- Helping personalize giving (through newsletters, videos, etc.) so people can see and pray for what their gifts are doing.
- Helping people become better acquainted with their spiritual gifts and to help them invest those gifts in the local church ministry.
- Working with other committees, teams, and organizations in the congregation to help plan and coordinate the stewardship education program for all ages.

Relationships:

- Pray for our pastors, staff, Council, and congregation.
- Consult with the Executive Committee.



PERSONNEL ADVISORY COMMITTEE

General Description:

The Personnel Advisory Committee is responsible for assisting the Congregation Council (Council) oversee personnel related activities of Living Word and making recommendations to the Council to ensure that our pastors and staff are properly supported.

Recognizing that special skills and gifts are needed (that may not always reside in the Council) to deal appropriately with personnel issues, the intent of the Personnel Advisory Committee is to make those skills available to the Council in support of our pastors and staff. The Council shall review the need for a Personnel Advisory Committee annually.

Composition:

The Personnel Advisory Committee will include the following voting members: Vice President of the Council, a member of the TLC Board (as TLC liaison to the Team), and up to four (4) members of Living Word. The following will serve as non-voting members of the Team: Lead Pastor, the Director of Operations (DO), and the Director of The Learning Center. Members will serve two (2) year terms and may serve up to three consecutive terms, however, the Council will approve the members of the Personnel Advisory Committee at the beginning of each calendar year. Initially, two members will serve a one (1) year term. The Personnel Advisory Committee will be chaired by a non-staff, non-Council member.

Reporting:

The Personnel Advisory Committee will periodically report to the Council, through the Executive Committee (Lead Pastor, President, Vice President, and Secretary/Treasurer).

Duties & Responsibilities

The Personnel Advisory Committee will:

- Periodically review the Living Word policies and procedures and coordinate with The Learning Center related to personnel and recommend revisions to the Council as appropriate.
- Assist in developing a two to five-year staffing plan for Living Word for Council's review and approval.
- Periodically review (at least annually) the staffing needs of Living Word and update the staffing plan for Council's review and approval. This must be done prior to development of the annual budget.
- Establish appropriate procedures for periodic (at least annual) evaluation of pastors and staff to provide constructive feedback.
- Assist in establishing the process of evaluation of pastors and staff. Note that the Senior Pastor will continue to do the evaluation of the program staff and the DO will continue to do the evaluation of the support staff.
- Annually establish a range and baselines for compensation of all pastors and staff and make recommendations to the Executive Committee. (Note that this is confidential information.)

Relationships:

- Pray for our pastors, staff, Council, and congregation
- Provide support for the Lead Pastor and DO
- Consult with the Executive Committee
- Coordinate with The Learning Center

Nominating



COMMITTEE

General Description

The purpose of the Nominating Committee is to solicit interest and secure candidates for nomination to various vacant Congregational Council (Council) and committee positions. The Nominating Committee shall make a recommendation of candidates to the Council at least 45 days in advance of the annual Council elections.

Membership:

The Nominating Committee shall consist of no more than five members of the congregation who have been approved by the Congregation Council. The Pastor will serve on this committee. At least one member shall be an outgoing Council member.

Term:

Nominating Committee members shall serve for two consecutive years.

Reporting:

Each member shall carry out the individual duties assigned in the Bylaws and shall meet from time to time, together with the Lead Pastor (when possible), to outline the agenda for the Council meetings.

Duties & Responsibilities

The Nominating Committee will:

- Be established as a body of members with interest and insight to the makeup, leadership qualities and skill sets of individual members of the Congregation. They are charged with understanding the attributes needed to staff and lead the Council as well as the committees supporting the work of the Council and Congregation at large.
- The committee should review the time & talent sheets for members who have indicated an interest in serving on the Council as well as other chartered committees.
- The committee should appoint two members of the congregation, including one Council member who is not seeking reelection, to count the ballots after the Council election.
- The committee will share the results of the election as part of the Congregational Meeting to inform the congregation of the outcome.
- The committee should provide names of those to be nominated to Council for approval in time for the biographies of the nominees to appear in Connect 2 weeks prior to the election.

Relationships:

- Consult with Executive Committee and Council.



BUDGET ADVISORY COMMITTEE

General Description

The purpose of the Budget Committee is to assist the Congregation Council (Council) in leading Living Word in its process to establish an annual capital and operating budget, and a forecast of anticipated gifts. The Budget Committee shall recommend the type of budget to be produced to the Executive Committee and get agreement prior to initiating the budgeting process. The work undertaken by the committee will be used to inform the budget/gifts forecast that is proposed annually for congregational approval and in accordance with the Constitution and By Laws and within the prescribed timeline.

Membership:

The Budget Committee will include the following members: Finance Advisory Committee member, Pastoral Representative, TLC Director, and at least three (3) to four (4) members of the congregation.

Term:

Members will serve two (2) year terms and may serve up to three consecutive terms, however, the Council shall review the need for a Budget Committee annually after the Council is formally installed before the congregation.

Reporting:

The Budget Committee will report to the Council as necessary, through the Executive Committee (Lead Pastor, President, Vice President, and Secretary/Treasurer).

The Budget Committee will focus on:

- Recommending to the Executive Council the type of budget to be produced, and receive approval from the Executive Council prior to initiating the budgeting process.
- Working with the individually financed ministries, committees and staff department leads to determine their budget needs.
- Setting out a timeline for the submittal of data from the funding recipients to when it is required for Financial Advisory Committee review.
- Personal reviews with representatives of the ministries, committees, and departments to better understand the request, as necessary.
- The Budget Committee compares all the budgets submitted with the anticipated gifts and prepares a balanced budget, mindful of monthly cashflows, which it presents to the Council.
- As part of the budget process, the Council will schedule Congregational review sessions as a means of receiving input from interested members.
- Bias for a “unified budget” type that pulls together all of the congregation’s receipts and disbursements into one budget. Recognized and allowable budget types include those aligned with ELCA published standards, and may be any one, or a combination of the following types:

Zero-Based Budget

This budget starts at zero, and every item that is presented for inclusion in the budget must be justified as to its need and the benefit it provides. This type of budget typically requires more effort to produce but also forces an in-depth look at every budget line item.

Same As Last Year Budget

This budget starts with last year's budget and adds percentage increases or makes minor adjustments for the next year. This type is done by most congregations because it is fairly easy to put together. Note: This type tends to preserve the status quo and can be an obstacle to vision and development.

Unified Budget

A unified budget pulls together all of the congregation's receipts and disbursements into one budget. Included in this one budget would be anticipated receipts and disbursements of each church group which previously may have had their own budget and even their own bank account. These might include the youth group, the women's group, the construction budget, and The Learning Center.

Capital Budget

A capital budget provides for the addition of capital items such as office equipment, furniture and fixtures, land, and construction. In the event of a construction project, a capital budget may extend for a period of longer than one year. It normally is developed for the life of the project.

Program Budget

A program budget is a way of presenting the budget that puts all expenditures into various program categories, e.g., worship, learning, outreach, etc. Salaries can also be prorated into each program category. A program budget can be an effective communication and planning tool. It can show ministry emphasis more clearly than a line-item budget.

Line-Item Budget

A line-item budget groups individual items under categories and further lists each item that makes up that category. An advantage of the line-item budget is that it provides a systemic step by step mechanism for formulating the budget, but it should be noted that a listing of every line item is not effective in communicating the overall plan or mission of the congregation.

Debt-Retirement Budget

A debt-retirement budget is a special budget that lists all the funds and use of these funds needed to pay off indebtedness.



FINANCIAL ADVISORY COMMITTEE

General Description:

The purpose of the Finance Advisory Committee is to assist the Congregation Council (Council) in overseeing the financial affairs and objectives of Living Word Lutheran (LWL), making recommendations to the Council to maintain the congregation's financial health and assure compliance with accounting policies and internal controls.

The Finance Advisory Committee provides special skills and gifts to the Council that are needed and may not always be present within the Council to deal appropriately with financial and reporting issues.

Membership:

The Finance Advisory Committee (FAC) includes voting members of the Congregation as follows:

- Chairperson of FAC
- Secretary/Treasurer of LWL
- A minimum of three (3) and a maximum of five (5) members of the Congregation. The size of the Committee is the decision of the sitting membership. There are no expressed limitations imposed upon membership eligibility based on either familial or professional relationships. Membership is based on required skills and competencies of the individual members. Internal controls will be relied upon to mitigate any potential operational risk.
- Members are expected to be actively engaged and excessive absences from standing meetings may result in the Committee replacing an inactive member before the end of his/her term, based on a majority vote.

The following Living Word and The Learning Center Staff members will serve as subject matter and operations experts to the FAC:

- Pastoral Representative (PR)
- Director of The Learning Center (DTLC)
- Business Administrator (BA)

Term:

Members will serve a two (2) year term and may serve up to three consecutive terms. The Council will approve all Congregational members of the FAC, including the Chairperson, at the beginning of each calendar year. Initially, two members will serve a one (1) year term. Chairperson is a non-staff, non-Council position.

Authorization:

The Council shall review the need for, performance and Charter of the Finance Advisory Committee annually at the first standing meeting after the Council is formally installed before the Congregation.

Reporting:

The FAC will regularly report to the Council, through the Executive Committee (Lead Pastor, President, Vice President, and Secretary/Treasurer) via meeting minutes of all called meetings, monthly financial statements, and/or face-to-face engagement on agreed Executive Committee meeting agenda items.

Duties & Responsibilities

The Finance Advisory Committee (FAC) will:

- Prepare a monthly meeting agenda designed to assure delivery of duties of responsibilities, prepared by the FAC Chairperson and agreed with the FAC, and meet to 1) address agenda items 2) review financial reports of Living Word 3) review financial reports of The Learning Center. Financial reports will be prepared and distributed to the FAC as pre-read by the BA a minimum of 72 hours prior to the monthly FAC meeting and will be maintained on file within the LWL central financial data repository.
- Record meeting minutes, action items and outcomes from regularly scheduled and any special FAC meetings. Minutes will be submitted to Council as pre-read by the Treasurer a minimum of 72 hours prior to monthly meetings and maintained on file within the LWL central financial data repository.
- Initiate a triennial financial audit by appointing an audit team and scheduling the audit with a 3rd party auditor in compliance with the Audit Committee Charter.
- Initiate annual internal audits in compliance with the Audit Committee Charter, in those years wherein no external audit is conducted.
- Review the annual financial audit and make recommendations to Council as appropriate.
- Prepare communications with the congregation, in consultation with the Executive Committee, that report on the financial condition of Living Word.
- Periodically review the policies and procedures related to finance and recommend revisions to the Council as appropriate.
- Initiate an annual Budgeting process, working with the Council-appointed Budget Committee. Compensation for Pastors and staff will be provided to the Budget Committee by the Executive Committee as a single budget figure. The Budget Committee collects and reviews the proposed revenues and expenses, presenting a recommended annual budget to the FAC for final review. The FAC will make recommendations as appropriate to finalize a draft Budget. The FAC Chairperson will submit the proposed Budget to the Council for endorsement and ultimately for approval by the congregation. The timing of budget preparation shall be coordinated with Council.

The FAC will foster and maintain critical relationships, including but not limited to:

- Provide support for the PR, DTLC and BA
- Consult with the Executive Committee
- Coordinate with The Learning Center
- Coordinate with and support the Audit Committee
- Coordinate with and support the Budget Committee



ENDOWMENT ADVISORY COMMITTEE

General Description:

The Endowment Committee vision is to create and foster a culture of giving that builds financial capacity for the future, leaving legacy gifts for the mission and the ministries of Living Word Lutheran Church (LWLC). Within that, the goals are to provide funding for new and expanding ministries at LWLC, for assistance within our local community, and for church support of national and global missions.

Membership:

The Endowment Committee will include a minimum of five at-large members, not to include a member of the Council.

Term:

Members will serve three (3) year terms and may serve up to two consecutive terms, however, the Council shall review the need for an Endowment Committee annually after the Council is formally installed before the congregation. For start-up purposes, the terms may be of less than three years, so that the terms expire in different years, to enhance the continuity of membership.

Reporting:

The Endowment Committee will report to the Council as necessary, through the Executive Committee.

Duties & Responsibilities

The Endowment Committee will focus on:

- Oversight and analysis of the Endowment assets. The at-large members shall be appointed by the Council for three-year terms, not to exceed two consecutive terms.
- The Nominating Committee of the church shall recommend new at-large members to the Committee. The Nominating Committee shall consider skills needed for the Committee's operation when recommending new members (such as experience in investing and the stock market; legal expertise; contacts with local nonprofit organizations and foundations; knowledge/experience with processes and best practices in awarding grants; and experience in fund raising and attracting charitable giving).
- The Committee shall elect its own Chairperson and Secretary from its membership. LWLC Council officers shall be authorized to sign checks and all other necessary documents to operate and further the purposes of the Endowment.
- Members of the Committee shall not be liable for any losses that may be incurred upon the investments of the assets of the Endowment, other than for gross negligence or willful misconduct. Members of the Committee shall be defended and indemnified by the church against any costs, expenses, legal fees, losses, and judgments arising out of any legal proceedings arising out of the conduct of the Committee, except for proven gross negligence or willful misconduct. No Committee member shall engage in any self-dealing or engage in any transactions with the Endowment in which the member has direct or indirect financial interest.
- The Committee shall recommend, and the Council shall approve, the initial hiring of an independent third party to provide professional investment consulting and/or fund management ("Investment Consultant"). Any subsequent change in the Endowment's Investment Consultant shall require LWLC Council approval.
- The Committee shall provide guidelines to the Investment Consultant for investment stewardship of the Endowment's assets, and these guidelines shall be consistent with any investment policy statements and/or provisions adopted by the LWLC Council. The Investment Consultant shall provide written quarterly reports of its investment performance to the Committee. The performance of the Investment Consultant shall be evaluated by the Committee on an annual basis, and the Committee shall provide a written report of its evaluation to the LWLC Council. Expenses, if any, for the Investment Consultant shall be paid from the Endowment.

Endowment Administration

- It is anticipated that gifts will be made to the Endowment for unrestricted purposes. Gifts received by the Endowment must be consistent with any gift acceptance policy established by the LWLC Council, and must be seen to have the economic potential for supporting the Endowment's mission goals. The Committee shall have the discretion to reject gifts which in its judgment are not consistent with such standards. Gifts will be administered at the discretion of the Committee. All gifts shall be acknowledged by letter from the Committee Secretary and by receipts as required.
- All gifts received in the form of property other than cash will be reviewed immediately by the investment counselor to determine whether they should be converted to cash at fair market value as soon as is practicable, or whether they are suitable and appropriate for continued holding in the Endowment. If the donor requests that the property be retained in the Endowment, review as to suitability will be conducted prior to acceptance of the gift. Gifts received under which life income is retained may be referred to another charitable entity for professional administration.
- Distributions from the Endowment shall be from Interest and/or earnings income earned while the Principal will not be touched and remain in perpetuity. When a distribution is deemed appropriate by the Committee, up to fifty percent (50%) of the total Interest and/or earnings income of the fund on December 31st of each year may be made available for distributions during the following year.
- Both principal and income are to be administered in such a way that they do not diminish the joy and responsibility of the current support and involvement of the Congregation. The Endowment's assets and investment earnings shall not be used to fund any portion of LWLC's general budget, nor for operational expenses of ongoing ministries, nor shall its assets/earnings be made available to offset any temporary shortfalls in LWLC's operating cash flow. The Charter may be reviewed and amended if appropriate, however section "Endowment Administration – Paragraph 3 – Sentence 1" of this Charter may only be amended subject to approval at a meeting of the congregation by a two-thirds vote of those present.

Relationships:

- Work in consultation with the Treasurer and the Stewardship Committee.
- Consult with the Executive Committee.
- The Committee shall report at least semi-annually to the Church Council and shall give an annual printed report to the Congregation. These reports shall address how the Committee is demonstrating its implementation of the mission goals of the Endowment. The Endowment shall be subject to the usual audit procedures of the Congregation.



AUDIT ADVISORY COMMITTEE

General Description:

The Executive Committee of Living Word Lutheran's Church Council, hereby establishes an Audit Committee in accordance with the Evangelical Lutheran Church in America's "Congregational Audit Guide" and per the prescribed guidelines described below.

The Audit Committee shall meet at least twice annually, but more often if desired or necessary, in order to discharge its responsibilities. All meetings may be held by telephone conference call. Unless otherwise authorized by the Executive Committee, the Audit Committee shall have no power to act on behalf of the Executive Committee but shall present its recommendations to the Church Council for action.

Membership:

The Audit Committee shall be comprised of three voting members of Living Word Lutheran Church who have no existing financial, family or other personal ties to Living Word's management organization. No staff members of the organization will be eligible to serve on the Audit Committee. Audit Committee members shall be nominated and elected by the Congregation Council on or before the scheduled October Congregation Council meeting, i.e., the start of the fiscal 4th quarter. Audit Committee members shall not be current members of the Congregation Council.

Term:

Term of office shall be three years, with one member elected each year per a standard rolling election cycle. Members shall be eligible for reelection.

Membership Qualifications:

Audit Committee Members' qualifications shall include:

- A clear understanding of the role of the Living Word Lutheran and its ministries.
- Financial literacy (at a minimum, ability to read and understand financial statements).
- Courage to ask probing questions and to follow up for answers.
- Ability to see the big picture and to provide the oversight necessary to promote a strong control environment.
- A commitment to safeguard the organization and its assets and to afford reasonable assurance that good stewardship is being used in handling and account for the funds and other assets of the congregation.
- A commitment to the employees, volunteers, and communicants of the organization.
- A commitment that the organization will report fairly, accurately, and regularly on its activities and condition.
- Willingness to do the right thing, not just do things right.

Reporting:

Audit Committee will report to the Council as necessary, through the Executive Committee.

Duties & Responsibilities

As directed within the ELCA Congregational Audit Guide:

For many congregations, it is highly advisable to have a professional audit conducted by a qualified independent accounting firm; others, due to cost and budget considerations, may wish to have an independent member(s) of the congregation with accounting or financial backgrounds perform the audit. If the congregation determines that it is not economical to have an external audit every year, then it may be performed on a two- or three-year cycle with an internal audit performed in the interim years.

Therefore, Living Word will adopt a three-year rolling audit cycle wherein:

- Year One: Council will fund, and Audit Committee will engage an External Professional Audit Firm.
- Year Two: Audit Committee will perform an internal review of elements 1 through 16 of the ELCA 33 Point Audit Approach.
- Year Three: Audit Committee will perform an internal review of elements 17 through 33 of the ELCA 33 Point Audit Approach.

In those years for which Council has planned and budgeted for an external audit firm to perform a complete and independent audit of the church's financial statements, the Audit Committee's responsibilities shall include:

- Selecting the external audit firm.
- Reviewing and approving the external audit scope and fees.
- Reviewing and approving any proposed involvement of the external audit firm in activities other than the annual audit.
- Ensuring a direct line of communications with the organization's auditor.
- Providing oversight of management's performance with respect to required and recommended financial responsibilities and disclosure.
- Consider and review, with management and the auditors, the adequacy of the organization's risk management methodology and internal controls, including computerized information system controls and security.
- Providing oversight of the organization's conflict of interest policy and keeping the board apprised of any changes required in the policy or its implementation.
- Reviewing the adequacy of financial reports provided by the board and making recommendations for their improvement.
- Reviewing and addressing the management letter and auditor's comments.
- Review any serious difficulties or disputes with management encountered during the course of the audits.
- Review other matters related to the conduct of the audits that are to be communicated to the Committee under generally accepted auditing standards.
- Review published documents containing the organization's financial statements and consider whether the information contained in these documents is consistent with the information contained in the financial statements.
- Cause to be made an investigation into any matter brought to its attention within the scope of its duties. The Committee will promptly report any such actions to the Executive Committee.
- Make recommendations to Church Council based on the committee's review activity.

Conversely, in those years for which Council has planned and budgeted for an internal audit to be performed, the Audit Committee's responsibilities shall include compliance with the ELCA Congregational Audit 33-Point Guide, reviewing elements 1 through 16 in Year Two, and elements 17 through 33 in Year Three of the three-year cycle. The Audit Committee shall utilize the ELCA standard reporting forms in compiling and reporting their findings. These standard forms are maintained on-file by the staff Director of Operations. It is highly recommended that the Congregation seek to engage a qualified Accounting Summer Intern to support and assist the Audit Committee in the execution of the audit.

The audit shall commence as soon as practical, following the closure of the annual financial books and the Treasurer and Financial Staff are available to support the auditors, either external or internal. To assure audit readiness, during the 4th quarter of the current fiscal year, the Finance Staff will prepare confirmation forms for banks, the synod, insurance companies and donors. Confirmations are essential for providing the Audit Committee with independent verification of bank account balances and authorized signatures, monies sent to the synod for benevolence funds and special gifts, the coverage level(s) and related premiums for all insurance policies and, on a test basis, donor contributions.

The Audit Report and Filings will be completed based on the timeline agreed with the Audit Committee and Treasurer prior to the initiation of the audit.