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- **501c3 Applications** with the IRS to set up nonprofit status
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- Application for state tax exempt status
- Protection of pastors/staff and prevention of problems through training, seminars, etc.

PREVENTING CHURCH AND MINISTERIAL LEGAL PROBLEMS

The Threats, Their Prevention, and Your Protection

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“Commit to the Lord whatever you do, and your plans will succeed.”
Proverbs 16:3

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LINES OF DEFENSE FOR CHURCHES, MINISTRIES & CHRISTIAN SCHOOLS

When we speak of Lines of Defense, we are using a military metaphor to describe important steps churches and Christian organizations of any type should take to either prevent crises or problems (legal or otherwise) or protect themselves, their membership and pastor from if they occur. Wisdom and good stewardship dictate that these steps be taken, not only for the protection of members and pastors, but also for the strengthening of the church and the enhancement of our Christian witness before others. How well we manage and operate our churches reflects our commitment to Christ before our fellowman. Churches and Christian organizations should be the most efficient, best run and best managed organizations in our society.]

- 1) **INCORPORATION** – Shields the church members, staff and pastor from any legal claim or lawsuit against the church and will prevent their assets or property from being taken to pay any such claim. Incorporation is a one time expense and is a win/win situation for the church and membership. **We incorporate churches regardless of where they are located.**

- 2) **INSURANCE** – Detailed review of all church insurance policies should be undertaken to determine what coverage the church may be deficient in either as to the type of claims covered or as to amount of coverage. .

- 3) **PREVENTION** of the Problem or Crisis. Great emphasis should be placed in this area with considerable attention given to learning how to prevent the most common church problems and legal claims. **We provide a seminar which is specifically designed to teach church leadership what can be done in this regard and how it should be done.**
 - a) Hiring & Terminating Practices
 - b) Training of Leaders/Teachers
 - c) Conflict Prevention & Resolution – very important area
 - d) Practices re. Handling of Money
 - e) Practices re. Children & Child Care
 - f) Practices re. Church & Church School Maintenance and Care
 - g) Practices re. Playgrounds
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PREFACE

As the Wall Street Journal has reported there has been “a proliferation of lawsuits against ministers and churches” in recent years. Indeed, the trend has not only been toward more lawsuits against churches and ministers with larger settlements and jury verdicts, but the lawsuits have focused on subjects and issues that had never previously presented problems for religious leaders and institutions.

This Handbook is designed to give ministers and Christian leaders an understanding of the potential legal threats, what can be done to avoid them, and the protective measures which can be implemented to cope with problems when they arise. The seemingly unlimited number and seriousness of potential problems covered is, in a very real and direct sense, a commentary on the state of our society. They not only reflect human weakness, such as greed, sexual obsession, and unforgiveness, outside the church, but the undermining of the church itself from within.

A predominant theme of seminars we teach is the responsibility of Christians and Christian churches, as a body, to conduct their lives and ministries in a manner consistent with Biblical principles and Christian values, while exercising prudence and practical wisdom in dealing with potential problems. Truly, the Christian should be “clever as a serpent while being gentle as a dove.”

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CHILD ABUSE AND SEXUAL MISCONDUCT

Why is Sexual Abuse a Threat to Churches and Church Members? More and more churches are being sued for child abuse, particularly sexual abuse, by church members, volunteers, or paid employees or clergy. Do not assume this cannot happen in your church. It is not only the prudent but the compassionate and moral thing for churches to strive to protect children and prevent sexual abuse. Sometimes these lawsuits are filed years after the alleged sexual abuse took place. Statutes of limitation do not begin to run on claims or legal actions for children until the child reaches the age of eighteen.

Churches are excellent grounds for the predations of pedophiles. Organizations that work extensively with children, such as the Boy Scouts, learned this the hard way and have developed long standing programs to detect and eliminate potential child molesters. Churches should have similar objectives and procedures.

In 2005, First Methodist Church of Jackson, TN was hit with multiple, massive lawsuits filed by members against the church as the result of sexual molestations perpetrated by the youth minister.

When the scandal first broke two years previously, there was the typical reaction common to most churches which are hit by scandal or major legal problems: "This can't be true. It can't be happening at our church. He is such a fine young Christian man - these charges are not true!"

Then, within weeks, the youth minister confessed to multiple molestations over several years. First Methodist's reputation and image were seriously tarnished.

In the late 1980's, I worked for a personal injury law firm in Memphis Tennessee and was briefly in contact with the case of a large church in Memphis whose child care workers were accused of sexual abuse. The extent of the accusations and the depravity of the acts that were described were almost beyond belief. Some of the worst things I ever heard as a lawyer originated in that case. There was considerable confusion and bewilderment as to whether or not the accusations were true despite the fact that multiple children had made accusations against the adult workers. Even if such charges are eventually disproved, the effect on a church, church

school or religious organization can be catastrophic. Careful screening and supervisory procedures could prevent this kind of catastrophe from striking your church.

Probably the most common basis for a lawsuit against a church growing out of sexual abuse are allegations the church either was negligent in the hiring or the supervision of volunteers or employees. It is critically important that a church be able to show to the satisfaction of everyone concerned - including a judge and jury - that every reasonable and appropriate effort was made to protect children in the church.

How to Avoid the Problem. One of the most important steps a church can take to prevent child abuse is to carefully screen and then diligently supervise employees or volunteers. Anyone having a role in caring for or supervising children should be required to complete a written application before they are permitted to work in that role. The application should contain the names and addresses of several references and a statement that the applicant has never been involved in sexual misconduct with a child. All references on the application should be checked carefully and a criminal record check should be undertaken with the applicant's consent. **Never simply accept what is stated on an application. Check it out.** Experience has taught me to be a fervent believer in investigations.

This policy of carefully investigating before hiring resulted in an extraordinary situation when I was chairman of the board of a mental health center and psychiatric hospital. We had screened over seventy applications for the job of executive director of the center and hospital and had narrowed the field to seven applicants whom we interviewed. The board then selected two of those seven as their primary candidates. I urged the board to approve a plan that would permit me to have both applicants investigated thoroughly by retired FBI agents. The board agreed.

Much to our astonishment, the investigation revealed that the leading candidate - who had most impressed the board - did not have a doctorate degree, a master's degree or even a bachelor's degree in psychology, though his resume indicated all three. Even more astonishing, he had held the position of assistant commissioner of mental health in New York state for many years and had actually testified in criminal trials as an expert! Yet no one in New York state had discovered he was a fraud.

Churches should not only thoroughly investigate those who work with children but also apply what is referred to as the "six months rule". This means that **no one is permitted to work**

with children in the church unless they have been active residents of the community and active members of the church for at least six months. Under no circumstances should a church hire or permit anyone to work with children who has a criminal record, particularly if it relates to any form of sexual misconduct. This should be a hard and fast policy no matter who protests that this is a part of their past of which they have repented.

Furthermore, churches should make certain that no child is left alone with one adult at any time. This is referred to as **the “two adult rule” and simply stated means that two adults must always be present with a child or children.** This protects the child against the possibility of molestation, and, of equal importance, it protects adult workers from false accusations of sexual misconduct.

Any other protective measures including having windows on doors to classrooms can be of benefit. There should always be plenty of supervision for children and youth programs particularly if overnight activities are involved.

Confront a Problem Forthrightly and Courageously. Never turn your back on, ignore or otherwise minimize evidence of abuse. Investigate immediately any allegations or suspicious behavior.

All church employees and volunteers should know about child abuse and child neglect reporting laws. In Tennessee, for example, evidence of abuse or neglect of a child must be reported to the Department of Children’s Services or a law enforcement organization immediately. It is a misdemeanor offense carrying a fine and imprisonment if not reported. Similar laws exist in every state. In one case I was consulted on, a minister was actually arrested for failing to report evidence of sexual molestation that took place on church premises, though he himself was in no way guilty of any wrongdoing.

When allegations of abuse are made, your church lawyer should be contacted, the authorities and the parents of the child notified, your church’s insurance carrier notified, and complete records kept of every step of the procedure followed to address the allegations. The church should also be prepared to deal with the media if the story becomes public. [A subsequent chapter addresses how this should be handled.]

The church should under no circumstances minimize, deny, or try to avoid the fact that the allegation was made. **Most of all, the victim or his or her family should not be blamed or**

treated hostilely. To the contrary, they should be treated with concern and support.

Indeed, this alone may prevent a lawsuit. Many times in my legal career I have been approached by prospective clients about filing some lawsuit whether a personal injury claim, defamation action, medical malpractice case, legal malpractice case, etc., and I was told that it was because of a hostile or indifferent response they had received that they had decided to sue. **A soft answer does often turn away wrath.**

An accused worker should be suspended temporarily with care taken to not treat the person as guilty unless and until guilt is clearly established. Respect should be maintained for confidentiality and the privacy of everyone involved.

[Some information from “Child Sexual Abuse and the Church” by Julie L. Bloss as published in the Clergy Journal.]

SIGNS OF ABUSE

There are four types of abuse - physical abuse, emotional abuse, sexual abuse and neglect. Below are some signs that may indicate abuse. The presence of these signs does not necessarily mean that abuse is taking place, but they may offer clues about a child's well-being.

Neglect

Neglect occurs when a parent or caregiver cannot or will not provide basic needs for a child. The signs:

Failure to thrive, excessively passive or sleepy
Signs of malnutrition
Poor personal hygiene
Unclean or inappropriate dress
Evidence of poor health care, such as the child is frequently sick
Self-stimulatory behaviors, such as finger sucking or rocking
Absenteeism from school
Vandalism or shoplifting

Emotional Abuse

Emotional abuse occurs when a child is constantly yelled at and made to feel unwanted, unloved or otherwise insignificant. The signs:

Failure to thrive
Eating disorders
Bed-wetting
Sleep disorders
Self-stimulatory behaviors, such as finger sucking or rocking
Withdrawal
Unusual fearfulness
Antisocial behavior
Extremes in behavior
Lags in development, especially language
Suicide attempts

Physical Abuse

Physical abuse involves excessive physical punishment, such as hitting, smacking, using belts, sticks, branches, etc. The signs:

- > Bruises, marks and welts on face, torso, back, legs and buttocks
- > Burns from cigarettes on hands, arms, feet; or from submergence in hot water or from irons, stoves, etc.
- > Fractures and dislocations, especially to face or neck from blows to face or from violent shaking
- > Lacerations and abrasions, especially bite marks or from hair pulling
- > Wary of physical contact with adults
- > Fear of parents or going home
- > Inappropriate reactions to fear or injury (as if it happens all the time)
- > Acting-out behavior, such as aggression, to seek attention

> Withdrawal behavior

Sexual Abuse

Sexual abuse is inappropriate contact or touching with a child in their private area. The signs:

- > Bruises, bleeding, lacerations or irritation of external genitalia
- > Torn, stained or bloody underclothing
- > Pain during urination
- > Difficulty in walking or sitting
- > Frequent urinary tract infections
- > Withdrawn, excessive daydreaming
- > Sudden behavior changes
- > Regressive behavior, such as bed-wetting or thumb sucking
- > Sudden onset of fears of particular people or places
- > Sexual knowledge or behavior in advance of their age
- > Running away from home
- > Substance abuse

What to do if you suspect abuse:

Tennessee law is typical of laws found across the country. Section 37-1-403 (a) of the Tennessee Code reads that “any persons having knowledge of or who are called upon to render aid to any child who is suffering from or has sustained any wound, injury, disability, or physical or mental condition (as a result of brutality, abuse or neglect) shall report...” Basically, those who have knowledge of an abusive situation, by law, must report such knowledge to the local authorities. These include local police or sheriff’s department or a local Department of Children’s Services office.

Every state in the U.S. has a mandatory report law, varying in degree by what individuals are subject to mandatory reporting and by the standards for reporting. For more information on mandatory reporting laws in your state, go to <http://www.calib.com/nccanch/statutes/manda.cfm> on the web.

FACTS ABOUT CHILD ABUSE

- **There are nearly 3 million cases of abuse reported nationally each year**, according to the National Committee for Prevention of Child Abuse. In the State of Tennessee there are over 33,000 cases reported each year, or 92 children every day!
- **In Tennessee, more children suffer neglect than any other form of maltreatment.** Investigations determined that approximately 58% of the cases reported were for neglect, 21% were reported for physical abuse, 11% for sexual abuse, 5% for emotional abuse and 5% for other forms of maltreatment.
- **Child abuse and neglect affects children of all ages.** The highest victimization rate of children who have been abused is zero to three years of age. 13.9 maltreatments per 1,000 children were reported nationwide. The victimization rate for children aged four to seven is 13.0 per 1,000. For children eight to eleven, the victimization rate is 11.6 per 1,000 children, and for children aged twelve to fifteen, the rate is 10.1 per 1,000. The age group with the lowest victimization rate is children aged sixteen to seventeen, where the victimization rate is 5.9 per 1,000.
- **Both boys and girls experience child maltreatment.** Nationally, about 52% of victims are female and 48% are male. Although not much research is available, it is believed that anywhere from 15% to 38% of females were sexually abused as children; and the number of male victims is often cited at 10%. Because so many cases of sexual abuse go unreported, the actual number may be much higher. Only 1 out of 20 child sexual abuse cases are ever reported.
- **Most perpetrators are parents or relatives of the victim.** More than 87% of the perpetrators of child abuse and neglect nationwide are parents of the victims. Female parents were identified the most in cases of neglect and physical abuse. Male parents were identified more in cases of sexual abuse.
- **Child abuse can result in the death of a child.** In 1999, 1,100 child abuse and neglect related fatalities were reported nationwide. An estimated 86% of these children were less than six years old at the time of their death, with 42% one year old or younger.
- **Child abuse is a cycle which can effect many generations.** Many children who survive child abuse experience significant depression, engage in violent behavior, have delayed academic achievement and develop an impaired sense of moral values. Most statistics indicate that 90% of the prisoners in the penal system were abused as children. The effects definitely can and often do impact adulthood because adults who were abused as children, often become abusers themselves. Without intervention a vicious cycle may be created.
- **We pay a high price for child abuse.** Child abuse not only affects the victims and their families, it has a financial impact on us all. The cost of placing a child in foster care is over \$22,000 each year. It costs taxpayers \$22,992 per year to incarcerate a prisoner. The cost of prevention services provided by The Exchange Club-Carl Perkins Center average \$960 per child per year.

Sources: 1999 National Child Abuse and Neglect Reporting System
State of the Child in Tennessee- 2001 Report

PRECAUTIONARY MEASURES

How does a church protect itself against such claims? By their nature, these incidents are not open and obvious. However, we suggest that taking a few simple precautionary measures may serve to reduce the chances of such an occurrence. The best steps are those which are preventive in nature. You must help yourselves.

Following are several questions. If you can answer "yes" to most or all of them you may be engaging in proper employment practices and general policies. Of course, this cannot guarantee that you will not be sued, or even that a judge or jury will not find you to be responsible for damages. Also, the laws in each state are different, and your own attorney is the best source of information. Nonetheless, we believe these questions to be indicators of proper practices:

- | | Yes | No | | | Yes | No | | | | | |
|-----|------------|-----------|---|--------------------------|--------------------------|-----------|--|-----|---|--------------------------|--------------------------|
| 1. | | | Do you have a written employment policy (including clergy and volunteers)? | <input type="checkbox"/> | <input type="checkbox"/> | | | 11. | Do you keep a photograph of each employee in their personnel file? | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. | | | Do your policies require references of the prospective employees and volunteers? | <input type="checkbox"/> | <input type="checkbox"/> | | | 12. | Are your directors, board members and officers accessible to members of the congregation for discussion of problems or complaints? | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. | | | Do you always check the references offered by prospective employees and volunteers? | <input type="checkbox"/> | <input type="checkbox"/> | | | 13. | Do you have clearly designated committees to delegate responsibility for programs and activities? | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. | | | Do you have a written disciplinary policy for employees, which includes sexual harassment? | <input type="checkbox"/> | <input type="checkbox"/> | | | 14. | Do your committees prepare written policy or program statements and maintain written records? | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. | | | Do you always enforce the policy? | <input type="checkbox"/> | <input type="checkbox"/> | | | 15. | Do you maintain a written complaint or suggestion file? | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. | | | Do you have written guidelines for employees and volunteers, particularly chaperones for overnight youth group outings? | <input type="checkbox"/> | <input type="checkbox"/> | | | 16. | When you receive complaints or suggestions, do you always take some type of action or make some type of response? | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. | | | Do you require volunteers to be members of the church for six months before participating as youth activity volunteers? | <input type="checkbox"/> | <input type="checkbox"/> | | | 17. | Do you have an education program for children to teach about matters such as strangers and sexual abuse? | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. | | | Do you conduct training and orientation sessions for volunteers? | <input type="checkbox"/> | <input type="checkbox"/> | | | 18. | Do you have an action plan developed so you can confront and handle sexual abuse complaints immediately? | <input type="checkbox"/> | <input type="checkbox"/> |
| 9. | | | Do you conduct periodic performance evaluations of employees? | <input type="checkbox"/> | <input type="checkbox"/> | | | 19. | Does your state have any laws regarding reporting of sexual abuse claims, or requiring background checks of employees who work with children? | <input type="checkbox"/> | <input type="checkbox"/> |
| 10. | | | Do you maintain personnel files for your employees and document all significant matters, including reprimands? | <input type="checkbox"/> | <input type="checkbox"/> | | | 20. | Do you have a premises security program to prevent intruders from entering your buildings and playgrounds? | <input type="checkbox"/> | <input type="checkbox"/> |
| | | | | | | | | 21. | Do you have written guidelines for the ratio of adults, whether employees or volunteers, to children? | <input type="checkbox"/> | <input type="checkbox"/> |
| | | | | | | | | 22. | Are you willing to cancel activities if there are not enough adults? | <input type="checkbox"/> | <input type="checkbox"/> |

As stated above, answering "yes" to all these questions does not guarantee that you will never have an incident or claim, or that you will not be sued, or that a verdict will not be returned against you. However, we believe that these steps are all indicative of proper and documented practices, which may serve to minimize your exposure.

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PERSONAL INJURY

Church Activities and Playgrounds

The days seem to be gone when churches can conduct activities and provide play for children without concern for lawsuits or legal claims. In earlier times it was accepted that everyone was responsible for his own conduct. Today, more and more, courts are making individuals and entities responsible for the welfare of others.

And indeed there are instances when church activities can be dangerous. Human compassion and Christian love dictate that we be extra careful. The following are some examples of the hazards: A twenty-two year old woman snow tubing in a youth camp became airborne, broke her back and became a paraplegic. On a hay-ride a junior high student fell underneath the wheels of the wagon and died of internal injuries even though she stated after getting up that she was unhurt. Another church member suffered a broken neck on a water slide and became a paraplegic.

The Hazards. Insurance companies classify activities according to their relative risk. Among those activities deemed hazardous are:

Basketball	Water rafting
Volleyball	Swimming
Touch football	Water slides
Softball	Canoeing
Roller skating	Paddle boating
Ice skating	Horseback riding
Water-skiing	Jump roping
Snow skiing	

Activities considered extra hazardous are:

Hay rides	Rock climbing
Haunted houses	Monkey bars
Snow tubing	Rope swings
Tackle football	Trampolines
Mud Olympics	Fire works
Dune buggies	Snowmobiles
Motorbikes	Rodeos
Obstacle courses	

Some insurance companies recommend that churches never sponsor the events in this second category. If you do, make absolutely certain there is plenty of adult supervision by those who know what they are doing and are physically and mentally able to supervise closely.

Guidelines and Precautions: There are some guidelines which should be followed as a matter of course with regard to church activities that fall into any of the above, or similar, categories.

Whenever church activities are planned the following things should be done:

1. Parents should be informed in writing of the exact nature of the event and a description of the supervision to be provided should be given.
2. It is even preferable to obtain written parental consent before a child participates in the event.
3. Make certain that all supervisory personnel are physically and mentally qualified to supervise the event and that they do not have a record of difficulties or problems with individuals in that age group.
4. Never allow a youth to go away from the event on their own. The church may be held legally responsible until the event is over even if certain members of the group leave the event.

Prevention is an extremely important feature of church activities or play. Prevention is best assured by making certain of the quality and extent of the supervision and that all equipment involved is well maintained.

Play area surfaces, for example, are critically important since about seven of every ten playground injuries are the result of falls. Hard surface material such as asphalt or concrete and even earth surfaces are not recommended. Sand, fine gravel or shredded wood products are deemed acceptable simply because they provide some cushion in the event of a fall. They should never be used however over hard surfaces.

Even hayrides are considered high-risk enterprises for churches. If you conduct a hayride:

1. Make certain the person who drives the tractor or truck towing the wagon is very responsible.
2. Make doubly sure your church insurance covers any medical or liability claims that might result. It is a good practice to make certain that both the driver and the tractor are also insured for liability claims.

3. Be certain the tractor and wagon are fully equipped for road safety including warning signs, proper lighting, and reflectors.
4. Keep the tractor and wagon off of even county roads if possible; try to route the ride on field roads or at least very remote county roads.
5. Make certain the driver maintains very slow speeds.
6. Do not tow more than one wagon at a time and do not permit anyone to stand in the wagon or be moving about the wagon while it's moving.
7. Make certain there are an adequate number of adult supervisors stationed on the wagon in strategic locations.

LIABILITY FOR INJURIES ON CHURCH PROPERTY

Slip and fall cases are some of the most common legal claims which produce lawsuits. They often result from conditions which could have easily been prevented. Indeed, most injuries occurring on church property could have been prevented by either careful maintenance, supervision, or design considerations.

The following are considerations which can prevent injury or loss:

- Make certain that all stairwells and hallways are well lighted and free of any obstructions.
- Keep floor surfaces in good condition. Do not, for example, permit torn carpet/tiles on the floor.
- Keep all walkways, parking lots, and sidewalks free of ice and obstacles whenever practical.
- Make certain ramps and other accesses for handicap people are available on church property.
- Maintain all handrails on both sides of the stairway.
- Make certain there are adequate first aid kits available on the church premises.
- Make certain you have fully charged and adequate fire extinguishers in several strategic and conspicuous locations around the church including in all church vehicles.
- Make certain all glass used is safety glass if it is subject to being hit by human contact.
- Keep all surfaces free of slippery or wet material.
- Do not permit anyone to use old or damaged ladders or tools.
- Keep all passageways and walkways, especially stairwells, well lighted.
- Make certain all electrical appliances and apparatus are well maintained and not worn.
- Consider whether there could be hazards in the church such as asbestos, formaldehyde, or radon that may not be readily discernable. (Call the EPA at 1-202-475-7751 for more information)
- Make certain your church, every employee, and volunteer are fully covered with liability insurance for every conceivable hazard.

PLAYGROUND SAFETY - checklists are not exhaustive or complete, but can be effective in moving toward a safe environment for your playground. A "no" answer indicates an area where further precautions should be taken.

GENERAL:

Does a suitable perimeter fence protect from streets, ponds, and other potential hazards?

Yes No

Does the supervisor have access to first aid, CPR and telephone?

Are all injuries reported when medical attention is required?

Does posted information include proper equipment usage, how to report potential hazards, and emergency phone numbers?

MAINTENANCE:

Yes No

Are trash receptacles provided, but away from play areas?

Are maintenance costs for equipment and surfacing included in the annual budget?

Are benches, drinking water, and shade available?

Is a written preventive maintenance schedule used?

Is equipment properly spaced to provide safe entrance and exit?

When using the preventive maintenance schedule, do you check for:

Are users an appropriate age for equipment design?

•miscellaneous debris or litter?

•damage by vandalism or wear?

•appropriate depth of loose-fill surfaces?

•poisonous plants in the area?

•protrusions, projections, unrecessed nuts, bolts, or screws?

•sharp points, corners, and edges?

•worn out ropes, chain and cable?

•potential clothing entanglement hazards (open S-hooks)?

•pinch, crush, or shearing points?

•exposed moving parts?

•tripping hazards?

•unstable equipment anchors?

•rotting, cracks, and splinters?

•rust or corrosion, especially at surface level?

•Head entrapment hazards (spaces 3.5" to 9")?

•"V" angle entrapment hazards?

•finger entrapment hazards (holes or missing end caps)?

Are staff, parents and children taught the proper use of equipment?

Does the supervisor use common sense in evaluating and deterring dangerous activity or use of equipment?

Is play suspended when equipment is wet?

Does the play area have good water drainage, including heavy use areas under swings and at slide exits?

Are ball games, skating, bikes, throwing and like activities kept in designated areas away from playground equipment?

Is there complete documentation of maintenance activities and injuries or accidents?

Does the supervisor maintain eye contact with the entire play area without the distractions of other conversations, paperwork or activities?

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CHURCH VEHICLES

What to Expect of the Driver. Drivers of church vehicles should be selected for their responsibility and maturity. Their mental and physical condition is of critical importance in ensuring they have the alertness and physical capabilities to operate the vehicle safely. **They should have no tickets or violations on their driving records.** You or your insurance company can check the driving record of your drivers at regular intervals of at least every two years.

Most states require a chauffeur's driver's license for drivers who operate vehicles above a certain size. The Department of Safety can, with a description of the vehicle, determine whether a chauffeur's license is required for your vehicle.

Always make certain drivers are skilled and experienced in handling the kind of vehicle they will be driving. Never permit a driver to use a vehicle he or she is not familiar with or which has not been approved previously by the church. Drivers should also be oriented to the routes they will be taking with special emphasis on hazardous crossings or intersections. Always require drivers to conduct pre-trip inspections before operating the vehicle.

Maintain Your Vehicles. Care should be taken that all church vehicles comply with all state requirements for lights, safety equipment, etc. A thorough mechanical and physical inspection by a mechanic at least once a year should be obligatory. This inspection should include checking the tires and steering, brakes, exhaust system, lights and chassis. Keep careful records of all maintenance work and document every maintenance review.

Furthermore, before a bus or vehicle is used there should always be a pre-trip inspection with special attention paid to tires, exhaust, lights, brakes, and any safety equipment. A fire extinguisher should be placed on every vehicle along with flags, flairs and a first aid kit.

The driver and any supervisory personnel on a bus or vehicle should always require every occupant to wear a safety belt. Likewise, moving about the vehicle while it is in motion should be prohibited.

Supervision. Adequate adult supervision should always be present whenever a church vehicle is used to transport children. It is especially important to never permit the capacity limit of the vehicle to be exceeded.

Loaning Your Vehicle. Most insurance companies advise churches against loaning their vehicles to other individuals or organizations. If you choose to loan your vehicle, you must recognize you are liable for its use. Be careful that your insurance policy covers the vehicle if it is used negligently by someone else. A borrower may assume your insurance will cover his or her use of the vehicle when in fact it does not. Furthermore, a borrower may assume that if they damage your vehicle or cause harm through its use your insurance company will be responsible for the loss. Even if your insurance company does assume responsibility, your insurance premiums may go up as a result.

The vehicle should not be used by a borrower for anything other than church or church school activities. To use it for any other purpose, particularly a commercial purpose, may void or restrict your insurance coverage. If you choose to loan a vehicle out you should make certain the borrower will be fully responsible for insurance coverage. This coverage should be verified through a certificate of insurance. You should also outline, preferably in writing, your guidelines about who will operate the vehicle and under what conditions. Do not loan out a vehicle which is not in first rate mechanical condition.

Leasing a Vehicle. If your church leases a vehicle for a specified purpose or a particular period of time you should first verify what liability and physical damage protection the rental agency maintains on the vehicle. **Almost certainly you will need additional coverage of your own.** The rental agency may not provide coverage or if they do it is likely to be with very high deductibles.

The vehicle should be rented in your church name or ministry name rather than in the name of an individual. Renting a vehicle in an individual's name will almost certainly make that person liable under the terms of the lease. Let the rental agency know the specific names of the individuals who will operate the vehicle and do not permit anyone else to operate it.

Borrowing a Vehicle. Many of the same principles apply to borrowing a vehicle that apply to leasing one. Make clear with the person or entity that you borrow the vehicle from that their insurance policy will cover any damage by the vehicle or to the vehicle. Make certain the vehicle is in good working order, otherwise do not use it. Provide the name and other identifying information of the individual who will operate the vehicle to the owner of the vehicle. Have an understanding with the owner about who will be responsible for payment of any damages as a result of collision or comprehensive losses.

LIABILITY WITHOUT PHYSICAL INJURY

Ministers and churches are increasingly subject to lawsuits for damages unrelated to any physical injury. Common examples are libel and slander, expulsion of members from congregations, invasion of privacy, negligent counseling, sexual harassment, etc.

Libel and Slander. Libel and slander are two forms of what is known broadly as defamation. Defamation is a false statement made about someone which damages them financially or in their reputation. Damages may also include emotional distress caused by the statements. Libel is a false statement which appears in some tangible form, usually a published form or perhaps on video tape. Slander is strictly verbal.

A pastor should be careful of anything he says from the pulpit about another individual or entity unless he is certain of his facts. **Truth is always a defense to a defamation action.** Statements of opinion alone are not the same as defamation.

The standards are stricter for private individuals, than for public figures. A public figure - politician, entertainer, sports star, etc. - may only succeed in a defamation lawsuit if he can show the defamatory statement was malicious in intent.

Publications or written statements of any type should be checked for the accuracy of the facts contained therein. Broad categorical statements or accusations should not be made which may appear to be aimed at whole groups or classes of individuals.

Be sensitive to the importance of the good name of your church and the appearance of good will on your part. A church or minister's reputation and credibility can be damaged by a cavalier willingness to criticize or impugn others.

Expulsion of Members. Whenever a member is expelled from your church the grounds for the expulsion should be clearly stated and the expulsion conducted consistent with the bylaws and statements of faith and practice of your church. Typically, any lawsuit which results from an expulsion can readily be defended against if the church followed its own policies and bylaws in the

course of the expulsion. Churches get into trouble when either they do not follow their own policies and bylaws or they have no written policies and bylaws. This is a compelling reason why churches should always adopt and follow scrupulously some wise bylaws.

Invasion of Privacy. Be sensitive to charges of invasion of privacy from investigations into the private lives of church members or the searching of other's private effects on church property in lockers, automobiles, desks, etc. If these items or places are subject to search make certain this is a stated written policy which anyone affected by it would be aware.

Counseling. The single most important feature of avoiding liability for pastoral or employee counseling is making certain the counselor is sufficiently trained and competent to offer the guidance given.

Pastors and other church counselors should be particularly sensitive to the following considerations:

(1) Avoid even the appearance of possible sexual misconduct. This is one of the greatest hazards that pastors in counseling situations in particular face. Under no circumstances should a pastor conduct counseling alone with an individual of the opposite sex unless there is someone waiting at least in the outer office, if not sitting in the office during the counseling session. Ministers should never underestimate their own vulnerability to temptation or the likelihood that a vulnerable individual who is seeking their advice may look to them for support to an extent which is inappropriate. Ministers should be particularly wary if their own marriages are under stress or they feel a pronounced sense of loneliness or need.

(2) Church counselors and ministers are obligated under state law to report any evidence of child abuse or child neglect regardless of the confidentiality of the counseling role. There are civil and criminal penalties for failure to comply.

(3) All counseling records should be kept secure and strictly confidential. In the event of the counselor's death or removal, the church should have a policy for disposing of or securing the records. Under no circumstances should a counselor permit the dissemination of confidential information obtained during counseling sessions.

(4) The church should maintain a list of specifically identified and competent individuals and agencies for referrals. This list should include a lawyer, social service agency, doctors, or other professional counselors. **Professionals selected for the list should only be those who reflect the highest Christian values and principles.**

(5) Under no circumstances should a minister or other church employee provide counseling in an area for which they are not trained. When, in the course of counseling, a minister detects symptoms of a serious mental illness, such as clinical depression, he should immediately make a referral to a professional who is trained and qualified to address this condition.

(6) Finally, and of paramount importance, the church should make certain the minister and any volunteers or employees who do counseling are covered with full professional liability insurance coverage.

EMPLOYMENT

Check Backgrounds. A church should investigate the background of ministers, volunteers or paid employees who will have access to children. Failure to do this almost certainly will result in liability for the church if misconduct occurs. Screening should include not only interviews, but the use of application forms, checking references, employment history and for criminal records. [See the preceding segment on sexual misconduct and abuse.]

Sexual Harassment. Larger churches should have a formal grievance procedure and written policy on sexual harassment. Harassment should be clearly and broadly defined and the policies and procedures promulgated throughout the staff and leadership.

Should allegations be made of sexual misconduct, whether of child abuse or sexual harassment, the church's response may well determine whether they will be sued. **An immediate, honest and thorough inquiry should be made without defensiveness.**

Termination. Tennessee is an employment at will state which means employers have broad latitude to dismiss an employee. However, when an employee must be fired it is far preferable that clearly defined procedures are followed. The reasons for the firing should be given in writing.

Prior infractions or problems with the employee should be documented when they occur. The documentation - which must be kept in the employee's personnel file - should state that the employee has been notified of the problem and asked to correct it. Failure to lay the ground work for termination through this means may make a church legally liable.

Alien or Citizen. Churches should verify through what is known as an I-9 form that any new employee is an American citizen or an alien legally authorized to work in this country.

Employee Handbook. Larger churches especially should have an employee handbook drafted and updated periodically by a lawyer familiar with employment law as it applies to non-profit

organizations. A lawyer should be called on to review all hiring policies and any potential termination, as well as any claims of sexual harassment.

Unemployment Compensation. Employers must pay unemployment insurance premiums if they employ one person for 20 weeks or more. All matters relating to unemployment insurance are enforced by the Tennessee Department of Employment Security.

Benefits must be paid if an employee is discharged through no fault of his own. If he quits “voluntarily without good cause connected with his work” or if he was discharged because he was guilty of “misconduct in connection with work” he is not entitled to benefits.

FINANCIAL MANAGEMENT AND MISCONDUCT

Churches are increasingly confronting problems with theft and misappropriation of church funds. This may include embezzlement, obtaining expense money for expenses never incurred, use of unauthorized checks, or forgery, as well as simple theft of church offerings. Among the most common hazards is the practice of leaving church money unattended either in the church, someone's home, or a car, rather than depositing it promptly in a bank. Furthermore, many churches do not regularly reconcile their books or conduct audits by qualified personnel.

Over the years I have often been consulted by churches in crisis as a result of some financial mismanagement or misappropriation of church funds. Some of these cases involved trusted church treasurers embezzling money. The shock to the church is typically greater than the financial loss. Churches should always take precautions with two objectives in mind: Remove any temptation from those who have access to church funds by carefully controlling those funds, and, protect those same individuals from the possibility of false or unfounded allegations.

Offerings. The handling of offerings should be conducted by at least two individuals (i.e., tellers) who are not related to one another either through family connections or by employment. Churches should not permit someone who is experiencing financial difficulties to serve in this role. These individuals should also be rotated periodically.

Two tellers should always be present whenever offerings are counted. This should be done on church premises. One teller should record the funds received and the other review the findings. Someone other than the teller should regularly reconcile the bank account. All checks should be stamped "for deposit only" immediately upon receipt. All money should be placed in a bag with only two keys. Cash should never be kept on church premises. All donors should receive periodic statements giving the dates and the amounts of the gifts that they gave.

Disbursements and Record Keeping. No disbursements should be made except by check or draft unless from petty cash. There should be two signatures on all checks over a stated minimum amount. Cash disbursements should only be made when someone in authority has approved and documented the payment. All blank checks should be locked up.

If a computer is used for church financial records the data should be carefully saved and stored on diskettes. Restrictions should be placed on access to the records.

The following checklist will help prevent an embarrassing loss. A “No” answer indicates an area of potential loss and where changes in procedure should be made.

GENERAL:

Is there a monthly or quarterly financial report to the congregation?

Do you conduct an annual audit of your books by a CPA?

Is the church treasurer’s position bonded?

Does your church have insurance for the misappropriation of funds or a loss of church offerings?

PERSONNEL:

Are new church employees/volunteers required to complete and sign employment applications?

Are references checked?

Are treasurer, financial secretary and those actually handling cash free of potential conflicts of interest?

Are there more than two individuals actually counting/handling cash who are rotated on a regular basis?

Is your treasurer restricted from making or changing policy and procedures in handling church finances?

CASH CONTROL:

Does the church issue annual receipts of giving to its members?

Are receipts and vouchers required for all funds expended?

Are basic bookkeeping procedures followed?

Do local charge accounts include individual receipts along with monthly invoices/statements?

Are checks stamped “For Deposit Only” immediately after being received?

Is someone other than the treasurer responsible for deposits?

Are cash receipts promptly deposited in the bank?

Are all disbursements made by check?

Is countersignature required for checks over \$500?

Are bank accounts reconciled by someone who is not authorized to make deposits or withdrawals?

Are securities subject to joint control by two or more responsible individuals?

[Information and questionnaire from materials by Brotherhood Mutual Insurance Company and Preferred Risk Mutual]

Church Payroll. Churches are obligated to follow IRS and state laws and regulations in keeping track of employees' payrolls as well as deductions. Every church with employees should obtain an employer identification number from the federal government.

Clergy who meet the IRS definitions of a minister are exempt from federal income tax withholding regardless of whether they report their income taxes as an employee or as self-employed. They must pay their taxes using quarterly estimating tax procedures unless they voluntarily submit to withholding.

All other workers should be categorized according to whether they are employees or self-employed. There can be serious penalties if a church characterizes a worker as self-employed and the IRS later decides the individual was a true employee.

Should your church have one or more non-minister employees you must file 941 employer's quarterly tax returns and you must also issue W-2 forms to your employees by February 1st of each year. Likewise you must file W-3 forms with the Social Security Administration. Furthermore, a form 1099-MISC must be filed by February 1st for each self-employed worker who is paid \$600.00 or more during the previous year.

Make sure your church has a competent CPA well versed in IRS regulations that pertain to churches and consult him regularly on what is required for proper compliance with state and federal laws.

COPYRIGHT VIOLATIONS

Churches often breach copyright laws by the unauthorized use of published material. It is common for Sunday school books, hymnals, or other materials to be photocopied and used within the church in technical violation of the copyright laws. Though this rarely results in actual legal action being taken, it has that potential. The safer technique is to apply for limited copyright licenses which permit churches to reproduce for their own use certain religious publications or videos.

For example, a church, by payment of a fee to Christian Copyright Licensing of Portland, Oregon (1-800-234-2446), may obtain authorization to reproduce for their own use many religious publications. This license is restricted however to only certain publications or publishing companies; and it is not a broad all-encompassing license for many diverse literary works.

A similar license is available for videos from Motion Picture Licensing Inc., of Stamford Connecticut. It is common for churches to rent or purchase videos which are then shown in a group setting even though, strictly speaking, this is a copyright infringement since the video was only intended for private or in home viewing.

Churches should apprise members and employees of the potential for copyright violations and what must be done to avoid violations.

Similar rules apply to computer software. For example, most computer software programs are restricted to use on a single computer. Even if use is permitted by a purchaser on multiple computers it would probably not be legal for software purchased by the church to then be used on the pastor's home computer.

Copyrighting Your Work. All works produced by you or your church staff should contain a copyright notice. Though as of March 1, 1989 a copyright notice need not appear on a document in order for it to be copyrighted, this is still the preferred technique. A copyright notice should include the year of publication, the name of the owner, and the word or abbreviation for "copyright", or a letter c within a circle. If a work was created by employees of the church it will probably be the property of the church since it was produced as a "work made for hire".

CONTRACTING FOR CHURCH CONSTRUCTION OR MAINTENANCE

Many church members assume that because work is to be done for a church, a contractor will be conscientious. If that assumption ever had validity, it does not today. Two cases I recently handled illustrate the practical, financial and legal quagmire a church can find itself in if decisions are not made carefully. One church contracted with a man who advertised his work as an installer of heating and air conditioning units. The church signed a contract (a form which the contractor provided) and gave him a check for more than \$10,000. He delivered one of three promised central units, did some preliminary work, then dropped out of sight. Efforts to locate him were initially fruitless. When the church hired me, among other things I recommended his background be checked. The investigation revealed a bad record. Litigation ensued and it was successful, but it could have been avoided.

Another church began construction on a new educational addition without an architect, without approved plans, and without a lawyer's review of the contract. The contractor, at considerable expense, laid a foundation that was seriously defective and unusable. The contractor then blamed its defectiveness on the pastor, the church leaders and the absence of an architect and proper plans. We managed to keep the church out of litigation and resolve the issue, but there was a significant delay in getting the building under way. Furthermore, the church had to hire an architect anyway to resolve the problem.

I have been repeatedly consulted by churches over the years about problems relating to church construction. Typically, these cases have two characteristics: each reflects a failure on the part of the church to either check out thoroughly an architect, contractor, etc., and there has been a failure to control the work and payments through proper documentation. Put another way, these situations are nearly always avoidable.

Some guidelines should be followed when hiring anyone for work on your church:

First, **check him out**. Do not assume that because a repairman or contractor is well liked or, for that matter, a regular church-goer that he will be either competent or conscientious. The best indicator of what you can expect is what he has done before. Check his references; see his work;

and call the Better Business Bureau. Make comparisons among several contractors. Time spent in this investigation can save you much grief and money later.

Second, **get it in writing**. Do not rely on verbal agreements, even in part. People who are honest and responsible don't mind committing themselves in writing. Make certain the agreement (i.e., contract) describes in some detail what the contractor is to do, when he is to do it, who will inspect it, and what the exact terms of payment will be. Make certain the agreement provides for payment of attorney's fees and court costs should either party have to sue the other to enforce the contract. It would be far better to have your church lawyer review the agreement or even take a role in drafting it.

Third, if the work is involved or technical such as the construction of a house or building **have another professional (architect, another contractor, etc.) available to review** every aspect of the work from the initial plans to the final inspection.

Finally, **make certain your last payment is not to be made until all work is finished and the work has passed the inspection agreed upon.**

LIABILITY OF OFFICERS AND DIRECTORS

Regardless of what they are called – directors, elders, trustees, deacons, etc.- a church's governing body may be legally responsible for decisions they make or do not make.

Most churches assume that if they have liability insurance this protects their directors and officers. This is usually not the case. Public liability insurance protects the church from claims made by individuals or entities who allege bodily injury or property damage caused by the church's negligence or conduct. However, claims against the directors or officers of the church for failure to perform their duties are not covered by these policies. A separate policy known as a director and officers' policy is needed to protect these individuals.

Some officers and directors are protected in some states by what are known as limited immunity statutes. These basically provide that officers or directors who are not compensated for services to a non-profit organization have limited immunity for their actions, unless their conduct was willful or wanton. However, even if that immunity is available, the cost of defending a claim can be very expensive, running into thousands of dollars. Even if a church wins the lawsuit the financial drain on its resources may be substantial. Furthermore, if a director or officer is found liable, damages can be high.

Other protections from this kind of liability include making certain that your board members are thoroughly oriented to their duties and recognize their responsibility to exercise due care in their positions. Unfortunately, many board members do not recognize the gravity of their role nor do they understand all of their responsibilities. **They should be especially familiar with the charter, bylaws and any policies or procedures of the church.** Furthermore, their understanding of their role should be enhanced at regular intervals with specific training which may include briefings by lawyers familiar with this area of the law and, in some cases, CPA's.

Conflicts of Interest. There should be a church policy against conflicts of interest as well. It is not uncommon for churches to do business with board members individually or who own or have investments in given enterprises. If this is done, strict and clear procedures for review of the proposed contract should be followed to ensure that the church is being fairly treated.

It is not advisable for a church to make loans to directors or officers out of corporate funds. If they do so they may be liable to the corporation if the loan is unpaid.

All contracts of the church should only be signed after strict procedures for approval have been complied with. When a director or officer signs a legal document on behalf of the church he or she should state this in writing on the legal document. **No church should enter into contracts of any kind without being first incorporated; and, even then, the contracts should only be executed following procedures which clearly reflect they are signed for and on behalf of the church corporation.**

CHURCH AND RELIGIOUS ORGANIZATION INCORPORATION

One of the best forms of protection for church members from the threat of lawsuits is incorporation. Ministers and members of unincorporated churches are vulnerable to lawsuits individually as a result of actions of the church, its employees, members, or the pastor.

Reasons to Incorporate. Incorporation is a concept commonly used in the business world. Businesses often are incorporated for one or both of two reasons. First, it is often financially preferable for a business to be incorporated especially for tax reasons. Secondly, incorporation limits the legal liability of the people involved in the business. **Though a church need not be incorporated to be tax exempt, it is necessary for a church to be incorporated to protect its members from individual liability in lawsuits against the church as a whole.**

What is Incorporation? Incorporation simply changes the legal form of an entity (e.g., a church) from an unincorporated association to a corporation. A corporation is deemed, in the eyes of the law, to be a separate entity much like an individual, with separate and distinct rights and obligations.

Once a church is incorporated the individual members are usually protected from liability for claims or lawsuits because the legal entity of the corporation itself is regarded as responsible for any legal wrongs committed.

This does not mean that a claim or lawsuit against a church frees the church or its members from any legal liability. It simply means that only the entity of the church itself is responsible not the individual members or the pastor.

Not only are individual members of unincorporated churches personally liable for the debts or obligations of the church, but each member is also liable to the full amount of that obligation. In other words, a liability or debt need not be divided up among the members of the church. Individual members may be held responsible fully for the obligations of the entire church. Once a church is incorporated this is no longer true. Usually, also many banks and other financial

institutions prefer to do business with a church that is incorporated. [See attached checklist for church incorporation.]

How does a church incorporate? To incorporate a church, an attorney prepares what is known as articles of incorporation. Sometimes, the term charter is also used. This document includes the legal name of the church, address, purposes, and typically a list of the directors. Directors are those individuals who have legal authority to act on behalf of the church. They are sometimes called trustees.

The charter or articles of incorporation usually includes a statement about the tax-exempt purposes of the church. The purposes of the church must be “exempt” under the IRS regulations. Churches are typically exempt because they are organized as religious, educational or charitable institutions and these are all tax-exempt classifications.

If the church dissolves, its assets must go to another tax-exempt organization. Therefore, the charter should specify to whom or what entity the assets of the church will go.

Once the charter is prepared, the attorney files the charter with the Secretary of State’s office with a filing fee. (Fees in Tennessee for corporate filings include \$100.00 for the filing of the charter with the Secretary of State; usually \$7.00 to the Register of Deeds for filing the charter in the county where the church is located; and a \$20.00 filing fee to the Secretary of State each year with the corporate annual report.) The church needs corporate bylaws which specify how the directors are to be elected and replaced and when they will meet. The church bylaws may also specify how a pastor is selected or dismissed.

Customarily, an incorporated entity must use the term “company”, “incorporated”, or “corporation” after its name. That is not required of a non-profit corporation. The name used, however, must be significantly different from any other name on file with the Secretary of State’s office. Therefore, it is customary for an attorney, when preparing articles of incorporation, to contact the Secretary of State in advance and determine if the name to be used is available.

Once the Charter has been filed the church should notify the IRS and the Tennessee Departments of Labor and Revenue of its change in status.

Conducting a Church as a Corporation. The most critical feature of incorporation is the obligation that the church conduct itself as a corporation. Failure to do this may result in legal problems, including a breakdown of the corporate shield from liability.

The corporation must file an annual report with the Secretary of State's office. If this is not done the corporate status will eventually lapse. Failure of a church to regularly file its annual report may ultimately result in a complete loss of the incorporation status necessary to protect its members from individual liability.

The corporation is also obligated to elect at least two officers (a president and a secretary) and conduct at least one meeting each year of its membership. This can be a regular business meeting which is specifically designated as the annual members meeting and at which time the officers of the corporation are elected. Typically, a pastor serves as the president of the corporation and the secretary of the corporation will be the same as the secretary of the church. Other officers may be elected for different roles. The officers of the corporation are those who act on behalf of the corporation in virtually any legal role, such as signing of contracts, etc.

Any assets or property of the corporation should be retitled in the new name of the corporation. This is especially important where vehicles and real estate are concerned.

Commonly ownership of real estate of a church is deeded either to the church in its new corporate name or to the trustees of the church by way of a quitclaim deed.

Adherence to the procedures and provisions of the church bylaws is critically important in protecting the church from lawsuits or from liability. Church officers and members should be fully aware of the bylaws and should scrupulously follow them in all actions of the church. Churches, of course, may amend or change their bylaws as they deem appropriate, and it is a good practice for church leadership to review the bylaws every year with the possibility of a need for change in mind.

Following are the questions we are most often asked about church incorporation, with our answers.

[References herein to churches apply equally to church schools, ministries, and religious associations.]

.....

1) Why would church incorporation even be needed for our church?

Church incorporation is now the recognized trend among authorities who study church problems and church management. According to the major church insurance companies **lawsuits against churches and pastors have increased dramatically** in the last 20 years with larger settlements and jury verdicts against churches and pastors.

2) What does incorporating mean?

A church that is not incorporated is deemed by the law to be just a loose association of individual members. It does not have a separate and distinct legal status all its own. When a church incorporates it is **establishing** itself as **a separate legal entity**, a corporation, which is recognized by the law as distinct and separate from its individual members. This **protects those members from claims or lawsuits against the church.**

3) Why are so many churches incorporating?

Protection of members and pastors from lawsuits is the main reason. There are more **lawsuits being filed now against churches and pastors** than at any time in history. **If an unincorporated church is sued, every member** of that church is **personally liable** for that claim and any judgment against the church. This is true even if they had nothing to do with the incident that caused the lawsuit. The suing lawyer typically will look for members with financial means from whom he can collect a judgment. He need not restrict himself to church assets.

4) What if our church is already incorporated?

Hopefully your church will already be incorporated. If so, you probably will have the protection incorporation provides. However, **there are innumerable churches which believe they are incorporated but which are not.** We have come in contact with many churches which thought they were incorporated only to learn - usually as a result of research our office did - that their charter had lapsed or been revoked. This loss of corporate status and protection most often happens because the incorporation process was not done well to begin with, or someone within the church has not been diligent about sending in annual reports or notifying the church when an administrative revocation is about to happen. **The church therefore is unprotected without**

knowing it. This is similar to believing an insurance policy is in effect, when it is not – a **potentially serious situation.**

5) Why are churches and pastors being sued?

Churches and pastors can be sued for many reasons: injuries on church premises or by a vehicle driven on a church function, or for slander, wrongful dismissal, pastoral counseling, contract disputes, bad debts, child abuse by others, or many other causes.

6) Why would a lawsuit against my church be a threat to our members?

When a claim is made or a lawsuit filed against an unincorporated church, **every member of that church is potentially liable individually** to pay the claim - even if they had nothing to do with the incident that caused the lawsuit in the first place. Church members often assume that only church funds or property can be taken to pay a legal judgment, but that is not the case if the church is unincorporated. **Individual members can lose their personal assets or property.**

7) How does incorporation help?

Incorporation “shields” church members’ bank accounts and assets and will permit only church assets to be used to pay a court judgment.

8) But won't our insurance take care of such things?

Churches sometimes assume their insurance coverage is sufficient to protect them in the event they are sued or a claim is made. However, **insurance coverage may be inadequate.** If the policy amount is not large enough to pay the claim fully then the church members are responsible. Also, an insurance policy may not cover the particular incident which caused a lawsuit. But even if the church is heavily insured, **incorporating protects all members from individual liability.**

Insurance will not.

9) Are there other reasons to incorporate?

Yes, **when a church is unincorporated and borrows money to build or enters into any type of contract, every individual member of the church is liable** for that contract or loan. **By incorporating, individual members of the church can avoid this personal liability** whenever a loan or contract is made by the church.

10) Is it true that banks, lending institutions, and other major businesses prefer to do business with incorporated churches?

Typically, yes. Incorporation suggests financial stability and good management.

11) Are there other reasons for incorporation?

Yes, pastors and church leaders report that incorporation of their church had the effect of upgrading the conduct of their church business and financial affairs, including record keeping, bookkeeping, the handling of funds, and the conduct of church meetings.

12) Should any church incorporate?

Not necessarily. Small churches which do not own a vehicle, have no youth programs or playgrounds and do not engage in other activities which increase their "exposure" to possible liability will not have as great a need. However, any church can benefit from incorporating. Furthermore, **there is no "down side" to becoming incorporated other than the expense of setting up the corporation** – which is a one time cost.

13) Are we protected if our church is already incorporated?

Hopefully, but **not necessarily**. Many churches simply adopt a charter, have it filed and then adopt bylaws, but do little else to establish their corporate status. In fact, there are many more steps which need to be completed - usually about 12 more in all - to ensure the incorporation was properly and fully done. **Failure to do all of these, or failure to maintain corporate practices after the incorporation is completed, can result in the corporation lapsing or the protection of incorporation being lost.** Indeed, in one recent year alone we reincorporated nearly a dozen churches which thought they were still incorporated until they learned their corporate charters had lapsed or been revoked.

14) Can't we just get the incorporation done quickly by filing a charter?

If the incorporation is not done fully and properly your church may suffer and perhaps even lose the protection of incorporation. **There are approximately 13-15 steps** (depending on the church, ministry, school, etc.) which should be done **in order to be** certain the incorporation is **fully done**. Many incorporations only cover perhaps 3 or 4 steps, such as the filing of the charter and adopting bylaws.

15) Is there some risk to keeping this short and simple?

Yes. If a church files a charter but does not follow through with other very important remaining steps in the incorporation process, this can ultimately mean they **may lose the protection** of a corporation even though they are technically filed as such. **We strive to make certain this never happens to our church, school or ministry clients.**

16) Is incorporation expensive?

No, especially when you consider that it is a one time expense. Unlike insurance which must be paid for continually in order to provide protection, incorporation is paid for just one time. The protection afforded by incorporation is effective as long as the church chooses to maintain it. We provide 3 plans for incorporation: Basic, Intermediate and Advanced (described below) and will, upon request, send a fee schedule.

17) Doesn't incorporating your church mean you are permitting the government to have some say over church affairs?

No. Incorporation does not permit the government to dictate to your church. It is simply a form of legal protection which is provided to churches. Furthermore, if a church ever felt that its incorporated status threatened its independence from the government, it is a simple matter to dissolve the corporation quickly.

18) Will incorporation affect our tax status?

No. Incorporation does not affect a church's tax exempt status.

19) How long does it take to incorporate?

We make every effort to respond to our clients promptly. Typically, we prepare a charter and send it back to the church within 24 hours. The remainder of the process usually takes about 3 weeks depending on how quickly we are provided necessary information.

20) Do you provide model bylaws as part of the incorporation process? Yes. We have drafted a set of model bylaws which - unlike any bylaws we have seen - include special provisions that deal with church discipline, preventing and resolving conflict within the church, avoiding lawsuits, and other issues frequently confronted but not typically addressed in bylaws.

21) Will our church's denominational preferences be reflected in our bylaws?

Yes. In fact, **we have drafted - with the help of denominational leaders - custom bylaws for some specific denominations.** These bylaws blend denominational preferences with all legal requirements for an incorporated church. Some of the denominations include: Assemblies of God, Baptist, Cumberland Presbyterian and Pentecostal.

22) Can you incorporate our church regardless of its location?

Yes, **we can incorporate your church regardless of where it is located in most cases.**

23) How is your incorporation work different?

Some churches retain a lawyer, who prepares and files a corporate charter and some form bylaws, yet little may be done beyond this to ensure that the incorporation is sound and complete.

Sometimes the proposed charter may not be well adapted for the church's purposes - perhaps a form charter which came from a lawyer's form book. We, on the other hand, have **custom drafted our charters and specifically drafted Model Bylaws** for churches, ministries, Christian schools and associations of specific denominations. We adhere to the denominational preferences of **each denomination** we work with.

24) How do we begin the process of incorporating our church?

By completing our Church Incorporation Application which can be found at our web site (www.ivyscarborough.com) or requested through our e-mail (ivy@ivyscarborough.com or iscarborough@afo.net), or by phone **toll free at 1-800-547-0037**.

25) Are you available to talk to our church or church leadership and answer questions about church incorporation?

Yes. Cost is based upon the amount of time involved. However, I also provide **consultations by phone** - through the use of a speaker phone at your church or office - **without charge** to answer questions for your church or your church leadership.

26) How would you go about incorporating our church, ministry, school or association?

We provide **4 plans** for incorporation. Three of these, **the Intermediate, Intermediate Plus and the Advanced Plans, ensure that a church or ministry's incorporation is done properly and completely** with nothing left undone. The plans are described below

A) BASIC PLAN - provides for:

- >Initial **consultation**,
- >Preparation of **corporate charter**,
- >**Filing of charter (also called Articles of Incorporation)** with Secretary of State,
- >**Filing of charter with Register of Deeds**,
- >**Preparing Model Bylaws** in hard copy and on CD so the church can easily tailor them on computer to suit the church's needs,
- >**Listing of further steps** which must be taken in order to be a properly incorporated church.

[We **do not recommend** this plan unless you have someone on staff with the experience and diligence to promptly complete the additional steps in the incorporation process as done in the Intermediate Plan below.]

B) INTERMEDIATE PLAN – Our most popular plan. More than 90% of our church clients select it. It provides **everything in the Basic Plan** described above **PLUS completing all other steps in the incorporation process** as follows:

- > Preparation of a new **deed** to convey all church property from the old church name into the name of the newly incorporated church.
- > **Filing of change in status with IRS regarding the church's FEIN** (Federal Employer Identification Number) and newly incorporated status;
- > **Filing the appropriate notification with the Department of Revenue;**
- > **Notification of church insurance carriers** of change in corporate status;
- > **Notification of banks or lending institutions** of change in corporate status;
- > **Assistance in retitling any church vehicles** in name of the new corporation,
- > **Obtaining copy of IRS tax exempt letter** in new corporate name (where applicable);
- > **Providing Handbook with information on proper corporate procedure** as well as forms for future meetings – all done once the incorporation is finished;
- > **Documenting for the church's records the completion of all of these steps.**

C) **ADVANCED PLAN** – Our second most sought plan; includes everything in the Intermediate Plans above plus we come to your church and present a seminar on risk prevention and problem avoidance entitled "How to Protect Your Church & Prevent Lawsuits and Legal Problems." It addresses every major area of potential legal troubles for a church or pastor and describes how to prevent them and how to best address them when they occur. Handbooks provide a ready future reference.

DEALING WITH THE MEDIA

When a church or pastor is drawn into a crisis or legal problem, the media may become involved. How the media is dealt with can be critical not only to the resolution of the problem but also to the church's Christian witness in the community. Two extremes are evident among churches and pastors. Some flee any contact with the media and effectively slam the door on communication. Others talk readily with little planning or controls on what is said. Both approaches are unwise. A positive, open and helpful attitude will be far more productive than a hostile or defensive one, but it should be tempered with discretion and foresight.

When this arises, obtain the assistance of someone well versed in dealing with the media. Few people are experienced and skilled in this role. I do seminars for MADD (Mothers Against Drunk Driving) and other advocacy groups on how to deal with the media. My experience has shown me how few people understand the media, much less how to deal with them.

Church leadership should confer and decide what public position they will take on the issue. A news release or written statement should then be prepared. Only one or two individuals should be selected as spokespersons for the church. There should be a clear understanding of what they will say and how far they will go in talking with the media. The spokesperson selected should be articulate and tactful. **The impression this person makes will reflect strongly on the church itself.**

The spokesperson should be capable of speaking in what are known as "sound bites". Sound bites are statements made in succinct form and very clear language. A tendency to ramble or to talk at length should be avoided. The spokesperson should have a clear idea of what they want to communicate and make certain they do so during the course of an interview or press conference. This requires having a good idea of what the media is likely to ask.

MAKE PEACE WHEREVER POSSIBLE

“Blessed are the peacemakers, for they will be called the sons of God.” Matthew 5:9

Churches are frequently drawn into the legal arena and deal with their conflicts in a worldly way. This contravenes the Apostle Paul’s clear admonition to we Christians: “If any of you has a dispute with another, dare he take it before the ungodly for judgment instead of before the saints?.....but instead one brother goes to law against another - and this in front of unbelievers! The very fact that you have lawsuits among you means you have been completely defeated already.” (I Corinthians 6:1, 6-7) A similar theme is found in the Old Testament: “What you have seen with your eyes, do not bring hastily into court, for what will you do in the end if your neighbor puts you to shame?” (Proverbs 25:7-8)

When conflicts arise, particularly if they are intense enough they may lead to legal action, the parties involved would be wise to consider peaceful methods of resolving their dispute. The professional practice designed to help people reach resolutions of disputes without resort to the courts is known as Alternative Dispute Resolution or ADR. ADR is relatively new but is growing rapidly in popularity.

ADR techniques should be the first option considered by Christians involved in conflict. Among these mediation is certainly the preferable method for dealing with conflict related to the family and church. Resolving conflict through the courts usually aggravates conflict and makes its consequences worse. Our legal system functions on the premise that the achievement of justice is best accomplished through adversarial proceedings pitting one party against the other in what amounts to more conflict albeit regulated by prescribed procedures. This approach not only aggravates the conflict but also contributes to emotional wounding. **The adversarial legal system is the worst system for dealing with disputes among family members as well as disputes among Christians.**

Another form of ADR, arbitration, is closely related to the legal process. Yet it is faster, cheaper, more informal and usually less hostile. **All church bylaws should contain a provision that any dispute among members should be resolved by mediation, and in the event that does not succeed, by arbitration. Resort to the secular courts should be avoided by all means available.**

CHURCH AND PASTORAL INSURANCE

Selecting an Agent. There are two types of insurance agents. The so-called “captive” agent is a paid employee of a particular insurance company. An independent agent may represent several insurance companies. Your insurance agent should also be someone who is well versed in church insurance coverage.

Never select an agent simply because he or she is a member of the church or is well known in the community. **For that matter, never select any professional for such reasons.**

Before selecting an insurance company, have the agent provide information on the background and services of the insurance company he recommends. Make certain the company is financially sound. The A.M. Best Company rating is considered an excellent standard for determining financial strength. Most importantly, **investigate the insurance company’s responsiveness to other churches and its willingness to pay claims.**

Coverage should focus on five potential areas: property and property liability coverage; automobile or vehicular policy (which will be needed even if the church does not own a vehicle), workers compensation, an umbrella policy, and church accident policies which would cover medical expenses for injuries during church activities. Special endorsements can be added for directors and officers liability, pastoral and employee counseling, day care and Christian school liability and coverage. Make certain the policy fully covers claims arising out of sexual misconduct.

Making a Claim. Always report claims promptly and thoroughly. Be prepared in the case of property damage claims to have independent parties appraise the damage. Typically it is a good idea to get two repair estimates for property damage whether to an automobile or building etc. It is important to make certain that the extent of the damage is fully known and understood. It is not uncommon for certain damages to not be discovered until after a claim is settled, which makes it impossible to recover those additional damages.

When a possible liability loss occurs similar guidelines apply. Notify the insurance company promptly and give them thorough information. Avoid making statements to others that

suggest the church is responsible or that the claim will be fully paid. Give the insurance company an opportunity to investigate first. Simply say to the party concerned that the claim is being reported to the insurance company, and that they will be in touch.

Should the church or an employee or pastor be sued, your insurance company will be obligated to pay for a lawyer to defend the claim. **This is one of the greatest advantages of having liability insurance coverage.** Even if you are completely free of any wrongdoing, the cost of defending against an unfounded claim can be substantial. Expect the lawyer and your insurance company to keep you informed of the developments during the lawsuit.

BIBLIOGRAPHY

The following were used for research or they are recommended as additional reading.

Church Law and Tax Report: Risk Management for Churches. by George R. Grange II, Richard R. Hammar and James F. Cobble Jr.

“Directors of Missions” “Incorporating the Church can Protect Members” by Julie Bloss. The Informer. Annuity Board of the Southern Baptist Convention. Fall 1995.

“Child Sexual Abuse and the Church” by Julie Bloss from the Clergy Journal 1994.

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WHAT OTHERS SAY

“The Lord and His Church are at the forefront of Ivy Scarborough’s life.....The seminars he presents get to the very heart of prevention and response. He does a remarkable job of presenting exactly what needs to be heard by every church, pastor and staff member.” - Dr. Herbert Higdon, Past President, TN Baptist Convention

“I have known Ivy, and before him, his parents and grandparents since I was a student at Union University in the 1940's. These people are like `pure gold’..... Ivy is committed to ministry and to helping pastors and congregations.”- Dr. T.T. Crabtree, Springfield, MO, Dean of Southwest Baptist University, College of Christian Studies (Retired), Author of The Zondervan Pastors' Annual

“Jeff and I wanted you to know how thrilled we have been to have met you and have you handle our case. We hate the circumstances we had to meet under, but we value the advice and wisdom you brought to us at this terrible time. You went way above the call of duty with our case, and we will never forget you for that. Thank you so much for your care and concern that you gave through every moment of our case!”
—Jeff & Heather Smith, Dover, TN [daughter killed by drunk driver]

Mr. Scarborough has been priceless to me during this trying time. An illegal immigrant tragically hurt my brother and his daughter. The illegal was drunk! He took the life of my niece and my brother’s health will never be the same. He has suffered severe head injuries. I did not know where to turn or what to do. Through this lawyer and that lawyer I finally found Mr. Scarborough. I became the family liaison, so to speak. I was the person who mostly dealt with Mr. Scarborough. He made some transitions that may have been “impossible” to possible. His guidance, knowledge, and powerful insight are what made many transitions easier for the family to handle. I know Mr. Scarborough cannot bring my family back to whole again, but he certainly has made a difference in my life. He has always been there with his reassuring words, his wisdom, his knowledge, and most important his encouragement. May God Bless him and his.

- Susan Derderian, Massachusetts

Before I chose your firm, I interviewed 6 or 7 attorneys who were highly recommended. I chose you because from our one conversation I felt as if I were speaking with a friend...Even though I live in Florida and Wyoming and your office is in Tennessee, I never had a doubt I could stand back and allow you to handle the case with integrity and wisdom. You patiently and caringly escorted me through a process I knew nothing about. Each time I called with a question or concern it was you who called back as if I were your only client. You made an impression on me that soothed the anger I felt as a victim of another’s destructive behavior. —Paula Sharpe, Sarasota, FL/Jackson Hole, WY

“Ivy is a person of very high moral character. His professional way of handling our car crash with a drunk driver has left our family very grateful. We also feel that we have a lasting friendship with these fine people.” —Larry and Peggy Guthrie, Allardt, TN

“.....we would like to think of it as divine intervention. We had on several occasions seen Mr. Scarborough on the news discussing many topics and current events. You only have to listen to him one time to know that he possesses knowledge, wisdom, professionalism, is dedicated to his beliefs, has compassion for the human race and is a very articulate speaker. How many times has a problematic situation arisen in your

community or nationwide or even for that matter world-wide and you find yourself saying, "Someone should do something about that!" Well, we have found an individual that can take the job on and who will score a success – Ivy Scarborough. This individual will leave an impression on you for a lifetime. – Bob & Margie Simko

"After losing our 2 year old son, we were in need of a lawyer who could help with more than the monetary aspect of our case, and we were blessed to have you to help us. You came with a whole heart and your kindness and guidance gave us the strength to see beyond our immediate pain. The illegal status of the drunk driver did not cause you to waver or hesitate to extend your help to us. We are most thankful that when challenges arose you stood firm by our side. – Keisuke & Lyn Tsuji [son killed by illegal alien drunk driver]

"There is nothing halfway about this man. He does everything 100%." - Lt. Col. Gil Ferguson USAF Retired, Humboldt, TN

"Very timely and greatly needed. Being able to rest assured is a great peace of mind. We found the way you handled the process to be very simple and informative." – Rev. Mike Hazlewood, Pastor, Johnson Grove Baptist of Obion County.

"Our corporation is going great. You did a wonderful job preparing us for that venture." – Rev. Mel Poe, Calvary Baptist Church of Union City, TN

"Ivy gave [our car crash case] 100% of his attention. He is an outstanding attorney with a Christian heart. That meant a lot to my family." -Ms. Tammy Hipps & Jordan, Dyersburg, TN [Auto Crash]

"Smooth. You do an excellent job. Your staff was wonderful to deal with. Your materials made it very easy and the clarity of the directions was wonderful." – Rev. Tony Brown, Oak St. Baptist Church of Portland, TN

"Thank you again for all your help [with our church incorporation]. It has been a pleasure to work with your firm." – Ms. Margaret Jackson, Hooe Baptist Church, MO

"Your work in incorporating our church was very professional. You answered all the questions that we had. I would recommend your office to any church that seeks to be incorporated. All your material was very easy to understand. Thank you for putting it that way." - Rev. James Barber, Macedonia Baptist Church, Kenton, TN

"Incorporating was a new experience for us, and we had no idea what to expect. You made it very simple and easy for us." – Ms. Carolyn Harper, Secretary, Rialto Baptist.

"Ivy represented my Mom and Grandmother after they had been hit by a drunk driver. During that time, no question was too trivial for Ivy or Ramona. They patiently described every step of the legal process. More importantly, they gave us emotional support that we really needed. And they always stood up for their Christian beliefs. I will always be grateful." -Jamie Lattanzi, Jamestown, TN

"Thanks so much for the tremendous job that your office did in leading our church through the incorporation process. Our prayer is that the Lord will continue to use your law firm to make a difference in the body of Christ." – Rev. Willie McLaurin, Senior Pastor, Greater Hope Baptist Church, Union City, TN

"Our needs were met in a timely fashion and with courtesy and professionalism. The materials were clear and presented a logical process to achieve the goal." – Rev. Robert A. Smith, North Union Cumberland Presbyterian, Rutherford, TN

"Ivy represented my son in an auto accident and injury case where another party was responsible, but not willing to accept responsibility. Ivy handled the case in a very professional and caring manner with a high standard of ethics." –Dr. Charles Pratt, First Baptist Church, Kenton, TN

"We thank Ivy for always being available to us by phone, if there is any question." – Rev. Roger Briggs, Director of Missions, Fayette & Haywood Baptist Associations.

"Your incorporation of our church and academy was efficient and organized." – Secretary, Elliston Baptist Church & Academy of Memphis.

"Ivy is a person of very high moral character. His professional way of handling our [car crash] case has left our family very grateful. We also feel that we have a lasting friendship with these fine people." -Larry and Peggy Guthrie, Allardt, TN

"I truly appreciate your assistance and professionalism...The information and guidance you provided were very beneficial. The sample bylaws on diskette were especially helpful. - Rev. Mark Chandler, Cottage Grove Baptist Church, Cottage Grove, TN

"Let me thank you so much for guiding us through our church incorporation. This is something I had never done before, and your patience may have been tested I am sure, by my many phone calls and many, many questions.....Your ministry is a vital ministry today, and I hope you will continue to be blessed."- Ms. Pat Heathcott, Calvary Hill, Ripley, TN, Church Secretary

"Ivy loves Christ and has a strong desire to honor Him with his life. He has a transparent love for people.....a very caring person who has a servant's heart...." - Dr. John Adams, Retired VP for Religious Affairs, Union Univ., Jackson, TN

"Thank you....you were right on target..... It was refreshing to hear someone who represents Christ in a very effective way in the secular world. This service is an invaluable tool for any church or association that wants to better prepare their people for church life in this new century."- Rev. Kelly Campbell, Martin, TN

"Ivy was sincerely dedicated to serving us in an honest, professional manner when he handled our car crash case. He was always available to listen and give his advice at any time. He is the kind of professional we can recommend highly." – Mr. & Mrs. Jerry Peters, Jackson, TN

"Mr. Scarborough does a fantastic job."- Betty Grantham, Clerk, Hardeman Cty., TN

"Your seminars are very helpful and very well organized. The handbook is a great tool. It is very well put together and I am still using it. The seminars never become boring and I really enjoyed the learning. Those areas discussed were things churches need to know about." - Rev. John Coleman, Ridgely, TN

"..... very well presented.....clear, to the point, and very eye opening. The strength of the seminar to me was the presenter. Ivy related well with his audience. He is very personable and does not overpower his audience by being a 'lawyer'. Two of the great

strengths of Ivy's work are his interaction with people and his knowledge." - Rev. Jerry Essary, Martin, TN

"Ivy presents a very good seminar..... I wouldn't change anything. The seminar handbook is very informative.....very helpful to our ministers and churches."- Rev. Wayne Chester, TN Superintendent, United Pentecostal Churches

"Excellent. I don't know how it could be better."- Rev. Larry Corder, Bolivar, TN

"Ivy assisted me in establishing a missions organization, Cross Partners, Inc. Additionally, he represented my son in an auto accident. Ivy handled these in a very professional and caring manner with a high standard of ethics."- Dr. Charles Pratt, Kenton, TN

"I appreciate our denominational leaders realizing our needs in this area and bringing us someone of the caliber of Ivy Scarborough." - Rev. Jack Tidrick, Dayton, TN

"Mr. Scarborough did a great job - very informative, very straightforward, yet with kindness. Thanks to him for his Dedication!."- Rev. Paul Stringer, Livingston, TN

"Very good! Very Informative! Very sincere! An impressive presentation! Very good information on very important issues..... good protective measures for the church's welfare."- Rev. Ray Carson, Goodlettsville, TN

"It is great to know that a Christian like Mr. Scarborough has such concern for churches.....His work is very well thought through."- JoAnn Ridley, Hardeman Cty., TN

"Ivy is a dedicated servant of Jesus Christ. His faith is revealed in his integrity and dignity."- Dr. Bob Elliott, Retired Vice President, Union University

"This man puts God first..... He confronts modern topics that deal with today's problems."- Rev. Jerry Leggett, Union City, TN

"The strength of his advice is the fact that Mr. Scarborough has had actual experience in so many situations."- Joe Griggs, Ripley, TN

"You did a great job and introduced our people to the problems they face."- Rev. Joe Naylor, Director of Missions, Dyersburg, TN

"Very impressive." - Herbert Raines, Hardeman Cty., TN

"We appreciate the kind, professional, and Christian manner in which Mr. Scarborough has handled our churches' legal matters. We feel he is genuinely concerned about us and protective of our interests." - Rev. Ron Brown, Pastor Lighthouse United Pentecostal Church, Jackson, TN.

"A lawyer with Christian morals and ethics! What a tremendous difference Ivy made in our case. His confidence, stature, and boldness in the courtroom, as well as his compassion for his clients, are exemplary. Without question, [being a lawyer] isn't just a job to Ivy, it is a ministry." - Rev. Curtis Howard, Jackson, TN

Seminars and Workshops For Christians, Ministers and Churches

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The following seminars and workshops are available to ministers, churches or other organizations interested in learning how to effectively prevent or deal with legal problems or concerns from a Christian perspective. Each seminar participant is provided with a guidebook. Each topic is addressed with the objectives of providing legal information, guidance, and actual case illustrations. Additionally, Biblical references are included which are pertinent to the particular topic.

Church and Ministerial Liability

- Discusses every major legal threat to churches and pastors.
- Focuses on how legal problems can be prevented.
- Deals with sexual misconduct, injury on church property or in church vehicles, legal claims for slander and defamation, expulsion of church members, ministerial counseling, hiring and firing of church employees, financial management and misconduct, copyright violations, liability of church officers, church incorporation, dealing with the media, and church and pastoral insurance.

Mediation & Conflict Resolution in the Church, Home and Workplace

- Emotional and physical underpinnings of conflict.
- What our society wrongly teaches about anger and conflict.
- Maintained self control and dealing with people in the midst of conflict.
- Biblical teachings about anger, conflict, and lawsuits.
- How and why conflict among Christians should be kept out of the courts.
- Mediation - How it works and why Christians should use it.

Dealing With the Media

- Communicating through the media for church growth and community influence.
- Communicating with the media on sensitive subjects.
- Who should do the talking and why.
- How much and what should be said.
- To what extent can you trust the media?
- Why the media can be a resource for evangelism.

The Family: Marriage and Divorce

- **Divorce, separation and annulment - what each is and how it occurs.**
- **Infidelity.**
- **Violence in the Home and Spousal Abuse.**
- **Drug and Alcohol Abuse.**
- **Child Custody, Visitation and Support.**

The Family: Children

- **The Unwanted Pregnancy and Abortion.**
- **Adoption.**
- **Establishing a Child's Paternity.**
- **Child Abuse.**