



# Recommended Bylaws Changes for Northside Baptist Church

Prepared for the Membership

August 7<sup>th</sup>, 2016

# Introduction

- Our bylaws (often referred to as a Church Constitution) are the legal governing document of the church – they determine several things –
  - How we are organized and led
  - What oversight is in place
  - Where certain decisions should be made, and by whom
- As one example – our bylaws dictate that we are a “Congregational Ruled” church – from a legal standpoint, you the congregation are ultimately in charge

# Introduction (continued)

- In late 2014, a consensus developed that the Deacons should review the bylaws of the church
  - Several pastors left under less than ideal circumstances
  - The current bylaws leave some areas as gray and undefined
  - It had been roughly a decade since the last comprehensive review
- This process began before Dr. Brown was called as Interim Pastor early last year

# Who Was Involved?

- In early 2015, a committee was formed, consisting of -
  - *Brian Kay (Committee Chairman)*
  - *Scott Renstrom (Chairman of the Deacon Board)*
  - *Jerry Maslar*
  - *John Gouch*
  - *Nate Brown (as staff representative)*
  - *Gordon Hostetler*
  - *Marc Zimmerman*
  - *Darrell Childers*
- Additional Advice & Counsel
  - *Dr. Joe Brown – Senior Pastor*
  - *Ken Morgan (Chairman of Finance Committee)*
  - *Pamela Wedding (business administrator)*
  - *Marty Hartley (Attorney and non-profit expert in FL)*
  - *Dave Wedding (Finance Committee & governance expert)*

# What's Before You in the New Bylaws?

- The unanimous recommendation of the full Deacon board
- *Two Things to Note:*
  - *When reading the document, you'll notice many changes made for the purposes of clarity, with some articles being re-organized. A re-organization of an article or section doesn't necessarily mean that changes were made*
  - *It is recommended that the Statement of Faith be moved into a separate document, which may only be changed by a  $\frac{3}{4}$  vote of the congregation*
    - *The Statement of Faith should change less often than the bylaws, if ever*
    - *This change arguable strengthens & protects the Statement of Faith by moving them a step away from the Church Bylaws*

# The Revisions Follow Three Primary Themes:

- Transparency and Openness
- Strengthening of a key committee to enable optimal communication between the Senior Pastor and the Deacons
- Strengthened financial controls & accountability

# Transparency and Openness

- Added a section outlining additional specific rights of members (Art. 3 Section 5)
  - May vote on all matters before the church
  - Have access to certain documents such as meeting minutes and financial records of the church (excluding individual personnel files)
- All Deacons must disclose any potential conflicts of interest at the beginning of each term (Art. 4 Section 9)
  - Examples include family members employed by the church or school, part-time employment with the church, etc.
- A business meeting may be called by 15% of eligible members signing a petition stating the reason for the meeting (Art. 9 Section 3)

# Transparency and Openness (continued)

- A business meeting may be postponed by ANY member of the congregation for 14 days if proper notice of the meeting and topic wasn't given by the Pastor or Deacons (Art. 9 Section 6)
- Bylaws changes may only occur at a duly called business meeting provided that the changes have been presented to the church at least 14 days prior (Art. 15)



# Optimal Governance Structure

- An Executive Committee already exists in the current bylaws. However, makeup and responsibilities of the committee were not defined, and in practice this has typically not been a standing committee
- These recommended bylaws specify makeup and roles & responsibilities of the committee (Art. 4, Section 6, among other places)
- The Executive Committee consists of 5 people – 4 of which are elected by the Deacon Board annually
  - Senior Pastor
  - Chairman of Deacons
  - Vice-Chairman of Deacons (new position)
  - Chair of Finance Committee
  - At-Large Deacon

# Role of Executive Committee

- Reviews budget after Finance Committee recommendation (Art. 6)
- Authorize up to \$10,000 in emergency spending for non-budgeted items (Art. 6)
- Recommends salaries for existing employees, approves salary for new employees (Art. 6)
- Approves recommended Pastoral Staff hires or dismissals as recommended by the Senior Pastor (Art. 7), and part of the interview process as possible
- Must approve financial value of any contract position, and any renewal of contract staff on an annual basis (Art. 7)

# Role of Executive Committee (cont'd)

- Recommends to the Deacons the compensation for any new Senior Pastor (Article 8)
- Notified by Senior Pastor of any intention to resign in the future (Art. 8)
- Appoints Discipline Committee with approval of Deacons (Art. 10)
- Designates church staff in charge of storing background checks and employment agreements (Art. 13)

# Financial Controls

- Chairman of the Finance Committee will now be elected by the Deacon Board (Article 4)
  - Previously selected by Finance Committee
  - Given the importance of this role in the budgeting process and for financial oversight & leadership, this change was made
  - Also a member of the Executive Committee
- Business Administrator position now requires “CPA or similar” qualifications (Art. 5)
  - Not currently an issue, added as a best practice
  - Business Administrator also jointly reports to the Senior Pastor and the Finance Committee

# Financial Controls (cont)

- Miscellaneous Financial Controls added/revised/specified (Art. 6)
  - Added phrasing “or series of related expenditures” to \$5,000 cap to tighten criteria
  - “Emergency funds” designation limited to \$10,000 (no limit previously) and requires approval of Executive Committee
  - Finance committee must ratify the value of land for any sales or transactions
- Salaries for church staff now recommended by the Executive Committee (Art. 6)
- Very consistent limitation that any unbudgeted expenditure exceeding \$100,000 must be approved by the Congregation (Art. 6)
- Contract staff positions must be approved and renewed annually by the Executive Committee (Art. 7)

# Other Changes Worth Noting

- Articles of Faith are unchanged but are now part of a separate document
  - Requires  $\frac{3}{4}$  vote of the congregation to change/amend the church's Articles of Faith – with at least 4 weeks notice
  - By comparison, a  $\frac{2}{3}$  vote is the sole requirement to change the bylaws – with 14 days notice
- Senior Pastor shall conduct annual performance reviews for all pastoral staff (Article 7)

# Other Changes Worth Noting (continued)

- A provision in Article 8 (Senior Pastor) now provides for a smooth succession planning process that allows for the participation of the Senior Pastor should it be warranted

# What is Expected of Members?

- 50 copies of both the current and revised bylaws are up front
- Please take a copy of each (1 per family) and carefully read and review both.
  - It is arguably a key duty of yours as a church members to pay close and prayerful attention to these recommendations
  - A reminder that many of the changes you'll see are cosmetic – re-organization of articles and sections for clarity and consistency
- Ask questions!
  - I will be down front after this session for a period of time
  - You may also feel free to e-mail me at [brian.charles.kay@gmail.com](mailto:brian.charles.kay@gmail.com) with questions, or to request that you be e-mailed a copy of the current & revised bylaws
  - Grab a deacon and ask questions!



# What's Next?

- A business meeting will be held after the morning service on Sunday August 21<sup>st</sup> with the following agenda –
  1. Q&A - we will gladly respond to questions e-mailed ahead of time, or asked during the meeting
    - E-mailed questions may be sent ahead of time to [brian.charles.kay@gmail.com](mailto:brian.charles.kay@gmail.com)
    - A time for live Q&A during the meeting will be provided
  2. Vote
    - We will vote as a congregation regarding whether to accept these recommended changes
- Thank you for your time today!
  - Come down front if you have any immediate questions



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