

2026 Bylaws Proposal

Detailed Executive Summary

I. Executive Overview

The 2026 Proposed Bylaws represent a **comprehensive modernization** of the 2024 Bylaws.

Because of the extent of restructuring, the NCAG Board of Trustees recommends **full replacement** of the current bylaws rather than incremental revision.

The proposed changes focus on four strategic areas:

- Legal Risk Reduction
 - Governance Clarification
 - Structural Authority Definition
 - Procedural Modernization
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What Is NOT Changing

- Relationship with the General Council
- Sovereignty of GC-affiliated churches
- Credentialing authority of the General Council
- Congregational election of pastors

These foundational principles remain unchanged. The revisions instead **clarify how these relationships function in practice.**

Why This Matters

- Provides **clearer governance and decision-making**
 - Reduces **legal and financial risk**
 - Strengthens **alignment with General Council polity**
 - Minimizes **ambiguity that can lead to conflict**
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II. Key Structural Improvements - Legal Modernization

A. Non-Statutory Membership Clarification (*Article IV, Section 1*)

Members are defined as ecclesiastical, not statutory nonprofit members.

Impact:

- Reduces exposure to secular corporate litigation
 - Clarifies governance structure
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B. 501(c)(3) Codification (*Article III*)

Explicit IRS compliance language is added.

Impact:

- Aligns bylaws with federal tax requirements
 - Strengthens nonprofit integrity
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C. Dispute Resolution (New Article XIX)

Establishes a required process: **Matthew 18** → **mediation** → **binding arbitration**

Impact:

- Significantly reduces litigation risk
 - Preserves a biblical model for conflict resolution
 - Protects district resources
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D. Indemnification (New Article XX)

Provides legal protection for trustees, officers, and employees.

Impact:

- Protects leaders from personal liability
 - Encourages qualified individuals to serve
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E. Bylaw Supremacy Clause

Establishes that the new bylaws override prior versions once adopted.

Impact:

- Eliminates confusion from overlapping provisions
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Impact Summary (Legal Changes)

- Major reduction in **litigation exposure**
- Stronger **leadership protection**
- Clearer **legal standing and compliance**

III. Governance Clarification

1. Defined Two-Tier Church Structure (*Article XV*)

The 2026 bylaws clearly distinguish:

- General Council–Affiliated Churches (*self-governing*)
- NCAG–Affiliated Churches (*district-governed*)

This distinction was previously implied but is now explicitly defined.

2. Governance Transition Clarity (*Article XV, Section 3*)

When a church becomes GC-affiliated:

- All governance authority transfers to the local church

Impact:

- Protects local church sovereignty
 - Prevents governance disputes
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3. Intervention Authority Defined (*Article XV, Section 7*)

District intervention in GC-affiliated churches is limited to:

- Situations permitted under the General Council Constitution
- Not routine governance

Impact:

- Preserves General Council alignment
 - Clarifies limits of district authority
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Impact Summary (Governance)

- Eliminates ambiguity in **church relationships**
 - Protects **local church autonomy**
 - Defines **clear boundaries of authority**
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IV. Authority Clarity (Where Responsibility Exists)

1. NCAG-Affiliated Church Oversight (*Article XV, Section 3*)

Clarified provisions include:

- Property held in trust by NCAG
- 2/3 congregational vote + Board approval for encumbrance
- Quarterly reporting requirements
- Annual evaluations
- Leadership confirmation while district-affiliated

Impact:

Where the district bears **legal and financial responsibility**, governance authority is clearly defined.

2. Board Structure Modernization (*Article VI*)

Key updates:

- 4-year terms (*previously 2 years*)
- Term limits (two consecutive terms + required hiatus)
- Written consent actions permitted
- Electronic meetings authorized
- Abstentions count as present and voting

Impact:

- Increased stability
 - Improved efficiency
 - Modern governance practices
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3. Executive Officer Clarity (*Article VIII*)

The Superintendent's authority is explicitly defined, including:

- Execution of legal documents
- Oversight of financial operations
- Day-to-day operational leadership

Impact:

- Eliminates ambiguity
- Strengthens organizational leadership

Impact Summary (Authority)

- Aligns **authority with responsibility**
 - Reduces operational confusion
 - Strengthens leadership effectiveness
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V. Procedural Modernization

1. Fixed Quorum (*Article V, Section 3*)

A quorum is established at **10% of all members**

Impact:

- Encourages broader participation
 - Ensures legitimacy in decision-making
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2. Amendment Threshold Increased (*Article XVIII*)

Changed from simple majority → **2/3 vote requirement**

Impact:

- Promotes stability
 - Prevents frequent structural changes
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3. Loan Committee Formalization (*Article XIV, Section 4*)

Defines:

- Membership structure
- Staggered terms
- Reporting requirements

Impact:

- Strengthens financial oversight
 - Improves accountability
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Impact Summary (Procedures)

- More **stable governance processes**
- Increased **financial accountability**

- Greater **organizational consistency**

VI. Risk Profile Comparison

Risk Area	2024	2026
Member lawsuits	Moderate	Significantly reduced
Leadership liability	Moderate	Strongly reduced
Property disputes	Moderate	Clarified & reduced
Governance instability	Moderate	Reduced
GC alignment disputes	Ambiguous	Clearly defined & defensible

Overall Key Impact

- Significantly improved **legal posture**
 - Stronger **organizational clarity**
 - Reduced the likelihood of **conflict escalation**
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VII. Board Recommendation

If adopted, the revised bylaws will result in:

- Clearer and more consistent governance
- Reduced legal and financial exposure
- Stronger alignment with General Council principles
- Greater long-term stability

The NCAG Board of Trustees recommends adoption of the 2026 Revised Bylaws in full.