

SOUTHSIDE CHURCH OF THE NAZARENE

DISPUTE RESOLUTION POLICY

1. Commitment to Biblical Peace Making.

Southside Church of the Nazarene endorses and will foster the following Biblically supported objectives:

1.1 *Strive to be peacemakers.*

- Matthew 5:9: "Blessed are the peacemakers for they will be called sons of God."
- Proverbs 17:14: "Starting a quarrel is like breaching a dam; so drop a matter before a dispute breaks out."
- Proverbs 20:3: "It is to a man's honor to avoid strife, but every fool is quick to quarrel."

1.2 *Avoid civil litigation.*

- 1 Corinthians 6:1,4: "If any of you has a dispute with another, dare he take it before the ungodly for judgment instead of before the saints... Therefore, if you have disputes about such matters, appoint as judges even men of little account in the church."

1.3 *Seek to settle disputes quickly.*

- Matthew 5:25: "Settle matters quickly with your adversary who is taking you to court. Do it while you are still with him on the way..."
- Luke 12:57,58: "Why don't you judge for yourselves what is right? As you are going with your adversary to the magistrate, try hard to be reconciled to him on the way..."

1.4 *Make the paramount goal in any conflict the restoration of righteous relationships rather than the winning of a "legal victory."*

- Matthew 18:15: "If your brother sins against you, go and show him his fault just between the two of you. If he listens to you, you have won your brother."

2. Commitment to Positive Conflict Resolution.

While harmony, consensus and tranquil relationships are desirable goals, peace at any price is not. Conflicts are inevitable. Where there are people there will be conflicts. Since we are a called-out group of imperfect people in the process of being perfected while seeking to do the perfect work of Christ, there will be conflicts. The question is not whether we will have conflicts, but when they come, how we will handle them.

We desire to embrace conflicts as an opportunity for growth and enhanced communion, rather than a cause for incompatibility, animosity or alienation. The offended party (which is usually both parties to the conflict) should view the offense first as an opportunity to "remove the logs" of bad attitudes, resentments, pride, and sins of the flesh. Then he should seek to freshly demonstrate the graces of patience, longsuffering, understanding, gentleness, etc. If all parties purpose ahead of time to walk with a teachable and humble spirit, conflicts will produce growth, character development and more secure relationships, rather than tension and dissension. To experience this growth, however, we must embrace the pain of the conflict rather than take the path of least resistance, which is pulling back and avoiding the conflict.

3. Commitment to Reconciliation.

It is the goal of our organization to produce reconciled relationships through its ministry and among its staff. We cannot effectively minister what we are not practicing. Recognizing that litigation and an adversarial legal system tend to produce rivalries instead of reconciled relationships, it is the policy of our organization to favor and promote a biblical approach to dispute resolution, like the informal process described in Matthew 18 or, if necessary, Christian Conciliation in lieu of litigation.

4. Commitment to Resolve Disputes Quickly.

All staff are encouraged to resolve disputes quickly. This should be done first on a personal basis between your brother and sister alone. If that is unsuccessful, or if for whatever reason you would deem it inappropriate, please bring the matter immediately to your supervisor's attention or to a member of the senior management team if your supervisor is perceived to be part of the problem.

5. Commitment in Contracts.

As much as possible and in accordance with biblical standards this commitment to restoring relationships in lieu of winning legal disputes will be implemented in all of our organization's agreements.

6. Commitment by All Staff.

For this policy to work effectively, it is important that all staff members do their part in resolving

personal disputes on this basis and in bringing to the attention of appropriate management any unresolved disputes or latent conflicts, especially any threats or hints of legal action. The purpose and motivation of this policy goes far beyond simply avoiding the expense, diversion of human resources, and adverse publicity of lawsuits. It goes to the heart of implementing the Biblical mandate of reconciliation and living at peace with all men.

7. Commitment to Administer Through Board Appointed Representative.

Any conflict which is unresolved for more than 48 hours should be brought to the attention of the representative appointed by the Board, who will immediately seek to coordinate resolution of the conflict among the affected parties and, if appropriate, will immediately notify our legal counsel.

8. Commitment by Legal Counsel.

Upon notification, our legal counsel shall have responsibility to verify that all appropriate legal steps have been taken, including notification of our insurance agent and carrier (if so required), and then assist our Board appointed representative as required in resolving the dispute on a conciliated basis.

9. Commitment to Formal Alternative Dispute Resolution.

If, in spite of the above actions, a conflict or dispute is not resolved on this basis and either a lawsuit is filed or public charges or claims are made involving the ministry in general or one of its officers, directors or staff, our Board appointed representative shall work with legal counsel to resolve the dispute on a more formal alternative dispute resolution basis. The Board appointed representative, in consultation with counsel, shall serve as our spokesperson and contact for all media communications or inquiries regarding the lawsuit or conflict.

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SOUTHSIDE CHURCH OF THE NAZARENE

BYLAWS

Adopted February 25, 2004

Article 1

GENERAL

Section 1.1 Name. The name of the Corporation is **Southside Church of the Nazarene**, hereinafter referred to as "the Corporation." The Corporation may also conduct its affairs as **Southside Nazarene Church**.

Section 1.2 Nonprofit Purposes. The Corporation is organized and shall be operated exclusively as a nonprofit, religious organization dedicated to the purposes stated in the Articles of Incorporation.

Section 1.3 Manual as Bylaws. The Bylaws of the Corporation shall be the Manual of the Church of the Nazarene ("the Manual"), which is fully incorporated herein by reference. Additional Bylaws provisions below are for the purpose of more fully describing the Corporation's operations pursuant to the specific needs of this local church and the laws of the Commonwealth of Virginia.

Article 2

SEAL

The Corporation may have a seal in the form determined by the Church Board. Said seal may be used by causing it or a facsimile thereof to be impressed or affixed or otherwise reproduced, or by writing the word "SEAL" beside the signature of an authorized officer of the Corporation.

Article 3

MEETINGS OF MEMBERS

Section 3.1 Notice. All notices of meetings of members shall normally be given in writing in the Church bulletin on at least two Sundays before the meeting by or at the direction of the President, Secretary, or persons calling the meeting. Notice shall be given not less than ten (10) nor more than sixty (60) days before the date of the meeting and not less than twenty-five (25) nor more than sixty (60) days before the date of a meeting at which the members will act on an amendment to the Articles of Incorporation, a plan of merger, a proposed sale of all or substantially all of the assets of the Corporation, or the dissolution of the Corporation. The notice shall specify the place, date, and hour of the meeting, the general nature of the business to be transacted and those matters that the Board intends to present for action by the members.

Section 3.2 Waiver of Notice. Whenever any notice of member meetings is required to be given under law or the provisions of the Articles of Incorporation or these Bylaws, a written waiver of notice signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance at a meeting by a person entitled to notice shall constitute a waiver of proper notice of such meeting, except where attendance is for the express purpose of objecting to the transaction of business because the meeting is not lawfully called or convened.

Section 3.3 Quorum and Proxy Voting. The number of members present in person at a meeting shall constitute a quorum at a meeting of members. Proxy voting is not permitted.

Article 4

CHURCH BOARD

Section 4.1 Term. Members of the Church Board, other than ex officio members, shall be elected for a term of one (1) year or until their successors are elected and qualify in their stead. Church Board Members may be re-elected, provided that a Church Board Member who has served for three (3) full consecutive terms shall not be eligible for re-election as a Church Board Member until at least one (1) year after his or her service as a Church Board Member terminates. Ex-officio members of the Church Board are the Senior Pastor (President of the Corporation), Nazarene Missions International President, and Christian Life Chairman (who functions as the Sunday School Superintendent).

Section 4.2 Transactions with Interested Parties. A contract or other transaction between the Corporation and one or more of its Church Board Members, officers, or family members thereof (hereinafter "Interested Party"), or between the Corporation and any other entity, of which entity one or more Church Board Members, officers, or trustees are also Interested Parties, or in which entity an Interested Party has a material financial interest – shall be voidable at the sole election of the Corporation unless either of the following provisions is satisfied:

4.2.1 The Board in good faith authorized, approved, or ratified the transaction by the affirmative vote of a majority of the disinterested Church Board Members, and with disclosure or knowledge of the material facts concerning the transaction and the Interested Parties' relationship or interest in the transaction; or

4.2.2 The transaction is fair as to the Corporation as of the time it is authorized, approved or ratified by the Board.

Common or interested Church Board Members may be counted in determining the presence of a quorum at a meeting of the Church Board (or a committee thereof) which authorizes, approves, or ratifies such contract or transaction.

Section 4.3 No Compensation of Church Board Members. Church Board Members and members of any committee of the Church Board shall not receive compensation for their services

as Church Board Members and members of any such committee, but shall be entitled to reimbursement for any reasonable expenses incurred in attending such meetings. Church Board Members shall not be barred from serving the Corporation in any other capacity and receiving reasonable compensation for such other services.

Article 5

MEETINGS OF THE CHURCH BOARD

Section 5.1 Notice and Waiver of Notice. Regular meetings of the Church Board may be held with or without notice. The Church Board will normally have quarterly meetings each calendar year, with one meeting designated as the annual meeting. Committees reporting to the Church Board (See Article 7) will normally meet monthly.

Special meetings of the Board may be held upon at least two days prior notice to the Church Board Members of the date, time, and place of the meeting.

Whenever any notice is required to be given by law or under the provisions of the Articles of Incorporation, or these Bylaws, a waiver thereof in writing signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto. Attendance at a meeting by a person entitled to notice shall constitute a waiver of proper notice of such meeting, except where attendance is for the express purpose of objecting to the transaction of business because the meeting is not lawfully called or convened.

Section 5.2 Quorum. The majority of the Church Board Members then in office shall be necessary and sufficient to constitute a quorum for the transaction of business, and the act of a majority of the Church Board Members present and voting at a duly constituted meeting of the Church Board shall be the act of the Church Board, except as may be otherwise specifically provided by statute or by the Articles of Incorporation or by these Bylaws.

Section 5.3 Action Without a Meeting. Any action required or permitted to be taken by the Church Board or by a committee thereof may be taken without a meeting; however, a written consent setting forth the action so taken, signed by all the members of the Board or of the committee, as the case may be, must be filed with the minutes of proceedings of the Board or the committee.

Section 5.4 Meeting Participation by Conference Telephone, Etc. Members of the Church Board or of any committee designated thereby may participate in a meeting of the Board or such committee by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can collegially communicate with each other. Participation by such means shall constitute presence in person at such meeting. When such a meeting is conducted by means of conference telephone or similar communications equipment, the minutes recording any action taken at such meeting shall also note who participated in person, and who participated by alternative method of communication.

Article 6

OFFICERS

Section 6.1 Number and Positions. In addition to the officer positions described in the Manual, the Church Board may also elect one or more vice presidents, assistant secretaries, and assistant treasurers.

Section 6.2 Vice Presidents. If the Church Board elects to fill the position, any Vice President shall, in the absence of the President and as authorized by the Church Board or the President, perform the duties and exercise the powers of the President, or such of those duties as may be delegated by the Board, and shall have such other rights, duties, and powers as are authorized by the Church Board or President from time to time. If more than one Vice President is appointed, the Church Board shall designate which shall, in the absence of the President, perform said duties.

Section 6.3 Assistant Secretaries. If the Church Board elects to fill the position, any Assistant Secretary shall, in the absence or disability of the Secretary or as prescribed by the Church Board or Secretary, perform the duties and exercise the powers of the Secretary, and shall perform such other duties as the Church Board shall prescribe.

Section 6.4 Assistant Treasurers. If the Church Board elects to fill the position, any Assistant Treasurer shall, in the absence or disability of the treasurer, or as prescribed by the Church Board or Treasurer, perform the duties and exercise the powers of the treasurer, and shall perform such other duties as the Church Board shall prescribe.

Article 7

BOARD APPOINTED COMMITTEES ("BOARD TEAMS") AND ADVISORY BOARDS

Section 7.1 Board Committees. The Church Board shall appoint a Finance Team, Personnel Team, and Buildings and Grounds Team.

Section 7.2 Finance Team. The Senior Pastor will serve as Chairman of the Finance Team and may appoint a pro tem leader. The Finance Team will also consist of the elected Treasurer, two Church Board Members, and Lay Representatives who have the gift of financial management and are approved by the Church Board.

The Finance Team will select a secretary and normally meet monthly to conduct business as detailed in Board-approved guidelines. A written report will be submitted to the Church Board within three days of each monthly meeting.

Section 7.3 Personnel Team. The Senior Pastor will serve as Chairman of the Personnel Team and may appoint a pro tem leader. The Personnel Team will include representatives from the Church Board and Lay Representatives who have the gift of human resource management and are approved by the Church Board. This team will assist the Senior Pastor and Executive Pastor in supporting the human resource function of the Church.

The Personnel Team will normally meet monthly conducting business as detailed in Board-approved guidelines. The Personnel Team Secretary will submit a written report to the Church Board within three days of each meeting.

Section 7.4 Buildings and Grounds Team. The Senior Pastor will serve as Chairman of the Buildings and Grounds Team and may appoint a pro tem leader. The Building and Grounds Team will include representatives from the Church Board and Lay Representatives who have the gift of facility management and are approved by the Church Board. This team is to support the facility manager in developing and maintaining the physical plant and resources necessary for the Church ministries to function well.

The Buildings and Grounds Team will normally meet monthly conducting business as detailed in Board-approved guidelines. The Buildings and Grounds Team Secretary will submit a written report to the Church Board within three days.

Section 7.5 Other Committees. The Church Board may establish such other committees as it determines are necessary or useful for the business and operations of the Corporation. These committees may not exercise the authority of the Board, but shall have only such duties and authorities as shall from time to time be prescribed by the Board or President. The President shall have authority to make appointments to each committee, to designate the chair thereof, to fill vacancies in, to change the size or membership of, and to discharge any such committee as he deems appropriate. The delegation of duties or authority to any committee shall not operate to relieve the Church Board or any member of the Board from any responsibility imposed by law. Rules governing procedures for meetings of any committee shall be established by the Church Board or President, or in the absence thereof, by the committee itself.

Section 7.6 Advisory Boards. The Church Board may create one or more advisory boards, for such terms as deemed fit by the Church Board. Such advisory boards shall have no vote or governance role, but shall serve the Church Board in specified advisory capacities.

Section 7.7 Appointments to Boards of Affiliates. In addition to ex officio Board positions held by the Corporation's President, the Church Board shall appoint three individuals from among its own members to serve on the Boards of the Corporation's affiliated entities -- Guardian Christian Academy and Life Spring Community Development Foundation, and any other affiliated entities that the Church establishes.

Article 8

FISCAL MATTERS

Section 8.1 Deposits. The Church Board shall select banks, trust companies, or other depositories in which all funds of the Corporation not otherwise employed shall, from time to time, be deposited to the credit of the Corporation.

Section 8.2 Checks. All checks or demands for money and notes of the Corporation shall be signed by such officer or officers or such other persons as the Church Board may from time to time designate.

Section 8.3 Fiscal Years. The Church Board shall have the power to fix, and from time to time to change, the fiscal year of the Corporation. Unless otherwise fixed by the Church Board, the fiscal year shall be June 1 through May 31.

Section 8.4 Contracts. Subject to the Manual, the Church Board may authorize any officer or officers, agent or agents of the Corporation, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation. Such authority may be general or confined to specific instances.

Section 8.5 Designated Contributions. The Corporation may accept any designated contribution, grant, bequest or devise consistent with its general tax exempt purposes, as set forth in the Articles of Incorporation. As so limited, donor designated contributions will be accepted for special funds, purposes or uses, and such designations generally will be honored. However, the Corporation shall reserve all right, title and interest in and to and control of such contributions, as well as full discretion as to the ultimate expenditure or distribution thereof in connection with any special fund, purpose or use. Further, the Corporation shall retain sufficient control over all donated funds (including designated contributions) to assure that such funds will be used to carry out the Corporation's tax exempt purposes.

Article 9

AMENDMENTS

These additional provisions to the Bylaws may be amended, altered, or repealed at any regular or special meeting of the Board by a two-thirds majority vote of the members of the Church Board in office and upon receiving any necessary approvals of the Church of the Nazarene.