

ACF BY-LAWS

ARTICLE I: NAME & PRINCIPLE OFFICE

This church shall bear the corporate name of ACF Church, which has been organized exclusively for religious purposes within the meaning of Section 501(c) (3) of the Internal Revenue Code. The Church maintains its principal office at 16610 Brooks Loop. Changes to the corporate name can only occur by action of the Governing Board (see Article VII).

ARTICLE II: PURPOSE & MISSION

ACF Church exists to fulfill its Biblical mandate and purpose to glorify God by following Jesus Christ in authentic Christ-like community, for the good of our lost and needy neighborhood, region and world (Romans 12:1-2; Acts 2:42-47; Ephesians 4; Matthew 28; Acts 1:8).

ARTICLE III: STATEMENT OF FAITH

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| Section 1 | We believe all people are created in God's image and are exceedingly valuable to Him. Central to the message of the Bible is that God loves people, and invites them to live in communion with Himself and community with each other. Genesis 1:26-27; John 3:16-17; Acts 2:42-47; Colossians 3 |
| Section 2 | We believe there is only one God, creator of heaven and earth, who exists eternally as three persons; Father, Son and Holy Spirit, each fully God yet each personally distinct from the other. Genesis 1:1; Matthew 28:19-20; John 14:15-17 |
| Section 3 | We believe Jesus Christ was born of the Virgin Mary, fully God and fully human, and lived a sinless human life. He willingly took all of our sin(s) upon himself, died and rose again bodily, and is at the right hand of the Father as our advocate and mediator. Some day, He will return to fulfill the eternal plan of God. Matthew 1:22, 23; Isaiah 9:6; John 1:1-5, 14:1; 1 Corinthians 15:3-4; 1 Timothy 2:5; Hebrews 7:25 |
| Section 4 | We believe apart from Jesus Christ, all people are spiritually lost and, because of sin, deserve the judgment of God. However, God gives salvation and eternal life to anyone who trusts in Jesus Christ and in His sacrifice on his or her behalf. Salvation cannot be earned through personal |

goodness or human effort. It is a gift that must be received and is secured by humble repentance and faith in Christ and his finished work on the cross. Romans 3:21-26; Romans 5:1-11; Ephesians 2:8-9

- Section 5 We believe the Holy Spirit convicts the world of sin and draws people to Christ. He also dwells within all followers of Jesus. He is available to empower them to lead Christ-like lives, and gives them spiritual gifts with which to serve the church and reach out to a lost and needy world. 2 Corinthians 3:17; John 16:7-13, 14:16-17; Acts 1:8; Ephesians 5:18
- Section 6 We believe all who follow Jesus are members of the body of Christ, the one true Church universal. Spiritual unity is to be expressed among Christians by acceptance and love of one another across ethnic, cultural, socio-economic, national, generational, gender, and denominational lines. Ephesians 1:22-23, 4:15; Colossians 1:18, 3:11; Ephesians 3:17-19, 4:13-16
- Section 7 We believe death seals the eternal destiny of each person. At the final judgment, unbelievers will be separated from God into condemnation. Followers of Jesus will be received into God's loving presence and rewarded for their faithfulness to Him in this life. Matthew 25; 2 Thessalonians 1:6-9; 1 Corinthians 3:10-14
- Section 8 We believe the local church is a mosaic of believers who gather for worship, prayer, instruction, encouragement, mutual accountability, and community. Through it, believers invest time, energy, spiritual gifts, and resources to fulfill the Great Commission. Baptism and Communion are practiced by ACF Church as key identifying symbols of Jesus' death and resurrection. Acts 2:38, 42-47; Matthew 28:16-20; Romans 6; Hebrews 10:25; 2 Timothy 2:2; 1 Corinthians 11:23-36, 12:7; Acts 1:8
- Section 9 We believe the Bible is God's unique revelation to people. It is the inspired, infallible Word of God, and the supreme and final authority on all matters upon which it teaches. No other writings are vested with such divine authority. Matthew 5:18; 2 Timothy 3:16; 2 Peter 1:20-21; Psalm 119:105-106

ARTICLE IV: RELATIONSHIP

- Section 1 ACF Church is a church of the Christian & Missionary Alliance (C&MA) within the Alliance NW, and may draw upon the latter's resources as determined by the Lead Pastor and/or the Governing Board.
- Section 2 REVERSION: ACF Church is connected with and subordinate to its parent religious organization, The Christian and Missionary Alliance, a Colorado nonprofit corporation, this church agrees to be subject to and

abide by the terms and conditions of Article IV of the C&MA Constitution relating to the reversion of property of accredited churches.

Section 3 DELEGATES: Lay Delegate(s) may be appointed annually by the Governing Board to the C&MA General Council and the Alliance NW annual conference.

Section 4 Recognizing the benefits of cooperation and participation with other churches and Christian ministries worldwide, ACF Church shall be supportive of the mission of the C&MA around the world. It may also cooperate with the ministries of other organizations.

ARTICLE V: Partnership

Section 1 Membership and Partnership are synonymous terms for ACF Church.

Section 2 QUALIFICATION: Qualifications for Partnership shall consist of: 1) Confession of faith in Jesus Christ and evidence of a life devoted to following Him (often times baptism is a prerequisite); Agreement with the stated mission, vision, values and statement of faith of ACF Church, completion of the Partnership process and a commitment to abide by the Partnership Covenant.

Section 3 RESPONSIBILITY: The responsibilities of Partnership are: To pursue a Christ-like life, to protect the unity of the church; to share in the responsibility of the Church through prayer, service and financial support; and to regularly participate in the life of the church.

Section 4 APPROVAL: The Governing Board shall approve all applicants for Partnership upon completion of the Partnership process. Paid Pastoral Staff who are licensed for ministry in the Alliance NW and their spouse shall automatically be taken into Partnership when hired, provided they meet the requirements for Partnership, go through the Partnership process within one year, and abide by the Partnership Covenant.

Section 5 REMOVAL: Persons who are no longer active in the life of the church may be removed from the Partnership list by action of the Governing Board. The Governing Board may dismiss persons from Partnership if their conduct is not in accord with the Partnership Covenant (appended).

Section 6 CONFLICT RESOLUTION: The Biblical procedure and principles for reconciliation apply in attempting to resolve all relational conflicts within the church. It is the responsibility of the believer to go promptly to another person when he/she has been offended, or when he/she has reason to believe that he/she may have done the offending.. (Matthew 5:23-24; 18:15-19; Ephesians 4:26-27)

ARTICLE VI: ANNUAL MEETING

- Section 1 **ANNUAL MEETING:** There shall be an annual Partnership Meeting, at which time the Partners shall receive ministry reports including reports of the treasurer, affirm Governing Board members presented by the nominating committee, and celebrate the work of Jesus through ACF Church. On general church matters, in which no legal questions are involved, it is understood that all Partners in good standing and of 18 years of age and older are entitled to vote.
- Section 2 **TIME AND DATE:** The Annual Meeting shall be held during the first quarter of the calendar year, at a time and place to be fixed by the Governing Board. The schedule and purpose of the meeting shall be announced at least one week in advance, with notice given at weekend worship services. If, in the judgment of the Governing Board, the meeting cannot be held during the first quarter of the calendar year, it shall be held as close to the first quarter as possible.
- Section 3 The Governing Board shall be responsible for the affairs of the church between Annual Meetings.
- Section 4 **SPECIAL MEETINGS:** The Governing Board may call special meetings of the Partnership. The purpose of such meetings shall be announced at least one week in advance, with notice given at weekend worship services.
- Section 5 **RIGHTS:** Every Member shall have the right to vote:
- a. Affirm the recommendation of the Governing Board for calling a Lead Pastor.
 - b. Affirm the recommendation of the Nominating Committee for calling Governing Board members.
 - c. Amend Articles of Incorporation when necessary.
 - d. Adopt, amend or repeal Bylaws.
 - e. Adopt or amend any merger agreement.
 - f. Approve the acquisition or improvement of real property that exceeds 10 percent of the annual budget.
- Section 6 **QUORUM:** Those Partners present and voting at a meeting duly called and announced shall constitute a quorum of the Partnership for the transaction of business. Voting by proxy is not permitted. A two-thirds majority is required for passage of all business.

ARTICLE VII: Governing Board

- Section 1 **BOARD OF DIRECTORS/GOVERNING AUTHORITY:** The Governing Board shall be considered the Board of Directors for the purposes of all laws of incorporation of the State of (state name). It shall exercise all other powers conferred by applicable laws. The Governing Board is the Governing Authority at ACF Church in conformity with C&MA Constitution, and shall be responsible for the affairs of the church between Annual Meetings.
- Section 2 **COMPOSITION:** Members of the Governing Board shall include the Lead Pastor and non-paid Partners of ACF Church who are recognized as gifted and qualified to lead and who are serving in a ministry of the church. One additional member of the Pastoral Staff may serve as a member of the Governing Board upon request by the Lead Pastor.
- Section 3 **NUMBER:** The number of Governing Board members shall be no less than 5 and no more than 10 with always maintaining a majority of Elders on the board. The Governing Board will determine the number of members needed and communicate that need to the Nominating Committee prior to the Annual Meeting.
- Section 4 **QUALIFICATIONS:** Governing Board members shall satisfy the Scriptural standards for church leadership as well as demonstrated and consistent sacrificial financial contribution to the church. Governing Board members shall have been Partners of ACF Church, in good standing, for at least one year prior to being placed on the Governing Board. All Governing Board members shall be actively serving in the broader ministry of ACF Church. Governing Board Members shall personally affirm their qualification each year during a designated Governing Board meeting.
- Section 5 **AFFIRMATION:** All non-paid Partners recommended for a Governing Board position shall be affirmed by the Partnership at the Annual Meeting. Elders must be confirmed by the elders and undergo a two week process of confirmation by the Partnership
- Section 6 **TERM:** The term of service shall be two years beginning on the first day of the month following a vote from the Partnership. Governing Board members may serve a maximum of two consecutive terms. Thereafter, previous Governing Board members are eligible for reelection or reappointment in the case of a vacancy on the Governing Board
- Section 7 **VACANCIES:** The Governing Board may fill vacancies on the Governing Board as necessary by appointment until the next Annual Meeting.

- Section 8 Governing Board MEMBER REVIEW:
- a. A review may be held by the Governing Board during the first twelve months of service by a new Governing Board member to determine the level of compatibility with the direction, purposes, and functions of the Governing Board. Changes shall be possible by consensus of the Governing Board or by request of the new Governing Board member.
 - b. At any time the Governing Board may review the service and/or life decisions of a Governing Board member to determine continued qualification and compatibility with the Vision, of ACF Church and his (/her) chemistry within the Governing Board. Discontinuance of the Governing Board member under review requires a unanimous decision of the other Governing Board members.
- Section 9 GOVERNANCE: The Governing Board is entrusted by the Partnership with the governance of the Church. The Governing Board serves ACF Church as follows:
- a. Ministry Outcomes: Given the biblical purposes for the local church the Governing Board champions the unique vision of those purposes at ACF Church. This vision is expressed in specific ministry outcomes annually. The ministry outcomes are accompanied by an annual budget that is approved by the Governing Board. It is the responsibility of the Governing Board to protect and insure ministry outcomes are being accomplished by the Lead Pastor through ministry leaders and staff.
 - b. Governing Body Process: Addresses how the Governing Board makes decisions and how each member is accountable to the others.
 - c. Lead Pastor Expectations: Specifies the Governing Board's expectations for the Lead Pastor, the Governing Board's means for evaluating the Lead Pastor against stated Ministry Outcomes, and the Governing Board's standards and procedures for financial accountability.
 - d. Governing Board/Staff Relations: Specifies how the Governing Board delegates ministry to the Lead Pastor and monitors the outcomes of the ministry.
- Section 10 FACILITATOR: A Governing Board Facilitator may be appointed by the Lead Pastor from the Governing Board membership and confirmed by two-thirds of the Governing Board. The Governing Board Facilitator:
- a. Works in concert with the Lead Pastor to set agenda for the Governing Board Meetings.
 - b. Convenes and facilitates Governing Board Meetings.
 - c. Ensures that basic minutes of all Partnership meetings and Governing Board meetings are kept.
 - d. Is the primary representative of ACF Church to the Alliance NW Superintendent when the Lead Pastor position is vacant.

- Section 11 **QUORUM:** A quorum for the legal conduct of business shall be three quarters of current Governing Board membership.
- Section 12 **Partnership & CHURCH DISCIPLINE:** The Governing Board shall function as the Committee on Partnership and shall have final responsibility for matters of discipline.
- Section 13 **Governing Board MEETINGS:** The Governing Board shall meet no less than once each month.

ARTICLE IX: LEAD PASTOR AND OTHER STAFF

- Section 1 **SELECTION:** The Governing Board will give consideration to Lead Pastor candidates in consultation with the Superintendent of the Alliance NW. Potential candidates must be licensed or eligible to be licensed from the Alliance NW. The Governing Board shall be authorized to hire a Lead Pastor following the approval of the Superintendent and affirmation of the candidate by the Partnership of the church.
- Section 2 **RESPONSIBILITY:** The Governing Board shall hold the Lead Pastor responsible for providing leadership toward the fulfillment of the Biblical purposes, mission and vision of ACF Church. The Lead Pastor is responsible to the Governing Board for leading and giving oversight to the ministries of ACF Church, will be expected to uphold the Biblical requirements of his office as an Elder and will provide oversight and management of the church, staff, and care of its Members (Acts 14:2 20:28-32; Titus 1:5-9; 1 Timothy 3:1-7, 5:17; 1 Peter 5:1-4).
- Section 3 **DISMISSAL:** The Governing Board has authority, in consultation with the Alliance NW Superintendent, to dismiss a Lead Pastor if he should fail to perform his duties satisfactorily or act in a manner inconsistent with the Biblical requirements of an Elder.
- Section 4 **EMPLOYED STAFF:** The Lead Pastor is responsible for the hiring and dismissal of paid staff. The Lead Pastor or his designate is responsible to supervise, evaluate, and manage the activities of the paid staff and ministry leaders of ACF Church.
- Section 5 **MINISTRY TEAMS:** The responsibilities of trustees, deacons, deaconesses, elders and other ministries and offices prescribed by the C&MA Constitution or needed to achieve ministry outcomes will be performed by ministry teams accountable to the Lead Pastor or his designate, consistent with and for the purpose of fulfilling the mission, vision and purposes of ACF Church.

Section 6 TREASURER: a Financial Officer will be appointed by and accountable to the lead Pastor to ensure all monies of the church are handled according to Policy established by the Governing Board.

ARTICLE X: INDEMNITY PROVISIONS

Section 1 POWER TO INDEMNIFY: The Corporation shall have the following powers:

a. The corporation may indemnify and hold harmless to the full extent permitted by applicable law each person who was or is made a party to or is threatened to be made party to or is involved (including, without limitation, as a witness) in any actual or threatened action, suit or other proceeding, whether civil, criminal, administrative or investigative, and whether formal or informal (hereinafter a "Proceeding"), by reason of that fact that he or she is or was a director, officer, employee or agent of the corporation or, being or having been such a director, officer, employee or agent, he or she is or was serving at the request of the corporation as a director, officer, employee, agent, trustee, or in any other capacity of another corporation or of a partnership, joint venture, trust or other enterprise, including service respect to employee benefit plans, whether the basis of such proceeding is alleged action or omission in an official capacity or in any other capacity while serving as a director, officer, employee, agent, trustee or in any other capacity, against all expense, liability and loss (including, without limitation attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts to be paid in settlement) actually or reasonably incurred or suffered by such person in connection therewith. Such indemnification may continue as to a person who has ceased to be director, officer, employee or agent of the corporation and shall incur to the benefit of his or her heirs and personal representatives. Indemnification will be provided in cases where a director, officer, employee or agent successfully defends against a lawsuit arising from their status as a representative of the corporation.

b. Power to Pay Expenses in Advance of Final Disposition. The corporation may pay expenses incurred in defending any proceeding in advance of its final disposition (hereafter "Advancement of expenses"); provided, however that any advancement of expenses shall be made to or on behalf of a director, officer, employee or agent only upon delivery to the corporation of an undertaking, by or on behalf of such director, officer, employee or agent to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal that such director, officer, employee or agent is not entitled to be indemnified under this Article or otherwise, which undertaking may be unsecured and may be accepted without reference to financial ability to make repayment.

c. Power to Enter Into Contracts. The corporation may enter into contracts with any person who is or was a director, officer, employee and agent of the corporation in furtherance of the provisions of this Article and may create a trust fund, grant a security interest in property of the corporation, or use other means (including, without limitation, a letter of credit) to ensure the payment of such amounts as may be necessary to effect indemnification as provided in this Article.

d. Expansion of Powers. If the (state name) Nonprofit Corporation Act is amended in the future to expand or increase the power of the corporation to indemnify, to pay expenses in advance of final disposition, to enter into contracts, or to expand or increase any similar or related power, then, without any further requirement of action by the shareholders or directors of this corporation, the powers described in the Article shall be expanded and increased to the fullest extent permitted by the (state name) Nonprofit Corporation Act, as so amended.

e. Limitation of Powers. No indemnification shall be provided under this Article to any such person if the corporation is prohibited by the (state name) Nonprofit Corporation Act or other applicable law as then in effect from paying such indemnification. For example, no indemnification shall be provided to any person in respect of any proceeding, whether or not involving action in his or her official capacity, in which he or she shall have been finally adjudged to be liable on the basis of intentional misconduct or knowing violation of law by the person or if that the person personally received a benefit in money, property or services to which the person was not legally entitled.

Section 2 Indemnification of Directors, Officers, Employees, and Agents.

- a. Directors. The corporation shall indemnify and hold harmless any person who is or was a director of this corporation, and pay expenses in advance of final disposition of a proceeding, to the full extent to which the corporation is empowered.
- b. Officers, Employees, and Agents. The corporation may, by action if its board of directors, indemnify and hold harmless any person who is or was an officer, employee or agent of the corporation, and provide advancement of expenses to the full extent to which the corporation is empowered, or to any lesser extent, which the board of directors may determine.
- c. Character of Rights. The rights of indemnification and advancement of expenses conferred by or pursuant to this Article shall be contract rights.

- d. **Enforcement.** A director, officer, employee, or agent (hereinafter a "claimant") shall be presumed to be entitled to indemnification and/or advancement of expenses under this Article upon submission of a written claim and in an action brought to enforce a claim for an advancement of expenses, where the undertaking in Section 1.2 above has been delivered to the corporation. Thereafter the corporation shall have the burden of proof to overcome the presumption that the claimant is so entitled. If a claim under this Article is not paid in full by the corporation within 60 days after a written claim has been received by the corporation, except in the case of a claim for advancement of expenses, in which case the applicable period shall be 20 days, the claimant may at any time hereafter bring suit against the corporation to recover the unpaid amount of the claim. If successful in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim. Neither the failure of the corporation (including its board of directors or independent legal counsel) to have made a determination prior to the commencement of such action that indemnification of or advancement of expenses to the claimant is proper in the circumstances nor an actual determination by the corporation (including its board of directors or independent legal counsel) that the claimant is not entitled to indemnification or advancement of expenses shall be a defense to the action or create a presumption that the claimant is not so entitled.
- e. **Rights Not Exclusive.** The right to indemnification and advancement of expenses conferred in this Article shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, provision of the Articles of Incorporation or Bylaws of the corporation, agreement, or disinterested directors, or otherwise.
- f. **Insurance.** The corporation may purchase and maintain insurance, at its expense, to protect itself and any director, officer, employee, or agent or the corporation or who, while a director, officer, employee or agent of the corporation, is or was as director, officer, Partner, trustee, employee, or agent of another corporation. Partnership, joint venture, trust, employee benefit plan, or other enterprise against any expense, liability or loss, whether or not the corporation would have the power to indemnify such person against such expense, liability or loss under the Oregon Business Corporation Act.

Section 3 **Survival of Benefits.** Any repeal or modification of this Article shall not adversely affect any right of any person existing at the time of such repeal or modification.

- Section 4 Severability. If any provision of this Article or any application thereof shall be invalid, unenforceable or contrary to applicable law, the remainder of this Article, or the application of such provision to persons or circumstances other than those as to which it is held invalid, unenforceable or contrary to applicable law, shall not be affected thereby and shall continue in full force and effect.
- Section 5 Applicable Law. For purposes of this Article, "applicable law" shall at all times be construed as the applicable law in effect at the date indemnification may be sought, or the law in effect at the date of the action, omission or other event giving rise to the situation for which indemnification may be sought, whichever is selected by the person seeking indemnification.

ARTICLE XI: ADMINISTRATIVE PROVISIONS

- Section 1 FISCAL YEAR: The fiscal year shall be October 1, through September 30. The Governing Board approves an annual ministry budget that is tied to ministry outcomes, and holds the Lead Pastor accountable for prudent financial practices.
- Section 2 AUDITS: As defined and directed by the Governing Board, financial records shall be examined at least annually.
- Section 3 AMENDMENTS: Amendments to the Articles of Incorporation or to these By-Laws may be adopted by a two-thirds vote of the Partnership present and voting at the Annual Meeting or at a legally called Special Meeting of the Partnership, provided that the Partnership is notified of the text of the proposed amendments at least thirty days before the vote. Minor revisions not affecting theology, ministry philosophy or overall structure of governance shall be made at the discretion of the Governing Board (e.g. rewording for clarification of ideas considered confusing, updating legal provisions, adding scriptural references) provided the Partnership is notified at the next Annual Meeting.
- Section 4 TAX EXEMPT STATUS: ACF Church shall not carry on any activities not permitted to be carried on by a corporation exempt from federal income tax under Section 501 (c) (3) of the Internal Revenue Code as presently constituted, (or the corresponding provision of any future United States Internal Revenue Law). The Lead Pastor in consultation with the Governing Board shall have ultimate authority over what is prohibited and what is allowable. Prohibited activities shall include but not be limited to endorsement of a specific candidate or party in a political election. Teaching, announcements and the presentation of information on political issues, such as but not limited to pending legislation shall be allowable

subject to the approval of the Lead Pastor in consultation with the Governing Board.

Section 5 ACF Church shall make no loans to any officer or Governing Board member.