

Bylaws of Clarion First Methodist Church

ARTICLE 1 NAME AND PURPOSE

1.01—NAME

This congregation of believers shall be known as **Clarion First Methodist Church**. The Church is incorporated under the laws of the state of Iowa and is affiliated with the Global Methodist Church (GMC).

1.02—PURPOSE AND POWERS

This corporation is organized as a church exclusively for charitable, religious, and educational purposes within the meaning of section 501(c)(3) of the Internal Revenue Code (IRC) of 1986, for such purposes including, but not limited to, proclaiming the Gospel of the Lord Jesus Christ; establishing and maintaining religious worship; educating believers in a manner consistent with the requirements of Holy Scripture and maintaining missionary activities in the United States and around the world.

The Church shall be organized so that it can pursue the following basic responsibilities and mission in the context of its own community:

- a. Planning and implementing a program of nurture, outreach, and witness for persons and families within and outside the congregation;
- b. Providing for effective pastoral and lay leadership;
- c. Providing for financial support, physical facilities, and the legal obligations of the Church;
- d. Utilizing the appropriate relationships and resources of the GMC; and
- e. Providing for the proper creation, maintenance, and disposition of documentary record material of the local church.

All the powers authorized and permitted by the GMC *Book of Doctrines and Discipline (Discipline)* for a local church shall be the powers of this Church, as amended from time to time. This corporation, in conformity with the *Discipline* shall have the power to receive, acquire, and hold title to real and personal property and to improve, in encumber, lease, sell, convey, and dispose of all such property, including, without limitation of other powers, the power to erect and maintain buildings for the worship of God, for training and Christian faith and conduct, and for Christian social interaction, and to purchase, lease, and/or rent and otherwise acquire or build and maintain residences for the use and occupancy of its ministers.

ARTICLE 2 GOVERNANCE

2.01 – The Church shall look first to Holy Scripture, then also to these Bylaws, the Articles of Incorporation, and the *Discipline*, as amended, for guidance in the operation of its affairs.

2.02 - The *Discipline* (is incorporated herein as part of these bylaws by this reference, and all provisions of these bylaws shall be read in the context of conforming to the definitions, requirements and authorizations of the *Discipline*, without the necessity of further specification. In matters where the *Discipline* conflicts with these Bylaws, the *Discipline* will control.

ARTICLE 3 MEMBERS

3.01 - The membership of the corporation entitled to vote shall be all professing members currently belonging to the local Church congregation as of the date of these bylaws, and all persons subsequently becoming professing members in accordance with the *Discipline*. Persons ceasing to be members of the local Church congregation shall cease to be voting members of the Church.

3.02 - Within the pastoral charge the basic unit in the connectional system of the GMC is the Charge Conference and it shall have general oversight over the Church Council. Only those members of Clarion First Methodist Church who are members of the Charge Conference, as defined in the *Discipline*, are entitled to vote at a meeting of the Charge Conference; unless the Presiding Elder convenes, or authorizes the convening of, a Charge Conference as a Church Conference.¹ Then all members of Clarion First Methodist Church present shall be entitled to vote at such Church Conference.

3.03 - The annual meeting and any special meetings of the members (whether convened as a Charge Conference or a Church Conference) shall be convened and held, with notice, quorum and voting rights, as provided for in the *Discipline*.

3.04 - The Church Council shall be accountable to the members. If at least 20% of the members (defined as the number of people listed on the roll of active and professing members) request that a Church Conference be convened, the Chairperson of the Church Council shall immediately make a request on behalf of the Church Council to the Presiding Elder to convene a Church Conference upon proper notice.

ARTICLE 4 CORPORATION/ CHURCH ORGANIZATION

4.01 – The basic organizational plan for Clarion First Methodist Church shall include provision for the following units: a charge conference, a church council, a committee on staff-parish relations, a committee on facilities, a committee on finance, and such other elected leaders, commissions, councils, or committees, as deemed appropriate by the charge conference.

4.02 - The Charge Conference, as the basic unit in the connectional system of the GMC, shall be the connecting link between the local church and the general church. Because of the priority attributed to the charge conference by the *Discipline*, the Church Council shall also act as the corporation's board of directors. All corporate powers shall be exercised by or under the authority of, and the business and affairs of the nonprofit corporation managed under the direction of, the Church Council the same as if it were the board of directors. The Church Council may delegate certain corporate authority and duties to other units or persons. Any such units or persons shall be amenable to the Church Council.

¹ Only Church Council members and retired ordained ministers who elect to hold their membership within the Church may cast a vote at Charge Conference.

4.03 – The membership of the Charge Conference shall be all members of the Church Council together with retired ordained ministers and retired diaconal ministers who elect to hold their membership in the Charge Conference and any others as may be designated in the *Discipline*. The Charge Conference shall meet at least annually to review and evaluate the total mission and ministry of the Church, receive reports, and adopt objectives and goals recommended by the Church Council that are in keeping with the objectives of the Church. Special sessions for limited purposes may be called by the Presiding Elder and the Senior Pastor. The Charge Conference meeting may be convened as a Church Conference in accordance with the *Discipline* without compromising the corporate nature of any action taken at the meeting.

4.04 – The Charge Conference of Clarion First Methodist Church hereby delegates the administrative and programmatic responsibilities of the Church to the Church Council, provided that it is amenable to the Charge Conference. The Church Council shall function as the executive agency of the Charge Conference.

4.05 – The clergy shall be responsible for ministering to the needs of the congregation and the whole community by:

- Preaching and teaching the Word,
- Providing pastoral care and counseling,
- Administering the sacraments, and
- Ordering the life of the Church for service in mission and ministry.

The clergy may have other duties as provided in the *Discipline* and as requested by the Church Council or the Charge Conference. The Senior Pastor shall be the administrative officer, and as such, shall be an ex officio (non-voting) member of all conferences, boards, commissions, committees, and task forces, unless restricted by the *Discipline*.

ARTICLE 5 CHURCH COUNCIL

5.01 - The Church Council or its successor shall have general oversight of the administration and program of Clarion First Methodist Church, as provided in the *Discipline* and in Section 4.04 above. The number, qualifications, and constitution of the Church Council membership, their terms in office and their methods of election, removal and replacement, shall be in accordance with the provisions of the *Discipline* for the Church Council. The membership on the Church Council may consist of as few as eleven persons or as many as the Charge Conference deems appropriate. The Church Council and all other administrative and programmatic structures of the local Church shall be amenable to the Charge Conference.

5.02 - The Church Council shall provide for planning and implementing a program of nurture, outreach, witness, and resources in the local Church. It shall envision, plan, implement, and annually evaluate the mission and ministry of the church on behalf of the Charge Conference.

5.03 - The Church Council may create and oversee such other elected leaders, commissions, councils, committees, and task forces as it deems necessary to fulfill the mission and purpose of the Church.

5.04 Unless otherwise designated by the Church Council, the Senior Pastor and the Chairperson of the Church Council, shall be the official spokespersons for Clarion First Methodist Church in any public statements made on behalf of the Church including, but not limited to, any communications with the press and court proceedings. However, these spokespersons are accountable to the Church Council and the

Presiding Elder; they should be mindful that they speak for the whole Church and take care not to state a personal position.

5.05 - The Church Council shall at least annually evaluate the church's affiliation with the GMC.

ARTICLE 6 OFFICERS/LEADERSHIP

6.01 - The Charge Conference shall elect at least the following leaders:

- Chairperson and Vice-Chairperson of the Church Council;
- The committee on staff-parish relations and its chairperson;
- The chairperson and additional members of the committee on finance;
- The chairperson of the facilities committee;
- The lay members of the annual conference and lay leader(s);
- A Recording Secretary;
- The financial secretary; and
- The Church treasurer(s) if not paid employees of the Church.

Leaders shall hold office for a term of two years or until their successors are elected by the Charge Conference, unless a longer term is prescribed by the *Discipline*.

6.02 - The principal officers of the corporation shall be the Chairperson of the Church Council (President), Vice-Chairperson Church Council (Vice President), the Recording Secretary of the Church Council (Secretary), the Church Treasurer (Treasurer), and such other officers as may be designated by the Charge Conference.

6.03 - Any elected Church leader may be removed from office at any time by a majority vote of the Church Council, as then constituted, notwithstanding the fact that the term for which she/he may have been elected has not expired. No cause need be assigned for any removal under this section.

6.04 - Any vacancy in any leadership position may be filled by the Church Council at any regular or special meeting.

6.05 - The Chairperson of the Church Council shall preside at all meetings of the Church Council, and unless authority is otherwise delegated in Article 7, shall execute all contracts authorized by the Church Council and shall perform such other duties as are incident to the office or properly required of him/her by the Church Council. Actions taken by the Chairperson of the Church Council shall also be deemed the actions of the president by another name of the corporation.

6.06 - The Vice-Chairperson of the Church Council shall perform the duties of the Chairperson in the absence or disability of the Chairperson. In addition, the Vice Chairperson shall have such powers and discharge such duties as may be properly assigned to him/her from time to time, by the Church Council.

6.07 - The Recording Secretary of Church Council shall also serve as Recording Secretary of the Charge Conference (both hereafter "Secretary"). The Secretary shall keep an accurate record of all proceedings at the meetings of the Church Council and Charge Conference. The Secretary shall have such other powers and perform such other duties as are incident to the office or properly required of him/her by the

Church Council. Duties performed by the Recording Secretary of Church Council shall be deemed to be duties performed as secretary by another name of the nonprofit corporation.

6.08 - The Finance Chairperson, in consultation with the Finance Committee, the Church Treasurer if not the Chairperson, and the financial secretary, shall have primary responsibility for church funds and shall keep full and accurate accounts of all receipts and disbursements of the Church. The Church Treasurer shall attend to all financial filings required by state and federal law and maintain the Church's financial records. Some or all these financial duties may be delegated to one or more staff member(s) of the church by a vote of the Finance Committee.

6.09 - The Finance Committee shall establish written financial policies to document the internal controls in the management of Clarion First Methodist Church finances. The written financial policies should be reviewed for adequacy and effectiveness annually by the Committee and submitted as a report to the Charge Conference annually. All Church monies and other valuable effects shall be deposited in the name, and to the credit, of Clarion First Methodist Church in such depositories as may be designated by the Finance Committee. Withdrawals of such deposits shall be executed by one or more authorized persons specifically designated by the Church Council. The Treasurer is authorized to sign bank and other third-party documents as the corporate treasurer of Clarion First Methodist Church.

ARTICLE 7 CONTRACT

7.01 - The Chairperson of the Church Council shall execute all contracts authorized by the Church Council, except as delegated in the following sections.

7.02 - The Church Council shall be vested with the powers of the Board of Trustees pursuant to ¶ 346 of the *Discipline*. All approved transactions and contracts for the maintenance, operation, and upkeep of the Church's real property shall be signed by the Chairperson of the Church Council and another officer. Authorization for service-call-level maintenance may be delegated to the chairperson of the committee on facilities.

7.03 - Committees/commissions and program ministries (organizational units) with individual budgets may execute the expenditure of their budgeted funds and grant moneys with the approval of a majority of their unit members. The expenditure of single transactions exceeding \$10,000 also requires the approval of the Chairperson of the Finance Committee.

7.04 - The Chairperson of Staff-Parish Relations Committee is authorized to execute employee and clergy contracts approved by the Committee and within its authorized budget, even those which exceed \$10,000, without the approval of the Chairperson of the Finance Committee.

ARTICLE 8 MEETINGS

8.01 - The Church Council shall meet at the call of the Senior Pastor or the Chairperson of the Church Council, at such times and places as shall be designated in a notice provided to each Church Council member and the pastor(s) at a reasonable time prior to the appointed time of the meeting. The notice

may be by mail, telephone, or e-mail. The notice shall include the date, hour, and place of all such meetings.

8.02 - An organizational meeting of the Church Council shall be held within sixty days of the beginning of the ensuing calendar or conference year, for the purpose of transacting any business properly brought before it.

8.03 - A quorum at any Church Council meeting shall consist of at least 50% of the Church Council membership, as constituted at the time of the meeting. The acts approved by a majority of those present at any duly called meeting shall constitute the acts of the Church Council, except where a greater than majority vote is required by state law, the Articles of Incorporation, or the *Discipline*. Acts may be approved by general consensus except at the objection of one or more members.

8.04 - The chairperson of each organizational unit (see 4.01), or a designated representative from the unit, should attend each Church Council meeting. Each such organizational unit represented on the Church Council shall be entitled to one vote. If more than one representative from an organizational unit is present at the meeting, only one vote may still be cast for that unit with preference going to the unit chairperson if present. Absentee voting, except live by phone/internet, is not permitted; a representative of the organizational unit must be present to vote. Paid employees from Church staff who serve as treasurer(s), financial secretary or business manager shall not have a vote on Church Council or on the Finance Committee.

8.05 - The Church Council and other committees may act on urgent matters between meetings via written electronic communication. Such matters shall be ratified and noted in the minutes at the next meeting. Extra effort shall be made to ensure and document the inclusion of a member unable to correspond electronically. It shall not become the habit of any committee to regularly correspond electronically in lieu of meeting in-person.

8.06 - In the spirit of openness and accountability, all meetings of councils, boards, commissions and committees of Clarion First Methodist Church, including sub-unit meetings and teleconferences, shall be open and conducted in conformance with the *Discipline*. There are specific exceptions in the *Discipline* for the Staff-Parish Relations Committee when dealing with personnel matters.

8.07 - All meetings of the units of the Church shall be conducted in conformance with Robert's Rules of Order and the *Discipline*.

ARTICLE 9 EDUCATIONAL MINISTRIES

9.01—PURPOSE

The Church believes that the home and church are responsible before God for providing a Christian education. To help fulfill this responsibility of imparting biblical truth and furthering the Great Commission, this Church may establish and maintain an educational program (either a Sunday School and/or a weekday educational program) for the purposes of winning souls to Christ and teaching Bible doctrine, godly worship, and biblical Christian living. To this end, the Church shall engage in educational ministries.

9.02—CHURCH PARTICIPATION

All educational programs or courses of instruction formulated and offered by the Church shall be primarily for the benefit of the members of the Church; however, the pastor and Church Council, on behalf of the Church, may permit non-Church members to participate in Church educational programs or courses of instruction if they deem it in the best interests of the Church.

9.03—AGREEMENT WITH GMC DOCTRINE AND DISCIPLINE

All educational programs or courses of instruction shall be conducted as an integral and inseparable ministry of the Church and shall be taught and presented in full agreement with the *Discipline* of the GMC and the infallible Word of God. The Church shall not hire, appoint, or retain any employee or volunteer for its educational programs who fails to adhere to or who expresses disagreement with the *Discipline* or who adopts or lives a lifestyle inconsistent with the beliefs and practices of this Church, whether in or out of the classroom.

ARTICLE 10 INDEMNIFICATION

10.01 - To the fullest extent permitted state and federal law, the Church shall indemnify any person who was or is a party to any civil, criminal, administrative, or investigative action, suit, or proceeding by reason of the fact that he/she is or was a director or officer of the Church, or is an employee, authorized agent, or authorized volunteer of a duly authorized Church activity, or is or was serving at the request of the Church as a director or officer of another corporation, against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and necessarily incurred by him/her in connection with such action, suit, or proceeding. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which a person may be entitled as a matter of law or by contract. The foregoing shall not apply to matters to which any such person shall be adjudged in such action, suit, or proceeding to be liable for gross negligence or intentional misconduct in the performance of a duty.

10.02 - The Church shall purchase and maintain indemnification insurance for any relevant person to the extent permitted by applicable law.

ARTICLE 11 CONFLICT OF INTEREST POLICY

11.01—PURPOSE

The purpose of this conflict of interest policy is to protect the Church's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or leader of the Church or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state or federal laws governing conflicts of interest applicable to nonprofit and charitable organizations.

11.02—DEFINITIONS

A. Interested Person: Any member of an organizational unit of the Church with governing or delegated powers who has a direct or indirect financial interest.

- B. Financial interest: A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
1. An ownership or investment interest in any entity with which the Church has a transaction or arrangement;
 2. A compensation arrangement with the Church or with any individual or entity with which the Church has a transaction or arrangement; or
 3. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Church is negotiating a transaction or arrangement.
 4. A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the pertinent organizational unit decides that a conflict of interest exists.
- C. Compensation: Direct and indirect remuneration as well as gifts or favors that are not insubstantial.

11.03—PROCEDURES

- A. Duty to Disclose. In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the board and, if applicable, members of committees with governing or delegated powers considering the proposed transaction or arrangement.
- B. Determining whether a Conflict of Interest Exists. After disclosure of the financial interest and all material facts, including any presentations by and discussion with the interested person, he or she shall leave the meeting while the determination of a conflict of interest involving the transaction or arrangement is discussed and voted upon. The remaining members (as applicable) shall decide, by a majority vote of those present, if a conflict of interest exists.
- C. Procedures for Addressing the Conflict of Interest
1. The chairman of the meeting shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
 2. After exercising due diligence, the pertinent organizational unit shall determine whether the Church can obtain, with reasonable efforts, engage a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
 3. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the pertinent organizational unit shall determine by a majority vote of the disinterested directors present at the meeting whether the transaction or arrangement is in the best interests of the Church, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.
- D. Violations of the Conflict of Interest Policy
1. If the pertinent organizational unit has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
 2. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the other members of the organizational unit determine that the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

11.04—RECORDS OF PROCEEDINGS

- A. The minutes of the meeting shall contain the names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the member's decision as to whether a conflict of interest in fact existed.
- B. The minutes of the meeting also shall contain the names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

11.05—COMPENSATION

- A. A voting member of the pertinent organizational unit who receives compensation, directly or indirectly, from the Church for services rendered may not vote on matters pertaining to that member's compensation.
- B. A voting member whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Church, either individually or collectively, is not prohibited from providing information to any committee regarding compensation.

11.06—ANNUAL STATEMENTS

Each person with governing or delegated powers shall annually sign a statement which affirms that such person has received a copy of the conflict of interest policy; has read and understands the policy; has agreed to comply with the policy; and understands the organization is charitable and in order to maintain its federal tax exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

11.07—PERIODIC REVIEWS

To ensure the organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- A. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's-length bargaining.
- B. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Church's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes, and do not result in inurement, impermissible private benefit, or an excess benefit transaction.

11.08—USE OF OUTSIDE EXPERTS

When conducting the periodic reviews as provided for in 10.07, the organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the relevant members of their responsibility for ensuring periodic reviews are conducted.

ARTICLE 12 DESIGNATED CONTRIBUTIONS

From time to time the Church, in the exercise of its religious, educational, and charitable purposes, may establish various funds to accomplish specific goals. If the Church receives a designated contribution for these funds or for any other designated purpose, the Church will attempt to honor the designation; however, all designated contributions shall be deemed advisory rather than legally mandatory in nature and shall remain subject to the exclusive control and discretion of the pastor and the Church Council. No fiduciary obligation shall be created by any designated contribution made to the Church other than to use the contribution for the general furtherance of any of the purposes stated in Articles 1 and 2.

ARTICLE 13 TAX-EXEMPTION PROVISIONS

13.01—PRIVATE INUREMENT

No part of the net earnings of the Church shall inure to the benefit of or be distributable to its members, trustees, officers, or other private persons, except that the Church shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article 1.02 hereof.

13.02—POLITICAL INVOLVEMENT

No substantial part of the activities of the Church shall be the carrying on of propaganda or otherwise attempting to influence legislation. To the extent prohibited by law, the Church shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of (or in opposition to) any candidate for public office.

13.03—DISSOLUTION

Upon the dissolution of the Church, the Church Council shall, after paying or making provision for payment of all the liabilities of the Church, dispose of all assets of the Church to such organization or organizations formed and operated exclusively for religious purposes as shall at the time qualify as an exempt organization or organizations under section 501(c)(3) of the Internal Revenue Code of 1986, as the Church Council shall determine. Assets may be distributed only to tax-exempt organizations that are affiliated with the GMC.

13.04—NONDISCRIMINATION POLICY

The Church shall not discriminate against members, applicants for membership, students, or others on the basis of race, color, *nationality*, or *ethnic origin*; *however, as a religious institution it reserves the right to deny or terminate employment or to deny or terminate any other status of persons whose lifestyle, words, actions or otherwise do not align with the Discipline, standards of conduct or other policies of the Church.* This policy statement is not intended to waive the ministerial exception or any other exception or exemption to federal, state, or local antidiscrimination laws or regulations.

ARTICLE 14 BINDING CHRISTIAN ARBITRATION

14.01—SUBMISSION TO ARBITRATION

Members of the Church are encouraged to submit to the jurisdiction of the Global Methodist Church as outlined in the *Discipline*, or in the alternative, to binding Christian arbitration regarding any legal matters

regarding the church that cannot otherwise be resolved, and expressly waive any and all rights in law and equity to bring any civil disagreement with the Church before a court of law, except that judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.

14.02—ARBITRATION PROCEDURES

The procedures for arbitration shall be as adopted, as needed, by the Church Council or will use arbitration procedures provided by the GMC or by the National Center for Life and Liberty. This arbitration provision is ecclesiastical and faith-based in nature and is intended to operate under the rules and guidelines of this local Church. It is not intended to operate under any state or federal guidelines for arbitration.

ARTICLE 15 SAFE SANCTUARY POLICY

15.01 – The Church Council shall adopt, evaluate, and enforce a comprehensive Safe Sanctuary policy.

ARTICLE 16 AMENDMENTS

16.01 - These bylaws may be revised or amended by a majority vote of the eligible members present and voting at any regular Church Council meeting, provided that said revision or amendment is announced from the pulpit for at least two consecutive Sundays, and at least fourteen days before the vote is taken. Proposed amendments or changes must be made available to voting members for review at least one week prior to the meeting at which the vote to amend the bylaws will be taken.

16.02 - Amendments become effective immediately upon a majority vote approving same.

These Bylaws were adopted by a majority vote of the members present and voting at a duly called meeting of the Church Council in which a quorum was present.

Date

Chairperson of the Church Council

Date

Church Council Secretary