



GRACEHILL CHURCH

GraceHill Church Bylaws

Revision 5, Updated January 18, 2026



Table of Contents

Preamble	3
Article 1 Name and Principal Office	3
Article 2 Purpose	3
Article 3 Affiliation	3
Article 4 Statement of Faith	3
Article 5 Church Membership	4
Article 6 Elders	9
Article 7 Deacons & Deaconesses	14
Article 8 Corporate Officers	15
Article 9 Vocational Elder	16
Article 10 Licensing and Ordination	17
Article 11 Settlement of Disputes	17
Article 12 General Financial and Legal Matters	18
Article 13 Budget and Finance Committee	19
Article 14 Corporate Records and Reports	19
Article 15 Review of Corporate Records	19
Article 16 Miscellaneous Provisions	20
Article 17 Dissolution	20
Article 18 Changing the Bylaws	20
Article 19 Indemnification	21



Preamble

WHEREAS, it is the express purpose of God our Heavenly Father to call out of the world a saved people who shall contribute to the Body of Christ, built and established on the foundation of the apostles and prophets, Jesus Christ being the Chief Cornerstone; and

WHEREAS, the members of the Body of Christ are enjoined to assemble themselves together for worship, fellowship, counsel, and instruction in the Word of God and the work of the ministry and for the exercise of those spiritual gifts and offices provided for in the New Testament, now therefore,

BE IT RESOLVED, that we recognize ourselves as a body of Christian believers working together for the common purpose of spreading the Gospel of our Lord and Savior Jesus Christ, and that under the laws of the State of California we may exercise all the rights and privileges granted to religious bodies.

Article 1 Name and Principal Office

The name of this Church is *GraceHill Church*, a California nonprofit religious corporation with the principal office at 7600 Old Auburn Rd, Citrus Heights, CA 95610. Hereinafter this Church will also be referred to in these Bylaws as the “Church.” The Elders of the Church shall have full power and authority to change the principal office from one location to another. Any change of this location shall be recorded with the California Secretary of State as required by law.

Article 2 Purpose

This Church is organized for exclusively religious purposes common to a pastoral church ministry as defined by Scripture. The purpose of this Church is to glorify God through (1) regular public worship services; (2) the administration of the ordinances of the New Testament; (3) the spiritual growth of its members by teaching the whole Bible; (4) the mutual caring and fellowship of its members; and (5) the evangelization of the local community and abroad; and to also engage in activities which are necessary, suitable or convenient for the accomplishment of these purposes, or which are incidental thereto or connected therewith.

Article 3 Affiliation

This Church is autonomous and maintains the right to govern its own affairs through its own chosen Elders. However, this Church will collaborate when appropriate with other biblical churches and ministries in the propagation of the Christian gospel and cause.

Article 4 Statement of Faith

Section 1. This Church affirms the *Holy Bible* as the inspired Word of God and as the basis of all our beliefs and practices. No other document shall take precedence over the *Holy Bible* in the life, decisions, and governance of this Church.



Section 2. In keeping with the preceding, this Church subscribes to the Statement of Faith of *GraceHill Church*, as written in Section 3 of these Bylaws.

At the direction of the Elders, the Statement of Faith may be supplemented and clarified by “What We Teach, The Elders Statement on Marriage, Divorce, Remarriage and Sexuality,” the doctrinal distinctives issued by the Elders, and such other doctrinal statements as may be subsequently issued by the Elders.

Section 3. *The Statement of Faith of GraceHill Church*

[see separated SOF document]

Article 5 Church Membership

Section 1. General: Membership in this Church shall consist of all persons who have met the qualifications for membership and are listed in the Church membership register.

Section 2. *Qualifications for Membership:*

(a) A personal commitment of faith in Jesus Christ for salvation.

(b) Baptism by immersion as a testimony of this salvation.

(c) Completion of the Church Membership process:

- The membership class
- The membership application
- A commitment to submit to the Membership Covenant, the Bylaws and the Statement of Faith.
- Withdrawal from any previous local church by proper notification to the former Church leadership.

(d) Dual membership, defined as simultaneous membership at *GraceHill Church* and another church, will be recognized for military personnel, missionaries and students away at school who attend another church with regularity. Other special circumstances will be considered for eligibility for dual membership on a case-by-case basis. Once the conditions for dual membership for a member no longer apply, the expectation is withdrawal of membership from the other church.

(e) Admission of minors is subject to the discretion of the Elders.

Section 3. *Applications for Membership:* All requests for membership shall be made to an Elder or Deacon. Upon making such request, the person shall be referred to the Elder who is responsible for Church membership.

Section 4. *Admission of Members:* Applicants admitted to membership shall, if possible, present themselves at a designated gathering at which time they shall be welcomed as members into the fellowship of *GraceHill Church*.



Section 5. Voting Privileges: Voting privileges are restricted to members over the age of 16 and in good standing (i.e., those who are not under any disciplinary actions). Membership shall not be assignable or transferable. Voting by proxy is prohibited.

Section 6. Open Fellowship: Prior to becoming a member of *GraceHill Church*, any person who has a personal relationship with Jesus Christ is welcome to attend and participate in any corporate gatherings of worship, fellowship, edification, communion or baptism. If such persons become regular attendees, then they will be encouraged to pursue membership at *GraceHill Church* in a timely manner, whereby they can employ the full potential of their gifts and commitment for the mutual edification of the local body.

Section 7. Denial of Membership: The Elders of this Church reserve the right to deny membership to anyone who fails to meet the qualifications for membership as defined in Section 2 of this Article.

Section 8. Responsibilities of Members: The responsibilities of membership are described in the Membership Covenant.

Section 9. Discipline of Members: The fivefold purpose of church discipline is (a) to glorify God by restoring an erring member (Galatians 6:1; Matthew 18:15); (b) to deter sin (2 Corinthians 7:10-11); (c) to purify the Church (1 Corinthians 5:6-8); (d) to protect the church (Acts 20:28-31); (e) to preserve the unity of the body (Romans 14:19; Ephesians 4:29).

Members of this Church and all other professing Christians who regularly attend or fellowship with this Church who engage in evident and/or public scandals (1 Timothy 5:19-24), as determined by Scripture, will become subject to church discipline, including dismissal after the pattern of Matthew 18:15-18. The entire church discipline process will be conducted with a sense of urgency in keeping with Matthew 5:23-25.

(a) Offenses

The following sinful behaviors that damage the Church, weaken its testimony, or promote disunity warrant disciplinary action (Matthew 18:15-18; 1 Corinthians 6:1-8) and can be categorized as follows:

- i. factious, divisive, disruptive or harmful behavior (Romans 16:17-18; Philippians 4:2-3; Titus 3:10-11);
- ii. unruly, disorderly or undisciplined living (1 Thessalonians 5:14; 2 Thessalonians 3:6, 11, 14);
- iii. persistent immorality (1 Corinthians 5:11; 6:9-10);
- iv. proliferation of false doctrine (Galatians 1:9; 2 John 10).

(b) Process

From Matt 18:15-18, before any dismissal:



Step 1: It shall be the duty of any member of this Church who has knowledge of the erring individual's heresy or misconduct, to warn and correct such erring individual in private, seeking his or her repentance and restoration.

Step 2: If the erring individual does not heed this warning, then the warning member shall again go to the erring individual, seeking his or her repentance, but accompanied by one or two individuals, who shall confirm that the sin has occurred or is continuing to occur, and/or that the erring individual has been appropriately confronted and has refused to repent. The first and second warnings may occur with no specified time interval.

Step 3: If the erring individual still refuses to heed this warning, then it shall be brought to the attention of the Elders (or a duly appointed Committee of the Elders). If the Elders, or the duly appointed Committee of the Elders, determines after thorough investigation in accord with the procedures prescribed by pertinent Scripture, including Matthew 18:15-18 and 1 Timothy 5:19, that there is corroborating evidence that the erring individual has sinned or is continuing to sin, that he or she has been appropriately confronted, and that he or she has refused to repent, then the Elders shall inform the Church members at any regularly scheduled service or specially-called Members Meeting in order that the Church may collectively call the erring member to repentance. If the erring individual demonstrates repentance, then notice to that effect may be given at a regularly scheduled service or specially-called members meeting.

Step 4: If, however, the erring individual does not repent in response to the Church in its collective call to repentance, then he or she shall be publicly dismissed from the fellowship and/or membership of the Church at a regularly scheduled service or specially-called members meeting and be collectively treated as a Gentile or tax-collector (1 Corinthians 5:11). If the erring individual, after such dismissal, heeds the warning, demonstrates repentance, and requests reinstatement before the Elders, then he or she shall be publicly restored to all the rights, duties, privileges, and responsibilities of fellowship and/or membership.

(c) Special Discipline

Notwithstanding the foregoing, the Elders in the exercise of their discretion may proceed directly to the third step of church discipline, (i.e. the informing of the Church and congregation thereof in order that the Church may call the erring individual to repentance) or to the fourth step of church discipline, (i.e. the dismissal from the fellowship and/or membership of the Church) when one or more of the following have occurred:

- (i) Where the transgression and the refusal to repent have been public, i.e. openly and to the offense of the whole Church (1 Corinthians 5:1-5, Galatians 2:11-14);
- (ii) Where the disciplined party has taught or otherwise disseminated doctrine deemed false or erroneous by the Elders, then chosen to disregard the direction and reproof of the Elders (Romans 16:17)
- (iii) Where the disciplined party has been warned twice to cease from factions and divisive conduct and has chosen to disregard that warning (Titus 3:10-11)



(d) Jurisdiction

The members of this Church agree that there shall be no appeal to any court because of the dismissal or because of public statements to the congregation at the third or fourth steps of church discipline. Members who are under discipline by the Church, as defined above in this Section, forfeit and waive the right to resign from this Church. Resignations from membership are possible only by members who are in good standing and who are not under any disciplinary action.

(e) Separation

Separate and apart from the process of church discipline, but subject to the discretion and approval of the Elders, a member, non-member regular attendee, or other individual may be notified that he or she is not to be present upon the Church premises for such a period of time as deemed necessary for the safety and well-being of others on Church premises. Such required absence, may but need not, be concurrent with church discipline of that person.

(f) Absence

Separate and apart from the process of church discipline, but subject to the discretion and approval of the Elders, the names of any members who have not attended a worship service/regular corporate fellowship at *GraceHill Church* for a period of six months or longer may be removed from the membership register.

Section 10. Removal from Church Membership:

1. A member of *GraceHill Church* who is publicly dismissed as a result of church discipline shall be removed from Church membership.
2. If a member wishes to withdraw membership from *GraceHill Church* for any reason while in good standing, then the member shall complete an exit interview with an Elder to facilitate good communication, a peaceful departure, and to preserve the faithful testimony of the Church.

Section 11. Restoration of Church Membership

Persons who have been dismissed from membership in this Church or had their membership terminated for any of the reasons stated in Section 9 & 10, may have it restored. The method of restoration shall be consistent with Biblical precepts and the regulations herein which govern the reception of Members. (Proverbs 28:13; 2 Corinthians 2:5-11; Galatians 6:1)

Section 12. Declaration of Intent: Concerning Sections 9 and 10 of Article 5, it should be understood that none of the procedures set forth therein are intended to be harsh or unduly restrictive. All these procedures are intended, rather, to uphold the high biblical standards of loyalty to a New Testament church, to emphasize the privileges and responsibilities of membership in such a church, and to protect the rights and privileges of faithful membership.



Section 13. Regular Meetings: A regular annual meeting of the Church members shall be held on the last Sunday preceding the end of the fiscal year, or any date which the Elders shall decide. At such a regular annual meeting, the members shall consider reports of the affairs of the Church and transact such other business as the Elders determine shall be brought before the meeting. The fiscal year of this Church shall begin on the 1st of March of each year and end on the last day of February of each year. A semi-annual members meeting shall be held on the second Sunday of January or any date which the Elders shall decide.

Section 14. Special Meetings: Special meetings of the members may be called at any time by order of the Chairman or Vice-Chairman of the Elders, or by a quorum of the Elders.

Section 15. Notice of Meetings: Notice of regular meetings shall be given from the pulpit for two (2) successive Sundays prior to the meeting. In addition, thereto, notice shall be published in the regular Church bulletin for two (2) successive Sundays prior to such meeting. Notice of a special meeting shall be given from the pulpit at least seven (7) days prior to the meeting and shall also be published in the regular Church bulletin on the Sunday immediately preceding the meeting.

Section 16. Meeting Agenda Items from Members:

To bring up a matter for discussion and consideration at a members meeting, the member shall submit in writing the question or proposition to any Elder at least three weeks before the meeting. The questions or matter presented to the Elders must reflect the following points:

1. What is the essence of the suggestion or matter;
2. Biblical, logical, or practical basis for the adoption of the suggestion (why does it need to be applied in the Church);
3. In what way will the suggestion promote the edification of the local church;
4. What kind of resources (finances, time, people) will be necessary for the suggestion to take effect;
5. If this suggestion or notice pertains to other people, it is necessary to know whether or not this matter has been discussed with them;
6. The person who presents the suggestion or notice must inform the Elders of his/her name and contact information.

Every suggestion or notice is to be registered by the Secretary and is to be considered by the Elders before the upcoming members meeting. The author of the suggestion or notice may be invited to the Elder's meeting where this matter will be discussed. If the Elders deem it necessary, the matter will be presented to the members of the Church during the members meeting.

Section 17. Quorum: At all meetings of members, whether regular, special, or adjourned, the members present shall constitute a quorum for the transaction of business.

Section 18. Member Powers:



- a. **Exercise of Powers:** The Members shall exercise any and all powers specified in these bylaws.
- b. **Affirm Church Officers:** The Members shall affirm the Elders, Deacons, and Deaconesses.
- c. **Pastoral Staff:** The members shall affirm the hiring of all Pastoral Staff.
- d. **Annual Budget:** The Members shall approve the Annual Budget.
- e. **Large Expenditures:** The Members shall approve non-budgetary expenditures in excess of \$50,000.00 (fifty thousand dollars) or 15% of the annual budget, whichever is less.

Article 6 Elders

We acknowledge no ecclesiastical authority other than our Lord Jesus Christ, who is the Head of the Church and who directs the affairs of the Church through Elders chosen and ordained according to the precepts of Holy Scripture (Acts 20:17-32; Ephesians 4:11-16; 1 Timothy 3:1-7; Titus 1:5; 1 Peter 5:1-4). The Elders themselves stand under the authority of the Scriptures. Scripture refers to Elders as “shepherds” (Acts 20:28), “pastors” (Ephesians 4:11), “overseers” (1 Timothy 3:1), “bishops” (Titus 1:7), and “leaders” (Hebrews 13:17). Biblically, these terms are interchangeable.

Section 1. Equality of Elders: All Elders by calling, desire, responsibility, and accountability before the Lord of the Church, are to be recognized and respected equally as Elders-Overseers-Pastors, although there are distinctions in duties, giftedness, and levels of involvement (1 Timothy 5:17-18).

Section 2. Qualifications of Elders: Each Elder must be an active, serving member of GraceHill Church and must possess the qualifications described in 1 Timothy 3:1-7 and Titus 1:6-9;

- (a) natural-born male who “aspires to” and “desires” the office of an elder.
- (b) “above reproach”.
- (c) “the husband of one wife” (literally a “one-woman man”; i.e. faithful to his wife), if married.
- (d) temperate and sober
- (e) prudent; sound minded
- (f) respectable; orderly
- (g) hospitable; a lover of strangers
- (h) able to teach
- (i) not addicted to wine/alcohol
- (j) not pugnacious; not a vengeful person
- (k) gentle; patient
- (l) uncontentious; peaceable
- (m) free from the love of money; not greedy
- (n) manages his household well
- (o) his children are obedient and not rebellious
- (p) not a new convert



- (q) not proud
- (r) having a good reputation with those outside the Church
- (s) not self-willed
- (t) not quick-tempered
- (u) loving what is good
- (v) just; fair
- (w) devout
- (x) self-controlled; disciplined

Section 3. Priorities of Elders: Besides possessing the essential qualifications outlined in Section 2, Elders are to function in accordance with the biblical job description outlined in Acts 20:17-38; Ephesians 4:11-16; and 1 Peter 5:1-7. They should increasingly be reflecting the heart and concerns of Christ Himself, as the model Shepherd (1 Peter 2:25) by providing the Church with oversight, servant-leadership, management, care, and a godly example. They are not to abuse their authority by “lording it over” the sheep (1 Peter 5:1-7).

Section 4. Respect: Because the Elders must not only give account for themselves but also for the welfare of all the flock (Hebrews 13:17b), the church is instructed by Scripture to “recognize,” “esteem,” “obey,” “honor,” and “submit” to them (1 Thessalonians 5:12-13; Hebrews 13:17; 1 Timothy 5:17).

Section 5. Powers: Subject to limitations of these Bylaws, all the activities and affairs of *GraceHill Church* shall be exercised by or under the direction of the Elders, who are responsible for the shepherding and spiritual oversight of the Church membership. Without prejudice to such general powers but subject to the same limitations, it is hereby expressly declared that the Elders shall have the following powers in addition to the other powers enumerated in these Bylaws:

- (a) To select and remove all the officers, agents, Pastors, Deacons, staff and employees of *GraceHill Church*, prescribe such duties for them as may not be inconsistent with law, or with these Bylaws and fix terms of their own offices and their compensation.
- (b) To make such disbursements from the funds and properties of *GraceHill Church* as are required to fulfill the purposes of this Church and generally conduct, manage and control the activities and affairs of the Church and to make such rules and regulations therefore not inconsistent with law or with these Bylaws, as they may deem best.
- (c) To adopt, make and use the Corporate Seal and to alter the form of such Seal from time to time as they may deem best.
- (d) To establish policies, positions and practices for *GraceHill Church* consistent with the purposes of the Church.
- (e) To borrow money and incur indebtedness for purposes of *GraceHill Church*, to make purchases or expenditures of up to \$50,000 (fifty thousand dollars), and to cause to be executed and delivered therefore, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, or other evidences of debt and securities.
- (f) To carry on a business and apply any such profit that results from the business activity to any activity in which it may legally engage.



- (g) To lead in the administration of the ordinances of baptism and communion; provided that communion may be served by any designee of the Elders.
- (h) To make interim appointments to fill any office of the Church as necessary.

Section 6. Number of Elders: The number of elders shall be comprised of a plurality, determined by the current Elders according to the size and needs of the congregation (Acts 14:23; Philippians 1:1; Titus 1:5).

Section 7. Nomination, Selection, and Term of Office: Potential Elder candidates may be nominated at any time by any Member of the church. To be eligible for nomination, a man must be a member in good standing in the Church and must have previously served the Church in functions requiring responsible leadership. The names of potential Elders are to be submitted to the existing Elders in writing, with a brief explanation of why the individual submitting the name believes the candidate meets the qualifications of an Elder as given in 1 Timothy 3:1-7 and Titus 1:5-9.

Every nominated candidate, whether from within GraceHill Church or outside, will undergo an assessment and/or training period. Both the existing Elders and the congregation will have the necessary time to assess the character, calling, and ability of the elder candidate.

Following the assessment and/or training, the Elders shall present a list of all recommended candidates to the Members for prayer and review over a period of at least three weeks. After this period, the final ballot of nominees will be presented at a Regular or Special Members Meeting for final affirmation by the Members. A candidate must receive at least 80% affirmation from the Members in order to be recognized as an Elder.

The affirmed Elder candidate will be publicly presented and installed as an Elder at a regular, corporate gathering of the church. At the discretion of the Elders, this could occur during a Sunday Morning Worship Service or a Church Business Meeting.

Elders shall serve a term of three years and may be reaffirmed for successive three-year terms. The terms of the Elders shall be staggered at 1-, 2-, and 3-year intervals to provide for the continuity of leadership for the Church. Elders shall be reaffirmed by an 80% majority of the Members present at the meeting when the reaffirmation is held.

Section 8. Accountability and Removal of Elders: Elder accountability is first and foremost unto God (1 Peter 5:1-5). It is mandatory, however, that the Elders be accountable to Christ, as the Head of the church, and then to one another at all times. Any Elder may be removed from office if he becomes physically incapacitated, biblically unqualified, or his inability to serve is established in the minds of all the remaining Elders. In the event of a conflict of interest on the part of a remaining elder, the Elder shall recuse himself. Any Elder may be disciplined according to biblical principles, although no accusation against an Elder is to be taken seriously unless there are two (2) or three (3) witnesses (1 Timothy 5:19). When the confronted Elder “persists in sin,” he is to be rebuked by the other Elders before the whole assembly, that others may fear (1 Timothy 5:20). An Elder will be subject



to scrutiny not only in the area which might call for general church discipline but also as to his continued meeting of the biblical qualifications for Eldership listed above. When an Elder ceases to meet those qualifications, he will be asked by the Elders to step down for a time so that he may get his life in order in any deficient area. Such a request by the other Elders shall be made only when they are in unanimous agreement.

In the case the elders are not in unanimous agreement in relation to the disqualification of an elder and provided that there exists no conflict of interest regarding the individual Elders, the dispute shall be submitted to an independent 3rd party for an advisory decision on the matter. The independent 3rd party shall consist of no less than three ordained ministers from one or more evangelical church(es) selected by the Elders. Once the decision of the 3rd party is rendered, and if the Elders do not agree with the decision of the independent 3rd party, the matter in dispute shall be resolved in a Special members meeting to submit the disputed matter to a vote of members. The decision to accept or reject the independent 3rd party's recommendation in such meeting, or to fashion a different resolution to the issue, must be approved by a 2/3 majority of members present at the Special meeting and shall be final in all respects.

An Elder may also desire to be relieved from office either temporarily or permanently, if he is unable to serve for any reason. The process of his possible reinstatement at a later date shall be governed by the attendant circumstances of his particular situation.

Section 9. Vacancies: Subject to the provision of Section 9226 of the California Nonprofit Religious Corporation Law, any Elder may resign effective upon giving written notice to the Chairman of the Elders or the Secretary (see Article 8), unless the notice specifies a later time for the effectiveness of such resignation. When a resignation results in the number of elders being less than the minimum amount specified in these bylaws, the Elders may appoint an interim Elder to fulfill the remaining term of a resigning Elder if such Elder's term is not expired.

Section 10. Place of Meetings: Notwithstanding anything to the contrary provided in these Bylaws, any meeting (whether regular, special or adjourned) of the Elders of the Church may be held at any place within or without the state of California.

Subject to the notice provision in Sections 11 and 13 of this Article, the Elders may also hold meetings by means of a remote electronic communications system, including video or telephone conferencing technology or the Internet, or any combination, only if each person entitled to participate in the meeting consents to the meeting being held by means of that system, and the system provides access to the meeting in a manner or using a method by which each person participating in the meeting can communicate concurrently with each other participant. Participation in such a meeting shall constitute presence in person at such meeting, except participation for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.



Section 11. Regular Meetings: Regular meetings of the Elders shall be held once a month. Church members shall be notified of the monthly meeting prior to each meeting. The first portion of regular meetings shall be open to Church members. Executive sessions shall be closed to those who are not Elders.

Section 12. Special Meetings: Special meetings of the Elders may be called at any time by order of the Chairman (see Article 8) or by a quorum of the Elders.

Section 13. Notice of Special Meetings: Special meetings of the Elders shall be held upon four (4) days' notice by first class mail or a twenty-four (24) hour notice given personally or by telephone, email or other similar means of communication. Any such notice shall be addressed or delivered to each Elder or at such Elder's address as it is shown upon the records of the Church or as may have been given to the Church by the Elder for such purpose of notice.

Section 14. Quorum: Except as otherwise provided herein, a majority of the Elders currently serving shall constitute a quorum except when a vacancy or vacancies prevents such a majority, whereupon a majority of the Elders in office shall constitute a quorum. Whenever the matter to be considered concerns calling or dismissing a Vocational Elder, or buying or selling real estate, a quorum shall consist of all the Elders. In the event of a conflict of interest, such Elder shall recuse himself.

Section 15. Adjournment: A majority of the Elders present may adjourn any Elders' meeting to another time and place. Notice of time and place of holding an adjourned meeting need not be given to absent Elders if the time and place be fixed at the meeting adjourned, except as provided in the next sentence. If the meeting is adjourned for more than forty-eight (48) hours, notice of any adjournment to another time or place shall be given prior to the time of the adjourned meeting to the Elders who were absent at the time of the adjournment.

Section 16. Action Without Meeting: Any actions required or permitted to be taken by the Elders may be taken without a meeting if all the Elders shall individually or collectively consent in writing to a duly prepared resolution to such action. Such consent or consents shall have the same effect as a unanimous vote of the Elders and shall be documented by attaching the signed resolution with the minutes of the proceedings of the Elders.

Section 17. Rights of Inspection: Every Elder shall have the right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the Church of which such person is an Elder, for a purpose reasonably related to such person's interest as an Elder.

Section 18. Decisions of the Elders: Decisions shall be reached after prayerful consideration by unanimous vote of the quorum in a spirit of humility, with each Elder regarding one another before himself.



Section 19. Leadership: The Elders will appoint a Chairman of the Elders who will preside at Elder meetings and will represent the Elders to the congregation in public meetings. The Chairman of the Elders must be re-appointed every twelve (12) months.

Section 20. Councils and Committees: To promote efficient handling of Elder matters, the Elders may appoint various councils and committees from within its membership, the staff, and from the Church members at large. These councils and committees shall perform tasks solely in accordance with the duties and with the power specifically delegated by the Elders. The general functions of councils and committees are as follows:

- (a) To bring considered recommendations to the Elders concerning ministries.
- (b) To provide a wider base of counsel to the Elders having the oversight of specific ministries.
- (c) All councils and committees shall exist for the period specified by the Elders.

Article 7 Deacons & Deaconesses

Section 1. Qualifications of Deacons & Deaconesses: The Deacons and Deaconesses shall consist of members possessing the qualifications described in 1 Timothy 3:8-13 and Acts 6:3-5. They must also be willing to make the necessary time commitment to fulfill their responsibilities.

Section 2. Responsibilities of Deacons & Deaconesses: Deacons and Deaconesses shall serve under the direction and oversight of the Elders, having oversight of specific areas of ministry, as designated by the Elders. They must do so in a way that promotes the unity of the body and that supports and enables the Elders to be focused on their God-given responsibilities of the ministry of the Word of God and prayer.

Section 3. Number of Deacons & Deaconesses: The number of Deacons and Deaconesses shall be determined by the current needs of the congregation at any given time.

Section 4. Nomination and Selection of Deacons & Deaconesses: The Elders will evaluate the practical ministry needs of the church body and determine whether additional Deacons and Deaconesses are needed.

Potential Deacon and Deaconess candidates may be nominated at any time by any Member in the church. The names of potential Deacon and Deaconess are to be submitted to the existing Elders in writing, with a brief explanation of why the individual submitting the name believes the candidate meets the qualifications of a Deacon as given in 1 Timothy 3:8-13 and Acts 6:3-5.

The elders will assess the qualifications of all proposed Deacon and Deaconess candidates, after which they shall present a list of all recommended candidates to the Members for prayer and review over a period of at least three weeks. After this period, the final ballot of nominees will be presented at a Regular or Special Members Meeting for final affirmation by the Members. A candidate must receive at least 80% affirmation from the Members in order to be recognized as a Deacon or Deaconess.



The affirmed Deacon or Deaconess candidate will be publicly presented and installed at a regular, corporate gathering of the church. At the discretion of the Elders, this could occur during a Sunday Morning Worship Service or a Church Members Meeting.

Deacons and Deaconesses shall serve in their designated area of ministry as long as they desire, possess the character qualities, and fulfill their ministry responsibilities. Occasionally, a Deacon's or Deaconess's ministry may end because the given need that he or she is overseeing no longer exists.

Article 8 Corporate Officers

Section 1. Officers: As an accommodation to legal relationships outside the church, there shall be a minimum of three corporate officers of the Church: the Chief Executive Officer (CEO), the Secretary, and the Treasurer/Chief Financial Officer (CFO). The CEO and Secretary shall be qualified Elders. The Church may also have, at the discretion of the Elders, other corporate officers. The corporate officers shall be appointed by the Elders.

Section 2. Chief Executive Officer (CEO): The CEO shall be the Chairman of the Elders and be the primary corporate officer responsible for executing the decisions and directives of the Elders as required for compliance with state and federal law. He shall carry out administrative and legal duties on behalf of the Church as delegated by the Elders. The CEO may preside over corporate meetings when assigned by the Elders and shall have such powers and duties as may be prescribed by the Elders or these Bylaws.

Section 3. Secretary: The Secretary shall perform the following:

- (a) keep, or cause to be kept, at the principal office in the State of California the original and a copy of the Church's Bylaws, as amended to date.
- (b) keep, or cause to be kept, the Seal of the Church in safe custody.
- (c) keep, or cause to be kept, at the principal office of the Church, a Church membership register, or a duplicated membership register, showing the names of the members and their addresses.
- (d) give, or cause to be given, notice of all meetings of the Elders and any committees thereof required by these Bylaws or by law to be given.
- (e) keep, or cause to be kept at the principal office or such other place as the Elders may order, a book of minutes of the meetings of the Elders and their committees. This shall include the proceedings thereof, the time and place of holding, whether regular or special, and if special, how authorized, the notice thereof given, and the names of those present at the meetings.
- (f) have such other powers and perform such other duties as prescribed by the Elders.

Section 4. Treasurer: The Treasurer shall be the Chief Financial Officer who shall perform the following:

- (a) keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the Church. The books of account shall at all reasonable times be open to inspection by any Elder.
- (b) deposit, or cause to be deposited, all moneys and other valuables in the name and to



the credit of the Church with such depositories as may be designated by the Elders.

(c) disburse, or cause to be disbursed, the funds of the Church as may be ordered by the Elders,.

(d) render or cause to be rendered to the Chairman and the Elders, whenever they request it, an account of all the transactions and of the financial condition of the Church.

(e) make, or cause to be made, the financial reports at each regular meeting and at the annual meeting of members.

(f) have such other powers and perform such other duties as may be prescribed by the Elders.

Section 5. Election: The officers of the Church, except such officers as may be appointed in accordance with the provisions of Section 6 or Section 8 of this Article, shall be chosen annually by, and shall serve at, the pleasure of the Elders. Each officer shall hold his office until he shall resign, be removed, or become otherwise disqualified to serve, or until his successor has been elected and qualified.

Section 6. Subordinate Officers: The Elders may appoint, and may empower the Chairman to appoint, such other officers as the business of the Church may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Elders may determine.

Section 7. Removal and Resignation: Any officer may be removed upon disqualification and removal as an Elder per Article 6, Section 8 of these Bylaws. In accordance with the provisions of Section 9213 (b) of the California Nonprofit Religious Corporation Law, any officer may resign at any time without prejudice to the rights, if any, of the Church under any contract to which the officer is a party, by giving written notice to the Elders, or to the CEO, or to the Secretary of the Church. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 8. Vacancies: A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed for regular selection or appointment to such office, provided that such vacancies shall be filled as they occur, if deemed necessary by the Elders, and not on an annual basis.

Section 9. Inability to Act: In the case of absence or inability to act of any officer of the Church and of any person herein authorized to act in his place, the Elders may delegate the powers or duties of such officer to any other officer or other person whom the Elders may select.

Article 9 Vocational Elder

Section 1. Pastoral Staff: As the need for vocational pastoral positions may arise, candidates may be chosen by the Elders and recommended to the Church body. Guidelines for selection and appointment shall consist of the following:

(a) Qualifications



A Vocational Elder (commonly called Pastor) must be qualified according to the standards set forth in 1 Timothy 3:1-7, Titus 1:5-9, and these Bylaws as outlined in Article 6.

(b) Selection

The candidate for the office of a Vocational Elder shall be recommended to the Church by the Elders after prayerful consideration and unanimous approval by the Elders. The Vocational Elder shall be elected by a 51% majority vote of the members present at the meeting when the election is held.

(c) Duties

The duties of each Vocational Elder will be outlined in the Job Description on file in the principal office of the Church.

(d) Employment Agreement

Contractual agreements with respect to the role of each Vocational Elder will be outlined in the Employment Agreement on file in the principal office of the Church.

Section 2. Resignation or Dismissal: Any Vocational Elder shall remain in office for an indeterminate period of time subject to the following reservations:

(a) Any Vocational Elder who intends to resign must give at least one (1) month notice to the Elders, and will be compensated for a maximum of three (3) months beyond the date of resignation.

(b) Concerning dismissal, for Biblical or providential reasons, the Elders have the right to dismiss, upon a unanimous vote, a Vocational Elder upon giving him written notice of its intention to dismiss. Upon receiving written notice of dismissal, the Vocational Elder will receive one (1) month compensation from the date of notice; provided the dismissal is for good cause – see Article 6, Section 2 of these bylaws.

Article 10 Licensing and Ordination

Section 1. Licensing: A license is issued, when needed, by the Elders of *GraceHill Church* and is given in recognition of a man's giftedness in ministry and his testimony of a call to that ministry. Its purpose is to endorse the man and encourage him to minister as opportunities arise. Licenses will be evaluated and issued on a yearly basis or for a time as determined in the sole discretion of the Elders.

Section 2. Ordination: Ordination by *GraceHill Church* refers to the mutual recognition by the Elders of a man's call to be an Elder and/or missionary, his thorough preparations and his qualification to serve. Ordination shall be conferred for life, so long as the man continues to manifest the qualifications of the office.

Article 11 Settlement of Disputes

In any dispute arising between *GraceHill Church* Elders, members, leaders, subordinate officers, agents, or general staff employees pertaining to any matters of Church Bylaws, staff counseling, Church finances, title to property purchased with Church contributions, or Church discipline, the dispute shall be resolved by the Elders of the Church. The dispute shall be submitted and the decision reached after prayerful consideration and in light of



the stated procedures outlined in Philippians 2:1-7; 1 Corinthians 6:1-8 and Matthew 5:23-26, 38-48.

Article 12 General Financial and Legal Matters

Section 1. Resources: Believing the Bible teaches that the Lord's people should give from a consecrated heart to the Lord's work and that this giving should be done freely, cheerfully, systematically, proportionately, and worshipfully, this Church shall be financed through the freewill gifts and offerings of God's people.

Section 2. Endorsement of Documents and Contracts: The Elders, except as otherwise provided in the Bylaws, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of *GraceHill Church*. Such authority may be general or confined to specific instances. Unless so authorized by the Elders, no officer, agent or employee shall have any power or authority to bind the Church by any contract or agreement, or pledge its credit, or to render it liable for any purpose or to any amount. Subject to provisions of applicable law, any note, mortgage, evidence of indebtedness, contract, conveyance, or other instrument in writing and any assignment or endorsement thereof executed or entered into between this Church and any other person, when signed jointly by the CEO and the Secretary or the Treasurer of this Church, shall be valid and binding on this Church in the absence of actual knowledge on the part of the other person that the signing officers had no authority to execute the same.

Section 3. Representation of Shares of Other Corporations: The CEO or any other Elder authorized by the Elders is each authorized to vote, represent and exercise on behalf of *GraceHill Church* all rights incident to any and all shares of any other corporation or corporations standing in the name of this Church. The authority herein granted may be exercised either by any such officer in person or by any other person authorized to do so in proxy or power of attorney duly executed by said officer.

Section 4. Construction and Definitions: Unless the context otherwise requires, the general provisions, rules of construction and definitions contained in the general provisions of the California Nonprofit Corporation Law and in the California Nonprofit Religious Corporation Law shall govern the construction of these Bylaws, provided that Holy Scripture shall supersede the laws of man where such law is opposed to the clear instruction of Holy Scripture.

Section 5. Receipt of Funds: *GraceHill Church* shall receive all monies and/or other properties transferred to it for the purposes for which the Church was formed (as shown by the Articles of Incorporation). However, nothing contained herein shall require the Elders to accept or receive any money or property if it shall determine in its discretion that receipt of such money or property is contrary to the expressed purposes of the Church as shown by said Articles.



Section 6. Investment of Funds: *GraceHill Church* shall hold, manage and disburse any funds or properties received by it from any source in a manner that is consistent with the expressed purposes of this Church.

Section 7. Instruments in Writing: All checks, drafts, demands for money and notes of *GraceHill Church* and all written contracts of the Church shall be signed by such officer, or officers, agent or agents, as the Elders may from time to time by resolution designate.

Section 8. Limitations on Distribution of Funds: No part of the receipts of *GraceHill Church* shall benefit its members, its Elders, or any other private persons except that the Church shall be authorized and empowered to pay reasonable compensation to local staff and missionaries supported by the Church, other services rendered, or legitimate benevolent needs.

Article 13 Budget and Finance Committee

Section 1. Membership: This Committee shall consist of the Treasurer, and the Elder responsible for Finance, at least one Deacon, and representation from the congregation selected by the Elders. The exact number of Finance Committee members shall be determined by the Elders. The Elder responsible for finance will act as the Chairman of this Committee.

Section 2. Term: The members of the Budget and Finance Committee shall serve a term of three years. The members may serve consecutive terms.

Section 3. Duties: The Budget and Finance Committee shall prepare an annual budget which, upon the recommendation of the Elders, shall be presented to the Members for their approval at the Annual Members Meeting. This Committee shall be empowered to make budget decisions pertaining to operation of Church facilities such as office equipment lease or purchase, and facility maintenance up to \$5,000.00 per expenditure. All other budgetary financial decisions shall be submitted to the Elders for approval.

Section 4. Meetings: Budget and Finance Committee Meetings: All meetings of this Committee shall be conducted in a manner consistent with Biblical principles and these bylaws.

Article 14 Corporate Records and Reports

GraceHill Church shall maintain adequate and correct accounts, books, and records of its business and properties.

Article 15 Review of Corporate Records

Section 1. Requests Made by Member

Articles, bylaws, and all amendments to articles and bylaws, adequate and correct books and records of account, minutes of all board, committee and member meetings and member lists may be made available to Church members for inspection and review upon



written request. At no time may information be supplied that would violate Section 3 of this Article.

Section 2. Required Provisions of the Request

The request must state the name of the individual, the reason for the request and that the information shall in no way be made public or shared with any other party.

Section 3. Confidentiality

Records shall not be released to any outside agency, person or entity unless due process has been served and a certified subpoena has been personally delivered. This includes the IRS, except under the provisions of Section 7611 which shall be limited only to information deemed to be relevant to the inquiry being made.

Section 4. Denying a Request

The Elders reserve the right to deny such a request for any of the following reasons:

1. The Elders deem the request not reasonably related to the member's interests as a member;
2. The member making the request has a history of being divisive;
3. The member does not adequately provide the required information on the request as stated in this Article;
4. The person making a request is not a member of this Church.

Article 16 Miscellaneous Provisions

Notwithstanding any other provision of these Articles, *GraceHill Church* shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal income tax under Section 501 (c) (3) of the Internal Revenue Code of 1954 (or corresponding provision of any future United States Internal Revenue Law), or (b) by a corporation, contributions to which are deductible under Section 170 (c) (2) of the Internal Revenue Code of 1954 (or corresponding provision of any future United States Internal Revenue Law).

Article 17 Dissolution

Upon the dissolution of this Church, the Elders shall cause the assets herein to be distributed to another Corporation with purpose similar to that identified in Article 2 of these Bylaws.

Article 18 Changing the Bylaws

Section 1. Amendments: These Bylaws may be amended, and new and additional Bylaws may be made from time to time at any time by a 2/3 majority ballot vote of the Members present at a duly called meeting of the Members.



Section 2. Record of Amendments: Whenever new amendments or Bylaws are adopted, they shall be copied in the book of minutes with the original Bylaws in the appropriate place. If any Bylaw is repealed, the fact of repeal with the date of the meeting at which the repeal was enacted or written assent was filed shall be stated in said book.

Section 3. Notification of Amendments: Whenever the Bylaws are amended, it shall be incumbent upon the Secretary to notify all current members (as listed in the Church membership register; see Article 8, Section 4) within one week of approval by the Members. It is not required for continuance of membership that the Church members reaffirm their commitment to abide by the newly amended Bylaws (unless explicitly required by the Elders). Any member may request that the Elders provide an explanation as to the intention and purpose of the change(s). In addition, all changes in the Bylaws within any given current year shall be highlighted with explanation of intent and purpose for the changes at the annual Church members meeting.

Article 19 Indemnification

This Church shall, to the extent legally permissible, indemnify each person who may serve or who has served at any time as an officer, director, or employee of the Church against all expenses and liabilities, including, without limitation, counsel fees, judgments, fines, excise taxes, penalties and settlement payments, reasonably incurred by or imposed upon such person in connection with any threatened, pending or completed action, suit or proceeding in which he or she may become involved by reason of his or her service in such capacity; provided that no indemnification shall be provided for any such person with respect to any matter as to which he or she shall have been finally adjudicated in any proceeding not to have acted in good faith in the reasonable belief that such action was in the best interests of the Church; and further provided that any compromise or settlement payment shall be approved by a majority vote of a quorum of Elders who are not at that time parties to the proceeding.

