

The Episcopal Diocese of Massachusetts

Office of the Standing Committee
138 Tremont Street
Boston, Massachusetts 02111
617-482-4826, extension 406

Model By-Laws for Parishes and Missions

Adopted by the Standing Committee September 2001
In conformity with the Constitution and Canons,
Convention 2000

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To the Parishes and Missions of the Diocese of Massachusetts

The Standing Committee provides Model By-Laws to Diocesan Parishes and Missions (collectively “Churches”) as a guide for creating or amending existing By-Laws. The Model By-Laws serves the very important role of helping to ensure that congregations large and small, parish or mission, have By-Laws that are in compliance with the Constitution and Canons that are currently in effect. The Model By-Laws is not meant to require rigid adherence by Churches but to guide them. Churches are encouraged to contact and work with the Standing Committee in amending By-Laws so that the amendment process can be as expeditious as possible.

The Standing Committee periodically reviews the Model By-Laws and amends them to reflect changes in the Canons or Convention, or address issues that have arisen within the Diocese over a period of time with regard to certain By-Law provisions. If warranted after the review, the Model By-Laws are revised and republished. This revision process has recently been completed and the republished Model By-Laws is attached.

The Diocese through the Standing Committee has revised the Model By-Laws published in 1996. This edition of the Model By-Laws will be referred to as the “Model By-Laws, 2001 Edition” or simply the “2001 Model By-Laws.” The changes that have been made range from minor changes to effect conformity to the addition of a section addressing endowments. A brief summary of the changes that are provided in the 2001 Model By-Laws follows this Introduction.

If a Church desires to amend its By-Laws, the procedure to follow should include:

- Reviewing the appropriate sections of the Constitution and Canon of the Diocese of Massachusetts
- Ensuring compliance with the amendment procedure in the Church's current By-Laws
- Submitting a copy of By-Laws, as revised, to the Standing Committee along with the current copy of the By-Laws. When possible, the Church should submit a computer blacklined copy along with a smooth copy of the revised By-Laws. The Church should also provide an explanation of each revision.
- The Model By-Laws is available via e-mail, on the diocesan website (www.diomass.org) or on a 3"x 5" disk (disk provided by the Church). Please contact the Administrator of Convention and Counsel for the Diocese of Massachusetts to make arrangements for receipt of an e-mail or a disk copy of the 2001 Model By-Laws by calling 617-482-4826 extension 406.

The foregoing, along with the summary that follows, is to assist Churches in interpreting and using the 2001 Model By-Laws. If a Church has any further questions regarding the 2001 Model By-Laws, it should contact the Administrator of Convention and Council at 617-482-4826 extension 406.

Wayne Kennard
President of the Standing Committee
December, 2001

Summary of Changes

Article II Membership – The change to this section is directed to the procedure by which someone is voted from the list of members of a Parish. Now, it may only be done after there has been “written notice from the Vestry,” along with an opportunity to be heard and a vote of the Vestry for removal.

Article III Delegates and Elections, Sec. 3 Elections – Alternative 2 has been deleted from this section and Note 2 provides a full explanation of the reasons for deleting it. Alternative 1 has been amended to include that the “Treasurer and Clerk” along with the Vestrypersons and Wardens have terms limits. In the case of the “Treasurer and Clerk,” they can only serve for at most six consecutive one-year terms and after that, they are ineligible for that seat for one year.

Article IV Nominations – The term “slate,” in the context of those being presented by the Nominating Committee, has been removed for this section. Now, the Nominating Committee will present “one or more” candidate(s) “recommended for each position” to be filled a “by vote” at the Annual Meeting.

Article VI The Rector, Sec. 1 Elections – For a person to be eligible to become a Rector, in addition to being a qualified ordained minister of The Episcopal Church, he or she must also now be “certified by the Bishop” to be in good standing.

Notes -- The Model By-Laws contain fifteen (15) notes that are explanatory of certain sections and provide citations to the National Canons, Diocesan Canons, and Diocesan Constitution of the Episcopal Church. The Notes that should be of particular interest to Congregations are explanatory Notes 1, 2, and 12:

Note 1 – This Note is directed to the membership in light of the July 2000 amendment to National Canon 17, Section 2 of Title 1. This Note specifies that members of The Episcopal Church who are sixteen (16) years of age or over are considered to be an adult communicants.

Note 2 – This Note specifies that the Wardens, Treasurer, and Clerk must be eighteen (18) years of age or older for reasons of the Commonwealth of Massachusetts laws because people in these positions can legally bind the Church.

Note 12 – The provisions of this Note address the desires of a small minority of Parishioners to create endowments for the benefit of Churches and they want the terms and conditions of the endowment recited in the By-Laws. Donors have desired this mainly to have before the Vestry (empowered by the Canons to handle all funds of the Church) all of the terms and conditions of the endowment. This, however, transfers certain responsibilities for the administration of the endowment from the legal professional, who normally handles such matters, to the Vestry, who may not have the needed legal expertise.

The Note provides guidelines for including the terms and conditions of an endowment in the By-Laws in those rare situations that it is insisted upon by the Donor. The Diocese believes that this will necessarily include (i) coordination and consultation with the Standing Committee and the Chancellor's Office, and (ii) the Donor's consultation with, and engagement of, a legal professional with expertise in the area of the creation and administration endowments.

Any Church that desires to have the terms or conditions of an endowment included in the By-Laws should first contact the current Secretary of the Standing Committee and the Administrator of Convention and Council for the Diocese of Massachusetts for assistance in the procedure. The telephone or e-mail address for each may be obtained by calling 617-482-4826, extension 406.

**To The Parishes and Missions of the Diocese of Massachusetts:
Endowment and The Model By-Laws**

The Diocese understands the desire of Parishioners to create an endowment for the benefit of a Parish or Mission (collectively "Churches") that has meant so much to them in their personal spiritual journey. This, however, may be accomplished in a number of ways that do not require reciting the terms and conditions of the endowment in the Church's By-Laws. For example, at a donor's direction, an endowment may be created by a legal professional, and this legal professional will then administer it and pay out benefits to the Church on a periodic basis as the endowment prescribes. This is time tested and viable.

On a few occasions, Churches have sought to have the terms and conditions placed in the By-Laws. Donors have desired this approach for a variety of reasons but mainly to have before the Vestry, which is empowered by the Canons to handle all funds of the Church, terms and conditions of the endowment. This method, however, transfers certain responsibilities for the administration of the endowment from the legal professional, who is particularly skilled in this area, to the Vestry that may or may not have the needed legal expertise during the entire life of the endowment.

The 2001 Model By-Laws, among other things, provides guidance for including terms and conditions of an endowment in the By-Laws in those rare situations that it is insisted upon by the Donor. The 2001 Model By-Laws also provides mechanisms to ensure that Vestries, which have varying degrees of professional expertise, can properly administer the endowment and distribute its benefits. The Diocese believes that this will necessarily include (i) coordination and consultation with the Standing Committee and the Chancellor's Office, and (ii) the Donor's consultation with, and engagement of, a legal professional with expertise in the areas of the creation and administration of endowments.

Any Church that desires to have the terms or conditions of an endowment included in the By-Laws should first contact the current Secretary of the Standing Committee and Administrator of Convention and Counsel for the Diocese of Massachusetts for assistance. The telephone or e-mail address each may be obtained by calling 617-482-4826, extension 406.

The Episcopal Diocese of Massachusetts
Model Constitution/By-laws
for the
Organization of Parishes

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DIOCESAN MODEL BY-LAW FOR PARISHES

PREAMBLE

[For Parishes that *do not* incorporate:]

The foregoing, having executed the Agreement of Association as a Parish for the purpose of maintaining the worship of Almighty God according to the faith and usages of The Protestant Episcopal Church in the United States of America, otherwise known as and hereafter referred to as The Episcopal Church, have adopted the Articles attached hereto as the Constitution of _____ Parish, _____, Massachusetts.

[For Parishes that incorporate:]

_____ Parish, _____, Massachusetts, having associated as a Parish for the purpose of maintaining the worship of Almighty God according to the faith and usages of The Protestant Episcopal Church in the United States of America, otherwise known as and hereafter referred to as The Episcopal Church, has adopted the Articles attached hereto as its By-laws.

Article I

AUTHORITY ACKNOWLEDGED

The Parish accedes to the doctrine, discipline and worship and the Constitution and Canons of The Episcopal Church, and to the Constitution and Canons of The Protestant Episcopal Diocese of Massachusetts, otherwise known as the Episcopal Diocese of Massachusetts (hereafter referred to as “the Diocese”), and acknowledges their authority.

Article II

MEMBERSHIP¹

Any baptized person of the age of sixteen years or more, who acknowledges the authority of the Constitution/By-laws of the Parish, and by declaring his or her intention to support the Parish by regular attendance at public worship and by financial aid, shall be considered a member of the Parish and entitled to vote in its affairs. Any member who, for one year, shall have refrained from regular worship, and from contributing toward the support of the Parish, may, after written notice from the Vestry and an opportunity to be heard, by a vote of the Vestry be removed from the list of members of the Parish.

Article III

DELEGATES AND ELECTIONS

Sec. 1. Officers. The officers of the Parish, all of whom shall be members of the Parish, shall include two Wardens, who shall be communicants of The Episcopal Church, a Treasurer, and a Clerk, all of whom shall be at least eighteen years of age, and _____ Vestrypersons². The officers, together with the Rector, shall constitute the Vestry of the Parish.

Sec. 2. Delegates. The Parish shall also have such Delegates to the Diocesan Convention and to the Deanery Assembly as it may be entitled to under the relevant canons and rules. Delegates may also be members of the Vestry.³

Sec. 3. Elections. The Wardens, Treasurer, Clerk, Delegates and _____ Vestrypersons shall be elected at each Annual Meeting of the Parish. The Wardens, Treasurer, Clerk and Delegates shall hold office until the next Annual Meeting following their election and the Vestrypersons until the third Annual Meeting following their election, and all shall hold office until their successors are elected and qualify; provided, however, that at the Meeting at which this Article takes effect one-third of the Vestrypersons shall be elected to hold office until the next Annual Meeting, one-third until the second, and one-third until the third, and, in each case, until their successors are elected and qualify. Any Vestryperson whose three-year term, and any Warden, Treasurer or Clerk whose sixth successive one-year term, expires at any Annual Meeting shall be ineligible, until the next succeeding Annual Meeting, for re-election to the same office. Vacancies may be filled at any meeting of the Parish. Unless so filled, they may be filled by the Vestry until the next Annual Meeting of the Parish.⁴

ARTICLE IV

NOMINATIONS

Sec. 1. Nominating Committee. There shall be a Nominating Committee consisting of the Rector, the Wardens and three members of the Parish appointed by the Vestry. Members of the Nominating Committee shall serve one year terms and any appointed member whose third successive term has expired shall be ineligible to serve for one year. The Nominating Committee shall present at each Annual Meeting one or more candidates recommended for each position to be filled by vote at such meeting. The list of nominees so designated shall be posted with the notice of the Annual Meeting. Nominations for any office to be filled at an Annual Meeting may also be made at such meeting by any member of the Parish authorized to vote.⁵

ARTICLE V

MEETINGS OF THE PARISH

Sec. 1. Annual and Special Meetings. The Annual Meeting shall be held at such date, hour and place as the Vestry shall determine. Special meetings may be called at any time by the Wardens or Vestry. Special meetings shall be called by the Wardens whenever so requested in writing by the Rector or by five members of the Parish.

Sec. 2. Warrant. All meetings of the Parish shall be announced by posting an attested copy of the Warrant calling the meeting at a public entrance of the church or place of worship occupied by the Parish. The Warrant shall be posted at least fourteen days before the date fixed for an Annual Meeting and at least seven days before a special meeting. No action shall be taken at any meeting of the Parish other than that set forth in the Warrant for such meeting.

Sec. 3. Presiding Officer. The Rector, or in the Rector's absence, one of the Wardens, shall preside; in the absence of all three, a moderator shall be chosen by the meeting. _____⁶ members present shall constitute a quorum, and a majority vote of those present determine any matter presented except as provided in Article XIII respecting the amendment of this Constitution/By-laws.

Article VI

THE RECTOR

Sec. 1. Election. The Rector shall be elected by the Parish at a meeting duly called for that purpose by the Vestry, provided that the Rector may be elected by the Vestry if a Parish meeting has so authorized. Such election shall not take place, however, until after all the steps required in Section 1 of Diocesan Canon 15 have been taken. No person shall be eligible for the office of Rector unless he or she is a qualified ordained minister of The Episcopal Church and has been certified by the Bishop to be in good standing. The Rector shall have jurisdiction over the spiritual affairs of the Parish and supervise and direct the Parish staff.⁷

Sec. 2. Vacancy. If the office of Rector becomes vacant or the Rector is incapacitated, the Vestry shall appoint an Interim after consultation with the Bishop, until such time as a new Rector is elected as provided under this Article in case of a vacancy, or the Rector can resume his or her duties in case of incapacity.

Article VII

WARDENS

It shall be the duty of the Wardens, when the Parish has no Rector, or in the Rector's absence, to provide for the temporary performance of the Rector's duties. In the absence or incapacity of either Warden, or of a vacancy, the powers and duties of the Wardens shall devolve upon the remaining Warden.

Article VIII

TREASURER

Sec. 1. Duties. It shall be the duty of the Treasurer to receive and disburse all monies collected under the authority of the Vestry, to keep a true record of receipts and disbursements, and to present a full statement of these and of the financial condition of the Parish at Annual Meetings and at other times required by the Vestry. The Treasurer shall also maintain the records of all trusts and permanent funds belonging to the Parish, listing the source and date of such trusts and

funds, the terms governing the use of principal and income, to whom and how often accounts are to be made and how the trusts and funds are invested.

Sec. 2. Voting of Securities. Except as the Vestry may otherwise designate, the Treasurer may act or appoint any member of the Vestry (with or without power of substitution) to act as proxy or attorney in fact for the Parish at any meeting of stockholders of any corporation, the securities of which may be held by the Parish.

Sec. 3. Assistant Treasurer. The Vestry may appoint an Assistant Treasurer whose term shall be coterminous with that of the Treasurer, who shall have a seat and voice on the Vestry and whose duties shall be such as may be assigned to him or her by the Vestry or the Treasurer.

Article IX

CLERK

It shall be the duty of the Clerk to keep the records of the Parish and of the Vestry and to keep a roll of the members entitled to vote in its affairs. The Clerk shall make available the names of persons on the membership list for any member to inspect as long as the purpose of the inspection is related to the general affairs of the Parish.

Article X

BONDS

The Treasurer and other custodians of funds as designated by the Vestry shall be bonded under a blanket bond maintained by the Diocese for that purpose. If such blanket bond is at any time not available, adequate bonds shall be procured by the Parish and each bond shall be placed in the custody of some officer other than the person who is bonded.⁸

Article XI

VESTRY

Sec. 1. Authority and Duties. The Vestry shall exercise all its powers in accordance with the usage and discipline of The Episcopal Church, in compliance with the statutes of the Commonwealth and the provisions of this Constitution/By-laws. It shall be the duty of the Vestry to manage the prudential affairs and to care for the property of the Parish; to provide for the furniture, books, vestments, and all things necessary for the celebration of public worship; to see that all buildings and personal property belonging to the Parish are adequately insured;⁹ to supervise the investment of funds of the Parish;¹⁰ to authorize and direct such purchases and sales as the Vestry may from time to time deem wise, and any and all transfers, assignments, contracts, deeds, leases, bonds, notes, checks and other instruments which may be necessary or proper in this connection; and to supervise and direct the officers in the discharge of their duties. The Vestry, in consultation with the Rector, shall authorize staff positions and the terms of employment.

The handling of all or any of the investments, including their purchase, custody, sale and transfer, may be delegated by the Vestry to the Wardens or Treasurer.¹¹ The Vestry may delegate to the Wardens and/or Treasurer generally or in particular cases the authority to execute contracts, deeds, leases, bonds, notes, checks and other instruments which may be necessary or proper. The Vestry may appoint or authorize the appointment of any committee that it deems desirable. All such committees shall be accountable to the Vestry.¹²

Sec. 2. Annual Audit. The Vestry shall cause to be made an annual audit of the accounts of the Treasurer and other custodians of funds of the Parish. The audit shall be made by a certified or independent public accountant or by any agency permitted by the Office of the Treasurer of the Diocese. Such auditor shall be appointed by the Vestry at least thirty days before the end of the year.¹³

Sec. 3. Restrictions on Alienation or Encumbrance of Real Estate. No consecrated church or chapel, nor any church or chapel which has been used solely for divine service, nor any property which is being used as a Parish house or rectory, nor any land incidental to or regularly used in connection with any of the foregoing, shall be alienated or encumbered without the previous written consent of the Bishop, acting with the advice and consent of the Standing Committee.¹⁴

Sec. 4. Meetings. Meetings of the Vestry may be called by the Rector or either Warden or any two members of the Vestry. The Vestry may schedule regular meetings and determine the manner of notifying its members. The Rector, or such other member of the Vestry designated by the Rector, shall preside.¹⁵ The records of the Vestry shall be open to the members of the Parish at its meetings. A majority of the members shall constitute a quorum and a majority vote of those present shall determine any matter presented.

Article XII

ORGANIZATIONS

All formal organizations connected with the Parish shall be responsible to the Rector. Each organization shall present at the Annual Meeting of the Parish a report containing a summary of its activities and finances and a list of its officers. The funds of any organization which has not met for three years shall be turned over to the Treasurer of the Parish to be used as the Vestry may direct.

Article XIII

GIFTS AND MEMORIALS

No object intended as a permanent addition to the Church or Parish property, or to be used therein during public worship, shall be accepted as a gift or memorial without the approval of the Rector and the Vestry. All objects so accepted may be removed when deemed necessary by the Vestry. The names of donors of such gifts and memorials, any terms and conditions, and the dates of acceptance shall be recorded in the permanent records of the Parish.

Article XIV

AMENDMENTS

This Constitution/By-laws may be amended in the following manner: first, the proposed change shall be approved by vote of two-thirds of the members of the Parish present at a properly called meeting; next, the proposed change shall be submitted to the Bishop and Standing Committee and if approved by them without substantial revision, the change as so approved shall become immediately effective upon receipt by the Parish. If the Bishop and Standing Committee shall approve subject to a substantial revision affecting the intent or meaning of the proposed change, the matter shall be resubmitted to a properly called meeting of the members of the Parish and shall become immediately effective upon approval by vote of two thirds of the Members of the Parish present.

ARTICLE XV [OPTIONAL]

INDEMNIFICATION OF PARISH OFFICERS

The Parish shall, to the extent legally permissible, indemnify each person who may serve or who has served at any time as a Warden, Treasurer, Clerk, the Rector in his or her capacity as a member of the Vestry, or other officer of the Parish (collectively "Indemnified Officers"), 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, whether civil, criminal, administrative or investigative (a "proceeding"), in which he or she may become involved by reason of his or her serving or having served in such capacity (other than a proceeding voluntarily initiated by such person unless he or she is successful on the merits and the proceeding was authorized by a majority of the Vestry). However, no indemnification shall be provided for any such person with respect to any matter in which he or she is adjudicated not to have acted in good faith on behalf of the Parish; and further provided that any compromise or settlement payment shall be approved by the Vestry in the same manner as provided below for the authorization of indemnification.

Such indemnification may, to the extent authorized by the Vestry, include payment by the Parish of expenses incurred in defending a civil or criminal action or proceeding in advance of the final disposition of such action or proceeding, provided that the person indemnified agrees to repay such payment if he or she is not entitled to indemnification under this Article; the repayment agreement may be accepted without regard to the financial ability of such person to make repayment.

Any payment shall be conclusively deemed authorized by the Parish under this Article, and each officer of the Parish approving such payment shall be wholly protected, if:

(i) the payment has been approved or ratified (1) by a majority vote of a quorum of either (a) the members of the Parish who are not at that time parties to the proceeding or (b) the members of the Vestry who are not at that time parties to the proceeding or (2) by a majority vote of a committee of two or more Vestry members who are not at that time parties to the proceeding and are selected for this purpose by the full Vestry (in which selection Vestry members who are parties may participate); or

(ii) the action is taken in reliance upon the opinion of independent legal counsel (who may be counsel to the Parish) appointed for the purpose by vote of the Vestry in the manner specified in clauses (1) or (2) of subparagraph (i) or, if that manner is not possible, appointed by a majority of the full Vestry then in office; or

(iii) the Vestry members have otherwise acted in accordance with the standard of conduct applied to directors under Chapter 180 of the Massachusetts General Laws; or

(iv) a court having jurisdiction shall have approved the payment.

This indemnification shall inure to the benefit of the heirs, executors and administrators of Indemnified Officers entitled to indemnification.

The right of indemnification shall be in addition to and not exclusive of all other rights to which any person may be entitled. Nothing contained in this Article shall affect any rights to indemnification to which Parish employees, agents, Vestry members and other persons may be entitled by contract or otherwise under law.

This Article, as amended, constitutes a contract between the Parish and the Indemnified Officers. No amendment or repeal of the provisions of this Article which adversely affects the right of an Indemnified Officer under this Article shall apply to him or her with respect to his or her acts of omissions which occurred at any time prior to such amendment or repeal without his or her written consent.

MODEL BY-LAW 2001 REVISION FOOTNOTES
(For information only and not to be included in the body of the by-law).

1. This Section relates solely to membership in the Parish with its attendant voting and other privileges. Requirements for communicant status in The Episcopal Church are found in the National Canons and do not directly bear upon Parish membership. Specifically, under National Canon 17, Section 2 of Title 1 (as amended July, 2000) any member of The Episcopal Church who is sixteen years of age or over is considered to be an adult communicant of The Episcopal Church and under Canon 17, Section 3 all communicants “who for the previous year have been faithful in corporate worship, unless for good cause prevented, and have been faithful in working, praying, and giving for the spread of the Kingdom of God, are to be considered communicants in good standing.” Diocesan Canon 16, Section 2 contains the terms as defined prior to July, 2000 but is expected to be amended.
2. Sixteen and seventeen year olds may serve as Vestrypersons. The Wardens, Treasurer and Clerk are required to be eighteen or over for reasons of state law. Only Wardens are required to be communicants of The Episcopal Church as defined above.
3. See Diocesan Constitution Article 2, Section 3 and Diocesan Canon 7, Section 5 regarding Parish Delegates to the Convention and Deanery Assembly.
4. It is recommended that the number of Vestrypersons be divisible by three for a rotating Vestry. Alternate 2 contained in the 1996 version of the Model By-laws permitted one Warden to be appointed by the Rector and one Warden to be elected by the Vestry. This alternative has been eliminated. No change will be required of any Parish in compliance with Alternate 2.
5. The Parishes of the Diocese have varying practices in connection with nominating committees. In reviewing alternatives to the above which may be submitted, the Bishop and Standing Committee will give due regard to the historical practice of the Parish. The final sentence of Article IV is required by Diocesan Canon 14, Section 6.
6. It is recommended that the quorum be no less than twice the size of the Vestry.
7. See National Canons Title III, Canon 14.
8. See Diocesan Canon 17, Section 3.
9. See Diocesan Canon 17, Section 3.
10. See Diocesan Canon 17, Section 1.
11. Ultimate responsibility for all investments must lie with the Vestry. No provision will be approved which permits any Parish funds to be managed by any independent committee, trust or other entity which is not appointed by the Vestry and directly answerable to it.

12. The Model By-Law does not contain a specific provision for the holding and management of funds held by the Parish as endowment or funds otherwise dedicated by the Parish to function as endowment. Provisions for the management of funds so designated as endowment may in most situations be handled as other restricted funds to be segregated, invested and applied in strict accordance with the terms of a governing trust and in all cases in strict accordance with the applicable provisions of the Constitution and Canons of the Diocese. In particular instances where the Parish has acceded to the wishes of a donor that a by-law provision be adopted defining the terms for the care, management or disbursement of funds from a gift to be designated as endowment, the by-law to be adopted in order to receive the approval of the Bishop and the Standing Committee shall follow and comply with the following guidelines:
 - A. The endowment funds shall be administered and managed at all times in compliance with the applicable provisions of the Constitution and Canons of the Diocese, and specifically Canon 17 thereof.
 - B. The by-law shall prescribe in clear and specific terms the purpose for which the endowment fund is to be established.
 - C. The by-law shall prescribe in clear and specific terms, the following, if applicable:
 - (1) the manner in which the endowment fund is to be invested with any restrictions on particular types of securities or other investment vehicles that are not appropriate or permissible.
 - (2) the terms for what may be utilized out of the income produced by the invested funds and what, if any, use of principal is permitted (including any prescribed rate of expenditure determined as a percentage of the market value of the fund as of a prescribed date or over an average of market values fixed on quarterly or annual appraisal dates).
 - (3) appropriate provision for accounting to the donor of the fund for the manner in which its income and/or principal have been applied in accordance with the foregoing guidelines.
 - (4) appropriate provision for the procedure for amending the purposes for which the endowment fund may be applied in the event that the original purposes are no longer viable or have otherwise been fulfilled, whether by the action of the vestry or, if stipulated, by vote of the congregation of the Parish and the plurality of approval required for the adoption of any such amendment by the body vested with the right of approval.
13. See Diocesan Canon 17, Section 2.
14. See Diocesan Canon 18.
15. See National Canon, Title 1 Canon 14, Section 3.

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Model Constitution/By-laws
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DIOCESAN MODEL BY-LAW FOR MISSIONS

PREAMBLE

[For Missions that *do not* incorporate:]

The foregoing, having executed the Agreement of Association as a Mission for the purpose of maintaining the worship of Almighty God according to the faith and usages of The Protestant Episcopal Church in the United States of America, otherwise known as and hereafter referred to as The Episcopal Church, have adopted the Articles attached hereto as the Constitution of _____ Mission, _____, Massachusetts.

[For Missions that incorporate:]

_____ Mission, _____ Massachusetts, having incorporated for the purpose of maintaining the worship of Almighty God according to the faith and usages of The Protestant Episcopal Church in the United States of America, otherwise known as and hereafter referred to as The Episcopal Church, has adopted the Articles attached hereto as its By-laws.

Article I

AUTHORITY ACKNOWLEDGED

The Mission accedes to the doctrine, discipline and worship and the Constitution and Canons of The Episcopal Church, and to the Constitution and Canons of The Protestant Episcopal Diocese of Massachusetts, otherwise known as the Episcopal Diocese of Massachusetts (hereinafter referred to as “the Diocese”), and acknowledges their authority.

Article II

MEMBERSHIP¹

Any baptized person of the age of sixteen years or more, who acknowledges the authority of the Constitution/By-laws of the Mission, and by declaring his or her intention to support the Mission by regular attendance at public worship and by financial aid, shall be considered a member of the Mission and entitled to vote in its affairs. Any member who, for one year, shall have refrained from regular worship and from contributing toward the support of the Mission, may, after written notice from the Executive Committee and an opportunity to be heard, by a vote of the Executive Committee, be removed from the list of members of the Mission.

Article III

OFFICERS, DELEGATES AND ELECTIONS

Sec. 1. Officers. The officers of the Mission, all of whom shall be members of the Mission, shall include one Warden [two Wardens], who shall be [a] communicant[s] of The Episcopal Church, a Treasurer, a Clerk, all of whom shall be at least eighteen years of age, and _____ Executive Committee Members.² The officers, together with the Priest-in-Charge, shall constitute the Executive Committee of the Mission.

Sec. 2. Delegates. The Mission shall also have such Delegates to the Diocesan Convention and to the Deanery Assembly as it may be entitled to under the relevant canons and rules. Delegates may also be members of the Executive Committee.³

Sec. 3. Elections. The Warden[s], Treasurer, Clerk, Delegates and _____ Executive Committee Members shall be elected at each Annual Meeting of the Mission.⁴ The Warden[s], Treasurer, Clerk and Delegates shall hold office until the next Annual Meeting following their election and the Executive Committee Members until the third Annual Meeting following their election, and all shall hold office until their successors are elected and qualify; provided, however, that at the Meeting at which this Article takes effect one-third of the Executive Committee Members shall be elected to hold office until the next Annual Meeting, one-third until the second, and one-third until the third, and, in each case, until their successors are elected and qualify. Any Executive Committee Member whose three-year term, and any Warden, Treasurer or Clerk whose sixth successive one-year term, expires at any Annual Meeting shall be ineligible, until the next succeeding Annual Meeting, for re-election to the same office. Vacancies may be filled at any meeting of the Mission. Unless so filled, they may be filled by the Executive Committee until the next Annual Meeting of the Mission.

Article IV

NOMINATIONS

Sec. 1. Nominating Committee. There shall be a Nominating Committee consisting of the Priest-in-Charge, the Warden[s] and three members of the Mission appointed by the Executive Committee. Members of the Nominating Committee shall serve one year terms and any appointed member whose third successive term has expired shall be ineligible to serve for one year. The Nominating Committee shall present at each Annual Meeting one or more candidates recommended for each position to be filled by vote at such meeting. The list of nominees so designated shall be posted with the notice of the Annual Meeting. Nominations for any office to be filled at an Annual Meeting may also be made at such meeting by any member of the Mission authorized to vote.⁵

Article V

MEETINGS OF THE MISSION

Sec. 1. Annual and Special Meetings. The Annual Meeting shall be held at such date, hour and place as the Executive Committee shall determine. Special meetings may be called at any time by the Warden[s] or Executive Committee. Special Meetings shall be called by the Warden[s] whenever so requested in writing by the Priest-in-Charge or by five members of the Mission.

Sec. 2. Warrant. All meetings of the Mission shall be announced by posting an attested copy of the Warrant calling the meeting at the entrance of the church or place of worship occupied by the Mission. The Warrant shall be posted at least fourteen days before the date fixed for an Annual Meeting and at least seven days before a special meeting. No action shall be taken at any meeting of the Mission other than that set forth in the Warrant for such meeting.

Sec. 3. Presiding Officer. The Priest-in-Charge, or in his or her absence, the Warden[s], shall preside; in the absence of both, a moderator shall be chosen by the meeting. _____⁶ members present shall constitute a quorum, and a majority vote of those present determine any matter presented, except as provided in Article XIV respecting the amendment of this Constitution/ By-laws.

Article VI

PRIEST-IN-CHARGE

The Priest-in-Charge shall have jurisdiction over the spiritual affairs of the Mission and supervise and direct the mission staff. He or she shall be appointed and may be removed by the Bishop of the Diocese, and may be designated as vicar, priest-in-charge, minister-in-charge, or otherwise by the Bishop of the Diocese.⁷

Article VII

WARDEN[S]

It shall be the duty of the Warden[s], when the Mission has no Priest-in-Charge, or in his or her absence, to provide for the temporary performance of the duties of the Priest-in-Charge. In the absence or incapacity of both the Priest-in-Charge and the Warden[s], the Executive Committee shall elect one of its members to perform the aforementioned duties.

Article VIII

TREASURER

Sec. 1. Duties. It shall be the duty of the Treasurer to receive and disburse all monies collected under the authority of the Executive Committee, to keep a true record of receipts and disbursements, and to present a full statement of these and of the financial condition of the Mission at Annual Meetings and at other times required by the Executive Committee.

Sec. 2. Voting of Securities. Except as the Executive Committee may otherwise designate, the Treasurer may act or appoint any member of the Executive Committee (with or without power of substitution) to act as proxy or attorney in fact for the Mission at any meeting of stockholders of any other corporation, the securities of which may be held by the Mission.

Article IX

CLERK

It shall be the duty of the Clerk to keep the records of the Mission and of the Executive Committee and to keep a roll of the members entitled to vote in its affairs. The Clerk shall make available the names of persons on the membership list for any member to inspect as long as the purpose of the inspection is related to the general affairs of the Mission.

Article X

BONDS

The Treasurer and other custodians of funds as designated by the Executive Committee shall be bonded under a blanket bond maintained by the Diocese for that purpose. If such blanket bond is at any time not available, adequate bonds shall be procured by the Mission and each bond shall be placed in the custody of some officer other than the person who is bonded.⁸

Article XI

EXECUTIVE COMMITTEE

Sec. 1. Authority and Duties. The Executive Committee shall exercise all its powers in accordance with the usage and discipline of the Episcopal Church, in compliance with the statutes of the Commonwealth and the provisions of this Constitution/By-laws. It shall be the duty of the Executive Committee to manage the prudential affairs and to care for the property of the Mission; to provide for the furniture, books, vestments, and all things necessary for the celebration of public worship; to see that all buildings and personal property belonging to the Mission are adequately insured;⁹ to supervise the investment of funds of the Mission;¹⁰ to authorize and direct such purchases and sales as the Executive Committee may from time to time deem wise, and any and all transfers, assignments, contracts, deeds, leases, bonds, notes, checks and other instruments which may be necessary or proper in this connection; to supervise and direct the officers in the discharge of their duties. The Executive Committee, in consultation with the Priest-in-Charge, shall authorize staff positions and the terms of employment.

The handling of all or any of the investments, including their purchase, custody, sale and transfer, may be delegated by the Executive Committee to the Warden[s] or Treasurer.¹¹ The Executive Committee may delegate to the Warden[s] and/or Treasurer generally or in particular cases the authority to execute contracts, deeds, leases, bonds, notes, checks and other instruments which may be necessary or proper. The Executive Committee may appoint or authorize the appointment of any committee that it deems desirable. All such committees shall be accountable to the Executive Committee.¹²

Sec. 2, Annual Audit. The Executive Committee shall cause to be made an annual audit of the accounts of the Treasurer and other custodians of funds of the Mission. The audit shall be made by a certified or independent public accountant or by any agency permitted by the Office of the Treasurer of the Diocese. Such auditor shall be appointed by the Executive Committee at least thirty days before the end of the year.¹³

Sec. 3, Restrictions on Alienation or Encumbrance of Real Estate. No consecrated church or chapel, nor any church or chapel which has been used solely for divine service, nor any property which is being used as a parish house or rectory, nor any land incidental to or regularly used in connection with any of the foregoing, shall be alienated or encumbered without the previous written consent of the Bishop, acting with the advice and consent of the Standing Committee.¹⁴

Sec. 4. Meetings. Meetings of the Executive Committee may be called by the Priest-in-Charge or the Warden[s] or any two members of the Executive Committee. The Executive Committee may schedule regular meetings and determine the manner of notifying its members. The Priest-in-Charge, or such other member of the Executive Committee designated by the Priest-in-Charge, shall preside. The records of the Executive Committee shall be open to the members of the Mission at its meetings. A majority of the members shall constitute a quorum and a majority vote of those present shall determine any matter presented.

Article XII

ORGANIZATIONS

All formal organizations connected with the Mission shall be responsible to the Priest-in-Charge. Each organization shall present at the Annual Meeting of the Mission a report containing a summary of its activities and finances and a list of its officers. The funds of any organization which has not met for three years shall be turned over to the Treasurer of the Mission to be used as the Executive Committee may direct.

Article XIII

GIFTS AND MEMORIALS

No object intended as a permanent addition to the Church or Mission property, or to be used therein during public worship, shall be accepted as a gift or memorial without the approval of the Priest-in-Charge and the Executive Committee. All objects so accepted may be removed when deemed necessary by the Executive Committee. The names of donors of such gifts and memorials, any terms and conditions, and the dates of acceptance shall be recorded in the permanent records of the Mission.

Article XIV

AMENDMENTS

This Constitution/By-laws may be amended in the following manner: first, the proposed change shall be approved by vote of two-thirds of the members of the Mission present at a properly called meeting; next, the proposed change shall be submitted to the Bishop and Standing Committee and if approved by them without substantial revision, the change as so approved shall become immediately effective upon receipt by the Mission. If the Bishop and Standing Committee shall approve subject to a substantial revision affecting the intent or meaning of the proposed change, the matter shall be resubmitted to a properly called meeting of the members of the Mission and shall become immediately effective upon approval by vote of two thirds of the Members of the Mission present.

ARTICLE XV [Optional]

INDEMNIFICATION OF MISSION OFFICERS

The Mission shall, to the extent legally permissible, indemnify each person who may serve or who has served at any time as a Warden, Treasurer, Clerk, the Priest-in-Charge in his or her capacity as a member of the Executive Committee, or other officer of the Mission (collectively "Indemnified Officers"), 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, whether civil, criminal, administrative or investigative (a "proceeding"), in which he or she may become involved by reason of his or her serving or having served in such capacity (other than a proceeding voluntarily initiated by such person unless he or she is successful on the merits and the proceeding was authorized by a majority of the Executive Committee). However, no indemnification shall be provided for any such person with respect to any matter in which he or she is adjudicated not to have acted in good faith on behalf of the Mission; and further provided that any compromise or settlement payment shall be approved by the Executive Committee in the same manner as provided below for the authorization of indemnification.

Such indemnification may, to the extent authorized by the Executive Committee, include payment by the Mission of expenses incurred in defending a civil or criminal action or proceeding in advance of the final disposition of such action or proceeding, provided that the person indemnified agrees to repay such payment if he or she is not entitled to indemnification under this Article; the repayment agreement may be accepted without regard to the financial ability of such person to make repayment.

Any payment shall be conclusively deemed authorized by the Mission under this Article, and each officer of the Mission approving such payment shall be wholly protected, if:

(i) the payment has been approved or ratified (1) by a majority vote of a quorum of either (a) the members of the Mission who are not at that time parties to the proceeding or (b) the members of the Executive Committee who are not at that time parties to the proceeding or (2) by a majority vote of a committee of two or more members of the Executive Committee who are not

at that time parties to the proceeding and are selected for this purpose by the full Executive Committee (in which selection members of the Executive Committee who are parties may participate); or

(ii) the action is taken in reliance upon the opinion of independent legal counsel (who may be counsel to the Mission) appointed for the purpose by vote of the Executive Committee in the manner specified in clauses (1) or (2) of subparagraph (I) or, if that manner is not possible, appointed by a majority of the full Executive Committee then in office; or

(iii) the members of the Executive Committee have otherwise acted In accordance with the standard of conduct applied to directors under Chapter 180 of the Massachusetts General Laws; or

(iv) a court having Jurisdiction shall have approved the payment.

This indemnification shall inure to the benefit of the heirs, executors and administrators of Indemnified Officers entitled to indemnification.

The right of Indemnification shall be in addition to and not exclusive of all other rights to which any person may be entitled. Nothing contained in this Article shall affect any rights to indemnification to which Mission employees, agents, members of the Executive Committee and other persons may be entitled by contract or otherwise under law.

This Article, as amended, constitutes a contract between the Mission and the Indemnified Officers. No amendment or repeal of the provisions of this Article which adversely affects the right of an Indemnified Officer under this Article shall apply to him or her with respect to his or her acts of omissions which occurred at any time prior to such amendment or repeal without his or her written consent.

MISSION MODEL BY-LAW 2001 REVISION FOOTNOTES

(For information only and not to be included in the body of the by-law).

1. This Section relates solely to membership in the Mission with its attendant voting privileges. Requirements for communicant status in The Episcopal Church are found in the National Canons and do not directly bear upon parish membership. Specifically, under National Canon 17, Section 2 of Title 1 (as amended July, 2000) any member of The Episcopal Church who is sixteen years of age or over is considered to be an adult communicant of The Episcopal Church and under Canon 17, Section 3 all communicants “who for the previous year have been faithful in corporate worship, unless for good cause prevented, and have been faithful in working, praying, and giving for the spread of the Kingdom of God, are to be considered communicants in good standing.” Diocesan Canon 16, Section 2 contains the terms as defined prior to July, 2000 but is expected to be amended.
2. A Mission may have one or two Wardens. Sixteen and seventeen year olds may serve as Members of the Executive Committee. The Wardens, Treasurer and Clerk are required to be eighteen or over for reasons of state law. Only Wardens are required to be communicants of The Episcopal Church as defined above.
3. See Diocesan Constitution Article 2, Section 3 and Diocesan Canon 7, Section 5 regarding Mission Delegates to the Convention and Deanery Assembly.
4. It is recommended that the number of Executive Committee Members be divisible by three for a rotating Executive Committee.
5. The Missions in the Diocese have varying practices in connection with nominating committees. In reviewing alternatives to the above which may be submitted, the Bishop and Standing Committee will give due regard to the historical practice of the Mission. The final sentence of Article IV is required by Diocesan Canon 14, Section 6.
6. It is recommended that the quorum be no less than twice the size of the Executive Committee.
7. See Diocesan Canon 15, Section 2.
8. See Diocesan Canon 17, Section 3.
9. See Diocesan Canon 17, Section 3.
10. See Diocesan Canon 17, Section 1.
11. Ultimate responsibility for all investments must lie with the Executive Committee. No provision will be approved which permits any parish funds to be managed by any independent committee, trust or other entity which is not appointed by the Executive Committee and directly answerable to it.

12. The Model By-Law does not contain a specific provision for the holding and management of funds held by the mission as endowment or funds otherwise dedicated by the mission to function as endowment. Provisions for the management of funds so designated as endowment may in most situations be handled as other restricted funds to be segregated, invested and applied in strict accordance with the terms of a governing trust and in all cases in strict accordance with the applicable provisions of the Constitution and Canons of the Diocese. In particular instances where the mission has acceded to the wishes of a donor that a by-law provision be adopted defining the terms for the care, management or disbursement of funds from a gift to be designated as endowment, the by-law to be adopted in order to receive the approval of the Bishop and the Standing Committee shall follow and comply with the following guidelines:
- A. The endowment funds shall be administered and managed at all times in compliance with the applicable provisions of the Constitution and Canons of the Diocese, and specifically Canon 17 thereof.
 - B. The by-law shall prescribe in clear and specific terms the purpose for which the endowment fund is to be established.
 - C. The by-law shall prescribe in clear and specific terms, the following, if applicable:
 - (1) the manner in which the endowment fund is to be invested with any restrictions on particular types of securities or other investment vehicles that are not appropriate or permissible.
 - (2) the terms for what may be utilized out of the income produced by the invested funds and what, if any, use of principal is permitted (including any prescribed rate of expenditure determined as a percentage of the market value of the fund as of a prescribed date or over an average of market values fixed on quarterly or annual appraisal dates).
 - (3) appropriate provision for accounting to the donor of the fund for the manner in which its income and/or principal have been applied in accordance with the foregoing guidelines.
 - (4) appropriate provision for the procedure for amending the purposes for which the endowment fund may be applied in the event that the original purposes are no longer viable or have otherwise been fulfilled, whether by the action of the executive committee or, if stipulated, by vote of the congregation of the mission and the plurality of approval required for the adoption of any such amendment by the body vested with the right of approval.
13. See Diocesan Canon 17, Section 2.
14. See Diocesan Canon 18.