Shoreline Conference Policies

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Introduction

Purpose and Scope of the Policy Book

This Policy Book sets forth the governance framework, guiding principles, and Conference-level policies that support the shared life and mission of Shoreline Conference. It is intended to provide clarity, consistency, and accountability for Conference leaders, staff, and affiliated churches, while allowing appropriate flexibility for ministry in diverse contexts. These policies supplement the Book of Discipline of the Free Methodist Church USA and do not replace denominational governing documents. Where questions or conflicts arise, denominational authority shall prevail. The policies contained herein are designed to promote faithful stewardship, healthy leadership, and responsible decision making in service of the Conference's mission.

Governance & Organizational Policies (Conference/Operational/MEG)

Board of Administration:

The **Board of Administration (BOA)** serves as the primary governing body of Shoreline Conference, providing fiduciary oversight, strategic direction, and governance on behalf of the Conference and in alignment with the Book of Discipline of the Free Methodist Church USA. Acting under the authority of the Annual Conference, the BOA is responsible for approving budgets, major financial commitments, Conference-level policies, and affiliated ministry relationships, and for exercising appropriate oversight of Conference leadership and operations. In carrying out its responsibilities, the BOA seeks to steward the mission, resources, and relationships of the Shoreline Conference with integrity, transparency, and prayerful discernment.

Conference Executive Team:

The Conference Executive Team shall consist of the Superintendent, Director of Pastoral Development, Director of Operations, Director of Multiplication, and any additional executives as deemed necessary and authorized by action of the Board of Administration.

Members of the Executive Team shall serve in their respective roles at the discretion of the Board of Administration, in consultation with the Superintendent, and shall be appointed according to their spiritual gifts and abilities.

The Executive Team is authorized to execute legal documents on behalf of the corporation and shall oversee the day-to-day operational affairs of the Conference, subject to the oversight of the Board of Administration in consultation with the Superintendent.

Nominating Committee

The Conference Nominating Committee is a prayerfully appointed body that assists the conference in discerning and recommending individuals for elected conference leadership roles. In accordance with the Free Methodist Book of Discipline and conference policies, the committee

identifies and invites persons whose spiritual maturity, gifts, and commitment align with the mission and values of the Free Methodist Church. The committee carries out its work with confidentiality, integrity, and pastoral care, presenting nominations within established timelines.

Regional Ministerial Education and Guidance Board and Appointments (RMEGA):

Each region will have its own RMEGA Board comprised of 2 clergy and 2 lay members. The two previously separate entities, MEG and MAC *(Ministerial Education and Guidance/Ministerial Appointments Committee)*, will now be unified under a single board that fulfills both roles.

The Lead Superintendent will work with the Regional Superintendents and the RMEGA Board (for MAC functions) to appoint Elders and new pastors, along with supporting local church needs.

The Director of Pastoral Development will work with each of the conference's RMEGA Boards (for MEG functions). This entails convening each RMEG Chair regularly to process the conference leadership pipeline and clergy care, confirm new CMCs and Elders, and pass on the character and performance of all appointed pastors.

The RMEGA Board oversees the progress, training, and screening of ministerial candidates, encourages and supports pastors in their work, affirms the integrity and Christian discipleship of those serving in ministry within their conference and manages the transfers of clergy and ministerial candidates to and from other conferences and denominations. The RMEGA Board is the primary recruiting, training, vetting, encouraging, and disciplinary body for ministerial candidates and ordained women and men within the annual conference. The RMEGA Board is also responsible for appointments, pastoral changes, and reporting to the annual conference. Below are more specific responsibilities per category.

The overall board consists of MEG and MAC responsibilities.

The Ministerial Education and Guidance Board shall be responsible for screening candidates under consideration for reception into the conference or in the ordination process. The Ministerial Education and Guidance Board shall also be responsible to guide and counsel those who are received into membership over the course of their lifetime so that they may be able to excel in their formation as spiritual leaders and meet the demands of pastoral ministry. The MEG is accountable to the Annual Conference and the FMCUSA.

1. Composition: The RMEGA shall consist of equally balanced clergy and laypersons, at least 2 clergy and 2 laypersons (voting members). The Director of Pastoral Development, in consultation with the Conference and/or Regional Superintendent, will appoint a RMEGA Coordinator and a RMEG Chair, both ex-officio. The number of positions comprising the RMEGA can be expanded above or contracted to the minimum so that it can meaningfully fulfill its purpose through consultation of The Director of Pastoral Development and the Conference and/or Regional Superintendent. The first 4 members of the RMEGA serve in voting positions; additional positions are appointed without vote on the RMEGA Board.

2. Terms of Office: All appointed and elected positions of RMEGA members will serve 3-year terms, except as otherwise delineated in these bylaws. Terms shall be staggered for continuity. It is recommended that no member serve for more than six consecutive years.
3. Conflict of Interest: The SHORELINE conference shall maintain a Conflict-of-Interest Policy in keeping with IRS guidelines which shall be more specifically delineated in Shoreline Policy Manual.

   a. No person who is recommended to the annual conference to be received as a Conference Ministerial Candidate, nor a Licensed Pastor, though acting as a delegate, shall be eligible to serve on the RMEGA. (BOD, par 5220B)

   b. RMEGA members who are under appointment consideration shall recuse themselves from discussions related to the matter, and if the remaining RMEGA decides not to reappoint them within the Conference, they shall resign from serving on the RMEGA. When acting as a member of the RMEGA, the primary fiduciary responsibility of the RMEGA member is to the Conference and shall supersede any fiduciary responsibility to a local church the RMEGA member may Serve.

4. Vacancy: If a vacancy occurs mid-term, a new member shall be chosen in accordance with the selection process outlined previously in these bylaws. Any person elected or appointed to a partial term of less than 2 years, shall not have the partial term counted towards the eligibility of that candidate regarding the term limit.
5. Qualifications: Members of the RMEGA shall be persons of mature Christian experience and knowledge, at least 21 years old, who must be in alignment with the mission and core values of Shoreline and FMCUSA and meet the requirements delineated in the Book of Discipline and SHORELINE Operational Manual. RMEGA members shall be characterized by keeping confidence, evidencing high emotional and cultural intelligence, and being persons with shepherding and encouragement giftings.
6. Nominations: Nominations of qualified candidates for elected positions on the RMEGA shall be made to the Annual Conference for election based on recommendations and work of the Nominating Committee.
7. Election: Nominees elected to the RMEGA by the majority of vote of the Annual Conference, except as otherwise delineated in these bylaws.
8. Appointment/Election: For appointed positions, the Director of Pastoral Development in consultation with the Conference and/or Regional Superintendent will select and appoint qualified candidates to serve. For elected positions, nominees are elected to the RMEGA. Additional clergy and lay members may be appointed by the Director of Pastoral

Development in consultation with the Conference and/or Regional Superintendent if needed.

9. Removal: Any member of the RMEGA may be removed with or without cause by 2/3 majority vote of the BOA. Any RMEGA member so removed shall have no right to appeal.

Regional Ministerial Education and Guidance Board (RMEG):

The Board is responsible to screen candidates for reception into the conference and/or for ordination through annual Outcome Based Ordination (OBO) interviews; guide and counsel those who are received so they may be able to meet the demands of pastoral ministry; provide clergy care as needed; process divorce clearances; may grant a certificate of standing with view to transfer to another conference during the interim between annual conference sessions; give consideration to the integrity and Christian discipleship of each ministerial member and the performance of duty of each appointed pastor of the conference; affirm the integrity and Christian discipleship of Located Deacons and Located Elders; reporting to the annual conference.

1. Duties: The RMEG shall be united in purpose and divided in task. Their purpose shall be the spiritual health and formation of the ministerial members of Shoreline and the health, vitality, and diversity of the leadership and credentialing pipeline. These tasks serve to best equip Shoreline with persons willing and able to oversee the implementation of the mission of the church in SHORELINE churches, as defined in the Book of Discipline and Shoreline Operational Manual. The tasks of the MEG will be divided as follows:

a. The elected members of RMEG will meet to formalize ministerial development policies for Shoreline, formalize recommendations for action to the Annual Conference, consider disciplinary or corrective actions, and will act on behalf of the Annual Conference to receive provisional CMCs between sittings.
b. The RMEG boards should work closely with the coaches of each candidate to conduct Outcome-Based Ordination (OBO) assessments and other assessments to evaluate candidate's readiness for the next steps on their credentialing path and to develop and fulfill formation plans.
c. RMEG boards may be deployed by the Superintendent to conduct assessments and evaluation of Elders so as to approve their character and conduct and ongoing formational development. Elders serving on RMEG boards should be evaluated by a team that they do not serve upon.

2. Meetings: The elected RMEG shall hold meetings as deemed necessary for the competent fulfillment of their duties but shall meet no less than 3 times each year. The elected RMEG shall not meet without the knowledge and consent of the chair.

a. Regular Meetings: The regular meetings of the elected RMEG shall be held as scheduled by the Director of Pastoral Development, Conference, and/or Regional Superintendent, or RMEG Chair. Notice of the regular meetings shall be sent to each elected MEG member when the dates are established and not less than 10 days in advance of each regular meeting. Neither the business to be transacted at, nor the purpose of, any regular meeting need to be specified.
b. Special Meetings: Special meetings of the elected RMEG may be called from time to time at the discretion of the Director of Pastoral Development, Conference, and/or Regional Superintendent, or RMEG Chair. Notice of all special meetings shall state the purpose or purposes for which the meeting is to be called and shall be sent to each elected MEG member not less 7 days in advance of the meeting. Notice may be waived in an emergency by mutual consent. No other business shall be considered at any special meeting other than as described in said notice without the unanimous consent of the elected MEG.
c. Consent in Lieu of Meeting: As deemed necessary, special resolutions or actions may be approved through electronic communication in lieu of holding a meeting. In every case, the subject line will read "Consent in Lieu of Meeting." Such actions must be approved by the unanimous consent of all voting members of the RMEG and may not involve questions, discussion, or deliberation. If any voting RMEG member raises a question, requests discussion, or withholds consent, either directly or indirectly by failing to respond, the matter shall be deferred to the next regularly scheduled RMEG meeting or to a special meeting called for that purpose.
d. Voting Rights: Each voting RMEG member who is present shall be entitled to one vote. Voting by proxy or absentee shall not be allowed.
e. Quorum: A simple majority of the voting RMEG members must be present at any regular or special meeting, duly noticed, to constitute a quorum.
f. Adoption: The vote of a simple majority of the assembled quorum shall be necessary for adoption of any matter voted upon, unless a greater proportion is required by law, or by the Bylaws, or by consent of the voting RMEG.

Regional Ministerial Appointments Committee (RMAC):

The committee shall work with the Superintendent and Bishop to appoint pastors for an indefinite tenure; monitor progress and make changes at each annual conference when deemed necessary; through pastoral self-evaluation consider the ministries effectiveness; make appointments for pastoral changes working with the church pastor, delegate, and Superintendents; initiate church planting appointments; the committee may appoint an elder as "Conference Associate" to serve in specialized ministry leadership as directed by the Superintendent; suspend any conference appointee for cause according to due process; recommend that a pastor not receive a pastoral appointment.

The RMAC is responsible to make appointment decisions, subject to the approval of the Bishop of record, in the annual appointment of SHORELINE ministers. The Bishop of record must approve all appointments before they are finalized. The RMAC is accountable to the Annual Conference and the FMCUSA.

1. Duties: The RMAC shall be specifically responsible for appointments of ministers that best enable Shoreline to carry out the mission of the local church as directed in the Book of Discipline and Shoreline Operational Manual. The RMAC shall perform specific duties as stipulated in these Bylaws, the Book of Discipline, and Shoreline Operational Manual.
2. Meetings: The MAC shall hold meetings as they shall deem necessary for the competent execution of their duties but shall meet no less than twice a year. The MAC shall not meet without the knowledge and consent of the Conference Superintendent. A MAC member may participate in a meeting by a conference telephone, Skype, or similar communications equipment by which all persons participating in the meeting can hear each other; participation in a meeting in this manner constitutes presence in person at the meeting. Meetings of the MAC shall be held as scheduled by the Conference Superintendent. Notice of the meetings shall be sent to each MAC member when the dates are established and not less than 7 days in advance of each meeting. Neither the business to be transacted at, nor the purpose of, any meeting need be specified. Notice may be waived in an emergency by mutual consent.
3. Consent in Lieu of Meeting: As deemed necessary, actions may be approved via digital means in lieu of holding a meeting. In every case the subject line will read “Consent in Lieu of Meeting” and must be passed by unanimous consent of the MAC without questions or discussion. If any MAC member raises a question, wants deliberation, or withholds consent directly or indirectly by not responding, the matter must be deferred to the next regularly scheduled meeting or special meeting called for that purpose
4. Voting Rights: Each MAC member present shall be entitled to one vote.
5. Quorum: A simple majority of the MAC members must be present at any meeting, duly noticed, to constitute a quorum.
6. Adoption: The vote of a simple majority of the assembled quorum shall be necessary for adoption of any matter voted upon.

Regional Superintendents

Regional superintendents oversee assigned regions throughout the conference and serve as spiritual leaders under the appointment and authority of the Lead Superintendent. The primary focus of the Regional Superintendent's role is to implement the Conference vision in their

respective regions. Regional Superintendents are appointed by the Lead Superintendent annually. There are no term limits for Regional Superintendents.

Regional Superintendents' responsibilities include:

- Cultivating opportunities for collaboration among regional pastors and churches
- Working with the Superintendent to plan and lead an annual regional resourcing event
- Overseeing the appointment of new pastors in their region
- Working with the regional multiplication champion to establish training centers for church planting and multiplication
- Providing support for regional cohort leaders
- Responding to local church conflicts and crises
- Meeting monthly with the Lead Superintendent

Characteristics of a Regional Superintendent:

- Leader of leaders
- Personal and ministry margin (has time for the role)
- Organizational leadership
- Able to gather and lead a team

Time Expectation: approximately 25 hours/month

Conflict of Interest Policy:

1. Purpose

The purpose of this policy is to protect the integrity, mission, and tax-exempt status of Shoreline Conference by ensuring that all decisions and activities are conducted in the best interests of the Conference and in compliance with applicable federal and state law governing tax-exempt religious organizations.

This policy is intended to prevent conflicts of interest, private inurement, excess benefit transactions, and other activities that could compromise the Conference's tax-exempt status or public trust.

2. Scope and Applicability

This policy applies to all individuals who serve the Conference in a fiduciary, decision-making, or influential role, including but not limited to:

- Members of the Board of Administration
- Members of Conference committees, councils, or task forces
- Conference officers and executive staff
- Employees acting on behalf of the Conference
- Any other individuals designated by the Board of Administration

3. Standards Related to Tax Exempt Status

Shoreline Conference shall not engage in activities that result in:

- Private inurement, defined as the use of Conference assets or income for the undue benefit of an individual with influence over the organization;
- Excess benefit transactions, including compensation or financial arrangements that exceed fair market value;
- Improper private benefit, in which Conference resources disproportionately benefit individuals or entities outside the Conference's charitable and religious purposes;
- Activities that violate restrictions applicable to tax-exempt organizations, including prohibited political or commercial activity.
- All Conference decisions shall be guided by the Conference's exempt purposes and mission.

4. Definition of Conflict of Interest

A conflict of interest exists when an individual's personal, professional, financial, or relational interests could reasonably be expected to:

- Influence their judgment or actions on behalf of the Conference;
- Result in private benefit or financial gain inconsistent with the Conference's exempt purposes; or
- Create the appearance of undue influence, favoritism, or misuse of Conference resources.
- Conflicts may be actual, potential, or perceived, and all are subject to this policy.

5. Examples of Prohibited or High Risk Activities

Activities that may constitute a conflict of interest or jeopardize tax-exempt status include, but are not limited to:

- Approving compensation, contracts, or benefits that exceed fair market value
- Directing Conference funds, contracts, or opportunities to businesses or organizations in which an interested person has a financial interest
- Using Conference property, information, or influence for personal gain
- Accepting gifts, favors, or benefits that could influence decision making
- Entering transactions that primarily benefit a private individual rather than the Conference's mission
- The existence of a potential conflict does not imply wrongdoing; however, failure to disclose or appropriately manage such conflicts may constitute a violation of this policy.

6. Duty to Disclose

Individuals covered by this policy have a continuing obligation to:

- Promptly disclose any actual, potential, or perceived conflict of interest;
- Disclose relationships or transactions that could raise concerns regarding private benefit or excess benefit; and
- Provide sufficient information to allow the Conference to evaluate the matter.
- Disclosure must occur prior to participation in any discussion or decision related to the matter.

7. Review and Determination

Upon disclosure:

- The interested individual shall refrain from participating in discussion, deliberation, or voting on the matter, except to provide factual information if requested.
- Disinterested members of the applicable board or committee shall determine whether a conflict exists and whether the proposed action is consistent with the Conference's tax-exempt purposes.
- Decisions shall be made using comparability data, independent judgment, and documented reasoning when financial or compensation matters are involved.
- All determinations and actions shall be documented in the official record.

8. Management of Conflicts

If a conflict of interest or tax-exempt risk is identified, the Board of Administration or designated authority may:

- Require recusal from discussion or decision-making
- Restrict access to information or authority
- Modify or terminate proposed transactions
- Implement corrective or preventive measures
- The Board of Administration retains final authority regarding the resolution of conflicts and protection of the Conference's tax-exempt status.

9. Compensation and Financial Oversight

Compensation and financial arrangements involving Conference officers, executives, or key employees shall:

- Be reviewed and approved by disinterested decision-makers;
- Be reasonable and consistent with fair market value;
- Be documented contemporaneously; and
- Be structured to avoid excess benefit transactions or private inurement.

10. Annual Disclosure and Compliance

The Conference may require annual written disclosures from individuals covered by this policy affirming:

- Awareness of this policy;
- Disclosure of potential conflicts; and
- Commitment to act in a manner consistent with the Conference's exempt purposes.

11. Violations of This Policy

Failure to disclose a conflict of interest or engaging in activities that jeopardize the Conference's tax-exempt status may result in corrective action, including removal from office, termination of employment, restitution, or other actions deemed appropriate by the Board of Administration.

12. Commitment to Faithful Stewardship
Shoreline Conference affirms that ethical leadership, financial integrity, and compliance with applicable law are essential expressions of faithful stewardship. This policy exists to safeguard the Conference's mission, witness, and tax-exempt standing for the benefit of the churches and communities it serves.

Office Authority & Signing Authority:

Shoreline Conference exercises its authority through duly appointed and authorized leaders, acting within the scope of the Conference's governing documents and in alignment with the Book of Discipline of the Free Methodist Church USA.

The **Board of Administration (BOA)** holds primary responsibility for establishing policies, approving budgets, and authorizing significant financial and contractual commitments of the Conference. Day-to-day operational authority, including the execution of approved agreements and documents, is delegated to the **Conference Superintendent and other authorized officers or staff**, as defined by the bylaws, Board action, or written delegation.

All contracts, legal documents, financial instruments, and binding agreements entered into on behalf of Shoreline Conference must be executed only by individuals who have been granted appropriate signing authority. Such authority may be limited by type of transaction, financial threshold, or duration, and may be amended or revoked by the BOA as needed.

No individual may obligate the Conference beyond the scope of their authorized authority. Actions taken outside of granted authority are not binding on the Conference unless subsequently ratified by the BOA in accordance with Conference governance procedures.

Compensation Approval:

Purpose

The purpose of this policy is to ensure that all compensation arrangements involving Shoreline Conference are reasonable, mission-aligned, and compliant with applicable federal and state laws governing tax-exempt religious organizations. This policy is intended to prevent excess benefit transactions, promote transparency and accountability, and protect the integrity and tax-exempt status of the Conference.

Scope

This policy applies to all forms of compensation provided by Shoreline Conference, including but not limited to:

- Salaries and wages
- Housing allowances
- Bonuses or stipends
- Benefits and allowances
- Severance or transition assistance
- Any other form of remuneration, whether cash or non-cash

This policy applies to officers, key employees, clergy, and any individual who may be considered a "disqualified person" under applicable IRS regulations.

Governing Principles

Shoreline Conference affirms that:

- Compensation shall be reasonable and fair, reflecting the responsibilities of the position, experience of the individual, and the financial capacity of the Conference.
- Compensation decisions shall be made in a manner consistent with the Conference's mission, values, and fiduciary responsibilities.
- No individual shall participate in decisions regarding their own compensation or that of an immediate family member.

Disclosure and Recusal

Any director, officer, committee member, or employee with a direct or indirect financial interest in a compensation arrangement shall:

- Fully disclose the nature of the interest prior to discussion or approval.
- Recuse themselves from all discussion, deliberation, and voting related to the matter.
- Exit the meeting during deliberation, except as requested to provide factual information.

All disclosures and recusals shall be documented in the official minutes.

Compensation Review and Approval

Compensation for Conference officers, senior staff, and other key employees shall be reviewed and approved by disinterested members of the Board of Administration (BOA) or a duly authorized committee thereof.

In approving compensation, the reviewing body shall consider appropriate comparability data, which may include:

- Compensation surveys for similarly situated nonprofit or denominational organizations
- Salary data from comparable conferences or ministries
- Independent compensation studies or benchmarks

The basis for approval shall be documented contemporaneously and retained in Conference records.

Prohibited Actions

The Conference shall not approve or provide compensation that:

- Results in an excess benefit transaction under IRS regulations
- Is retroactive without proper documentation and approval
- Circumvents established approval or disclosure procedures

Any compensation arrangement found to violate this policy shall be subject to corrective action.

Documentation and Recordkeeping

All compensation approvals shall be documented in writing, including:

- The individuals involved in the decision
- The comparability data relied upon
- The final approved compensation terms

Records shall be retained in accordance with the Conference's Records Retention Policy.

Relationship to Other Policies

This policy shall be read in conjunction with the Conference's:

- Conflict of Interest Policy
- Financial Stewardship & Accountability Policies
- Employment & Pastoral Support Policies
- Applicable provisions of the FMCUSA Book of Discipline

In the event of conflict, higher-order governing documents shall prevail.

Indemnification:

To the fullest extent permitted by law, Shoreline Conference shall indemnify, defend, and hold harmless its directors, officers, committee members, employees, clergy, volunteers, and agents (each an "Indemnified Person") against any and all claims, demands, liabilities, losses, damages, costs, and expenses (including reasonable attorneys' fees) arising out of or related to acts or omissions undertaken in good faith and within the scope of their duties on behalf of the Conference.

Indemnification shall not apply to acts or omissions involving fraud, willful misconduct, gross negligence, or actions taken outside the scope of authorized responsibilities. The Conference may, but is not required to advance reasonable defense costs prior to final disposition of a matter, subject to repayment if it is ultimately determined that the individual is not entitled to indemnification.

Nothing in this policy shall be construed to limit the Conference's right to obtain or maintain insurance coverage, including directors' and officers' liability insurance, nor shall indemnification under this policy exceed the limits or conditions permitted under applicable law.

Records Retention:

Purpose

The purpose of this policy is to ensure that Shoreline Conference ("the Conference") maintains records in a manner that is orderly, secure, legally compliant, and consistent with the governance standards of the Free Methodist Church USA (FMCUSA). Proper records of retention supports transparency, accountability, historical preservation, and compliance with civil and ecclesiastical requirements.

Scope

This policy applies to all records created, received, or maintained by the Conference during its operations, including but not limited to governance records, financial records, personnel records, legal documents, and ministry reports. This policy applies to records in all formats, including paper, electronic, and digital media.

Authority and Alignment

Shoreline Conference operates under the authority of the Free Methodist Church USA and affirms alignment with the FMCUSA Book of Discipline and applicable conference-level governance expectations. Record retention practices shall reflect guidance commonly provided to Free Methodist conferences and shall comply with applicable federal, state, and local laws.

General Records Retention Standards

Records shall be retained for the minimum period required by law or conference policy, whichever is longer. Records shall not be destroyed if they are subject to a litigation hold, audit, investigation, or pending request by FMCUSA or authorized conference leadership.

Permanent Records

The following records shall be retained permanently due to their legal, historical, or ecclesiastical significance:

- Articles of incorporation, bylaws, and amendments
- Conference policies and procedures (current and historical versions)
- Minutes and official actions of the Annual Conference, Board of Administration, and standing boards or committees
- Property deeds, titles, and trust documents
- Ordination, credentialing, and ministerial status records
- Affiliation, disaffiliation, merger, or dissolution documents
- IRS determination letters and other foundational tax-exempt documentation

Financial Records

The following financial records shall be retained in accordance with generally accepted nonprofit and denominational practices:

- Annual budgets, financial statements, and audits: Permanent
- General ledgers, journals, and bank statements: 7 years
- Payroll records, tax filings, and related reports: 7 years
- Accounts payable/receivable records and supporting documentation: 7 years
- Donation records and contribution statements: 7 years

Personnel and Employment Records

- Personnel files (employment agreements, position descriptions, performance records): 7 years after separation
- Benefit records, enrollment forms, and related correspondence: 7 years after separation
- I-9 forms: 3 years after hire or 1 year after separation, whichever is later
- Background check confirmations and compliance documentation: 7 years after service concludes

Legal and Insurance Records

- Contracts, MOUs, and legal agreements: 7 years after expiration
- Insurance policies and claims records: 7 years after policy termination or claim resolution
- Incident reports and risk management documentation: 7 years

Electronic Records and Data Security

Electronic records shall be retained in accordance with the same standards as paper records. The Conference shall take reasonable steps to ensure records are stored securely, protected from unauthorized access, and backed up in accordance with established administrative practices.

Destruction of Records

At the conclusion of the applicable retention period, records may be destroyed in a manner that preserves confidentiality and prevents unauthorized disclosure. Destruction shall be suspended immediately upon notice of litigation, audit, investigation, or formal request by FMCUSA or authorized conference leadership.

Administration and Oversight

The Conference Superintendent and Director of Operations (or designees) are responsible for administering this policy and ensuring compliance. This policy may be amended by action of the Board of Administration as required to maintain alignment with legal requirements or FMCUSA guidance.

Amendment Process for Policies:

Authority

This Policy Book may be amended by action of the Shoreline Executive Team and/or the Shoreline Board of Administration (BOA), consistent with the Shoreline Bylaws and the Free Methodist Church USA Book of Discipline.

This Policy Book is intended to supplement, not replace, governing denominational documents. Where conflict exists, the Book of Discipline and the Shoreline Bylaws prevail.

Initiation of Amendments

Proposed amendments to this Policy Book may be initiated by:

- The Board of Administration
- The Conference Superintendent
- The Executive Team
- A standing board of committee of the Conference

All proposed amendments shall be submitted in written form and shall clearly identify the section(s) to be amended, including proposed additions, deletions, or revisions.

Review and Recommendation

Proposed amendments shall be reviewed by the Conference Superintendent and appropriate staff or committees to assess:

- Consistency with the Book of Discipline and denominational polity
- Legal and regulatory implications
- Operational and financial impact
- Alignment with Shoreline's mission and governance framework

Following review, recommendations shall be forwarded to the Executive Team and/or the Board of Administration, as appropriate.

Approval

Unless otherwise required by the Shoreline Bylaws or the Free Methodist USA Church Book of Discipline:

- Policy amendments may be approved by action of the Executive Team or the Board of Administration.

- The Board of Administration shall retain final authority over governance-level and conference-wide policies.

Approval shall be recorded in the official minutes of the approving body.

Effective Date

Approved amendments shall take effect on the date specified in the approving action or, if no date is specified, upon adoption. Policies may be adopted on an interim basis when necessary for legal, safety, or compliance reasons, subject to later ratification if required.

Communication and Publication

Following approval, amendments shall be:

- Incorporated into the official version of the Policy Book
- Communicated to affected churches, leaders, and staff in a timely manner
- Archived to preserve prior versions for historical and governance reference

Limitations

No amendment to this Policy Book may:

- Contradict or supersede the Free Methodist Church USA Book of Discipline
- Conflict with Shoreline's Articles of Incorporation or Bylaws
- Alter matters reserved to denominational or Annual Conference authority

Any policy found to be inconsistent with higher-order governing documents shall be considered unenforceable to the extent of the conflict.

Meetings, Membership & Conference Processes (Conference/Operational)

Membership

The membership of Shoreline Conference consists of ministers and lay representatives who participate in the life and governance of the Annual Conference in accordance with the Book of Discipline and Conference policy.

Ministers:

All ordained elders of Shoreline Conference who hold current credentials in good standing are members of the Conference with full voice and vote.

Conference Ministerial Candidates (CMCs) who are appointed as lead pastors within Shoreline Conference are also recognized as full members of the Conference with voting rights for the duration of their appointment.

Lay Delegates:

Each Society of Shoreline Conference is represented by lay delegates who serve as representatives of the local church to the Conference and as a liaison between the Society and the Conference.

Lay delegates are elected by their respective Societies in a manner prescribed by the Society's bylaws. Lay delegates are recognized as members of the Conference for voting purposes upon

submission of their credentials to the Conference office in accordance with Conference procedures.

The number of lay delegates a Society may present to the Conference, along with their qualifications and responsibilities, is governed by the Book of Discipline.

Conference Ministerial Candidates (CMC's):

Conference Ministerial Candidates who are not appointed as lead pastors are members of the Conference without vote and may participate in the life of the Conference as provided by denominational and Conference policy.

Honorary Members:

Recognized Church Planting Projects, Fellowships, and Affiliated Congregations may present lay representatives to participate in sessions of the Annual Conference as honorary members. Honorary members may be seated with voice but are not eligible to vote.

Standing Rules of Annual Conference Meetings

The Standing Rules of the Annual Conference Meetings provide guidance for conducting the work of the Shoreline Annual Conference in a manner that is orderly, transparent, and faithful to our shared mission. These rules are intended to support prayerful discernment, encourage broad and respectful participation, and ensure that the business of the Conference is carried out efficiently, consistently, and in alignment with the Free Methodist Church USA Book of Discipline and Shoreline's governing documents.

Conduct of Business

The Annual Conference shall conduct its business in an orderly, respectful, and prayerful manner, seeking the guidance of the Holy Spirit and reflecting the spirit of Christian love and fellowship.

Meetings shall be governed by **Robert's Rules of Order (current edition)** when not inconsistent with the Book of Discipline, Conference bylaws, or policies, or with any special rules of order adopted by the Annual Conference. The bishop is the presiding officer of the Annual Conference. In the absence of the bishop or his/her designee, the Conference shall elect, by ballot, an elder from its own number to preside.

Order of Business

The order of business for sessions of the Annual Conference shall ordinarily include:

1. Roll Call. The roll call will be overseen by the Conference office during the Annual Conference session.
2. Bar of Conference. The bar of the Annual Conference will be established by declaration of the Presiding Officer of the Annual Conference.
3. Adopt Agenda. The agenda coordinator is the Superintendent. After the agenda has been adopted by the Board of Administration or the Annual Conference, proposed changes should be reviewed with the Superintendent or Presiding Officer.

4. Reports. The chair of each standing board or committee shall prepare a written report, including any recommendations, for distribution to the voting members of the Annual Conference.

   Reports shall be included in the official digital Book of Reports and circulated in advance of the Conference session.

   Except as otherwise directed by the Conference Superintendent or the Bishop of record, reports shall not be presented verbally during the Annual Conference.

   In accordance with the Free Methodist Church USA Book of Discipline, the written report of the Ministerial Appointments Committee shall be announced during the Annual Conference session.

   The Conference office will provide for the online publishing of the following reports:
   - Shoreline Policy Book (includes the Standing Rules of Annual Conference Meetings)
   - Annual Financial Statements
   - Board of Administration Report
   - MEG Report
   - Nominating Committee Report
   - Minutes from the prior year sitting(s) of the Annual Conference
5. Motions
6. Unfinished Business
7. New Business
8. Adjournment

The Conference may suspend or modify the order of business as needed by appropriate action of the body.

Quorum and Voting

Those members of the Annual Conference who are duly registered and present at a properly called session shall constitute a quorum.

The voting body of the Annual Conference consists of:
- Ordained elders of Shoreline Conference in good standing
- Certified lay delegates of Shoreline Societies
- Conference Ministerial Candidates appointed as lead pastors

Voting shall be conducted in accordance with the Book of Discipline and Conference policy.

Voting members of the Annual Conference are required to be in attendance at the annual sitting.

Lay Delegates

Lay delegates represent their Societies to the Annual Conference and serve as a vital link between the local church and the Conference. Delegates shall be duly elected and certified by their Society in accordance with denominational and Conference requirements. Local churches are encouraged to support their delegates' participation and to receive reports from them following Annual Conference.

Meetings and Minutes

The Shoreline Annual Conference shall convene annually. The time, place, and calling of Annual Conference sessions, including any special sessions, shall be determined in accordance with the Book of Discipline and announced in advance.

Special sessions of the Annual Conference may be called between regular annual meetings by the Conference Superintendent, in cooperation with the Bishop of record, with at least thirty (30) days' notice.

In the event that the Annual Conference is unable to convene, the Board of Administration (BOA) is authorized to act on behalf of the Annual Conference, consistent with the Book of Discipline and Shoreline's governing documents.

Minutes of Annual Conference sessions and Conference board or committee meetings shall be recorded, reviewed, and approved by the appropriate body and made available to the Conference.

The Work of the Annual Conference

Resolutions and elections shall be conducted in a manner consistent with the Book of Discipline, Conference bylaws, and Conference procedures.

Resolutions:

- All proposed resolutions shall be submitted in writing and signed by the sponsor(s) to the Conference Superintendent by January 1 preceding the Annual Conference.
- Resolutions may be submitted by any member of the Annual Conference as defined in these Standing Rules or by any duly and directly elected or appointed body of the Shoreline Conference.
- Resolutions shall be prepared and forwarded to every church and credentialed minister in advance of the Shoreline Annual Conference gathering.
- Emergency resolutions may be submitted to the Annual Conference by the BOA or FMCUSA, which may not have come to the attention of the BOA within the timeframe or parameters.
- All proposed resolutions shall have attached to them information indicating their fiscal impact.

Debate:

- In the course of the debate, the Body shall hear, alternately, speakers for and against (limited to two minutes each), up to three on each side, except that the member

(author or annual conference representative) who brings the matter before the Body may use two minutes to close the debate.

Motions:

- Those wishing to make detailed motions shall present them in writing to the Conference secretary. A motion resulting in multiple amendments to a resolution shall be referred back to its related committee or task team.

Balloting

- Electronic balloting is facilitated by the Conference office with oversight by the Nominating Committee.
- All voting members of the Annual Conference must provide the Conference with a current email address for voting purposes.
- Except where otherwise prescribed in these Standing Rules, any election to a Shoreline role, will occur by digital means prior to the convening of the Annual Conference. No elections will occur at Annual Conference unless otherwise determined by the BOA in coordination with the Bishop of record.
- Except where otherwise prescribed in the Standing Rules, voting on resolutions or the receiving of reports will occur by digital means or by vote of the Annual Conference in session.
- At the discretion of the BOA or Presiding Officer, voting on some resolutions may be conducted by secret written ballot. In such instances:
    - Tellers shall be nominated by the Superintendent and approved by the BOA prior to Annual Conference. Tellers are responsible for collecting ballots during the voting process.
    - Counters shall be nominated by the Superintendent and approved by the BOA prior to Annual Conference. Counters are responsible for counting ballots during the voting process.

Elections:

- Elections of people to serve in conference roles will be held electronically or digitally at least annually or as deemed necessary by the Conference Superintendent in consultation with the Bishop of record.
- Newly elected Conference officers and committee or task team members shall assume office at the close of the Annual Conference gathering unless otherwise specified.

Spirit of Discernment

In all matters, the Annual Conference seeks to discern together the will of God for the life and mission of Shoreline Conference, trusting the leadership of the Holy Spirit and honoring the shared responsibilities of ordained and lay members within the connection.

Affiliated Ministries & Partnerships (Conference/Operational)

Governance and Alignment

Affiliated ministries and partner organizations operate in relationship with Shoreline Conference for the purpose of advancing shared mission and ministry. Each affiliated ministry is expected to adopt its own Articles of Incorporation and Bylaws and to ensure that those governing documents align with Conference expectations. Shoreline Conference requires that affiliated ministries use governing documents reviewed and approved by the Board of Administration (BOA).

Financial Sustainability

Before establishing or formally authorizing an affiliated ministry or partnership, Shoreline Conference shall seek reasonable assurance that adequate financial resources are in place to support the ministry's operations and obligations. This expectation exists to promote sustainability, responsible stewardship, and long-term effectiveness in shared ministry efforts.

Accountability and Oversight

Affiliated ministries remain amenable to the general supervision of the Board of Administration. As part of this relationship, affiliated ministries are expected to provide requested information or reports necessary for Conference oversight and accountability.

If an affiliated ministry is unable or unwilling to maintain appropriate alignment or provide requested information, Shoreline Conference may review the nature of the affiliation and determine whether continuation of the relationship is appropriate.

Financial Stewardship & Accountability Policies (Conference/Operational)

Budget Approval and Oversight:

Purpose

The purpose of this policy is to establish a clear framework for the preparation, approval, oversight, and reporting of Shoreline Conference's budget in order to promote faithful stewardship, transparency, accountability, and compliance with applicable legal and denominational requirements.

Scope

This policy applies to all financial activities of Shoreline Conference, including operating budgets, restricted funds administered by the Conference, and any significant financial commitments made on behalf of the Conference.

Authority and Governance

Shoreline Conference operates under the authority of the Free Methodist Church USA and in accordance with its own Articles of Incorporation and Bylaws. Financial oversight is a shared responsibility between Conference leadership and governing bodies, with final fiduciary authority resting with the Board of Administration (BOA).

Budget Development

The Conference Executive Team, under the leadership of the Conference Superintendent and Director of Operations, shall prepare an annual operating budget for Shoreline Conference.

Budget development shall reflect:

- Mission priorities and strategic goals of the Conference
- Anticipated revenue, including ministry share and other funding sources
- Reasonable and sustainable expense projections
- Adequate provision for reserves and contingencies

Budget Review and Approval

The proposed annual budget shall be presented to the Board of Administration for review and approval prior to the beginning of the fiscal year. The BOA is authorized to approve the annual budget and to provide ongoing oversight of its implementation. The approved budget shall be reported to the Annual Conference as part of the Conference's financial reporting.

Fiscal Oversight and Administration

The day-to-day administration of the approved budget shall be the responsibility of the Conference Superintendent and Director of Operations (or designee). Financial management shall include:

- Monitoring revenues and expenditures against the approved budget
- Ensuring appropriate internal controls and separation of duties
- Authorizing expenditures consistent with the approved budget and Conference policies

The BOA may appoint a Finance Team or other advisory group to support financial oversight, as outlined in the Conference's operational procedures.

Budget Amendments

Material deviations from the approved budget, including significant unplanned expenditures or changes to revenue assumptions, shall be reported to the Board of Administration. Budget amendments requiring additional authorization shall be reviewed and approved by the BOA in accordance with the Conference's amendment and financial control policies.

Financial Reporting

Regular financial reports shall be provided to the Board of Administration to enable effective oversight. At minimum, the Conference shall provide:

- Periodic reports comparing actual results to the approved budget
- An annual financial report to the Annual Conference
- Additional reporting as requested by the BOA or required by denominational authorities

Financial Reviews and Audits

The finances of Shoreline Conference may be subject to periodic financial review or audit, as determined by the Board of Administration. Results of such reviews shall be reported to the BOA and summarized for the Annual Conference. A qualified independent accountant may be engaged for this purpose.

Fiscal Year

The fiscal year of Shoreline Conference shall coincide with the calendar year, unless otherwise determined by the Board of Administration.

Relationship to Other Policies

This policy shall be read in conjunction with the Conference's:

- Financial Controls and Separation of Duties Policy
- Compensation Approval Policy
- Conflict of Interest Policy
- Records Retention Policy

In the event of conflict, higher-order governing documents shall prevail.

Financial Controls and Separation of Duties:

Shoreline Conference is committed to faithful stewardship, transparency, and accountability in the handling of Conference funds. Appropriate financial controls protect the Conference, its leaders, and its ministries by reducing the risk of error, misuse, or misunderstanding.

Accordingly, Shoreline Conference shall maintain internal controls appropriate to its size and operations, including **separation of duties** wherever reasonably possible so that no single individual has unchecked control over authorization, custody of assets, recordkeeping, and reconciliation. The Board of Administration (BOA) provides fiduciary oversight and ensures that controls are reviewed periodically and adjusted as staffing, systems, or ministry needs change.

Banking and Authorized Signers:

All Conference bank accounts and financial access points shall be established and maintained in the legal name of Shoreline Conference and used solely for Conference purposes. Access to bank accounts, online banking, ACH platforms, and related payment tools shall be limited to individuals who have been granted authorization through Conference governance processes.

Authorized signers and users shall be reviewed periodically and updated promptly when roles change. No individual may open accounts, add signers, or execute banking changes on behalf of Shoreline Conference without appropriate authorization. Where bylaws specify approval requirements for contracts and disposition of property, those governing provisions apply and take precedence.

Expense Reimbursements and Accountable Plans:

Shoreline Conference reimburses employees and approved ministry leaders for ordinary and necessary expenses incurred on behalf of the Conference when properly substantiated. The Conference maintains an **accountable reimbursement plan** to ensure reimbursements are handled in compliance with applicable tax rules, protect the Conference's tax-exempt integrity, and promote consistent documentation practices.

The Conference's accountable plan requirements—including substantiation, documentation standards, and return of excess reimbursements—are set forth in the Conference's adopted

reimbursement policy and related procedures. The accountable plan resolution adopted by the BOA governs in all cases.

Ministry Share/Conference Funding Policies:

Shoreline Conference is funded through a combination of conference-approved revenue sources that support the shared ministry of the Conference and its responsibilities within the Free Methodist connection. Ministry shares are a primary mechanism through which local churches participate in the shared mission and resourcing of Shoreline Conference and in denominational obligations administered through the FMCUSA.

Conference funding practices shall be administered with transparency and consistency, with clear communication to churches regarding approved rates, calculation methods, and any denominational remittances. Funds collected on behalf of the denomination (including EPP-related remittances) shall be handled faithfully and reported appropriately in Conference financial records.

Restricted Funds and Designated Gifts:

Shoreline Conference honors donor intent and stewards funds in accordance with ethical and legal expectations. The Conference shall distinguish clearly between:

- **Restricted funds** (donor-restricted contributions that must be used for a specified purpose), and
- **Designated funds** (Conference-designated allocations set aside by Board action for ministry priorities).

Restricted funds shall be used only for their stated purpose and maintained with clear documentation and appropriate accounting controls. If a restricted purpose becomes impracticable or unclear, the Conference will seek appropriate guidance and authorization consistent with law and denominational expectations before redirecting funds. Designated funds may be established, modified, or released only through appropriate Conference governance action.

Purchasing and Contracting Authority:

Shoreline Conference enters into purchases and contracts to support its mission and operations. Purchasing and contracting decisions shall be made with stewardship, transparency, and appropriate oversight, and shall reflect the approved budget and Conference priorities.

Authority to approve and execute contracts is governed by Conference bylaws and Board-delegated authority. No individual may obligate Shoreline Conference outside the scope of their delegated authority. Contracts requiring heightened approval under the bylaws or Board policy must be presented for review and authorization prior to execution.

Use of Conference Credit Cards or Payment Platforms:

Where Shoreline Conference uses credit cards, purchasing cards, ACH tools, online payment platforms, or other financial technology, such tools shall be used only for legitimate Conference purposes and in accordance with Conference policies.

Cardholders and platform users are expected to maintain timely documentation, submit receipts and explanations as required, and comply with spending limits and approval processes. Access shall be limited to authorized individuals, reviewed periodically, and revoked promptly when roles change. Payment platforms shall be configured to maintain clear audit trails and support appropriate oversight and reconciliation.

Property Stewardship and Oversight

Property held by Shoreline Conference exists to support the mission and ministry of the Conference and the Free Methodist Church. Decisions related to the acquisition, use, financing, or disposition of property shall be made with prayerful discernment, financial responsibility, and connectional accountability. Property matters are governed by the Conference's Articles of Incorporation, Bylaws, and the Book of Discipline.

Local Church Relationship & Oversight Policies (Local Church/Operational/RMEGA)

Local Churches

Shoreline Conference exists to provide spiritual oversight, resourcing, accountability, and missional leadership for its affiliated local churches. Through this relationship, Shoreline seeks to support and equip churches to flourish in their shared mission of loving God, loving people, and making disciples. Churches that are engaged in this mission contribute to the multiplication of disciples, leaders, and churches.

Expectations of Local Churches

Local churches affiliated with Shoreline Conference are expected to conduct their ministries in a manner consistent with the mission, values, and ethos of Shoreline Conference and the Free Methodist Church in the USA (FMCUSA). Churches are further expected to participate fully in the life and mission of the Shoreline Conference, recognizing their place within a connectional community committed to shared accountability, collaboration, and witness.

Status of Local Churches

Local churches are God-ordained expressions of the body of Christ and serve as the primary setting for worship, discipleship, and mission. Groups of believers who accept the Articles of Religion of the Free Methodist Church in the USA (FMCUSA), order their life together according to scriptural principles, and assume shared responsibility for ministry and governance may be recognized as local churches and become eligible for affiliation with Shoreline Conference, consistent with their stage of development and in accordance with denominational standards. Affiliation with Shoreline Conference reflects a commitment to connectional life, shared accountability, and participation in the mission of the Conference and the FMCUSA.

New Churches

As churches and leaders respond to God's call to multiplication, new churches and ministry expressions emerge as signs of missional fruitfulness. Shoreline Conference affirms and supports the formation of new churches through intentional oversight, resourcing, and

accountability structures designed to foster healthy development and long-term sustainability. Please refer to the "Stages of Church Formation" below.

New Church Oversight and Support

All emerging churches and ministry points affiliated with Shoreline Conference shall operate under the oversight of a designated parent organization until such time as they achieve an appropriate level of maturity and self-sufficiency. In Shoreline Conference, emerging churches are affiliated in one of the following ways:

Parent-Affiliated Churches

Parent-Affiliated churches are initiated and led by a local Shoreline Society and remain affiliated with that parent Society. The parent Society bears responsibility for leadership development, mission alignment, doctrinal faithfulness, conduct, and the maturation of the emerging church.

These emerging churches may pursue one of several outcomes, including formation as an independent Society or continued operation as a campus, venue, multi-site location, or missional outpost of the parent Society. Shoreline Conference encourages local Societies to develop intentional multiplication strategies, either independently or in collaboration with other Shoreline Societies, and provides support through training, consultation, networking, and, where appropriate, financial resourcing in accordance with the Shoreline Operational Manual.

Conference-Affiliated Churches

Conference-Affiliated churches are initiated by or in partnership with Shoreline Conference and are affiliated through Mission Igniter, the Conference's new church incubator. Mission Igniter is responsible for leadership oversight, mission alignment, doctrinal adherence, conduct, and the maturation of these emerging churches.

These churches may pursue formation as independent Societies or become missional outposts of a future parent Society. Shoreline Conference provides direct support through training, consultation, networking, and potential financial resourcing, consistent with Shoreline Conference policies.

What Makes a Church a Church & Stages of Church Formation

The essentials of our ecclesiology can be summed up most simply where:

1. The Lordship of Jesus is Proclaimed
2. 2-3 People are Gathered
3. Rhythms of Worship (UP)
4. Rhythms of Community (IN)
5. Rhythms of Mission (OUT)

All emerging churches, whether Parent-Affiliated or Conference-Affiliated, are evaluated and reported according to the following status classifications:

1. Emerging Ministry Points

Emerging Ministry Points (EMP) begin when churches send out a team of missional disciple makers to start a new church focused on reaching new people (not currently being reached by the sending church). This new church is functioning in the ecclesial minimum.

These new works have identified leadership, demonstrate measurable ministry activity, and are accountable to either a Parent Society or Mission Igniter. EMPs remain in this status until they are approved as Church Planting Projects or are concluded.

Shoreline Conference encourages the proliferation of Emerging Ministry Points while also encouraging agreed-upon timelines with the parent organization to determine readiness for further development or appropriate conclusion as a learning experience.

2. Church Planting Projects

When an emerging ministry point matures, it is recognized as a Church Planting Project (CPP) by its sponsoring agency when it possesses the following characteristics:

a. There is an identified credentialed leader (LMC/CMC/Deacon/Elder).
b. They are aligned in relationship with the Free Methodist Church.
c. They are accountable to their sponsoring agency (Parent church or Mission Igniter).
d. They engage in measured activity (discipleship, finances, etc.)
e. They have launched gatherings.
f. They have an approved plan to reach Fellowship or Society status within 24-36 months.

A CPP may progress to Fellowship or Society status, become a missional outpost of another Society, or be concluded as a learning experience. No CPP shall remain in that status beyond thirty-six (36) months without the approval of the Board of Administration (BOA).

3. Fellowships

As a church planting project grows and develops, it will move to Fellowship status as it disciples people into missional partnership (membership) and officially aligns itself with our Book of Discipline. The hallmarks of a Fellowship include:

a. Operated for at least 12 months.
b. Has a minimum of 12 Adult Missional Partners who are prepared to enter into membership in the FMCUSA.
c. Averaged 25+ people in gathering attendance for three consecutive months.
d. Incorporated as a 501c3 with bylaws in alignment with Shoreline Conference, enabling the church to hold and disperse funds, acquire and sell property, and function in a sustainable manner.
e. Self-governed by a local board of administration.
f. Has a plan for reach financial viability and missional sustainability to become a Free Methodist Society

Upon meeting these criteria and receiving approval from the Conference Superintendent, a Fellowship shall file Conference-approved articles of incorporation and execute a Memorandum of Understanding (MOU) with Shoreline Conference, as required by the Book of Discipline. The continuation of a Fellowship that fails to maintain required benchmarks or progress toward Society status shall be determined by the BOA.

4. Societies

A "Society" is the term for a fully-organized Free Methodist Church. Church Planting Projects and Fellowships who have grown in sustainability and size may be recognized as a Society when it has:

a. 25 Missional Partners who entered into adult membership in the FMCUSA.
b. Averaged 50+ people in gathering attendance for three consecutive months.
c. Is operating in a missionally sustainable way, including:
    i. Self-Governing Board of Administration (minimum 5 people)
    ii. Financially Viable
    iii. Fully accountable to and in compliance with Shoreline Policies
d. Has a vision, culture, and plan to reproduce itself through new disciples, leaders, and emerging ministry points.

Societies are fully constituted member churches of Shoreline Conference. A Fellowship may be received as a Society upon demonstrating sustained mission alignment, leadership capacity, financial stability, and compliance with Conference and denominational requirements, as outlined in the Shoreline Policies and the Book of Discipline. It is also possible for a Church Planting Project to skip over the Fellowship stage and become a Society.

Authorization to form as a Society is granted by the Conference Superintendent following verification that all required benchmarks have been met.

Cases of Unsustainability

When Churches that are designated as Emerging Ministry Points or Church Planting Projects who are no longer viable, sustainable, or progressing forward to the next stage they will remain tethered and legally accountable to a Parent Society or organized as a Shoreline-affiliated ministry, have reliable external funding, demonstrate measurable ministry activity, and maintain an approved sustainability plan.

Churches that fail to maintain reasonable sustainability or that negatively impact the health and mission of the parent Society may be disbanded or disaffiliated, as determined by the Parent Society or the BOA.

Affiliate Congregations

Existing congregations that wish to explore affiliation with Shoreline Conference may apply for recognition as Affiliate Congregations. Upon approval by the Conference Superintendent, an

Affiliate Congregation enters an intentional process of discernment, integration, and alignment with Shoreline Conference that shall not exceed thirty-six (36) months.

Affiliate Congregations may apply for Society status upon meeting the requirements outlined in these policies and the Book of Discipline.

Order

Each local church recognized as a Fellowship or Society within the Shoreline Conference shall be duly organized and maintained in good order. This includes the adoption and ongoing maintenance of governance documents that reflect scriptural principles, denominational requirements, and applicable civil law. Local churches shall incorporate in accordance with civil law using Conference-approved governing documents and must obtain final review and approval from the Conference office prior to filing.

Local churches are expected to cooperate fully in the life and mission of the Shoreline Conference and to support the Conference through faithful participation in ministry share.
Legal responsibility and governance for all associated ministries—including campuses, venues, multi-site locations, Emerging Ministry Points, Church Planting Projects, Fellowships, and Societies—shall remain with the sponsoring parent church or organization, subject to Conference guidelines and oversight.

Rules Governing Disaffiliation

Ministerial Ethics and Conduct

It is inconsistent with the ethical responsibilities of a Free Methodist minister to intentionally lead an established Free Methodist congregation away from affiliation with the Free Methodist Church in the USA. Actions of this nature may constitute a breach of ministerial ethics and are subject to review and discipline in accordance with the Book of Discipline and applicable Shoreline policies.

Matters involving the conduct of Shoreline-credentialed ministers shall be addressed through the appropriate ministerial review and disciplinary processes, in cooperation with the Bishop of record.

Conference Engagement in Matters of Division or Disaffiliation

If a Shoreline-affiliated church experiences significant division or is considering disaffiliation from Shoreline Conference or the FMCUSA, the lead pastor or governing board shall invite the Conference to participate in the discernment process. The Superintendent or his/or her designee shall be invited to attend a specially called meeting of the church's leadership or governing board to discuss the matter and explore paths toward resolution.

If, following this engagement, the church leadership or governing board continues to pursue disaffiliation, a duly called Society Meeting shall be announced to the congregation with not less than two Sundays' notice. This meeting shall be convened for the express purpose of

allowing Shoreline Conference representatives to present the case for continued affiliation and to address questions from the membership.

Conference Authority and Final Disposition

The final disposition of matters involving division or disaffiliation may include actions taken by Shoreline Conference to protect the integrity of the connection, including but not limited to changes in local church leadership, property oversight, or affiliation status.

The Board of Administration (BOA), in consultation with the Bishop of record, retains authority to determine whether a church shall be disaffiliated from Shoreline Conference and/or whether provisions related to property and trust relationships shall be modified or removed, consistent with denominational governance and Conference policy.

Multiplication Matching Grant Policy

Shoreline's Multiplication Matching Grant Program exists to encourage and empower Conference Churches and leaders to multiply churches. Grants are provided to selected new initiatives based on their proposed plans and the availability of funds. The program is facilitated by the Shoreline's Executive Team and grants are reviewed and approved by a Grant Committee appointed annually by the Executive Committee. The Grant Committee is led by the Director of Multiplication and consists of the Superintendent (if available), the Director of Operations, the Regional Superintendent of where the plant will be, and 1-2 others. Multiplication Grants are for the express purpose of reaching new groups of people with the gospel and organizing them in new churches on mission. Initiatives which are seeking funding should be working amongst unchurched (and dechurched) people to establish new churches. Grants are available to both Parent Affiliated and Conference Affiliated Church Planting Projects.

Step 1: Develop a Plan for a New church

A church planting project plan is developed by an FM leader with a vision for a new church plant. **Parent Affiliated initiatives and Conference Affiliated Initiatives** should be developed in collaboration with Mission Igniter. Multiplication plans should follow the standard template (located here) and should demonstrate a thorough plan to launch and grow a new church planting project reaching new people. Special attention should be given to how the new work plans to move to sustainability or if the plan will be a missional outpost of an existing society. The plan should clearly outline the 'church multiplication model' that will be utilized and must identify the leadership structure

.

Plans must also be accompanied by a 24–36-month budget (both projected income and expenses). Budgets should be broken down month to month (when in the year is funding needed). This budget is a projection of how grant funds will be used.

Step 2: Submit a Grant Request

Multiplication Grant requests are submitted to the conference office and distributed to the Executive Team for review.

The Multiplication Director (or a member of the executive team) may provide feedback and recommendations for adjustments to the plan. The Executive Team will submit the grant application to the Grant Committee.

Step 3: Grant Committee and Interview
The Grant Committee will review the request and schedule an interview/presentation with the leader submitting the grant within six weeks of receiving the request. Knowing it can be challenging to schedule a time where all members can be present, a minimum of 3 Grant Team Members should be present for the Interview. The leader(s) making the request will have 15 minutes to present his/her vision and plan and will field questions from the committee. The Plan Development Coach should also be in attendance. If a proposal is for a Parent Affiliated initiative, the lead pastor of the sponsoring church is required to participate.

Step 4: Grant Committee Determination
The committee may approve a grant, reject the grant, or ask that certain adjustments or additions be made to the proposal. The Grant committee will inform the applicant of their determination within one week of the interview/presentation.

The committee will determine the size of the awarded grants up to the full amount requested with the maximum amount of $50,000.

The size of the initiative and its potential impact will be taken into consideration when awarding grants. The committee is tasked with vetting the plan as well as providing matching grant funding to quality plans appropriate/proportionate to the potential kingdom impact an apostolic initiative anticipates having.

The determination of the committee is sent to the Superintendent to be approved before funding is disbursed.

Step 5: Funding and Reporting
The grant program is a MATCHING grant so initial funding must be raised to be matched. In some cases, start-up money (up to $15,000) can be offered that would not need to be first matched in order to receive it. Fundraising coaching will be a part of plan development and plan implementation.

Grants over $2,000 will be paid out in increments (determined in collaboration with the executive committee).

Church Plants receiving grants must provide status reports for finances, people growth, and how their initial plan is being implemented and/or adjusted. These reports will be arranged with a designated member of the executive team and will be made monthly for the first 8 months of the plan and every 3 months after that.

Local Church Grant Policy

Shoreline's Local Church Grant Program exists to encourage and empower Conference Churches to do new Kingdom work in your community or region which prioritizes the healthy addition and multiplication of disciples, leaders, and churches. Grants are provided to selected new initiatives based on their proposed plans and the availability of funds. The program is facilitated by the Shoreline's Executive Team and grants are reviewed and approved by a Grant Committee appointed annually by the Executive Committee. The Grant Committee is led by the Director of Multiplication and consists of the Superintendent (if available), the Director of Operations, the Regional Superintendent, and 1-2 others. I
Grants are available to all of Shoreline's Churches.

Step 1: Develop A Plan for a New Ministry
Churches interested in applying for a Local Church Grant must fill out the standard template (found here)and should demonstrate a comprehensive plan for this new initiative, including a high-level activity and role-based budget and 1:4/1:4 vision plan. Leaders developing a plan will be required to have one plan development coaching session with the Director of Multiplication.

Step 2: Submit a Grant Request
Local Church Grant requests are submitted to the conference office and distributed to the Executive Team for review.

The Multiplication Director (or a member of the executive team) may provide feedback and recommendations for adjustments to the plan. The Executive Team will submit the grant application to the Grant Committee.

Step 3: Grant Committee Review and Interview
The Grant Committee will review the request and schedule an interview/presentation with the leader submitting the grant within six weeks of receiving the request. Knowing it can be challenging to schedule a time where all members can be present, a minimum of 3 Grant Team Members should be present for the Interview. The leader(s) making the request will have 15 minutes to present his/her vision and plan and will field questions from the committee. The Lead Pastor and leader of the initiative must be present for the interview.

Step 4: Grant Committee Determination
The committee may approve a grant, reject the grant, or ask that certain adjustments or additions be made to the proposal. The Grant committee will inform the applicant(s) of their determination within one week of the interview/presentation.

The committee will determine the size of the awarded grants up to the full amount requested with the maximum amount of $50,000.

The size of the initiative and its potential impact will be taken into consideration when awarding grants. The committee is tasked with vetting the plan as well as providing matching grant funding to quality plans appropriate/proportionate to the potential kingdom impact an apostolic initiative anticipates having.

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Risk Management, Safety & Legal Compliance

Insurance Coverage for Local Churches

Maintaining appropriate insurance coverage is an essential component of responsible stewardship and risk management within the Shoreline connection. Local churches are expected to take reasonable and proactive steps to protect their ministries, leaders, volunteers, and physical assets.

Required Coverage

Each local church is expected to maintain, at a minimum:

- General liability insurance sufficient to cover ministry activities, events, facilities, and operations.
- Property insurance appropriate to the church's owned or leased buildings, equipment, and other physical assets.

Coverage levels should reflect the scope of the church's activities and comply with applicable legal and denominational requirements.

Additional Insured Requirement

To support shared accountability and risk protection within the connection:

- The Free Methodist Church USA (FMCUSA) and Shoreline Conference shall be named as additional insureds on each local church's liability and property insurance policies, where applicable.

Local churches are responsible for ensuring that insurance certificates reflecting this requirement are maintained and provided to the Conference upon request.

Oversight and Support

Shoreline Conference may offer guidance or resources to assist churches in understanding insurance expectations and evaluating coverage options. However, each local church remains responsible for securing and maintaining appropriate insurance coverage consistent with this policy.

Ministry to Minors

Ministry with children and youth is a sacred trust that requires the highest levels of integrity, care, and accountability. Every child and student is created in the image of God and must be treated with dignity, respect, and compassion in all ministry settings.

Shoreline Conference expects local churches to establish and maintain practices that prioritize the physical, emotional, and spiritual safety of minors and that comply with all applicable Conference policies and legal requirements.

General Expectations

All staff members and volunteers serving with minors are stewards of those entrusted to their care and are expected to:

- Respect the role, values, and expectations of a child's family and guardians.
- Avoid being alone with a minor without the express permission of a parent or guardian, except where appropriate safeguards are in place.
- Complete required reoccurring background checks and receive appropriate training prior to serving with children or youth.
- Conduct themselves in a manner that is appropriate, non-coercive, and free from physical or emotional harm.
- Participate in regular and documented training.

Children's Ministry Practices

Children's ministry environments should be designed to promote safety, accountability, and clear supervision.

Local churches are expected to ensure that:

- Children are checked in and released only to authorized parents or guardians using reasonable identification practices.
- Children do not leave ministry areas without appropriate approval from a parent, guardian, or ministry leader.
- A minimum of two unrelated adults are present in classroom settings.
- Restroom use is supervised in a manner that protects the child's dignity and safety. Assistance should be provided only when necessary and with appropriate oversight.
- Infants and toddlers are handled with particular care, with zero tolerance for careless, inappropriate, or unsafe physical contact.
- Diapering and personal care are handled only by approved adults or authorized family members. Older youth may assist only with training and direct adult supervision.

Youth Ministry Practices

Youth ministry recognizes that students may demonstrate both maturity and immaturity depending on circumstances. Volunteers and leaders are expected to exercise patience, discernment, and appropriate boundaries.

Discipline or correction must never involve physically aggressive, demeaning, or inappropriate behavior.

When concerns arise, volunteers should defer to the designated ministry leader rather than handling situations independently, unless immediate action is necessary to prevent harm.

All general expectations outlined above apply equally to youth ministry contexts.

Accountability and Enforcement

Failure to comply with these expectations may result in removal from service and further action as appropriately determined by local church leadership and the Conference. Local churches are

responsible for ensuring that ministry to minors is conducted in accordance with Conference policy, denominational standards, and applicable law. Additionally, immediate notification of designated Church leadership and civil authorities is required in instances of suspected or alleged abuse of minors.

Shared Financial Participation in the Shoreline Connection

This section provides the framework for understanding how local churches participate financially in the Shoreline connection. The Ministry Shares section that follows describes the primary means by which churches contribute to the shared mission and ministry of the Conference and denomination.

Ministry Shares

Ministry shares are the primary means by which local churches participate financially in the shared mission and ministry of Shoreline Conference and the Free Methodist Church in the USA. Through ministry shares, churches contribute to conference leadership, pastoral oversight, church multiplication, credentialing and care of ministers, and the broader connectional work of the denomination.

Ministry shares assessed by Shoreline Conference include two components:

- The Conference Portion, which supports the ministry, operations, and resourcing of Shoreline Conference; and
- The Equitable Payment Program (EPP) Portion, which is collected on behalf of the FMCUSA and supports denominational ministries and shared obligations across the Free Methodist connection.

Ministry shares shall be assessed to each local church using the percentage approved by the Board of Administration. Local churches are expected to participate faithfully in ministry share as an expression of their connectional commitment and shared responsibility within Shoreline Conference.

Accountability and Conference Response

The Conference Executive Team regularly reviews ministry share participation to identify churches that may be experiencing difficulty meeting their obligations. When a church is not remitting the full amount assessed, the Conference will seek to engage the church in conversation and discern appropriate next steps.

If concerns persist, the matter may be referred to the Board of Administration (BOA). In responding, the Conference may consider a range of actions intended to support the health and sustainability of the church and the broader Conference, which may include developing a plan for the church to become current, adjusting pastoral staffing arrangements, or exploring structural changes such as partnership or merger with another church.

Local Church Financial Accountability

Treasurers

Purpose

Each local church affiliated with Shoreline Conference is required to maintain faithful financial stewardship and accountability. The office of Treasurer plays a critical role in supporting the integrity, transparency, and sustainability of the church's financial life.

Requirement of a Treasurer

Each local church recognized as a Fellowship or Society of Shoreline Conference shall appoint or elect a Treasurer in accordance with its governing documents. The Treasurer shall serve as the primary officer responsible for the oversight of the church's financial records and reporting.

Qualifications

The Treasurer shall be a member of the local church who demonstrates both the character and competence appropriate to the responsibilities of the role. At a minimum, the Treasurer should possess:

- Demonstrated integrity and trustworthiness
- Gifts and abilities related to financial oversight and stewardship
- A working knowledge of standard accounting or bookkeeping practices
- The capacity to maintain accurate financial records and reports
- Willingness to operate within Conference and denominational guidelines

Responsibilities

The Treasurer is responsible for ensuring that the financial affairs of the local church are managed in an orderly and accountable manner. Responsibilities typically include:

- Maintaining accurate and complete financial records
- Ensuring appropriate bookkeeping and record-keeping practices are followed
- Supporting the preparation of financial reports for church leadership and membership
- Assisting the church in complying with applicable Conference and denominational financial requirements
- Working collaboratively with other church leaders to promote sound financial stewardship

Accountability and Alignment

The Treasurer shall carry out these responsibilities in alignment with the church's governing documents, Conference policies, and applicable civil law. Local churches are encouraged to provide appropriate support, training, and oversight to those serving in this role to promote best practices and shared accountability.

Budgeting

Purpose

Faithful budgeting is an essential expression of stewardship, accountability, and mission alignment within the life of a local church. An annual budget provides a framework for prayerful planning, responsible use of resources, and participation in the shared ministry of Shoreline Conference and the Free Methodist Church.

Requirement of an Annual Budget

Each local church recognized as a Fellowship or Society of Shoreline Conference shall prepare and adopt an annual operating budget. The budget shall be developed in accordance with the church's governing documents and approved by the appropriate local governing body.

Scope of the Budget

The annual budget shall reflect the full financial life of the church and, at a minimum, include:

- Anticipated local income and operating expenses
- Conference-required financial commitments, including ministry shares and invoiced ministerial benefits
- Missional commitments supported by the church, including local, regional, and denominational mission priorities

Budgets should be prepared in a manner that promotes sustainability, transparency, and alignment with the mission of the church and the Conference.

Conference Alignment and Communication

Local churches are expected to communicate their adopted budgets and financial commitments to Shoreline Conference in accordance with Conference guidelines. This enables accurate planning, accountability, and support at the Conference level and strengthens the shared financial life of the connection.

Oversight and Reporting

The budgeting process shall be supported by appropriate financial oversight within the local church. Churches are expected to monitor budget performance throughout the year and to provide regular financial reporting to church leadership and membership in a manner consistent with best practices and Conference expectations.

Relationship to Other Policies

This policy shall be read in conjunction with:

- Ministry Shares
- Local Church Treasurer
- Financial Reporting and Accountability
- Reviews and Audits

Financial Reports

Purpose

Regular and transparent financial reporting is essential to faithful stewardship, accountability, and trust within the life of a local church. Financial reports provide church leaders and members with meaningful insight into the church's financial health and support responsible decision-making and alignment with Conference and denominational expectations.

Required Financial Reports

Each local church recognized as a Fellowship or Society of Shoreline Conference shall prepare and make available the following financial reports:

- **Annual Financial Statements**

  Local churches shall prepare annual financial statements that fairly present the financial position and activity of the church for the prior year. These statements should reflect all

funds and accounts of the church and be made available to the church's governing body and membership.

- **Periodic Financial Reports**

Local churches shall prepare financial reports at least quarterly and make them available to the church's governing body and other interested persons within the church. These reports should provide timely information regarding income, expenses, and overall financial performance relative to the church's adopted budget.

Reports to the Conference

Local churches are expected to provide financial information to Shoreline Conference as required to support Conference oversight, shared ministry funding, and denominational reporting obligations. Such reports may include annual financial statements, ministry share-related reports, or other summaries requested by the Conference.

Specific formats, timelines, and submission methods for Conference reporting are provided separately in Conference operational guidance.

Accessibility and Transparency

Financial reports shall be prepared in a manner that is clear, accurate, and understandable. Local churches are encouraged to communicate financial information openly and regularly, recognizing transparency as a key component of trust and shared stewardship.

Relationship to Oversight and Review

Financial reporting requirements are intended to support, not replace, other accountability measures, including financial reviews or audits. Reports prepared under this policy shall be consistent with the church's governing documents, Conference policies, and applicable civil law.

Relationship to Other Policies

This policy shall be read in conjunction with:

- Budgeting
- Local Church Treasurer
- Reviews and Audits
- Ministry Shares

Financial Safeguards and Internal Controls

Purpose

Sound financial safeguards are essential to faithful stewardship, transparency, and trust within the life of a local church. Appropriate internal controls help protect the church, its leaders, and its resources by reducing the risk of error, misuse, or misunderstanding.

Responsibility of Local Churches

Each local church affiliated with Shoreline Conference shall establish and maintain reasonable financial safeguards appropriate to its size, complexity, and resources. These safeguards are intended to promote accountability in the receipt, handling, and disbursement of funds while supporting the mission and ministry of the church.

Safeguards for Financial Receipts

Local churches are expected to implement practices that promote accuracy and accountability in the handling of financial receipts. Such practices should include appropriate oversight and

shared responsibility so that no single individual exercises sole control over the receipt and recording of funds.

Safeguards for Financial Disbursements

Local churches are expected to implement controls over financial disbursements that ensure expenditures are authorized, documented, and consistent with the church's approved budget and governing documents. Disbursement practices should include appropriate approval processes and separation of duties whenever reasonably possible.

Financial Review and Oversight

Shoreline Conference does not require local churches to conduct annual financial audits or reviews. However, local churches are encouraged to provide for periodic financial review or oversight appropriate to their context as a means of promoting accountability, strengthening confidence, and supporting good governance.

The Conference may request additional financial information or review in situations involving financial instability, transition, or concern, consistent with Conference supervision and intervention policies.

Alignment and Support

Local churches are encouraged to seek guidance, training, and support in establishing financial safeguards and internal controls. Shoreline Conference may provide resources or recommendations to assist churches in developing practices that are appropriate, sustainable, and aligned with Conference expectations.

Relationship to Other Policies

This policy shall be read in conjunction with:

- Local Church Treasurer
- Budgeting
- Financial Reporting
- Ministry Shares

Legal and Regulatory Compliance

Local churches affiliated with Shoreline Conference are responsible for complying with all applicable federal, state, and local legal and tax requirements related to their financial operations and employment practices.

This responsibility includes ensuring that required payroll reporting, tax filings, and contribution receipting are completed accurately and in a timely manner, consistent with applicable law and IRS guidelines. Oversight for compliance rests with the local church's governing body, supported by appropriate financial officers and advisors.

Shoreline Conference may provide guidance or resources to assist churches in understanding their compliance obligations but does not assume responsibility for the preparation or filing of local church tax or payroll documents.

Local Church Borrowing Procedures

Purpose

Borrowing has long-term implications for the financial health, mission, and witness of a local church. Shoreline Conference therefore approaches borrowing with caution and expects local churches to do the same, prioritizing sustainable ministry practices and responsible stewardship.

General Principles

Local churches affiliated with Shoreline Conference are discouraged from borrowing funds for the purpose of addressing short-term operating or cash-flow needs. When borrowing is considered necessary, it shall be approached prayerfully, transparently, and with appropriate oversight.

Borrowing decisions must align with the church's approved budget, governance documents, and the shared accountability of the Shoreline connection.

Borrowing for Operating or Cash-Flow Purposes

If a local church determines that borrowing is necessary to address operating or cash-flow needs, the church shall notify the Conference prior to entering into such borrowing. Depending on the amount and circumstances, Conference consultation or approval may be required.

The Conference may request information sufficient to assess the church's financial position and the proposed borrowing, including evidence of governing board authorization and a clear plan for repayment.

Borrowing for Property or Capital Purposes

Any borrowing for the purpose of purchasing, constructing, renovating, or refinancing church property—whether secured or unsecured—requires consultation with and approval from Shoreline Conference prior to execution.

Such borrowing shall be subject to additional review to ensure alignment with denominational property requirements, risk management considerations, and long-term sustainability. Required documentation and procedures are available upon request from the Shoreline Conference office.

Conference Oversight and Support

Shoreline Conference provides oversight of local church borrowing to support financial stability, reduce risk, and protect the integrity of the connection. Conference involvement is intended to be consultative and supportive, not punitive.

Failure to seek required consultation or approval may result in Conference intervention consistent with Conference supervision and governance policies.

Relationship to Other Policies

This policy shall be read in conjunction with:

- Budgeting
- Financial Safeguards and Internal Controls
- Property Ownership and Conveyance

- Conference Supervision and Intervention

Local Church Property Transactions: Purchase and Sale of Property

Property held by local churches within Shoreline Conference is held in trust for the mission of the Free Methodist Church and is subject to denominational and Conference oversight. Decisions to purchase, mortgage, or sell church property carry long-term financial, legal, and missional implications and must be approached with prayerful discernment, transparency, and accountability.

Denominational and Conference Approval Required

Local churches **may not purchase, mortgage, or sell real property** without following the approval processes established by the Free Methodist Church USA (FMCUSA) and Shoreline Conference. These processes are administered through FMCUSA's **Application for Permission to Mortgage** and **Application for Release to Sell** and are required regardless of local ownership structures or financial urgency.

At a minimum, churches must ensure that:

- The proposed transaction is **formally reviewed and approved** by the local church's governing board, with approval documented in meeting minutes.
- The transaction is **reviewed and approved by Shoreline Conference leadership** prior to submission to FMCUSA.
- All required FMCUSA application materials are completed fully and accurately, including supporting documentation such as deeds, governing-board minutes, and statements of purpose.

Incomplete or improperly documented applications may delay or halt approval.

Trust Clause and Use of Proceeds

The Free Methodist Church trust clause, as defined by the Book of Discipline, is **expected to be included on deeds for local church property** held within Shoreline Conference and is **required for approval of any application to mortgage property**.

Proceeds from the sale or refinancing of church property must be used **solely for purposes consistent with denominational requirements** and the specific use approved through the application process. Any proposed use of proceeds must be disclosed in advance and approved through Conference and FMCUSA channels.

Rental of Church Property

Purpose

Local church property is held in trust for the mission of the Free Methodist Church and is to be stewarded in a manner that advances ministry, protects the integrity of the church, and honors denominational and Conference expectations. Limited rental or shared use of church facilities may be permitted when consistent with these purposes.

General Principles

Local churches may permit the use or rental of church property by outside individuals or organizations, provided that such use:

- Is consistent with the mission, values, and teachings of the Free Methodist Church;
- Does not interfere with the regular worship, ministry, or operations of the church; and
- Reflects responsible stewardship of church property and resources.

Approval and Documentation Required

All rental or shared-use arrangements:

- Must be **reviewed and approved by the local church's governing board** or a duly authorized designee, with approval reflected in official records where appropriate;
- Should be governed by a **written agreement** that clearly defines the terms of use, including duration, permitted activities, fees (if applicable), and responsibilities of the parties involved; and
- Shall not be entered into in a manner that creates ongoing obligations inconsistent with Conference or denominational requirements.

Prohibited Uses

Church property shall not be used for activities that:

- Are inconsistent with the doctrine, values, or moral teachings of the Free Methodist Church;
- Create undue risk, legal exposure, or reputational harm to the local church, Shoreline Conference, or the FMCUSA; or
- Jeopardize the church's tax-exempt status or conflict with applicable law.

Insurance and Risk Management

Local churches are responsible for ensuring appropriate risk management in all rental or shared-use arrangements. At a minimum:

- Renters may be required to provide **proof of liability insurance**, and where appropriate, name the local church (and Conference, if required) as an additional insured;
- All use of property must comply with applicable **Conference safety and ministry policies**, including those related to ministry with minors; and
- Churches shall ensure that facility use does not expose the church to unreasonable liability.

Fees and Stewardship

Local churches may charge reasonable fees for facility use to offset costs such as utilities, staffing, maintenance, and wear on the property. All fees shall be:

- Consistent with the church's mission and stewardship responsibilities; and

- Recorded and managed in accordance with local church financial policies and Conference expectations.

Conference Alignment and Oversight

Rental and shared-use practices shall be conducted in a manner consistent with:

- The **Free Methodist Church USA Book of Discipline**;
- **Shoreline Conference policies**, including those related to property stewardship and risk management; and
- Applicable federal, state, and local laws.

Shoreline Conference may provide guidance or request information regarding rental practices as part of its general oversight responsibilities.

Role of Shoreline Conference

Shoreline Conference serves as a partner and steward in property transactions, providing oversight, guidance, and coordination with FMCUSA. Local churches are expected to engage the Conference early in the discernment process and to refrain from entering into binding agreements, listing properties for sale, or finalizing financing arrangements until all required approvals have been obtained.

Local Church Name Changes

A local church's name is an important expression of its identity, mission, and connection within Shoreline Conference and the Free Methodist Church USA. Shoreline Conference recognizes that churches may, from time to time, discern a need to adopt a new ministry name to better reflect their context or calling.

Conference Consultation Required

Local churches are **strongly encouraged to consult with Shoreline Conference leadership before initiating any legal or public name change**, including filing documents with the state, or updating public records. Early consultation helps ensure alignment with denominational requirements, preserves continuity of legal and financial records, and avoids unintended administrative or legal complications.

Use of Assumed Names (DBA)

In most cases, a church may adopt a new ministry name by filing an **assumed name (Doing Business As, or DBA)** rather than changing its underlying legal name. This approach allows the church to:

- Retain its existing legal and corporate identity;
- Avoid the need to amend articles of incorporation, deeds, bank accounts, or historical records; and
- Begin operating publicly under a new name for ministry purposes.

Shoreline Conference generally recommends the use of a DBA as the preferred method for church name changes unless there is a compelling reason to pursue a full legal name amendment.

Legal and Administrative Considerations

Regardless of the method used, churches are responsible for ensuring that any name change:

- Is properly authorized by the local church's governing board and documented in meeting minutes;
- Is consistent with state nonprofit law and denominational requirements;
- Does not create confusion regarding property ownership, trust-clause obligations, tax identification, or Conference affiliation.

Churches should refrain from finalizing name-change filings, branding updates, or public announcements until appropriate consultation and approvals have been completed.

Pastoral Care and Support Expectations of Local Churches

(For Full-Time Appointed Pastors)

Local churches are entrusted with the responsibility of caring well for those called to serve as pastors. Providing appropriate compensation and benefits is an essential expression of that care and supports the pastor's ability to serve faithfully, sustainably, and with freedom to focus on ministry.

Responsibilities of the Local Church

Local churches are expected to:

- **Provide fair and appropriate compensation** for full-time appointed pastors, reflecting the responsibilities of pastoral leadership and the church's capacity, and in alignment with Conference and denominational guidance.
- **Review pastoral compensation** in consultation with the Conference Superintendent prior to an initial appointment and on a regular basis thereafter to ensure ongoing appropriateness and sustainability.
- **Ensure timely and consistent payment of salary**, beginning with the start of the pastoral appointment unless otherwise approved, and paid on a regular schedule.
- **Maintain continuity of compensation** during approved pastoral absences, including vacation, illness, Conference responsibilities, and other authorized leave.
- **Classify appointed elders appropriately for employment and tax purposes.** All appointed elders receiving compensation are expected to be treated as employees of the local church, with compensation reported on a **W-2**. Appointed elders should **not** be compensated as independent contractors or reported on a **1099**. Local churches are expected to follow Conference policy regarding clergy employment classification, including the policy titled **"Clergy vs. Lay Employment Distinctions."**
- **Participate in required and approved benefit plans**, including denominational pension participation and Conference-group life insurance options, in accordance with applicable Conference and denominational policies.

Shared Commitment

The provision of compensation and benefits is not merely an administrative obligation, but a shared ministry of care. Shoreline Conference partners with local churches to encourage

practices that honor pastors, promote well-being, and sustain healthy pastoral leadership for the long term.

Clergy vs Lay Employment Distinctions

Purpose

The purpose of this policy is to clarify the distinction between clergy and lay employees within local churches affiliated with Shoreline Conference, particularly as it relates to employment classification, compensation, and tax treatment. Clear distinctions are necessary to ensure compliance with federal tax law, denominational expectations, and Conference policies, while supporting faithful and responsible stewardship by local churches.

Clergy (Ministers) — Definition for Tax and Employment Purposes

For purposes of Conference policy and guidance to local churches, an individual may be treated as clergy (a minister) if they qualify as a *"minister for tax purposes"* under applicable IRS guidance.

The IRS does not rely solely on job titles or internal church designations. Instead, ministerial status is determined based on facts and circumstances, applying a balancing test that considers the following factors:

- An individual is more likely to be considered a minister for tax purposes when they:
- Are ordained, licensed, or commissioned by a church or denomination (this factor is required);
- Are authorized to perform sacerdotal or ministerial functions, such as administering sacraments or ordinances according to the practices of the church;
- Conduct religious worship on behalf of the church;
- Serve in a role of religious leadership, as recognized by the church or denomination; and
- Perform duties related to the management, control, conduct, or maintenance of a church, denomination, or an integral agency thereof.

Not all factors must be present in every case; however, ordination, licensing, or commissioning is essential, and the overall role must be demonstrably ministerial in nature rather than primarily administrative or programmatic.

Tax Treatment of Clergy

When an individual qualifies as a minister for tax purposes:

- They are generally treated as a common-law employee for federal income tax purposes, but
- They are treated as self-employed for Social Security and Medicare purposes with respect to services performed in the exercise of ministry (which means they are subject to self employment taxes);
- They may be eligible for special tax provisions, including a housing allowance or parsonage exclusion, subject to IRS rules; and
- Their compensation is not subject to mandatory federal income tax withholding, unless voluntary withholding is elected.

These tax rules apply only to compensation received for services performed in the exercise of ministry and do not extend to secular or non-ministerial employment.

Lay Employees — Definition

Lay employees are individuals employed by a local church whose duties do not meet the IRS criteria for ministerial status, regardless of internal titles, religious training, or spiritual leadership exercised informally.

Lay employees typically:

- Are not ordained, licensed, or commissioned;
- Do not regularly conduct religious worship or administer sacraments;
- Serve in roles that are primarily administrative, operational, programmatic, or support-oriented; and
- Do not function in a recognized role of ecclesiastical authority or denominational leadership.

Lay employees are subject to standard employment and tax rules, including income tax withholding and FICA (Social Security and Medicare) contributions.

Local Church Classification Policies and Consistent Application

Local churches are strongly encouraged to adopt a written internal policy that clearly defines how the church will classify and treat individuals serving in the following roles for employment and tax purposes:

- Elders
- Conference Ministerial Candidates (CMCs)
- Local Ministerial Candidates (LMCs)
- Licensed Pastors

Such policies should specify whether each classification is treated as clergy or lay for employment and tax purposes, consistent with IRS guidance and denominational expectations.

To promote fairness, compliance, and clarity, local churches are expected to apply their adopted policy consistently and uniformly, such that all employees within the same classification are treated in the same manner with respect to payroll practices, tax treatment, and related employment considerations.

Titles and Misclassification

Local churches are cautioned that:

- Job titles such as *“pastor,” “minister,” “director,” or “chaplain”* are not determinative for tax purposes;
- Ordination, licensing, or commissioning should be conferred for theological and ecclesiastical reasons, not for the purpose of obtaining favorable tax treatment; and
- Inconsistent or ad hoc treatment of individuals within the same ministerial classification may increase the risk of misclassification and non-compliance.

Misclassification of an employee as clergy may expose both the church and the employee to tax liability, penalties, or corrective action.

Conference Guidance and Oversight

Shoreline Conference may provide guidance to local churches regarding clergy and lay classification to promote consistency, compliance, and good stewardship. While the final determination of tax status rests with the IRS, local churches are expected to act in good faith, adopt clear policies, and align their practices with Conference guidance and applicable law.

Relationship to Other Policies

This policy should be read in conjunction with:

- Compensation and Housing Allowance Policies
- Conflict of Interest & Compensation Approval Policies
- Pastoral Benefits and Employment Policies

Housing Allowance Policies

Purpose

The purpose of this policy is to provide guidance to local churches affiliated with Shoreline Conference regarding the designation and administration of housing allowances for eligible ministers, in accordance with federal tax law. This policy is intended to promote consistency, compliance, and faithful stewardship while recognizing that housing allowance decisions are made at the local church level.

Eligibility

Only individuals who qualify as ministers for tax purposes under applicable IRS guidance are eligible to receive a housing allowance.

For purposes of this policy, eligibility is limited to individuals who:

- Are ordained, licensed, or commissioned by a church or denomination; and
- Perform services in the exercise of ministry, as determined by IRS facts-and-circumstances standards.

Individuals who do not meet IRS criteria for ministerial status — including lay employees — are not eligible to receive a housing allowance, regardless of job title or internal designation.

Nature of the Housing Allowance

A housing allowance is a portion of a minister's compensation that may be excluded from federal income tax to the extent permitted by law. The housing allowance:

- Applies only to **income tax**, not to **self-employment (SECA) tax**; and
- Is excludable only to the lowest of:
    - The amount actually used to provide a home; or
    - The fair rental value of the home, including furnishings and utilities.

Advance Written Designation

For a housing allowance to be effective:

- The allowance must be designated in advance of payment by official action of the local church or its authorized governing body;

- The designation must be in writing and reflected in official church records (such as board or council minutes); and
- Housing allowances may not be designated retroactively.

A designation may be amended prospectively during the year if circumstances change, but only with written authorization adopted prior to payment.

Role of the Local Church

Local churches are responsible for:

- Determining whether an individual is eligible to receive a housing allowance under IRS standards;
- Formally designating the housing allowance amount in advance;
- Ensuring the designation is made by the appropriate governing authority; and
- Communicating the designation to the minister.

Churches are not required to collect or review documentation of housing expenses, but should encourage ministers to understand their individual responsibilities under federal tax law.

Role of the Minister

Ministers receiving a housing allowance are personally responsible for:

- Determining the amount they may properly exclude from income;
- Maintaining records to substantiate housing expenses and fair rental value;
- Reporting any excess allowance as taxable income; and
- Including the housing allowance (or fair rental value of a parsonage) when calculating self-employment tax.

Parsonages and Other Housing Arrangements

This policy applies to both:

- Cash housing allowances designated as part of compensation; and
- Church-provided housing (parsonages), including allowances designated to cover housing-related expenses not otherwise provided by the church.

The fair rental value of a church-provided home may be excluded from income tax but must be included for self-employment tax purposes.

Relationship to Local Church Policies

Local churches are encouraged to adopt a written housing allowance policy or resolution format consistent with this Conference policy and to apply it uniformly to similarly situated ministers within the church.

Housing allowance designations should align with the church's broader compensation practices and with Conference guidance on clergy classification.

Conference Guidance

Shoreline Conference may provide guidance, templates, and educational resources to assist local churches in understanding and implementing housing allowance practices. Final determination of eligibility and tax treatment rests with the IRS, and both churches and ministers are encouraged to seek qualified tax counsel when needed.

Relationship to Other Policies

This policy should be read in conjunction with:

- Clergy and Lay Employment Distinctions
- Compensation and Housing Allowance Policies
- Conflict of Interest & Compensation Approval Policies

Health Insurance & Medical Benefits

Caring well for pastors and their families includes attending to their health and well-being. Shoreline Conference encourages local churches to provide access to comprehensive health-care coverage as part of their shared commitment to sustainable pastoral ministry.

This policy affirms the responsibility of local churches to thoughtfully consider health-care needs within their context and to pursue solutions that are both compassionate and financially responsible.

Expectations of Local Churches

Local churches are encouraged to:

- **Provide access to comprehensive health-care coverage** for full-time appointed pastors and their eligible family members, recognizing health insurance as an important component of pastoral care and long-term ministry sustainability.
- **Select health-care solutions appropriate to the church's context**, which may include individual plans, group plans, or other lawful arrangements, provided that coverage is meaningful and compliant with applicable law.
- **Review health-care provisions regularly**, especially at the time of appointment and during annual compensation reviews, to ensure coverage remains appropriate for the pastor's needs and the church's capacity.
- **Consider additional health-related benefits**, such as Health Reimbursement Arrangements (HRAs), Health Savings Accounts, or other lawful benefit structures, as tools that may help churches support pastors more effectively in a changing health-insurance environment.

Conference Guidance and Support

Shoreline Conference recognizes that the health-insurance landscape is complex and continually evolving. While the Conference does not require participation in a specific health-insurance plan or provider, it may offer guidance, education, or resources to assist churches as they navigate available options.

Local churches are encouraged to seek appropriate professional advice and to consult Conference resources when evaluating health-care strategies for their pastors.

Shared Commitment

Providing for a pastor's health care is not simply a financial decision, but an expression of care, trust, and partnership in ministry. Shoreline Conference encourages local churches to approach health-care decisions prayerfully, thoughtfully, and with a long-term view toward pastoral well-being and mission effectiveness.

Pension

Providing for a pastor's long-term financial security is an important expression of care and shared responsibility within the Shoreline connection. Participation in the denominational pension plan reflects the Conference's commitment to supporting pastors throughout their years of service and into retirement.

Participation and Expectations

- **Participation in the FMCUSA pension plan is required** for all appointed, ordained elders of Shoreline Conference and CMC's who are appointed as lead pastors who receive compensation, in accordance with denominational rules and guidelines.
- **Participation remains required** until such time as the denominational Board of Administration (BOA) determines that the applicable threshold has been reached and the pension is formally frozen.
- **Local churches are expected to continue pension participation** as outlined above unless and until official guidance is issued by the denomination and Shoreline Conference regarding changes to pension obligations or alternative retirement-care provisions.
- **Other employees may be included in the denominational pension plan at the discretion of the local church.** This may include individuals who are either lay or clergy not under Conference appointment (such as licensed pastors), Conference Ministerial Candidates serving in staff positions, and other employees who meet denominational eligibility thresholds (including those employed at least 25 hours per week), provided participation is approved by the local church and administered in accordance with denominational guidelines.

Future Guidance

If and when the pension plan is frozen, the denomination and Shoreline Conference will provide clear and timely guidance regarding new or revised policies to ensure continued care for pastors in retirement.

Basic Life and Long-Term Disability Insurance

Basic term life (including accident insurance) and long-term disability (LTD) insurance benefits will be provided under the conference group policies. Shoreline strongly encourages 100% participation of all full-time employees (defined as 32 hours per week) in basic term life and LTD. The policy is administered through the conference office. Optional supplemental insurance is also available.

Each church will be billed directly for their portion of these life and LTD benefits as well as any additional voluntary benefits they choose to participate in.

Employees are eligible for basic term life coverage on their date of hire, subject to satisfactory completion and submission of all required forms within 30 days of their date of hire.

Shoreline group basic life and LTD are set amounts for both benefit provided and premium rates charged. These cannot be modified by the individual pastor. Shoreline strongly encourages 100%

participation of all full-time employees. Benefits under Shoreline group for supplemental/voluntary life insurance, once elected, may be modified at any time through the Employee Navigator portal. Supplemental Life rates are based on age with increases in 5-year increments.

Optional Life Insurance for a spouse and/or dependent(s) may be purchased only if the employee has chosen the optional supplemental insurance for him/herself. A dependent child may be covered until the child reaches age 19 or until age 25 if the child is a full-time student.

Federal Social Security and Insurance

Shoreline Conference affirms the importance of long-term financial security for pastors and encourages thoughtful participation in federal retirement and insurance programs.

While federal law permits certain clergy to seek exemption from Social Security participation, Shoreline Conference **strongly encourages all ministers to participate in the Social Security and Medicare programs** as part of responsible planning for retirement, disability, and survivor benefits.

For federal tax purposes, clergy are generally treated as **dual-status employees**—employees for income-tax reporting and self-employed for Social Security and Medicare. As a result, ministers typically satisfy their Social Security and Medicare obligation by paying **self-employment tax (SECA)** on the **full amount of their ministerial compensation**, including both **salary and any designated housing allowance**, as defined under applicable IRS guidance.

Pastors are encouraged to seek guidance from a qualified accountant or tax professional familiar with clergy taxation. Shoreline Conference may provide general support or referrals but does not offer individual tax advice.

Pastors approaching retirement are encouraged to engage Social Security and Medicare planning in a timely manner to ensure appropriate enrollment and continuity of coverage.

Time Away for Pastoral Health and Renewal

(Vacation, Day Off, Released Time, and Enrichment)

General Statement

Healthy pastoral ministry requires regular rhythms of rest, renewal, and growth. The provisions outlined below establish minimum Conference expectations for full-time appointed pastors and are intended to support long-term pastoral well-being and effective ministry.

Local Boards are encouraged to meet or exceed these minimums as circumstances allow. Where state or local employment laws provide greater protections or benefits, those requirements shall take precedence.

Weekly Day of Rest

Each pastor is entitled to one full day off each week, other than Sunday. Pastors are encouraged to select a consistent day and to guard it regularly. Weekly days off are not cumulative.

Pastoral Work Week

The nature of pastoral ministry often requires flexibility in hours and availability. Even so, pastors are encouraged to maintain healthy boundaries to prevent sustained overwork. Full-time pastors are not expected to work more than 40 hours per week as a standard practice, though occasional additional hours may be required due to ministry needs or emergencies. Regular rest and balance should be intentionally supported by church leadership.

Time Away from Work

Vacation time is provided to support rest, family life, and renewal.

Paid Time Off (PTO)

Eligible church employees are entitled to accrue paid time off (PTO) to use for vacation time, sick time, or for other personal reasons. PTO hours should be provided to church employees at the beginning of each calendar year. Pro-rated amounts should be provided to church employees who are hired mid-year and to regular part-time church employees. PTO hours may be used for vacation time, personal time, a church employee's own physical or mental illness, care for a family member, preventative care (doctor/dental visits), issues related to domestic violence or sexual assault, and school or workplace closures due to public health emergencies.

- 0-5 years of service: 2 weeks (80 Hours)
- 6-10 years of service: 3 weeks
- 11+ years of service: 4 weeks

In order to use PTO, church employees must have accrued PTO available. Church employees must use PTO in the year in which it is earned. Accrued but unused PTO will not carry over into the next year and will not be paid out upon termination unless required by applicable law. For states that require carry-over of accrued PTO, a church employee will cease accruing PTO when they have accumulated the maximum amount allowable, until such time as they use any or all of those days. Upon their use of any or all of those days, accrual will resume at the regular rate until they have again reached the maximum. If state law also provides leave, the more generous accrual rate may apply.

Released Time for Ministry Beyond the Local Church

Each pastor may be granted one week of released time per Conference year (including one Sunday) to participate in revival meetings or other approved ministry beyond Conference-sponsored programs. Full salary shall continue during this time. If a Sunday is involved and the pastor receives an honorarium, the pastor is responsible for arranging and paying for pulpit supply.

Participation in Conference-related camps, retreats, and meetings is not considered vacation and does not interrupt normal compensation.

Spiritual or Professional Enrichment

Pastors are required to attend Annual Conference and are encouraged to attend Family Camp, pastors' prayer gatherings, and other Conference gatherings. These gatherings are not charged against vacation or released time.

Pastors may also be encouraged to attend non-Conference professional or spiritual enrichment opportunities, not to exceed two weeks per Conference year, unless otherwise approved by the Local Board. Approved enrichment time is not charged against vacation or released time. If enrichment includes a Sunday, the local church should provide pulpit supply.

Scheduling and Communication

Pastors are encouraged to plan days off and extended time away intentionally and to communicate plans in advance with the Local Board or appropriate committee.

When away, pastors should ensure that a responsible church leader and, when appropriate, the Conference Superintendent know how they may be reached in case of emergency.

A combination of vacation, released time, and enrichment should not ordinarily result in absence from the pulpit for more than three consecutive Sundays, except in approved circumstances such as sabbatical or medical leave.

Pulpit Supply

When a pastor is absent due to vacation, illness, enrichment, or Conference responsibilities, the cost of pulpit supply is the responsibility of the local church.

Sabbatical Policy (RMEG)

As Shoreline pastors, one of our commitments is to be holistically healthy. We believe sabbatical is an essential rhythm to embodying that characteristic. Sabbatical is a gift to be received with joy and gratitude to help us be the most effective leaders we can be. Sabbatical will help in the overall health of our pastors and churches through personal and professional enrichment.

1. Each Conference-appointed Elder to a local church or conference leadership is encouraged to take a sabbatical every 5 years. If an elder has not taken their sabbatical after 7 years, the Regional Superintendent or a representative from the MEG Board will meet with him/her to develop a plan for a sabbatical as soon as possible. The length of a sabbatical must be for a minimum of at least (6) weeks and a maximum of twelve (12) weeks. (The Local Church may add to the time, in consultation with Regional Superintendent and RMEG).

2. For Bi-vocational Elders, sabbatical will look different because of your marketplace work. Sabbatical is a break from church ministry responsibilities and a time for rest and replenishment while continuing marketplace work.

3. Years of service are cumulative. That is, years of service at a previous appointment count towards the years served at a current appointment. Note: Unless special provision is made by the local church Board and Delegate(s) or by the Regional Superintendent, a pastor must serve at least two years into a new appointment before they can qualify for a sabbatical, even if they have accumulated (7) years of service total.

4. At least (1) year prior to the requested start of the sabbatical, the pastor shall notify the local church Board and the Regional Superintendent concerning their plan to take a sabbatical along with their anticipated timeline.

5. After consultation with their local church Board, the pastor must prepare a written application for the sabbatical noting the length of leave and detailed activities during the leave. They must demonstrate the sabbatical to be a time of professional and personal enrichment along with the expected benefits. Rest and family time should be included in the sabbatical plan. Pastors can consult with the Director of Pastoral Development to obtain a sabbatical plan template if needed.

6. After the application is completed, the pastor and the local church Board must agree on the submitted plan. This agreement must contain arrangements for pulpit supply (or an interim pastor if longer than (3) months), pastoral care, administrative oversight, and financial arrangements for continual support of the pastor and their temporary replacement. If an interim pastor is needed, church leadership would work with the Regional Superintendent and the RMEGA to help acquire one. Regional and Conference leadership is available to help support the local church in all matters pertaining to the sabbatical season as needed. In the event, an interim pastor is needed, the RMEGA Board will work with the interim pastor to make sure that there is a smooth transition into, during, and after his/her temporary position at the church.

7. The final draft of the sabbatical plan, agreed upon by the pastor and local church Board shall be submitted to the RMEG Board for final review and approval no later than 6 months prior to the start of the sabbatical. Approved plans will be forwarded to the Regional Superintendent.

8. The sabbatical leave is not to be used for personal financial advantage.

9. Within sixty (60) days after the conclusion of the sabbatical leave the pastor shall submit a written report to the local church's Board of Administration and to the RMEG Board, describing the activities and benefits of the sabbatical leave.

10. It is understood that sabbatical leave does not count toward vacation time, but vacation time may be included in the overall sabbatical schedule. Once the agreed upon sabbatical time has ended, however, the pastor should not take more than seven

local church's Board of Administration.

11. It is expected that the pastor will not resign from service at the local church for at least (1) year following sabbatical leave.

12. As a conference, we recommend each church create its own sabbatical policy for non-conference member ministerial staff, as well as a culture of sabbatical for lay leadership.

13. Elders will be held accountable by RMEGA and Regional Superintendents.

Parental Leave

Shoreline Conference affirms the importance of family and the sacred calling of pastoral ministry. The arrival of a child—by birth or adoption—is a significant life event, and local churches are encouraged to respond with care, generosity, and flexibility.

The provisions below establish **minimum Conference expectations** for parental leave for appointed ministers. Local churches are encouraged to exceed these standards where possible and to administer parental leave in a manner that reflects both compassion and good stewardship.

Eligibility and Planning

Parental leave is available to appointed ministers who have completed **at least one year of service** in their current appointment, unless otherwise approved through Conference leadership.

Ministers are expected to communicate anticipated timing and leave plans with local church leadership and Conference representatives as early as reasonably possible to allow for appropriate planning and support.

Parental Leave Provisions

For Birth or Adoption

- **Women ministers** may receive up to **twelve (12) weeks of paid parental leave**, with a minimum of:
    - **Eight (8) weeks at full pay**, and
    - Up to **four (4) additional weeks at partial pay**, as determined by the local church.
- **Male ministers** may receive a minimum of **three (3) weeks of paid parental leave**. Additional unpaid leave may be granted, up to a total of twelve (12) weeks, as approved by the local church.
- Parental leave may be used for birth, adoption, or placement of a child.

Benefits Continuation

During approved parental leave, the local church shall **continue any existing benefits** (including health insurance) on the same basis as if the minister were actively serving.

Health coverage shall **not be revoked or interrupted** due to the announcement or arrival of a child. Where applicable, churches that provide family coverage are expected to add the child to the plan in a timely manner.

Use of Other Leave

Parental leave may be supplemented with accrued **vacation or sick leave**, if the minister chooses.

Ministers shall **not be required** to use vacation or sick leave to satisfy the minimum parental leave provisions outlined above.

Sick leave should remain available for prenatal and postnatal care, recovery, and the ongoing health needs of the minister and family.

Position Protection and Extended Leave

A minister's position shall be retained for a minimum of **ninety (90) calendar days** following the start of parental leave.

Beyond this period, a minister may request an **extended unpaid personal leave** in consultation with local and Conference leadership. Any such arrangement should clearly address expectations regarding benefits continuation and return to service.
Ministers seeking to return to active service following an extended leave of absence will be given appropriate consideration in the appointment process.

Part-Time and Modified Arrangements

For **lead or senior pastors**, any part-time or modified work arrangement following parental leave must be negotiated collaboratively among the minister, the local church, and the Ministerial Appointments Committee.

For **associate, assistant, or youth pastors**, the local church and minister may agree to temporary or ongoing flexible arrangements that support family needs while maintaining ministry effectiveness.

Relocation Assistance

Transitions in pastoral leadership often involve significant personal and financial impact for pastors and their families. Shoreline Conference seeks to approach pastoral relocation with care, flexibility, and shared responsibility, recognizing that each move presents unique circumstances.

General Approach

All pastoral moves are subject to Conference appointment processes and must be approved in advance through the Regional Ministerial Appointments Committee (RMAC). Relocation considerations should be discussed early in the appointment process and take into account the pastor's situation, the receiving church's capacity, and the overall health of the Conference.

Shared Responsibility

Relocation assistance is understood to be a **shared responsibility** between the local church and the Conference.

- **The Conference may approve relocation assistance** in connection with an appointment, particularly for lead pastor transitions, but such assistance is not guaranteed and will be determined on a case-by-case basis.
- **In most cases, relocation costs should be shared** between the local church and the Conference, with expectations clearly defined in advance.
- **All approved relocation arrangements**, including cost-sharing expectations and reimbursement parameters, shall be outlined in the **Letter of Intent to Appoint** issued by the Conference Superintendent.

Flexibility and Context

Relocation assistance should be tailored to the specific circumstances of each move. Considerations may include, but are not limited to, distance, timing, family needs, housing transitions, physical limitations, and the availability of local support.
Churches and pastors are encouraged to pursue **cost-effective and collaborative approaches** to relocation, including the use of local assistance where appropriate.

Staff Pastor Moves

Relocation arrangements for staff pastor appointments are generally the responsibility of the local church and should be coordinated in consultation with the lead pastor and church leadership, unless otherwise specified in the appointment process.

Ministerial Ethics and Accountability/Code of Ethics

Ministerial Ethics

It is required that all SHORELINE ministers and churches abide by the current Ethics Manual and Code of Ethics as authorized by the BOA and included in Shoreline Operational Manual. All CMCs, Licensed Pastors, and Ordained or Located Elders are required to sign the Code of Ethics annually.

Credentialing and Discipline

Ministerial Credentials and Procedures

Shoreline hereby incorporates by this reference all of the current FMCUSA Book of Discipline, Sections 5300-5800, as though set forth in full, whether or not attached, whether existing now or as may be amended in the future.

Local Church Intervention

A Connectional Relationship

Local churches affiliated with Shoreline Conference exist within a connectional relationship that includes shared mission, mutual accountability, and pastoral oversight. While the Book of Discipline grants local churches authority for self-governance in many areas, that authority is exercised within the broader life of the Conference and the Free Methodist Church in the USA.

Shoreline Conference, the FMCUSA, and local churches are interdependent. None functions in isolation, and each bears responsibility for the health and faithfulness of the others. Shoreline affirms a form of governance that recognizes leadership as a gift of God to the Church and provides structures for shared discernment, accountability, and care.

Purpose of Counsel and Intervention

The purpose of Conference counsel, mediation, or intervention is restorative, supportive, and missional. Shoreline seeks to walk alongside local churches in seasons of challenge, offering wisdom, resources, and oversight that strengthen ministry and promote long-term health.

Counsel or intervention is never intended to be punitive, but to help churches navigate difficulty faithfully and in alignment with the Book of Discipline.

When Conference Engagement May Be Needed

Circumstances that may prompt Conference counsel, mediation, or intervention include, but are not limited to:

- Significant division that disrupts the life or witness of the church
- Breakdown of healthy governance or concentration of authority
- Extended absence or incapacity of pastoral leadership
- Concerns related to ministerial ethics or leadership conduct
- Departure from the Articles of Religion or practices of the FMCUSA
- Actions or discussions related to disaffiliation from the FMCUSA

In all cases, Shoreline seeks first to encourage local resolution consistent with biblical principles of reconciliation and accountability.

Mutual Right to Request Support

Shoreline Conference may request a meeting with local church leadership when circumstances warrant Conference involvement. Likewise, local churches may request counsel or support from Shoreline leadership at any time, either through the lead pastor or by action of the governing board.

This mutual right reflects the shared responsibility of Conference and church to care for one another within the connection.

Approach to Counsel and Intervention

Conference engagement may include listening, advising, facilitating dialogue, offering resources, or participating in meetings of church leadership or membership. Shoreline leadership may attend meetings at the invitation of the church or when Conference responsibility requires involvement.

When more direct oversight is necessary, Shoreline may take additional steps consistent with Conference bylaws, operational policies, and the Book of Discipline. Any such action will be communicated clearly and pursued with the goal of restoration and renewed local governance.

Ecclesiastical Matters

Matters related to doctrine, ministerial conduct, or church governance are ecclesiastical in nature and are addressed through Conference and denominational processes. Shoreline affirms the biblical practice of resolving church disputes within the life of the Church and does not initiate or encourage civil litigation for ecclesiastical matters.

Governing Documents

In circumstances requiring Conference involvement, the Articles of Incorporation, Bylaws, and governing policies of Shoreline Conference take precedence over local governing documents,

except where superseded by the Book of Discipline of the FMCUSA. This provision exists to protect the church, the Conference, and the integrity of the connection during seasons of difficulty.

Conference Supervision

1. Conditions: When a Society is no longer able to fill the corporate offices of the church board of administration with scripturally-qualified leaders, or meet its ongoing financial obligations, or falls below 10 active members, or fails to meet any other requirements for a Society in the Book of Discipline or in these Bylaws, the BOA may exercise its prerogative to bring that church under Conference Supervision.
2. Purpose: The purpose of Conference Supervision is not punitive, but meant for purposes of re-establishing congregational health. When the church has returned to sufficient strength and health it may re-apply with the BOA for reinstatement to Society status.
3. Process: Before such action is taken, investigation shall be made by the Conference Officials in consultation with the local church pastor and church board of administration to determine if the above conditions are present. If so, the church shall be reverted to Fellowship status and come under Conference Supervision. Whenever possible, a meeting between congregational members and SHORELINE Officials shall take place to explain fully the process of Conference Supervision and implement a plan for restorative church health. If the church is unwilling or unable to return to sufficient strength and health, the BOA shall determine the viability of continuance.
4. Appeal: The lead pastor or board of administration may appeal the decision to revert to Fellowship status within 30 days by presenting to the BOA a turnaround plan approved by the Conference Superintendent and signing an MOU agreeing to be held accountable to the performance of the plan to established benchmarks. Successful appeals will result in Conference Supervision, but will retain Society status in the process towards sufficient strength and health.
5. Requirements: Churches that are reverted to Fellowship status under Conference Supervision must:
    a. Dissolve their board of administration.
    b. Suspend their bylaws.
    c. Function under Shoreline Operational Manual guidelines for Conference Supervised churches.