



Enhancing Trust

ECFA Bylaws

ARTICLE 1 – Offices

- 1.1) **Offices.** The principal office of the corporation shall be located in the metropolitan DC area or such other location as the Board of Directors may determine from time to time.

ARTICLE 2 – Purpose

- 2.1) **Purposes.** The purposes of the corporation are:
- (01) To establish and apply standards of accountability for evangelical Christian not-for-profit organizations seeking membership with the corporation;
 - (02) To develop and publicize criteria by which such organizations may earn the corporation's approval for membership;
 - (03) To provide an emblem and/or other form of recognition which approved members may use to signify their acceptance into membership;
 - (04) To serve and promote the interests of not-for-profit evangelical Christian organizations as may be appropriate from time to time.
 - (05) To educate and inform donors to evangelical Christian not-for-profit organizations concerning good stewardship practices.

ARTICLE 3 – Membership

- 3.1) **Eligibility and Admission.** An evangelical Christian organization that meets the following criteria, as determined by the Board of Directors in its sole discretion, may be admitted to membership in the corporation:
- (01) The organization is tax exempt under Section 501(a) and described in section 501(c)(3) of the Internal Revenue Code;
 - (02) The organization provides adequate information to the corporation to demonstrate that it abides by all of the standards for membership as adopted by the Board of Directors and currently in effect; and
 - (03) The organization's membership is in the best interests of the corporation.

Admission of an organization to membership shall require the affirmative vote of a majority of the members of the Board of Directors. Said vote may be conducted during a regularly scheduled or special meeting of the Board of Directors, or by other means as the Board of Directors may adopt, including electronic voting. Once admitted to membership, a member of the corporation shall continue as such until its resignation or termination as hereinafter provided. An organization whose membership is terminated by the Board of Directors is not eligible to be considered for membership for a period of two years after the date of termination.

- 3.2) **Resignation.** Any member may withdraw on written notice to the Board of Directors of ECFA.
- 3.3) **Requested Resignation.** The Board may request the resignation of any member when it is apparent that said member is unable to timely demonstrate compliance with established standards for membership.
- 3.4) **Suspension.** The membership of any member of the corporation may be suspended by unanimous vote of the Executive Committee or by two-thirds (2/3) vote of the Directors present and voting at any regularly scheduled meeting or special meeting called for that purpose. Any member suspended shall be given a written notice stating the reason. Membership may be suspended if it appears that the member may be in serious violation of a standard. During such time the Board of Directors or its designee shall investigate the matter and determine whether the member should be terminated, or advised of the steps necessary to come into full compliance, or advised that they are not in violation and are restored to full membership.
- 3.5) **Termination.** The membership of any member of the corporation may be terminated by a two-thirds vote of all Directors. Any member terminated shall be given a written notice stating the reason. Membership of an organization may be terminated:
 - (01) If the Board of Directors determines, in its sole discretion, that the member has failed to abide by one or more of the standards established for membership as currently in effect;
 - (02) For failure to provide in a timely manner sufficient information for the Board of Directors to determine if the member abides by such standards;
 - (03) For failure to pay any dues, subscriptions, or assessments established by the Board of Directors; or
 - (04) If the Board of Directors determines that the organization's continued membership is not in the best interests of the corporation.
- 3.6) **Membership Fee.** Each member shall be required to pay a non-refundable yearly membership fee in the amount established by the Board of Directors to operate the corporation.
- 3.7) **Meetings of Members.** A meeting of the members may be held at such time and place as shall be designated by the Board of Directors.
- 3.8) **Notice of Meetings.** The secretary shall give written notice to members at their

addresses as shown on the books of the corporation, of any meeting of members, and of a membership vote by mail on any issue, at least ten (10) days prior to the date thereof. Such notice shall state the time and place of the meeting and, in case of a special meeting, the purpose or purposes thereof. Notice of any meeting of the members may be waived in writing before, during or after such meeting.

- 3.9) **Consent to Meetings.** The transactions taken at any meeting, however called and noticed and wherever and whenever held, shall be as valid as if a quorum is present, and if, either before or after the meeting, each of the members not present shall give waiver of notice as provided in Article 3.8. All such waivers of notice shall be made a part of the minutes of said meetings.
- 3.10) **Quorum.** Those present shall constitute a quorum for the transaction of business at any meeting of members.
- 3.11) **Membership Votes.** The members shall vote to elect the Directors. Each member shall have one (1) vote. Member votes will be held electronically unless otherwise determined by the Board of Directors. Members will be given thirty (30) days to respond to a request for vote. Votes shall be decided by a majority of those responding within the thirty-day (30) response period.
- 3.12) **Eligibility.** Any Director or Officer of a member organization may be authorized to cast the vote on behalf of the member.
- 3.13) **Marks.** Members may use certain marks, such as the ECFA seal, in accordance with ECFA's directions for use.
- 3.14) **Compliance.** Members shall comply with ECFA's Standards and any inquires made by ECFA to review compliance with the Standards. Members shall notify ECFA of any non-compliance with Standards within 30 days of discovery. Compliance of the Standards is determined by ECFA in its sole discretion.
- 3.15) **Publication.** ECFA may publish information about the departure of a member consistent with ECFA's Membership Policy.
- 3.16) **Conflict Resolution.** Any claim or dispute arising between ECFA and a member, applicant or former member shall be settled by mediation and, if necessary, legally binding arbitration in accordance with the Rules of Procedure for Christian Conciliation of the Institute for Christian Conciliation, a division of Peacemaker Ministries, or in accordance with similar rules promulgated either by a successor of Peacemaker Ministries or, if there is no successor, by a similar Christian conciliation organization. Judgment upon an arbitration decision may be entered in any court otherwise having jurisdiction. The parties understand that these methods shall be the sole remedy for any controversy or claim arising out of this Covenant and expressly waive their right to file a lawsuit in any civil court against one another for such disputes, except to enforce an arbitration decision.

ARTICLE 4 – Board of Directors

- 4.1) **Members of the Board.** The Board of Directors shall consist of not less than nine (9) and not more than twenty-one (21) persons.

- 4.2) **Election.** The Directors shall be elected by the members as provided in Article 3.11 of these bylaws during the three (3) months immediately preceding the annual meeting of the Board of Directors.
- 4.3) **Term.** Directors shall serve for a term of three (3) years. No Director shall serve more than two consecutive three (3) year terms plus the unexpired portion of any term created by a vacancy.
- 4.4) **Eligibility for Re-election.** Directors who have served for six or more consecutive years consistent with Article 4.3 may be eligible for re-election after a one-year period.
- 4.5) **Classes.** Directors shall be divided into three (3) classes of not more than seven (7) Directors nor less than three (3) Directors.
- 4.6) **Installation.** Directors shall begin their term of service at the close of the annual meeting of the Board of Directors.
- 4.7) **General Powers.** The business, property and affairs of the corporation shall be managed by the Board of Directors. The Board will have all powers that may be exercised by the Corporation. Its duties are to:
- (01) Be committed to prayer, corporately and individually;
 - (02) Identify and monitor the organization's mission and purpose;
 - (03) Elect, evaluate and support the chief executive officer (CEO), and maintain a current job description and standards of performance for the CEO;
 - (04) Provide leadership on succession planning for the CEO, senior management and officers of the Board;
 - (05) Elect the officers of the Board;
 - (06) Set the CEO's compensation;
 - (07) Comply with all legal requirements placed on the organization and approve all legally binding resolutions;
 - (08) Assure ethical compliance by the organization through regular staff and program reports;
 - (09) Chart the long-range strategy of the organization along with senior management;
 - (10) Approve the annual budget in advance and maintain oversight of its implementation or establish policies that enumerate the applicable budgetary constraints. Further, the Board shall monitor the organization's financial status;
 - (11) Select the organization's independent auditor;
 - (12) Assure the financial solvency of the organization and shoulder appropriate fundraising responsibilities;
 - (13) Approve and modify, if necessary, the corporate structure and corporate policies;
 - (14) Assure perpetuation of an independent Board not dominated by family or staff interest;
 - (15) Assure full disclosure of all potential conflicts of interest within the organization and the Board;
 - (16) Serve as ambassadors for the corporation-interpreting its mission to

- constituencies and enhancing its public image;
- (17) Provide counsel to senior management in the administration of the organization and application of its resources;
 - (18) Be available, where necessary, to hear complaints from employees, members and the public;
 - (19) Maintain job descriptions for Board members, Board officers and Committees within the organization; and
 - (20) Assess Board performance individually and corporately.
- 4.8) **Schedule of Meetings.** The annual meeting of the Board of Directors shall be held for the purpose of election of officers and the transaction of any other business coming before it. The annual meeting shall be held at a time and place determined by the Executive Committee. There shall be at least two (2) meetings of the Board of Directors during the year, at such times and places as determined by the Executive Committee.
- 4.9) **Notice of Meetings.** The Secretary or the Secretary's designee shall give to each Director written notice of the time and place of all meetings at least ten (10) days prior to the date thereof. Notice in each case shall specify the time and place of the meeting and, in the case of a special meeting, the purpose or purposes thereof. Any Director may waive notice of any meeting. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting.
- 4.10) **Special Meetings.** Special meetings in person or by conference call shall be held when deemed necessary by the Chair.
- 4.11) **Consent to Meetings.** The transactions taken at any meeting, however called and noticed and wherever and whenever held, shall be as valid as though taken at a meeting duly held in accordance with the other provisions of these Bylaws, if a quorum be present, and if, either before or after the meeting, each of the Directors not present shall give a waiver of notice as provided in Article 3.8 of these bylaws. All such waivers of notice shall be made a part of the minutes of said meeting.
- 4.12) **Meetings of the Board by Electronic Means.** Members of the Board may participate in a meeting through use of conference telephone, electronic video screen communication, or similar communications equipment, provided that all persons participating in the meeting can hear each other at the same time. In such event, participation by such means shall constitute presence in person at a meeting.
- 4.13) **Quorum.** A quorum of the Board of Directors shall consist of at least fifty (50) percent of the members.
- 4.14) **Voting.** Each member of the Board of Directors shall have one (1) vote. Issues shall be passed by a majority vote of those present and voting.
- 4.15) **Compensation.** Directors shall receive no compensation for services as a Director. Directors may be reimbursed for any expenses incurred to attend Board meetings or perform other business of the corporation. Nothing herein contained shall be construed to preclude any Director from serving the corporation in any other capacity and receiving compensation therefor.

- 4.16) **Action Without Meeting.** Any action which might be taken at a meeting of the Board of Directors may be validly taken without a meeting if any of the Directors shall sign a consent in writing to such action. Any such consent shall be kept with the corporate records of the corporation.
- 4.17) **Removal and Resignation.** Any Director may be removed at any time, for any reason, by the affirmative vote of two-thirds (2/3) of the remaining Directors. Any Director may resign from the Board at any time.
- 4.18) **Directors Emeritus.** The Board may from time to time confer the title of Director Emeritus.

ARTICLE 5 – Officers

- 5.1) **Identification.** The officers of the Evangelical Council for Financial Accountability shall include a Chair, Vice-chair, a Secretary, a Treasurer, a President and such other officers as may from time to time be elected by the Board of Directors.
- 5.2) **Term.** With the exception of the President, officers shall be elected annually for a one-year term and may not be elected to the same office for more than three (3) consecutive one-year terms.
- 5.3) **Chair.** The Chair shall have the following duties and powers:
- (01) Preside at all meetings of the Board of Directors and of the Executive Committee;
 - (02) Call all meetings;
 - (03) Promote the cause and purposes of the corporation;
 - (04) Perform such other duties as may be assigned by the Board of Directors from time to time.
- 5.4) **Vice-Chair.** In the event of absence or disability of the Chair, the Vice-chair shall succeed to and perform the duties and exercise the powers of the Chair. The Vice-chair shall perform such other duties as may be prescribed by the Board of Directors.
- 5.5) **Secretary.** The Secretary shall have the following duties and powers:
- (01) Attend all meetings of the members, the Board of Directors, and the Executive Committee;
 - (02) Keep in the minute book proper minutes of the proceedings of all such meetings;
 - (03) Give all required notices;
 - (04) Have custody of the corporate records and seal, and have power to affix the corporate seal to all instruments requiring it; and
 - (05) Perform such other duties as may be assigned by the Board of Directors.

The Secretary may delegate any of these duties as deemed appropriate.

- 5.6) **Treasurer.** The Treasurer shall have the following duties and powers:

- (01) Responsible for all assets of the corporation;
- (02) Keep and render accurate account of all receipts and disbursements;
- (03) Deposit all monies in the name of the corporation in such banks or depositories as the Directors shall designate;
- (04) Have the power to endorse for deposit all instruments received by the corporation;
- (05) Disburse funds of the corporation as directed by the Board of Directors; and
- (06) Perform such other duties as may from time to time be prescribed by the Board of Directors.

The Treasurer may delegate any of these above duties as deemed appropriate.

- 5.7) **President.** See Article 7 of these bylaws.
- 5.8) **Removal and Resignation.** Any officer may be removed by the Board of Directors at any time, for any reason, by the affirmative vote of two-thirds (2/3) of the remaining Directors. Any officer may resign at any time.

ARTICLE 6 – Executive Committee

- 6.1) **Members.** There shall be an Executive Committee composed (at a minimum) of the Chair, Vice-Chair, Secretary, and Treasurer. The immediate past Chair may also be a member of the Executive Committee, subject to term limitations set forth in Article 4.3 of these bylaws. At least one Executive Committee member shall be a senior leadership representative from an ECFA member ministry. The President shall be an ex-officio member of the Executive Committee.
- 6.2) **Meetings.** The Chair shall call such meetings of the Executive Committee as deemed necessary.
- 6.3) **Vote.** Each member of the Executive Committee shall have one (1) vote.
- 6.4) **Powers.** The Executive Committee shall, between meetings of the Board of Directors, have the power to transact business of the corporation within the policies established by the Board of Directors. The following decisions must be approved by the full Board:
 - (01) The annual budget;
 - (02) Appointment of a President;
 - (03) Filling vacancies on the Board;
 - (04) Amendment or repeal of bylaws or the adoption of new bylaws.
- 6.5) **Quorum.** A quorum of the Executive Committee shall consist of a majority of the members.
- 6.6) **Actions.** All minutes and actions of the Executive Committee shall be ratified by the full Board of Directors at its next meeting.

ARTICLE 7 – President

- 7.1) **President.** The President shall be the chief executive officer of the corporation, serve at the pleasure of the Board, have a position description approved by the Board of Directors and be an ex officio member of the Board and the Executive Committee without vote. The salary of the President shall be set from time to time by the board and the fact that the President is a Director shall not preclude the President from receiving a salary. Under the direction of the Board of Directors and in accordance with the instructions of the Board of Directors, the President shall have the following responsibilities:
- (01) Manage the business of the corporation, executing and delivering in the name of the corporation any deeds, mortgages, bonds, contracts or other instruments pertaining to the business of the corporation, and in general perform all duties incident to the office of President, and such other duties as may from time to time be prescribed by the Board of Directors.
 - (02) Select and supervise such other employees as deemed necessary. The President will execute a Board-approved compensation policy when setting the salaries of other employees.
 - (03) Delegate any of these above duties as deemed appropriate with the advice and consent of the Chair of the Board of Directors.
- 7.2) **Removal.** The President may be removed at any time, for any reason, by the affirmative vote of two-thirds (2/3) of the Board of Directors.

ARTICLE 8 – Fiscal Year

- 8.1) **Fiscal Year.** The fiscal year of the corporation shall be the calendar year, beginning on the first day of January and ending on the last day of December.

ARTICLE 9 – Statement of Faith

- 9.1) **Statement of Faith.** All members, Directors, Officers and staff of the corporation shall subscribe to a written Statement of Faith adopted by the Board of Directors from time to time, which is consistent with evangelical Christianity.

ARTICLE 10 – Corporate Seal

- 10.1) **Corporate Seal.** The Board of Directors shall provide a corporate seal which shall be in a form selected by resolution of the Board of Directors.

ARTICLE 11 – Amendments

- 11.1) **Amendments.** Minor administrative amendments to these bylaws may be made at any meeting of the Board at which a quorum is present, upon receiving the vote of two-thirds of the Directors present. If a majority of the Directors present elect to do so, bylaws amendments may be submitted to the membership for its approval. All substantive amendments shall be submitted to the membership for its approval. The affirmative vote of a majority of members voting shall constitute approval.

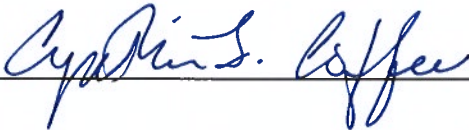
ARTICLE 12 – Indemnification

- 12.1) **Indemnification.** As an organization incorporated in the State of Minnesota, to the full extent permitted by Minnesota Statutes, Sections 317.16 and 301.095, as amended from time to time, or by other provisions of law, each person who was or is a party of is threatened to be made a party to any threatened, pending or completed actions, suit or proceeding, wherever brought, whether civil, criminal or administrative, solely because that person is or was a director or officer of the corporation or solely because that person is or was serving at the specific request of the Board of Directors as a director, officer, or trustee or in a similar capacity of another corporation, association, trust or other undertaking, shall be indemnified by the corporation against expenses, including attorneys' fees, judgments, fines, and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding; provided, however, that the indemnification with respect to a person who is or was serving as a director or officer of another corporation, association, trust or other undertaking shall apply only to the extent such person is not indemnified by such other corporation, association, trust or other undertaking; and provided further that such indemnification may be extended, as the Board of Directors or Executive Committee may from time to time determine by resolution duly adopted, to employees or agents of this corporation, or officers, directors, employees or agents of this corporation who are serving at the specific request of the Board of Directors as an employee or agent of another corporation, association, trust or other enterprise. The indemnification provided by this section shall continue as to a person who has ceased to be a director or officer, and shall insure to the benefit of the heirs, executors and administrators of such person.

- 12.2) **Insurance.** The corporation may purchase and maintain insurance on behalf of any indemnified party against any liability asserted against or incurred by such party in such capacity; provided that no indemnification shall be made under any policy of insurance for any action which could not be indemnified by the corporation under Article 13.1.


ARTICLE 13 – Certification

- 13.1) **Certification.** The undersigned, Secretary of the Evangelical Council for Financial Accountability, hereby certifies that the foregoing Bylaws were adopted as the complete restated Bylaws of the corporation by the Board of Directors of said corporation on the 13th day of April, 2023.



Secretary

Approved this date by the membership: February 20, 2023
Date

Attest 

Secretary