

I. Leadership

A. Parish Leadership Philosophy

The Congregation of St. Mary's Episcopal Church embraces a collaborative leadership structure through which elected Vestry members and the Rector (collectively "the Vestry") are responsible for Parish governance and the Rector is responsible for Parish ministry. The Vestry is responsible for defining the mission and strategic goals of the Parish, and for producing policies. The Rector is the Parish's spiritual, programmatic, and administrative leader. The Rector is responsible for mobilizing staff and the Congregation to accomplish the mission and goals of the Parish. The Congregation is responsible for discerning the mission and goals of the Parish in partnership with the Vestry and Rector, for engaging in Parish ministry, and for staying informed about the life of the Parish.

The intended leadership structure is consultative, collegial, and inclusive, while respecting that governance and ministry are the responsibility of different leaders. To that end, the Vestry will articulate a clear mission and goals, while establishing governance policies that delegate authority to the Rector and ministry leaders in proportion to their responsibilities. The Parish expects the Vestry, Rector, and Congregation to practice open decision making, healthy conflict management, and mutual support in their respective roles.

B. The Vestry

St. Mary's Vestry shall ideally be comprised of seven to nine members, including two Wardens and the Rector, and shall include all positions and responsibilities required by the Canons of the Diocese of Chicago ("Canons"). Ideally, lay Vestry members shall be elected on a rotating basis in three classes, with each class ideally having two members and with each member elected to a term of three years, a member should not be reelected until the Annual Meeting next succeeding the Annual Meeting at which his/her term expired, all according to the plan described in the Canons.

Two members of the Vestry in different rotating classes shall further be elected by the Parish as Wardens, each Warden serving a term of four years, two years as Junior and two years as Senior.

The Vestry focuses on strategy and policy, not daily management of the Parish. The Vestry is a deliberative body of the Parish that speaks with one voice.

C. Elected Vestry Members

The primary work of a Vestry member is to discern St. Mary's mission, vision, and values for the purpose of defining short-, mid-, and long-term goals of the Parish. Vestry members work together to ensure that governance policies and resources are in place to accomplish the work of the Parish and the mission of St. Mary's. Vestry members are elected to serve God's work for the whole Parish and to set aside individual interests.

At least three months before the Parish Annual Meeting, the Vestry shall publish a call for candidates to fill expiring Vestry member terms. The Vestry shall announce nominees before the Annual Meeting and the Parish shall elect Vestry members giving consideration to the following skills and responsibilities.

All Vestry members shall strive to the best of their abilities to:

- Have a love of God and demonstrate a commitment to following the way of Christ
- Be active in and knowledgeable about the Congregation, its programs, and governance
- Be fair, collaborative, and collegial, interact well with people and strive to earn the respect of the members of the Congregation
- Be loyal, understanding that the Congregation's mission to God is paramount
- Set aside personal or other loyalties for the good of the whole
- Commit adequate time, energy, and attention to know the mission, to understand the Congregation's affairs, and to act responsibly
- Have enthusiasm and vitality for the work of the Vestry

All Vestry members should be able to commit sufficient time to participate in:

- Monthly Vestry meetings
- Vestry retreat(s)
- Weekly worship services (rotating occasionally between services)
- Congregational events: coffee hours, meals, fundraisers, adult education programs, outreach events, etc.
- Diocesan meetings, as necessary
- Annual meeting

All Vestry members are responsible for:

- Engaging the Congregation and Rector in open and honest discernment
- Determining short-, mid-, and long-term goals of the Parish
- Developing the Parish's mission, vision, and values
- Setting all governance policies for the Parish
- Fiduciary care for Parish resources, including oversight of the annual budget, church finances, and spending
- Ensuring that the Rector and staff have necessary resources, guidance and support to accomplish the mission and strategic goals of the Parish
- Praying for the Rector, ministry leaders, and members of the congregation
- Pledging financial support and providing inspiration early in annual stewardship campaigns
- Being active ministers of the Gospel in daily life and work
- Bringing one's whole self to the table through presence of mind, body, and spirit
- Risking openness with one's ideas, beliefs, and desires
- Exercising confidentiality and practicing healthy, respectful, honest, and open communication patterns in the Parish
- Uniformly supporting decisions of the Vestry and ensuring that the Vestry speaks with one voice

D. Wardens

The Wardens function as full members of the Vestry, and therefore, the position is one of leadership and presence as described for elected Vestry members. Warden candidates shall be identified, nominated, and elected in the same way as Vestry members described above.

In the first two years, an elected person serves as Junior Warden, the last two years as Senior Warden, but both Junior and Senior are equally responsible for the Wardens' work. The primary work of the Wardens is to guide the Vestry forward, in collaboration with the Rector, in the Vestry's collective discernment and oversight of St. Mary's mission, vision, and values.

The Wardens and the Rector share responsibility for ensuring that all areas of ministry are tended, that unanticipated or new ministry needs are addressed, and that the Congregation's vision remains focused on service to God through St. Mary's mission, vision, and values.

The Wardens are also responsible for ensuring that the Parish leadership structure is functioning according to the Parish Leadership Philosophy described above. To that end, the Wardens and Rector are expected to remain in on-going dialogue regarding the effectiveness of their leadership. In addition, at least once per year, the Wardens shall ensure that the leadership of St. Mary's engages in a formal mutual ministry review during which they shall audit their successes and shortcomings, and set objectives that shall be available to the Parish.

Particular skills and responsibilities of the Wardens also include:

- Supporting the Rector in accomplishing Parish strategic goals and providing vision and leadership for the Parish
- Meeting monthly with the clergy to review the state of the Congregation, plan the Vestry meeting agenda and serve as a voice of confidential counsel and direction to the Rector
- Share responsibility of chairing Vestry meetings, planning the annual meeting and Vestry retreat
- Share responsibility of overseeing Vestry presence, announcements at worship, and welcome to the people at St. Mary's on Sunday mornings
- Reviewing leadership roles with all members of the Vestry to ensure that all areas of the congregation have adequate Vestry support and encouragement
- Assisting the Rector to identify and mobilize members of the Congregation in accomplishing the ministry and goals of the Parish, including participation in leadership roles and ministry teams, as needed
- Overseeing and maintaining church property, improvements, and construction
- Attending the Diocesan convention and other Diocesan meetings as needed

E. Rector

The Rector is a member of Vestry and serves as the spiritual, programmatic, and administrative leader of the Parish. The Rector shares a number of responsibilities with the Wardens, as described above. In addition to the responsibilities set forth in the Canons, the Rector is responsible for:

- Selecting and supervising Parish staff, ensuring a cooperative, team-oriented working environment and alignment with Parish goals and strategic visions established by Vestry
- Planning, directing, and overseeing the liturgical and spiritual life for the Parish in keeping with the norms and expectations of the common life and worship of the Episcopal Church
- Overseeing and providing for the ongoing pastoral care of the parish community, seeking ways to connect with and get to know parishioners and newcomers
- Collaborating with the Vestry, Wardens, staff, and Parish leadership to provide for the ongoing financial health of the Parish
- Planning, directing, and overseeing Christian formation for all ages in collaboration with the staff and Parish leaders
- In collaboration with the Wardens, facilitating Vestry engagement in the life of the Parish and Vestry work between monthly meetings, including informing Vestry of the needs of the Parish
- In collaboration with the Vestry and Wardens, work to communicate vision goals to the Congregation and foster wide Parish participation in work toward those goals, including by fostering lay leadership
- Oversee and coordinate the disbursement of approved funds to accomplish the Parish's ministry and programmatic goals established by Vestry, keeping the Vestry apprised of the status and needs of those ministries and programs
- Represent St. Mary's and help improve visibility in the larger community through participation in organizations such as the Diocese of Chicago and the Park Ridge Ministerial Association, and partner with other local and civic leaders on key projects, from time to time, as appropriate
- Proactively caring for the Rector's own spiritual, emotional, and physical health

F. Voting Members of the Congregation

Members of St. Mary's Congregation are expected to be actively involved in the organizational and communal life of the Parish, and to engage in accomplishing the Parish's ministry. Members help discern the strategic goals of the Parish with the Vestry. To this end, members of the Congregation are expected to stay informed about the life of the Parish and each is expected to assume his/her fair share of the work of the Parish.

A voting member of St. Mary's is identified using the Canonical membership definition. Specifically, to be a voting member of St. Mary's, an individual must:

- Be 16 years or older, baptized, and working toward confirmation or being received;

- Worship at St. Mary's more often than not; and
- Make a proportionate annual gift to God's work at St. Mary's.

II. Vestry Governance Policies

A. Procedure

In general, Vestry meetings are held at the Church the third Tuesday of every month, except July, starting at 7:00 p.m. The Wardens and Rector develop and distribute an agenda before the meeting. All reports and motions shall be submitted to the Wardens well in advance of a meeting in which action is requested. Absent unusual circumstances, a consent agenda, including the previous month's minutes, and a discussion agenda shall be distributed to the Vestry at least three days before the Vestry meeting, and all issues/motions not previously submitted may be held-over to the next regular Vestry meeting. Vestry members are expected to familiarize themselves with the agendas and be prepared to deliberate and/or act on every issue presented. Ordinarily, nothing is brought before the Vestry outside the agendas, except for items requiring immediate attention that could not have previously been presented.

B. Quorum

A quorum is required for the Vestry to decide an issue. A quorum is two-thirds of the then current total number of Vestry members.

C. Decision-making

It is the policy of St. Mary's Vestry to deliberate to consensus and not to vote. All Vestry members shall actively participate in deliberations. A consensus is understood to be the decision of the Vestry and each Vestry member agrees to wholeheartedly support all decisions of the Vestry. If situations arise in which a vote is required to be taken, voting shall generally be governed by Robert's Rules of Order with each Vestry member possessing one vote. The Vestry shall speak with one voice on all decisions of the Vestry.

D. Committees

While recognizing that its primary function is long-term governance, not day-to-day operations, the Vestry shall maintain the following committees. Although "standing committees" of the Vestry, it is expected that these committees will work and report to the Vestry as needed, rather than on a regular basis. In addition, it is preferred that committee members rotate on a regular basis so that no committee member will, in general, serve more than three consecutive years. The Vestry shall maintain charters for each standing committee.

1. Finance Committee: This committee shall assist the Vestry in its adoption and management of Parish budgets, and in its oversight of Parish finances. It shall ensure that Parish financial reports are clear and helpful, and shall coordinate regular audits and maintenance of Parish finances in accordance with the Canons. The committee shall ensure that the Vestry has adequate knowledge and understanding of Parish finances, and shall be

responsible for providing regular financial reports. The Finance Committee shall be chaired by the Treasurer and further comprised of both Wardens, the Rector, and additional members at the discretion of the Treasurer and appointed by the Vestry as needed (e.g., past Senior Warden(s), past treasurer(s), Parish business manager, Financial Secretary(ies), Endowment Committee member(s), Stewardship Committee chair).

2. Stewardship Committee: This committee shall assist the Vestry in raising funds, including planning and implementing regular pledge campaigns, developing and maintaining a system for planned giving, and providing guidance on bequests. The Stewardship Committee shall be appointed by the Rector and Wardens.

3. Personnel Committee: This committee shall assist the Vestry in developing personnel policies, ensuring compliance with applicable laws and Diocesan expectations, and maintaining a safe environment for all who work or volunteer at St. Mary's. The Rector is responsible for the hiring and supervision of all staff. The Personnel Committee reports to the Vestry but has no staff management authority, and shall not participate in day-to-day personnel decisions. The Personnel Committee shall be comprised of both Wardens, the Rector, and additional members appointed by the Vestry as needed.

4. Properties Committee: This committee shall assist the Vestry in monitoring the condition of Parish properties, for ensuring that Parish properties are safe and maintained, and for developing policies regarding the use of Parish properties. The committee shall, at least quarterly, assess the condition of all physical Parish properties and report to the Vestry with recommendations for necessary maintenance and aspirational developments. The Properties Committee shall be chaired by a Vestry member appointed by the Vestry and further comprised of additional members appointed by the Vestry as needed.

5. Endowment Fund Committee: This committee shall actively manage the Parish endowment, report to the Vestry on the state of investments, and make recommendations for maintenance and use of the endowment. The Endowment Fund Committee shall be established according to the Endowment Charter adopted January 21, 2002, as amended in August 2011.

From time to time, the Vestry may appoint *ad hoc* committees or teams to assist the Vestry in its work. All such groups shall receive clear, written direction in the form of a charge that specifies the Vestry's objectives, desired work products, and a time frame for completion of the task(s). Consistent with the Parish's leadership philosophy, the Vestry shall avoid creating committees or teams that manage day-to-day operations and/or ministry programs, which responsibilities shall, ordinarily, be delegated through appropriate policies.

E. Conflicts of Interest

Members of Vestry shall carry out their duties with undivided loyalty to the Parish and its mission. A conflict of interest exists whenever a Vestry member or a close relative of a Vestry member has interests or duties that interfere with the Vestry member's duty of loyalty. The conflicting interest may be financial, moral, political, theological, or otherwise.

Conflicts of interest arise if a Vestry member:

- Stands to gain or lose because of Vestry action or inaction.
- Has a fiduciary duty or close personal or business relationship to any person or business that stands to gain or lose because of Vestry action or inaction. A Vestry member who is an employee or close relative of an employee of the Parish always has a conflict of interest with respect to any Vestry action affecting his/her employment.
- Holds a substantial property interest in a business, or serves as an officer or board member of a non-profit organization that stands to gain or lose because of Vestry action or inaction.
- Cannot set aside his/her personal preferences as an individual to support Vestry decisions on behalf of the whole Congregation and its mission.
- Faces any other situation that creates or appears to create divided or conflicting loyalties.

The Vestry shall annually require its members to disclose in writing all existing or foreseeable conflicts of interest, which disclosures shall be available to any member of the Congregation who requests them.

If an issue before the Vestry raises a question of conflict of interest, the affected member may withdraw or ask the Vestry for guidance (which guidance shall be developed absent the affected member). Depending on the seriousness of the conflict, possible resolutions include: (1) Disclosure with continued participation; (2) Disclosure with recusal from consideration or voting on the issue in conflict; or (3) Resignation from the Vestry.

The member with the potential conflict shall withdraw while the remaining Vestry members determine whether a conflict exists and how it should be handled.

Anyone who exercises authority delegated by the Vestry is subject to the same standards of loyalty that apply to Vestry members.

F. Discipline and Removal

The Vestry may discipline or remove any member from an elected Vestry term, after discussing the issue with the member. Reasons for removal include, for example: serious violations of the conduct expected of Vestry members; repeated failures to attend Vestry meetings; or violations of the conflicts of interest policy. Pending discipline or removal, the Wardens may suspend a Vestry member's participation in decision-making of the Vestry. The Vestry may appoint a member of the Congregation to fulfill the term of the aforementioned Vestry member until the next Annual Meeting when a new Vestry member shall be elected.

III. Delegation to Rector and Staff

The Rector shall lead and direct the spiritual, programmatic, and administrative work of the Parish, and is hereby delegated authority and responsibility to make all operational decisions and to allocate budgeted resources to accomplish the mission and strategic goals of the Parish, except as may be specifically limited by these policies.

The Rector serves as head of staff and is responsible for maintaining a productive and effective staff team, for ensuring that staff efforts are directed toward fulfilling the Parish's mission and strategic goals, and for staff compliance with all Vestry policies.

IV. Purpose and Construction

St. Mary's adopts this Policy Book as part of its commitment to organizational health and promoting vibrant, dynamic faith. The Vestry is responsible for maintaining these documents, for regularly monitoring their relevance and effectiveness, and for revising or deleting policies, and adopting new policies, whenever necessary to ensure an efficient, collaborative leadership structure in the service of God.

The Vestry shall, at least once every three years, audit leadership operations vis-à-vis these policies, and adjust operations and/or policies to be consistent with the Parish Leadership Philosophy described in Section I, above.

The foundation for this Policy Book was adapted from the works of Dan Hotchkiss, *Governance and Ministry – Rethinking Board Leadership* (2009), and Patrick Lencioni, *The Advantage – Why Organizational Health Trumps Everything Else* (2012).

This Policy Book is intended to serve as practical guidance to the leadership of St. Mary's in furtherance of the Canons of the Episcopal Diocese of Chicago and the Canons of the National Episcopal Church. If a St. Mary's policy is found to conflict with a Canon, St. Mary's policy should be construed as narrowly as possible to preserve its valid coexistence with the Canons.