
Bylaws Committee Virtual Meeting Minutes February 10, 2022

Present: Janet Kirby, Erin Knott, Mark Peters, Steve Schneider

Steve opened the meeting opened in prayer. There were no additions to the agenda.

Review of Action Log Items

It was noted that the work on resources for churches on Nominating Committees and Annual General Meetings has begun but was paused due to transition in the District Office. It is anticipated that the work will resume in 2022.

It was agreed that the following clause and explanatory note be added to the *Model Church Bylaws* (MCB) for added clarity on the restoration of Official Workers under discipline:

2.3.3.2.1 A Member not in Good Standing who is an Official Worker may only be returned to Active Member status by the Board upon the authorization of the District Superintendent and confirmation that the discipline process is complete and the Official Worker is restored to active ministry.²

²*Policy on Discipline, Restoration and Appeal for Official Workers, Section 2.2*

[Discipline and restoration of an Official Worker are under the purview of the district, not the Board.]

It was agreed that requirements for electronic meetings be added to clause 3.6 (as the second paragraph and corresponding list) to read:

3.6 The Board of Elders may, during exceptional circumstances, approve and provide for electronic voting measures and procedures to conduct an Annual General Meeting or Special Meeting of the church's members, if, in the opinion of the Board, those measures are necessary to conduct the meeting.

Notice of the meeting shall provide instructions for attending or participating in the meeting. Such meetings shall ensure that members have the following capabilities:

- The ability to determine if a quorum is present.
- The ability to enter into discussion and be heard by those in attendance.
- The ability to vote.

It was agreed that the suggested addition of a clause as 4.1.2 should not be included in the MCB as it is already included in the *Local Church Constitution* (LCC) and would be redundant.

After discussion on clause 5.3 b) it was agreed to recommend to DEXCOM the following amendment:

From:

5.3 *The Board may, upon approval of the District Executive Committee:*

- a) *borrow money upon the credit of the church by obtaining loans or advances or by way of overdrafts or otherwise*
- b) *issue, sell, or pledge securities of the church including bonds, debentures, and debenture stock for such sums on such items and at such prices as they may deem expedient*

To:

5.3 THE BOARD MAY, UPON APPROVAL OF THE DISTRICT EXECUTIVE COMMITTEE:

- a) BORROW MONEY UPON THE CREDIT OF THE CHURCH BY OBTAINING LOANS OR ADVANCES OR BY WAY OF OVERDRAFTS OR OTHERWISE
- b) BUY, SELL, OWN, OR PLEDGE PUBLICLY TRADED BONDS OR SECURITIES OF THE CHURCH AT SUCH PRICES AS THEY MAY DEEM EXPEDIENT

Action Item – Janet Kirby to write an explanation on the recommended change to clause 5.3 for inclusion in the Decision Profile for DEXCOM at the April 2022 meeting regarding revisions to the Model Church Bylaws, with the explanation to include the following:

- DEXCOM’s potential liability and risk where principal is not protected

- a recommendation that the District Finance Committee (FinCom) be given authority to approve loans up to a specified DEXCOM-approved amount, noting that this will necessitate a change to the *DEXCOM Standing Committee on Finance Terms of Reference*
- a suggestion that should FinCom be given such authority, that they develop a DEXCOM-approved policy outlining the parameters regarding the types of investments churches are able to engage in
- a recommendation on an amendment or addition to the *DEXCOM Policy Governance Manual* to align with these changes

It was agreed that for greater clarity, the purple explanatory notes be expanded under clauses 3.1.4 and 5.7 as follows:

Clause 3.1.4

From:

[Churches with an annual revenue not exceeding \$250,000 may by special resolution of the members choose to use a compilation engagement as outlined in the *Local Church Constitution*, Article 12.2.]

Reminder – parallel language should be used in clauses 3.1.2, 3.1.3, 3.1.4, and 5.7 to define the financial reporting allowed.]

To:

[Reminder – parallel language should be used in clauses 3.1.2, 3.1.3, 3.1.4, and 5.7 to define the financial reporting allowed.]

Churches with an annual revenue not exceeding \$250,000 may by special resolution of the members choose to use a compilation engagement as outlined in the *Local Church Constitution*, Article 12.2.

Churches with an annual revenue not exceeding \$250,000 that are choosing to use the alternate clause 5.7 and are choosing that the financial statements be reviewed when a compilation is not possible would remove all references in 3.1.2, 3.1.3, 3.1.4, and the alternate 5.7 to “audits” and “audited” and instead refer only to “compiled or reviewed” and “compile or review”.

For churches that have determined that it is a review that is required each year, 3.1.2, 3.1.3, and 3.1.4 above and 5.7 should have all references to "compiled", "compile", "audited", and "audit" removed and instead refer only to "reviewed" and "review".

For churches that have determined that it is an audit that is required each year, 3.1.2, 3.1.3, and 3.1.4 above and 5.7 should have all references to "compiled", "compile", "reviewed", and "review" removed and instead refer only to "audited" and "audit".]

Clause 5.7 (second instance)

From:

[Reminder – parallel language should be used in clauses 3.1.2, 3.1.3, 3.1.4, and 5.7 to define the financial reporting allowed.]

To:

[Reminder – parallel language should be used in clauses 3.1.2, 3.1.3, 3.1.4, and 5.7 to define the financial reporting allowed. See explanations below section 3.1.4 for more information.]

In response to Jeffrey Ku's suggestion to revise clause 7.7, it was agreed to amend this clause to become clause 7.6.2 as a best practice to provide it with equal weight to the clauses above it. Clauses 7.6, 7.6.1, and 7.7 were not recommended to DEXCOM to become mandatory as it was believed this would be heavy-handed and an overreach given that the LCC does not provide such a requirement. This explanation will be included for DEXCOM in the decision on MCB revisions coming to the April meeting, and the amendment is as follows:

From:

7.7 ***Such nominations must be included on the ballot without being vetted by the Nominating Committee.***

To:

7.6.2 Such nominations must be included on the ballot without being vetted by the Nominating Committee.

After discussion, it was agreed that clause 8.3 should be included for separately incorporated churches as it currently reads and that an alternate clause 8.3 for churches that are not separately incorporated should also be included to increase awareness.

It was recognized that while this language is embedded in the LCC, including these clauses is useful for teaching churches and members about the relationship to the district regarding real property, appurtenances, and effects of the church.

Action Item – Steve Schneider to craft an alternate clause 8.3 for churches that are not separately incorporated as well as an explanatory note that this clause is a provision already contained in the *Local Church Constitution*.

Action Item – Steve Schneider to write a Decision Profile for DEXCOM responding to their previous question about clause 8.3 and its applicability to all churches that recommends that an alternate clause 8.3 and accompanying explanatory note be included in the *Model Church Bylaws*.

It was agreed that clause 8.3 and the newly crafted alternate clause 8.3 be amended from "SHOULD THE CHURCH CEASE TO EXIST" to "SHOULD THE CHURCH CEASE TO EXIST OR BE SUBJECT TO THE MANUAL OF THE CHRISTIAN AND MISSIONARY ALLIANCE IN CANADA" to align with the LCC.

Changes to the LCC 12.2

The change enacted by the Alliance Canada Board of Directors to LCC, 12.2 regarding compilation engagements was reviewed. It was agreed that this enacted change will be coming to the floor at General Assembly 2022 and that the MCB should not be changed until it is ratified.

It was agreed to recommend to DEXCOM that the only basis of accounting that is acceptable to the district continue to be the Accounting Standards for Not-for-Profit Organizations until Article 12.2 is ratified at General Assembly 2022.

Action Item – Janet Kirby to write a Decision Profile for the April DEXCOM meeting that recommends that the only basis of accounting acceptable to the district continue to be the Accounting Standards for Not-for-Profit Organizations until Article 12.2 of the *Local Church Constitution* is ratified at General Assembly 2022.

Draft Bylaws Committee Terms of Reference

The initial draft of the Bylaws Committee Terms of Reference was circulated to the committee in advance, and conversation was held around the committee's purpose. It was noted that the work of the district has evolved now that the majority of churches have completed a full review and that Erin is in her current role.

It was agreed that there was wisdom in having the committee continue its work in some capacity and suggestions that the committee considers expanding beyond only bylaws to other governance work. Gratitude for Steve and Janet's contributions was expressed as well as a desire to see them continue in this work. Potential additional members were suggested.

Janet Kirby left the meeting.

It was agreed that work on the Terms of Reference will continue at a later date.

Action Item – Erin Knott and Mark Peters to review the draft Bylaws Committee Terms of Reference and bring back a suggested edit to the next Bylaws Committee meeting.

Information Items

It was noted that a Chinese version of the MCB is in review.

Future Meetings

The next meeting will be scheduled after the April DEXCOM meeting.

The meeting adjourned at 5:09pm.