Bylaws Importance for All Churches

General Rationale

- Most states (36) require corporations to enact bylaws. E.g., Missouri Nonprofit Corporation Law (355.116. Bylaws) "The incorporators or board of directors of a corporation shall adopt bylaws for the corporation. The bylaws may contain any provision for regulating and managing the affairs of the corporation that is not inconsistent with law or the articles of incorporation."
- **IRS advice**. "Nonprofit organizations generally find it advisable to have internal operating rules," usually called bylaws.
- Expert ecclesial law advice. "While churches can exist without them, a church without bylaws is a fertile ground for disputes. Even a very basic and simple set is better than nothing." (Forrest Norman, church-law attorney and EPC elder). "Because bylaws contain rules for internal governance and administration, they are indispensable for churches." (Attorney Richard Hammer*).

Specific Rationale

- Connection. Bylaws establish the church's relationship with a denomination and its beliefs, authority, membership requirements, and governance provisions, which offer legal safeguards for church actions.
- 2. **Distinction**. A church's dual identity as a legal corporation and ecclesial entity may be confusing to members, so bylaws articulate this uniqueness as clearly as possible.
- 3. **Membership.** Formal means of receiving and removing members is required for an ecclesial corporation of any size and age. The responsibilities and privileges of membership must be established at the outset, perhaps beyond what is contained in denominational rules.
- 4. **Organization**. Regardless of size, members and leaders need to know how the church is organized to accomplish its mission and what it means to be self-governed and self-operated. Bylaws orient them about members' and leaders' role, accountability, responsibilities, and rights.
- 5. **Leadership appointment or removal.** From its start, elected officers and their successors must be chosen and appointed for roles within the church. Bylaws provide a predetermined selection and approval method instead ad hoc processes that easily create confusion and conflicts.
- 6. **Meetings.** Officers and members must meet and handle business periodically. For explicit guidance, bylaws describe requirements for when and how these meetings will be conducted.
- 7. **Reliable**. Churches of all sizes should not make organizational decisions based on tradition, institutional memory, spontaneous decisions, informal practices, or even minutes of a committee. Written bylaws provide durable consensual direction based on forethought and best practices.
- 8. **Reporting**. Churches of all sizes and ages must keep financial records based on an annual accounting period and retain permanent records of officer and corporate meetings. Compliance rules are generally specified in their bylaws.
- 9. **Growth.** As church plants grow, they become increasingly complex, stretching informal systems and structures. Bylaws are designed to efficiently bear the weight of governing and leading a growing and increasingly diverse church.
- 10. **Conflict.** Churches of all sizes can't predict when inevitable conflicts will arise. Bylaws clarify expectations about roles, participation, authority, and decision-making, and may include provisions beyond the denomination's rules for church governance and discipline.
- 11. **Protection**. New and small churches risk many of the same liabilities as larger, more mature churches. Bylaws explain the church's purpose, beliefs, and authority to provide religious liberty and other legal defenses. Defense attorneys want to view current formal bylaws in event of litigation against the church. See addendum for recommendations from church law experts.
- 12. **Property.** Even if a church owns no real estate (and before it does), the church owns personal property such as music, media, computer, and childcare equipment. These items as well as eventual real property must be formally established as not available for public accommodation and can only be used for Session-permitted purposes.
- 13. **Liability**. From the start of the corporation, officer actions can incur legal risk. Bylaw provisions protect corporate officers from personal liability as they act on behalf of the church.
- 14. **Incremental**. Bylaws can start simple and be expanded/amended to adapt to needs of larger, more complex churches. Bylaws define how provisions can be amended to suit emerging needs.

^{*} https://www.churchlawandtax.com/blog/2015/june/what-are-church-bylaws.html

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Addendum

http://bciowa.org/wp-content/uploads/2015/08/Five-Things-All-Churches-Should-Have-In-Their-Bylaws.pdf

- 1. Adopt a written statement of faith about marriage.
- 2. Establish religious employment criteria.
- 3. Create a facility use policy.
- 4. Establish a written marriage policy.
- 5. Adopt a written membership policy.

https://www.thegospelcoalition.org/article/5-actions-churches-should-take-in-a-changing-legal-culture/

- 1. Statement about religious belief regarding marriage, gender, and human sexuality.
- 2. Identify governing body that is the sole authoritative interpreter of scripture.
- 3. Formal membership policy.
- 4. Procedure for formal member discipline and membership revocation.
- 5. Procedure for rescinding membership.

Note: Italicized elements above are easily included in bylaws. Other elements should be memorialized in Board/Session minutes and detailed in Board/Session-approved policy documents.

Table of Contents (of bylaws template available from XP-on-Demand)

- 1. Identity and Obligations
- 2. Membership
- 3. Organization and Government of the Corporation
- 4. Officers of the Church
- 5. The Pastor
- 6. The Session
- 7. The Board of Deacons
- 8. The Board of Trustees (EPC)
- 9. Conduct of Officer Meetings
- 10. Congregational and Corporate Meetings
- 11. Church Records
- 12. Property
- 13. Dispute Resolution
- 14. Liability Protection and Indemnification
- 15. Severability
- 16. Amendments