
Amended and Restated Bylaws of Potomac Conference Corporation of Seventh-day Adventists

Prepared by the Potomac
Conference Standing
Constitution and Bylaws
Committee

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**AMENDED AND RESTATED BYLAWS OF
POTOMAC CONFERENCE CORPORATION OF
SEVENTH-DAY ADVENTISTS**

ARTICLE I — DEFINITIONS

When used in these Bylaws, the terms defined below shall have the meanings specified:

“Articles” shall mean the Articles of Incorporation of the Corporation, as amended from time to time.

“Board of Education” shall mean the PreK-12 School Board of Education of the Conference.

“Bylaws,” unless otherwise qualified or identified, shall mean these Amended and Restated Bylaws.

“Code” shall mean the Internal Revenue Code of 1986, as amended from time to time.

“Conference” shall mean Potomac Conference Corporation of Seventh-day Adventists, a nonprofit religious District of Columbia corporation authorized to do business in the State of Maryland and the Commonwealth of Virginia. Whenever and wherever used herein, “Potomac Conference” and “Potomac Conference Corporation” shall mean the unincorporated association and corporation, respectively, as they existed prior to the adoption and ratification of these Bylaws.

“Conference Institutional Representative” shall mean a representative from Potomac Adventist Book and Health Food Store, Shenandoah Valley Academy, and Takoma Academy.

“Delegate at Large” shall mean a properly accredited representative as defined herein under Article VI—Representation, Section 1.b.

“Division” or “NAD” shall mean the North American Division of the General Conference of Seventh-day Adventists.

“Executive Committee” shall mean the Board of Directors of the Conference and, unless otherwise provided in these Bylaws, shall perform the duties, exercise the powers, and serve the functions that the Board of Directors of Potomac Conference Corporation and the Executive Committee of Potomac Conference of Seventh-day Adventists performed, exercised, and served prior to the adoption and ratification of these Bylaws.

“Executive Officers” shall mean the President, the Vice President of Administration, and the Vice President of Finance of the Conference.

“General Conference” shall mean General Conference of Seventh-day Adventists, a world church organization.

“Member Church” shall mean a local church within the geographic territory and under the jurisdiction of the Conference which has been formally accepted as a Member Church by vote of the Constituency.

1 “Organized Church” shall mean a local church within the geographic territory and under the
2 jurisdiction of the Conference which has been officially approved by a vote of the Executive
3 Committee and is awaiting acceptance as a Member Church by a vote of the Constituency.

4 “Regular Delegate” shall mean an appointed or elected representative of a Member Church or
5 Organized Church.

6 “Union” shall mean Columbia Union Conference of Seventh-day Adventists or its successor.

7 “Vice President of Administration” shall mean the Executive Secretary of the Conference.

8 “Vice President of Education” shall mean the Superintendant of Schools of the Conference.

9 “Vice President of Finance” shall mean the Treasurer of the Conference.

10 **ARTICLE II — PRINCIPAL OFFICE**

11 **Section 1: Office.** The principal office for the transaction of the business of the Conference is
12 fixed and located at 606 Greenville Avenue, Staunton, Augusta County, Virginia 24401. The
13 Executive Committee may change the location of the principal office. The Conference may have
14 offices at such other places as the Executive Committee may determine or as the Conference’s
15 activities may require.

16 **Section 2: Territory.** The geographical territory of the Conference shall be the Commonwealth
17 of Virginia, except Accomack and Northampton Counties; the District of Columbia; and those
18 portions of Montgomery and Prince Georges Counties in Maryland within a line drawn as
19 follows: Beginning at Mt. Vernon, Virginia, draw a line to Piscataway, Maryland; continue the
20 line northeast to the junction of Highways U.S. 301 and MD 214; from this point, continue the
21 line northwest to the junction of Highways MD 650 and MD 198 (Brown’s Corner); then follow
22 MD 650 north to Ednor; follow Ednor Road northeast to the Patuxent River; follow the Patuxent
23 River northwest to the Montgomery/Frederick County line; then turn southwest along the County
24 line to the Virginia/Maryland State line. The territory may also include any other territory as
25 may hereafter come under its supervision by agreement with the Union and the Division.

26 **ARTICLE III — PURPOSES**

27 **Section 1: Purposes.** The Conference is organized as a nonprofit religious corporation
28 exclusively for charitable, religious, and educational purposes within the meaning of Section
29 501(c)(3) of the Code, including but not limited to unifying, extending, and facilitating the work
30 and proclamation of the Everlasting Gospel of Jesus Christ, in the context of the Three Angels’
31 Messages of Revelation 14:6-12, to all peoples within its territory, as shall be designated by vote
32 of the Executive Committee, in part by teaching the Gospel and by leading people to accept
33 Jesus Christ as their personal Savior and to unite with His church, discipling them to prepare for
34 His soon return; coordinating Christian ministries and pastoral, educational, youth, literary,
35 health, and community services; conducting and carrying on meetings and conferences of
36 Delegates from the various Seventh-day Adventist churches located within its territory; and
37 conducting and carrying on such other meetings, conferences, and gatherings as shall from time
38 to time be permitted or required by these Bylaws or the Working Policies of the General
39 Conference and the Division.

1 The Conference is a part of the Union, which, in turn, is part of the Division of the General
2 Conference. All purposes, powers, policies, and procedures of the Conference shall be in
3 harmony with the Working Policies of the General Conference and the Division. The
4 Conference shall pursue its mission in harmony with the doctrines, programs, and initiatives
5 adopted and approved by the General Conference in its quinquennial sessions.

6 Notwithstanding any other provision of these Bylaws, the Conference shall not carry on any
7 other activities not permitted to be carried on (a) by a corporation exempt from federal income
8 tax under Section 501(c) (3) of the Code; (b) by a corporation to which contributions are
9 deductible under Section 170(c) (2) of the Code; or (c) by the laws of the jurisdiction under
10 which the Corporation is incorporated or authorized to do business as a foreign corporation.

11 **Section 2: Powers.** Subject to the foregoing, the Conference shall have all powers, rights,
12 privileges, and immunities, and shall be subject to all of the liabilities conferred or imposed by
13 law upon corporations of this nature, and shall be subject to and have all the benefits of all
14 general laws with respect to nonprofit religious corporations, provided that no part of the net
15 earnings of the Conference shall inure to the benefit of any member, director, or officer of the
16 Conference, or any private individual (except that reasonable compensation may be paid for
17 services rendered to or for the Conference in carrying out one or more of its purposes), and no
18 member, director, or officer of the Conference, or any private individual, shall be entitled to
19 share in the distribution of any of the corporate assets on dissolution of the Conference. No
20 substantial part of the activities of the Conference shall be the carrying on of propaganda, or
21 otherwise attempting to influence legislation, and the Conference shall not participate in or
22 intervene in (including the publication or distribution of statements) any political campaign on
23 behalf of any candidate for public office.

24 **Section 3: Distribution on Dissolution.** The Conference may be dissolved only by a two-thirds
25 (2/3) majority vote of the Delegates present and voting at any Constituency Meeting, provided
26 that there are at least one hundred twenty-five (125) Delegates present of which at least seventy-
27 five (75) are Regular Delegates. Upon the dissolution of the Conference or the termination of its
28 activities, the assets of the Conference remaining after the payment of all its liabilities shall be
29 distributed exclusively to the Union or another organization holding Seventh-day Adventist
30 denominational status, to the extent permitted by law; provided, however, that if the Union or
31 such other organization no longer shall exist or qualify for exemption from federal income
32 taxation under Section 501(a) of the Code, such assets shall be distributed to one or more
33 organizations designated by the Executive Committee that are then exempt from federal income
34 taxation under Section 501(a) of the Code as organizations described in Section 501(c)(3) of the
35 Code.

36 **Section 4: Tax-Exempt Status.** It is intended that the Conference shall have and continue to
37 have the status of a corporation which is exempt from federal income tax under Section 501(a) of
38 the Code, as an organization described in Section 501(c)(3) of the Code. The Articles and these
39 Bylaws shall be construed accordingly, and all powers and activities shall be limited accordingly.

ARTICLE IV — MEMBERSHIP

The Membership of this Conference shall consist of such Member Churches as have been or shall be properly organized in any part of the geographic territory under its jurisdiction and formally accepted for membership by vote of the Delegates at any regularly scheduled Constituency Meeting. Such Member Churches shall remain members of the Conference unless dissolved by the Conference in a properly called Constituency Meeting.

ARTICLE V — CONSTITUENCY MEETINGS

Section 1: Regular Meeting. The Membership meetings of the Conference shall be known as its Constituency Meeting. No annual meeting is required unless mandated by law. The Conference shall hold a regular quinquennial Constituency Meeting at such time and place as the Executive Committee of the Conference shall designate. Two (2) consecutive notices of the time and place of the meeting of the Delegates representing the members shall be printed in the official publication of the Union or printed by a method approved by the Conference Executive Committee at least four (4) weeks before the date of the Constituency Meeting.

Section 2: Mid-Term Report. The Conference shall give a written mid-term report to every church in the Conference on or about two (2) years after the regular Constituency Meeting.

Section 3: Special Meeting.

a. The Executive Committee of the Conference shall call a Special Constituency Meeting, at a time and place it deems proper, when:

1. It is requested by the President or Vice President for Administration or voted by the Executive Committee, or
2. It is voted by the Delegates at any Constituency Meeting, or
3. A written request is presented by one-third (1/3) of the Member Church boards, or
4. It is voted by the Executive Committee of the Union, Division, or General Conference, or
5. It is required by law.

b. The Union Executive Committee or the Division Executive Committee may call a Special Constituency Meeting of the Conference.

c. The agenda for Special Constituency Meetings shall be included in the written or printed notice of the meeting and sent to all Delegates and shall include the place, day, and hour of the meeting and the purpose or purposes for which the meeting is called and shall be delivered not less than 10 or more than 50 days before the meeting.

d. The time and place of Special Constituency Meetings shall be given in the same manner as for regularly scheduled Constituency Meetings.

Section 4: Quorum. At least one-third (1/3) of the Delegates authorized hereinafter under Section 1 of Article VI of these Bylaws must be present at any regular or Special Constituency

Meeting to constitute a quorum for the transactions of business. Once the meeting is declared open, the Delegates present shall constitute a quorum until there are fewer than one hundred twenty-five (125) Delegates present of which at least seventy-five (75) are Regular Delegates.

Section 5: Proxy Voting. All Delegates must be present in person at any Constituency Meeting in order to be eligible to vote. There shall be no voting by proxy.

Section 6: Voting Rights of the Delegates. Each Delegate appointed to act on behalf of the members of the Conference shall be entitled to one vote. The voting rights of the individual Delegates representing the Members as hereinafter provided shall be limited to the particular Constituency Meeting of the Conference in which they have been designated to represent a Member Church, an Organized Church, an institution, the Union, the Division, or the General Conference.

Section 7: Election/Appointment and Term of Office. All Executive Officers, Vice Presidents, and members of the Executive Committee who are not *ex officio* members shall be elected by the Delegates at the regular meeting of the Constituency, and shall hold their offices until the next regular meeting of the Constituency unless they resign or are removed from office, for cause, by the Executive Committee or a Special Constituency Meeting. The appointment of departmental directors, associate departmental directors, associate secretaries, or associate treasurers shall be referred to the Executive Committee at its first session following a regular Constituency Meeting.

Section 8: Rules of Order. The General Conference Rules of Order, including any amendments made by the General Conference during the quinquennium, shall be used for all Constituency Meetings.

Section 9: Delegate Materials. The Delegates to all Constituency Meetings shall receive, at least three (3) weeks prior to the meeting, such background materials as the Conference Executive Officers shall deem pertinent. For regular Constituency Meetings, these materials shall include:

- a. The agenda setting forth all issues proposed for discussion;
- b. The minutes of the previous regular meeting and minutes of all mid-term and special meetings held since the previous regular meeting;
- c. A General Conference Audited Statement, a detailed summary of the current financial statement, current operating budget for the Conference, and a financial summary for fiscal years ending after the last regular Constituency Meeting;
- d. A copy of the Bylaws provision(s) under which the meeting is called;
- e. A copy of the NAD Working Policy on local conference Constituency Meetings;
- f. To the extent feasible, a list of the proposed Delegates;
- g. General Conference Rules of Order; and
- h. Proposals by the Articles and Bylaws Committee.

1 For a Special Constituency Meetings, at least an agenda shall be furnished in the same manner as
2 for regular meetings.

3 **Section 10: Voting Method.** The election of Executive Officers, Vice Presidents, and members
4 of the Executive Committee, and voting on all other matters of business, shall be by voting cards,
5 unless otherwise determined by a majority vote of the Delegates present, provided the alternative
6 voting method is readily available.

7 **Section 11: Parliamentarian.** The Executive Committee shall appoint a parliamentarian and
8 assistant(s) to advise and rule on all parliamentary procedure issues at all Constituency Meetings.

9 **Section 12: Constituency Meeting Agenda.** At least six (6) months before a Constituency
10 Meeting, the office of the Vice President for Administration shall contact all Churches within the
11 Conference and, in consultation with the Executive Committee, will review comments and/or
12 suggestions for the Constituency Meeting agenda.

13 **ARTICLE VI — REPRESENTATION**

14 **Section 1: Delegates.** The Delegates at any Constituency Meeting of this Conference shall be
15 Regular Delegates and Delegates at Large.

16 a. **Regular Delegates.** All Regular Delegates shall be properly accredited by any one of the
17 Member Churches or Organized Churches of the Conference. Each Church shall elect one
18 (1) Delegate for the organization and one (1) additional Delegate for each 50 (fifty) members
19 or major fraction thereof who hold membership in the Member Church or Organized Church
20 which accredits them. Such representation shall be based on church membership at the close
21 of the calendar year preceding the Constituency Meeting. Churches must submit a complete
22 list of Delegates to the Conference three (3) months before the date of the Constituency
23 Meeting. If the list is not received by such date, churches would not have a delegation to the
24 Constituency Meeting.

25 b. **Delegates at Large.** Delegates at Large shall consist of individuals holding the following
26 positions:

- 27 1. All members of the Executive Committee of the Conference.
- 28 2. All members of the Standing Articles and Bylaws Committee of the Conference.
- 29 3. All members of the Executive Committee of the Union who are present at the
30 Constituency Meeting of the Conference.
- 31 4. All denominational employees holding credentials issued by the Conference.
- 32 5. Members of the General Conference Executive Committee, and the Division Executive
33 Committee, who are present at the Constituency Meeting of this Conference. The
34 number of such Delegates representing the General Conference and Division shall not
35 exceed five percent (5%) of the total number of Delegates otherwise provided for.
- 36 6. Such other persons as may be granted Delegate's credentials for a specific Constituency
37 Meeting by a two-thirds (2/3) vote of the Executive Committee. The number of such

Delegates shall not exceed five percent (5%) of the total number of Delegates otherwise provided for hereinabove. These Delegates may include individuals from Healthcare Institutions, Washington Adventist University, a Parliamentarian, and part-time retired pastors.

Section 2: Status of Delegates. All Delegates appointed to represent the members of the Conference at any Constituency Meeting shall be members in good and regular standing of the Seventh-day Adventist Church.

ARTICLE VII — COMMITTEES

Section 1: Organizing Committee.

- a. The Organizing Committee shall be constituted as follows: Each Church that will be represented at the Constituency Meeting shall choose, or empower its delegation to choose, one member plus one additional member for each seven hundred and fifty (750) members or a major fraction thereof.
- b. The chairperson of the Organizing Committee shall be the President of the Union or the Union President's representative.
- c. The Organizing Committee shall nominate and the constituency shall elect:
 1. The Nominating Committee to serve for the Constituency Meeting.
 2. The Standing Articles and Bylaws Committee.
- d. Members of the Organizing Committee shall be chosen prior to the Constituency Meeting.
- e. The Organizing Committee shall meet prior to the Constituency Meeting and shall complete its work at least thirty (30) days before the Constituency Meeting. The time and place of the meeting shall be given in the official notice of the Constituency Meeting.
- f. A quorum to do business shall consist of a majority.

Section 2: Nominating Committee.

- a. The Nominating Committee shall consist of thirty-one (31) members, including the President of the Union or the Union President's representative, with the President of the Union, or the President's representative, serving as the chairperson. The membership of the Nominating Committee, chosen from the Delegate lists as presented, shall include members from each of the eight (8) geographical regions of the Conference in proportion to the actual church memberships within the regions, the majority of whom shall not be employees of the Conference. The Nominating Committee shall include, but not be limited to, pastors, women, educators, and minority representation. No more than four (4) members of the Organizing Committee may serve on the Nominating Committee.
- b. Prior to the first meeting of the Nominating Committee, the Executive Committee may choose three (3) members (two (2) laypersons and one (1) employee) of the Conference Personnel Committee to serve on the Nominating Committee as non-voting consultants.

- 1 c. The Nominating Committee shall nominate all Executive Officers, Vice Presidents, members
2 of the Executive Committee who are not *ex officio* members, the Potomac Conference Board
3 of Education, and Conference academy boards (Shenandoah Valley Academy and Takoma
4 Academy).
- 5 d. The Nominating Committee will only elect positions that currently exist and not create
6 positions.
- 7 e. The Nominating Committee shall begin its work not more than thirty days (30) and not less
8 than fifteen (15) days prior to the Constituency Meeting and shall report at the designated
9 Constituency Meeting session.
- 10 f. **Quorum.** When the Organizing Committee and the Nominating Committee meet prior to the
11 Constituency Meeting, two-thirds (2/3) majority of the members must be present in order to
12 transact business.

13 **Section 3: Standing Articles and Bylaws Committee.**

- 14 a. **Selection.** Each regularly scheduled Constituency Meeting of this conference shall elect
15 members of the Standing Articles and Bylaws Committee.
- 16 b. **Membership.** This Committee shall be composed of not more than eleven (11) members
17 and two alternates. The Vice President of Administration of the Conference or his/her
18 designee shall serve as chairperson, and the committee shall include the Executive
19 Secretary of the Union or the Executive Secretary's representative. Should a member be
20 unable to function, the Executive Committee may provide a replacement as necessary.
- 21 c. **Function.** This Committee shall function between the regularly scheduled Constituency
22 Meetings and shall submit its reports and recommendations to the Executive Committee
23 and to the next regular Constituency Meeting.
- 24 d. **Duties and Responsibilities.** The purpose of this committee shall be to study, review,
25 and/or recommend revisions to:
- 26 1. The Articles and Bylaws of the Conference;
- 27 2. The Constitutions of the K-12 Board of Education, Takoma Academy, and
28 Shenandoah Valley Academy; and
- 29 3. The Constitutions, Articles, and Bylaws of any new subsidiary organizations of the
30 Conference.

31 **Section 4: Voting.** The voting on all matters of business in Article VII shall be by *viva voce*
32 (voice) unless otherwise determined by a majority vote of the Committee members present.

33 **ARTICLE VIII — EXECUTIVE COMMITTEE**

34 **Section 1: Membership of Executive Committee.** The Executive Committee of the
35 Conference shall be elected at its regularly scheduled Constituency Meeting and shall consist of
36 not more than twenty-seven (27) members. The President, Vice President of Administration,
37 Vice President of Finance, and Vice President for Education shall be *ex officio* members of the

Executive Committee. The membership of the Executive Committee may include at least one departmental director or one alternating Conference Institutional Representative, with the remaining membership balanced as nearly as possible between laypersons and pastors or other denominational employees from various sections of the Conference. All members, except for *ex-officio* members, shall not serve more than two (2) consecutive terms. The membership of the Executive Committee shall represent the various segments and geographical territories of the Conference. In order to assure that each area of the Conference is adequately represented, a member shall be asked to resign if he/she misses more than three (3) unexcused meetings per year. The executive officers of the Union are permanent invitees of the Executive Committee.

Section 2: Delegated Authority. The Executive Committee of the Conference is delegated the authority to act on behalf of the constituents between regular Constituency Meetings, including the authority to elect or remove for cause Executive Officers, Vice Presidents, directors of departments/services, and Executive Committee, Standing Committee, and Special Committee members.

Section 3: Administrative Authority. The Executive Committee shall have full administrative authority to:

- a. Appoint all departmental directors, associate departmental directors, associate secretaries, or associate treasurers at its first session following a regular Constituency Meeting.
- b. Fill for the current term any vacancies that may occur by death, resignation, or otherwise, in the Executive Committee, Standing and Special Committees, departments, or any office which have been filled by Conference or Constituency Meeting election or appointment. If a new President is to be elected, the President of the Union or the President's designee shall chair the Executive Committee. The filling of vacancies on the Executive Committee shall require the affirmative vote of two-thirds (2/3) of the members of the Executive Committee.
- c. Employ ministers, teachers, secretaries, and other persons deemed necessary for the work of the Conference.
- d. Grant and withdraw credentials and licenses. The withdrawal of credentials shall require the affirmative vote of two-thirds (2/3) of the members of the Executive Committee.
- e. Appoint committees and subcommittees as deemed appropriate or necessary. The membership of each committee and subcommittee shall include no less than two members of the Executive Committee. Each committee and subcommittee shall have and may exercise the authority of the Executive Committee to the extent provided in the resolution of the Executive Committee designating or appointing said committee or as provided by the Article of Incorporation or Bylaws of the Conference.
- f. Ask for the resignation of Executive Committee members by a two-thirds (2/3) vote.

Section 4: Regular Meetings. The Executive Committee may schedule regular meetings at such times and places as it may select.

Section 5: Special Meetings. Special Meetings of the Executive Committee may be called any time or place by the President or, in the President's absence or at the President's direction, by the Vice President of Administration. A Special Meeting shall also be called by the Vice President

of Administration in response to a 2/3 affirmative vote request of the total members of the Executive Committee.

Section 6: Quorum. A majority of the Executive Committee members shall constitute a quorum. At least one of the members shall be an Executive Officer of the Conference.

Section 7: Voting. The voting on all matters of business shall be by *viva voce* (voice) unless otherwise determined by a majority vote of the Committee members present.

ARTICLE IX — OFFICERS

Section 1: Executive Officers. The Executive Officers of the Conference shall be the President, the Vice President of Administration, and the Vice President of Finance. Any Executive Officer of the Conference may execute and deliver all authorized assignments, bonds, contracts, agreements, deeds, mortgages, easements, rights of way, powers of attorney, annuities and life income agreements, trusts, and all other documents, obligations, and assurances in the name of the Conference. It is the duty of these Executive Officers, in consultation with one another, to carry forward the mission according to plans, policies, and programs voted by the constituency and/or the Executive Committee. These plans, policies, and programs shall be in harmony with the doctrines and actions adopted and approved by the General Conference in its quinquennial sessions.

a. **President.** The President, who shall be an ordained minister of experience, is the chief Executive Officer and shall report to the Executive Committee of the Conference in consultation with the Vice President of Administration and Vice President of Finance. The President shall chair Constituency Meetings, the Executive Committee and the Conference academy boards, and serve in the general interests of the Potomac Conference as the constituency and the Executive Committee shall determine. In providing leadership, the President shall adhere to the policies of the Union, the Division, and the General Conference and work in harmony with the Union Committee and in close counsel with the Union officers. The President shall also be responsible for providing information as may be requested by the Executive Committee. The President shall have the general powers and duties of supervision and management consistent with the Bylaws as are usually vested in the office of the president of a corporation and shall perform such other duties as usually pertain to the office.

b. **Vice President of Administration.** The Vice President of Administration, associated with the President as an Executive Officer, shall serve under the direction of the Executive Committee and shall act as vice-chairperson of the Executive Committee. The Vice President of Administration shall report to the Executive Committee of the Conference after consultation with the President. It shall be the duty of the Vice President of Administration to keep the minutes of the Constituency Meetings and of the Executive Committee meetings, to furnish copies of these minutes to all members of the Executive Committee and to the officers of the Union. The Vice President of Administration shall also be responsible for providing information as may be requested by the President or by the Executive Committee. The Vice President of Administration shall perform all the duties consistent with the Bylaws as are usually vested in the office of the secretary of a corporation and shall perform such other duties as usually pertain to the office and as may be assigned by the Executive Committee or by the President. In case of the absence or disability of the President, the duties of that office shall be performed by the Vice President for Administration, and the

1 taking of any action by any such Vice President in place of the President shall be conclusive
2 evidence of the absence or disability of the President.

- 3 c. **Vice President of Finance.** The Vice President of Finance, associated with the President as
4 an Executive Officer, shall serve under the direction of the Executive Committee. The Vice
5 President for Finance shall report to the Executive Committee of the Conference after
6 consultation with the President. The Vice President of Finance shall be responsible for
7 providing financial leadership to the Conference which will include, but shall not be limited
8 to, receiving, safeguarding, and disbursing all funds in harmony with the actions of the
9 Executive Committee, for remitting all required funds to the Union/Division/General
10 Conference in harmony with the NAD policy, and for providing financial information to the
11 President and to the Executive Committee. The Vice President of Finance shall be
12 responsible for furnishing copies of the financial statements to the Union officers. The Vice
13 President of Finance shall perform all the duties generally incident to the office of the
14 treasurer of a corporation and shall have such other powers and shall perform such other
15 duties usually pertain to the office and as may be assigned by the Executive Committee or by
16 the President.

17 **Section 2: Other Officers.** Other officers may be elected by the Constituency as deemed
18 appropriate from time to time.

19 **ARTICLE X — DIRECTORS OF DEPARTMENTS/ASSOCIATIONS/SERVICES**

20 **Section 1: Advisory Role.** The directors of departments/associations/services of the
21 Conference shall work under the direction of the Executive Committee of the Conference and the
22 President.

23 **Section 2: Department/Services Structure.** Conference departments/services should be
24 organized in harmony with the departmental/service structure of the General Conference, but
25 need not duplicate the departments/services in the Union, the Division, or General Conference.

26 **ARTICLE XI — SUBSIDIARY MINISTRIES**

27 **Section 1: Corporations and Agencies.** The Conference may carry on its ministry through
28 subsidiary agencies, organizations, and institutions that may, where necessary and appropriate,
29 function either as unincorporated or incorporated entities. Before the Conference forms any
30 legal organization, it shall secure the approval of the Union Executive Committee (if applicable)
31 and Division Committee (NADCOM).

32 **Section 2: Constituency or Executive Committee Meetings of Subsidiaries.** The Executive
33 Committee meetings of the Conference's unincorporated subsidiaries and Board of Director
34 meeting of the Conference's incorporated subsidiaries shall be held in conjunction with the
35 regularly scheduled Constituency Meetings of the Conference or as provided by the Bylaws of
36 the respective subsidiary entities. The election of the Board of Directors, Executive Committees,
37 or management committees of the subsidiary entities will be in harmony with the statutory laws
38 applicable to each such entity.

39 **ARTICLE XII — ADMINISTRATION OF THE BOARD OF EDUCATION**

Section 1: Governing Bodies. The Conference Board of Education derives its authority from the Executive Committee. To ensure the effective and orderly operation of the schools within the Conference, the Board of Education delegates certain functions to the local school board. The local school board works closely with the Board of Education and the Conference Office of Education. This ensures that the operation of each school is based on the policies and practices of the Board of Education and that all actions regarding school personnel are prudent and are based on Christian ethics. The Board of Education shall have authority to oversee the specific operation of Conference schools, including the power to recommend the employment, discipline, and dismissal of employees within their jurisdiction.

Section 2: Operating Procedures. The Executive Committee shall approve working policies for the educational constituency, the Conference Board of Education, and the constitutions and bylaws for all schools PreK-12. These documents shall include a description of membership and the specific responsibilities for each group. These boards shall function within the approved policies of the NAD, the Union, and the Conference Executive Committee.

Section 3: Office of Education. An Office of Education shall carry out the day-to-day administrative and planning functions of the Conference PreK-12 educational program.

Section 4: Vice President for Education. The Office of Education shall be administered by a Vice President for Education. This position shall have discretionary administrative authority in matters pertaining to education and shall function as Executive Secretary of the Board of Education under the direction of the Executive Committee.

Section 5: Associate Superintendent of Schools. The title “Associate Superintendent of Schools” shall be used to designate those individuals who may be elected to serve with the Vice President for Education in carrying out the functions and responsibilities of the Office of Education.

ARTICLE XIII — FINANCE

Section 1: Tithes and Offerings. The church funds managed by the Conference shall consist of such tithe as it shall be assigned by policy and as received from within its territory and such gifts, legacies, bequests, devises, appropriations, reverted funds, direct tithe, and other donations as may be made to it.

Section 2: Policies. The portion of the tithe which is reserved for the Conference, as specified by policy, and all other funds shall be used in harmony with the financial policies of the Division; and, in the case of donations, their use shall be in harmony with the specifications of donors and in compliance with government regulations. Tithe is shared with the Union and Division on fixed percentages as set by the Division Executive Committee, and with the General Conference on fixed percentages as set by the Annual Council of the General Conference Executive Committee.

Section 3: Bank Accounts. The funds of the Conference shall be safeguarded in harmony with the financial policies of the Division. Monies shall be deposited in the name of the Conference, in regular or special accounts, in such banks or savings institutions, as the Executive Committee shall designate, and shall be withdrawn only by persons authorized by resolution of the Executive Committee.

Section 4: Financial Statements. The Conference shall prepare annually appropriate statements of income and fund balances and shall be responsible for the filing of any financial information directly with the Union and the Division and, to the extent required by law, with any branch of local, state, or federal government. The Conference shall make available, upon written request, the audited statements to any member of a Member Church.

Section 5: Execution of Documents. The President, Vice President of Administration, and Vice President of Finance, or any one of them, shall have authority to execute and deliver, in the name and on behalf of the Conference, any contract, bill, note, check, deed, mortgage, bill of sale, or other instrument except as limited by law, the Articles, or these Bylaws, or unless otherwise expressly provided by any resolution of the Executive Committee.

ARTICLE XIV — BUDGET, SALARY REVIEW, AND AUDIT

Section 1: Budget. The Conference shall prepare an annual budget in harmony with the policies of the Division for approval at the December meeting of the Executive Committee of the preceding year.

Section 2: Salary and Expense Review. The Executive Committee shall constitute an Employee Remuneration Committee to review annually the salary and expense of all employees and set salary rates for the subsequent year.

Section 3: Independent Audit. All accounting records of the Conference shall be audited at least annually by auditor(s) designated by the General Conference Auditing Service, and the financial records of the Conference or any of its subsidiaries, agencies, or institutions shall at all times be open to said auditor(s). A management response from the Executive Committee shall be prepared for the General Conference Auditing Service.

ARTICLE XV — REAL ESTATE AND PERSONAL PROPERTY INTERESTS

All real estate and personal property interests of the Conference, shall be owned by, titled in the name of, and held by the Conference. Real estate and personal property interests of the Conference shall not be titled in the name of Member Churches, Organized Churches, Conference Institutions, and other Conference organizations, individuals or third parties.

ARTICLE XVI — INDEMNIFICATION

Section 1: Right to Indemnification. The Conference shall, to the extent legally permissible, indemnify each person who may serve or who has served at any time as an officer, director, employee, Executive Committee member, Conference Standing Committee member, Conference Special Committee member, church board member, school board member, or volunteer of the Conference 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 to have been grossly negligent or not to have acted in good faith and in the reasonable belief that such action was legal and in the best interests of the Conference; and further provided that any

compromise or settlement payment shall be approved by a majority vote of a quorum of the Executive Committee who are not at that time parties to the proceeding.

Section 2: Contractual Relationship. This Article constitutes a contract between the Conference and the indemnified person.

Section 3: Heirs and Personal Representatives. The indemnification provided hereunder shall inure to the benefit of the heirs, executors, personal representatives, and assigns of persons entitled to indemnification hereunder. The right of indemnification under this Article shall be in addition to and not exclusive of all other rights to which any person may be entitled.

Section 4: Amendment or Repeal. No amendment or repeal of the provisions of this Article which adversely affects the right of an indemnified person under this Article shall apply to such person with respect to those acts or omissions which occurred at any time prior to such amendment or repeal, unless such amendment or repeal was voted by or was made with the written consent of such indemnified person.

ARTICLE XVII — CONFLICT OR DUALITY OF INTEREST

Section 1: Definitions. For purposes of this Article, the term “Concern” shall mean any corporation, association, trust, partnership, limited liability entity, firm, person, or other entity other than the Conference, and the term “Interest” shall include personal interest in any Concern; interest as director, officer, member, stockholder, shareholder, partner, manager, agent, trustee, or beneficiary in any Concern; or having an immediate family member who holds such an interest in any Concern.

Section 2: Disclosure. Each officer of the Conference and each member of the Executive Committee, the Standing Committees, and the Special Committees of the Conference (“Officer” or “Committee Member,” as the case may be) shall disclose to the Executive Committee any financial or other relationship that might reasonably be construed to be inconsistent with the discharge of such person’s duties to the Conference, including without limitation his or her Interest of, in, and with any Concern with which the Conference has entered into, or might be expected to enter into, a relationship or transaction. Such disclosures shall be made at least annually and at any other time that a potential or actual conflict or duality of interest may arise; said disclosures shall be in such form as the Executive Committee shall require.

Section 3: Effect of Conflict. No Officer or Committee Member of the Conference shall be disqualified from holding any office in the Conference or membership on the Executive Committee or any Standing or Special Committee of the Conference by reason of any Interest in any Concern, nor shall said Officer or Committee Member be disqualified from dealing either as vendor, purchaser, or otherwise, or contracting or entering into any other transaction with the Conference or with any entity of which the Conference is an affiliate, nor shall any transaction of the Conference be voidable by reason of the fact that any Officer or Committee Member has an interest in the concern with which such transaction is entered into, PROVIDED THAT:

1. The Interest of such Officer or Committee Member is fully disclosed to the Executive Committee;

2. No interested Officer or Committee Member may vote or lobby on the matter or be counted in determining the existence of a quorum at the meeting of the Executive Committee at which such matter is voted upon;
3. Any transaction in which an Officer or Committee Member has a Interest shall be duly approved by members of the Executive Committee not so interested or connected as being in the best interests of the Conference;
4. Payments to the interested Officer or Committee Member or his/her Concern shall be reasonable and shall not exceed fair market value;
5. No contract, transaction, or act shall be entered into or taken on behalf of the Conference if such contract, transaction, or act would jeopardize the Conference's tax-exempt status under Section 501(c)(3) of the Code; and
6. The minutes of meetings at which such votes are taken shall record such disclosure, abstention, and rationale for approval.

Section 4: Conflicts with Other Disclosure Standards or Requirements. In the event that an Officer or Committee Member is subject to multiple Conflict or Duality of Interest Standards or Disclosures in a given situation, then said Officer or Committee Member shall be held to the highest or most restrictive standard or disclosure imposed upon him or her.

ARTICLE XVIII — AMENDMENT, REVISION, AND REPEAL

Section 1: To ensure the unity of the Church worldwide, these Bylaws shall be amended or revised from time to time, unless prohibited by law, so as to bring these Bylaws into compliance with the “bold print” provisions contained in the Model Local Conference Bylaws found in the latest edition of the NAD Working Policy. Amendments or revisions to these Bylaws may be proposed by the Executive Committee, an Executive Officer, a Delegate, or a member in good standing of a Member Church for consideration by the Standing Articles and Bylaws Committee, which shall submit its reports and recommendations to the Executive Committee and to the next duly called Constituency Meeting. All amendments or revisions to these Bylaws shall require a two-thirds (2/3) affirmative vote of the Delegates present and voting at any duly called Constituency Meeting of the Conference. Notice of any proposed changes to the Bylaws of the Conference shall be given specifically by the Executive Committee in conjunction with the publication of notice for the Constituency Meeting. Copies of proposed amendments or revisions shall be included in the Delegate background materials.

Section 2: The Constituency or the Executive Committee may recommend to the General Conference—through the Union and the Division—amendments to the Model Local Conference Bylaws.

ARTICLE XIX — GENERAL PROVISIONS

Section 1: Fiscal Year. The fiscal year of the Conference shall end on December 31 of each year, except as otherwise fixed by resolution of the Executive Committee.

Section 2: Corporate Seal. The Conference may have a corporate seal in such form as the Executive Committee or the Registered Agent may approve. Whenever it is inconvenient to use

the corporate seal, a facsimile thereof may be used. The registered agent and any officer of the Conference shall have authority to affix the corporate seal, and it may be attested by his or her signature.

Section 3: Facsimile Signatures. Facsimile, conformed, or electronic signatures of any Officer of the Conference may be used whenever authorized by the Executive Committee or President. The Conference may rely upon the facsimile, conformed, or electronic signature of any person if delivered by or on behalf of such person in a manner evidencing an intention to permit such reliance. A document delivered by e-mail, fax, or other means of electronic transmission shall be deemed, upon receipt by the Conference, in legible form, to constitute a writing even if not reproduced in paper form. Any such electronic transmission sent by a member of the Executive Committee (director) in a manner evidencing an intention to consent to a given action shall be deemed to be signed if such transmission sets forth, or is delivered with, information by which the Conference can, in good faith, determine that the transmission is sent by such person or by an agent authorized to deliver such consent for such person.

Section 4: Interpretation. Headings and captions used herein are inserted for convenience only and shall not be used to construe the scope or content of any provision. In the case of any conflict between the provisions of the Working Policies of the General Conference and the Division or the Articles and these Bylaws, the Working Policies of the General Conference and the Division or the Articles, as applicable and in that order, shall control. In the case of any ambiguity or other question concerning interpretation of these Bylaws, the good faith interpretation of the Executive Committee, acting by the affirmative vote of a majority of the Executive Committee then in office, shall be binding on the Conference for all purposes.

ARTICLE XX — ADOPTION AND RATIFICATION

Adoption and Ratification of these Amended and Restated Bylaws shall be accomplished by the procedure set forth in Article XI of the Bylaws of Potomac Conference Corporation of Seventh-day Adventists and Article IX of the Constitution and Bylaws of Potomac Conference of Seventh-day Adventists. Upon the Adoption and Ratification of these Amended and Restated Bylaws as provided herein, any amendments thereafter to these Bylaws shall be governed by Article XVIII of these Bylaws and this Article XX shall have no further force or effect.

Adopted and Ratified by the vote of the Constituency of the Conference at a duly convened meeting held on the _____ day of _____, 2010.

Adopted by the Board of Directors of Potomac Conference Corporation of Seventh-day Adventists at a duly convened meeting held on the ____ day of _____, 2010.

Adopted and Ratified by the Executive Committee of Potomac Conference of Seventh-day Adventists at a duly convened meeting held on the ____ day of _____, 2010.

By: _____
Jorge A. Ramírez, Vice President for Administration