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# Bylaws of Shepherd's Spring

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## Article 1 Offices

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### Section 1.1. Principal Office

The principal office of the corporation is located at 16869 Taylors Landing Road, Sharpsburg, in Washington County, State of Maryland.

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### Section 1.2. Other Offices

The corporation may also have offices at such other places, within or without its state of incorporation, where it is qualified to do business, as its business and activities may require, and as the board of directors may, from time to time, designate.

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## Article 2 Nonprofit Purposes

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### Section 2.1. IRC Section 501(c)(3) Purposes

This corporation is organized exclusively for one or more of the purposes as specified in Section 501(c)(3) of the Internal Revenue Code, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) or the Internal Revenue Code.

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### Section 2.2. Specific Objectives and Purposes

The specific objectives and purposes of this corporation shall be: 1) to provide Christian hospitality, 2) to teach Christian stewardship, 3) to provide space and opportunity for Christian growth and renewal, 4) to provide experiences where persons can become a community modeling the life of Jesus.

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## Article 3 Directors

### Section 3.1. Number

The corporation shall have a Board of Directors consisting of eight (8) Directors and non-voting ex-officio members.

### Section 3.2. Qualifications

Directors shall be at least 21 years of age. Other qualifications for directors of this corporation shall be as follows:

- a. Directors shall be members or associate members of a Church of the Brethren congregation.
- b. The Corporation's Administrator and Treasurer shall serve as ex-officio members without voting privileges.

- 45 c. The Corporation's Board Chairperson shall serve as non-voting member of the  
46 Board, but may vote in the event of a tie.  
47

48 **Section 3.3. Selection of Directors**

49 Directors shall be nominated by the current Shepherd's Spring Board of Directors and  
50 elected by the membership at the annual meeting, held in conjunction with the Mid-  
51 Atlantic District Conference of the Church of the Brethren.  
52

53 **Section 3.4. Authority**

54 The Board of Directors shall hold all authority of the Corporation as provided by the  
55 laws of the State of Maryland, pursuant to the Nonprofit Incorporation Laws of the State  
56 of Maryland, Specifically, but without limiting their authority, the Board shall:

- 57 a. Purchase insurance, open and close bank accounts and conduct all business as  
58 relevant to its purpose.  
59 b. Employ and set the compensation for the Corporation's Administrator  
60 c. Provide for the safe keeping of corporate property  
61 d. Prepare, maintain and safeguard appropriate corporate records,  
62 e. And delegate such authority as it from time to time deems prudent and  
63 necessary.

64 The Board of Directors may not except that it be approved by the Mid Atlantic District  
65 Conference of the Church of the Brethren:

- 66 f. Sell real estate belonging to the corporation  
67 g. Convey a security interest in real estate of the Corporation with a value  
68 greater than \$500,000  
69 h. Incur debt on behalf of the Corporation in an amount greater than \$500,000.  
70

71 **Section 3.5. Responsibilities**

72 It shall be the responsibility of the Board of Directors to:

- 73 a. Perform any and all responsibilities imposed on them collectively or  
74 individually by law, by the article of incorporation, or by these by-laws.  
75 b. Appoint, remove, prescribe the duties of and supervise all officers and agents  
76 of the corporation.  
77 c. Meet at such times and places as required by these bylaws/  
78 d. Register their addresses, telephone numbers and email addresses with the  
79 secretary of the corporation, and notices of meetings mailed, called or emailed  
80 to them at such addresses shall be valid notices thereof.  
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82 **Section 3.6. Terms of Office**

- 83 a. Terms of office shall be for not more than three years. Terms will be  
84 staggered so that not more than three (3) Directors terms will expire in any  
85 given year. Terms will begin November 1.  
86 b. Directors may serve an unlimited number of terms, but only 2 consecutive  
87 terms without at least one (1) year between terms of service.  
88 c. There shall be no limit to the number of terms a non-voting ex-officio  
89 Director may serve.  
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92 **Section 3.7. Vacancies**

93 In the event a Director resigns, is unable to serve or otherwise vacate the position of  
94 Director or Treasurer prior to the expiration of his or her term of office, the remaining  
95 members of the Board of Directors shall appoint a successor to serve the unexpired term.

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97 **Section 3.8. Removal from Office**

98 If any Director fails to attend two regularly scheduled meetings in a twelve month period,  
99 the Board of Directors may, in their sole discretion, without notice, declare the board  
100 Director's position vacant, and proceed in accordance with Section 3.7 above. Directors  
101 may also be removed from office for just cause.

102

103 **Section 3.9. Compensation**

104 Directors shall serve without compensation, except that a reasonable fee may be paid to  
105 Directors for travel expenses for attending regular and special meetings of the Board. In  
106 addition, they shall be allowed reasonable advancement or reimbursement of expenses  
107 incurred in the performance of their duties.

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109 **Section 3.10. Meetings**

- 110 a. The Board of Directors will hold regular meetings at least 4 times annually.  
111 Meetings shall be held at the Principal Office unless otherwise designated by  
112 the Board of Directors.
- 113 b. Special meetings may be called by the Chairperson, the Vice-Chairperson or at  
114 least 3 members of the Board of Directors. Special meeting notices must be  
115 delivered to Board of Directors members at least three (3) days prior to the  
116 meeting.
- 117 c. Roberts Rules of Order shall govern the conduct of all meetings or such  
118 alternative rules as may from time to time be adopted by the Corporation's  
119 Board. The Board Chairperson will serve as parliamentarian.
- 120 d. A majority of the voting directors will constitute a quorum. A quorum must be  
121 present to conduct business of the Board.

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123 **Section 3.11. Personal Liability of Board Members**

124 A Director of the Corporation shall not be personally liable, as such, for monetary  
125 damages for any action taken, or failure to take action unless:

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- 127 a. The Director or Treasurer has breached or failed to perform the duties of his or  
128 her office as provided by the Nonprofit Incorporation laws of the state of  
129 Maryland and
- 129 b. the breach or failure to perform constitutes self-dealing, willful misconduct, or  
130 recklessness.

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132 **Section 3.12. Indemnification in Third Party Proceedings**

133 The corporation shall indemnify any person who was or is a party or is threatened to be  
134 made a party to any threatened, pending or completed action, suit of proceeding, whether  
135 civil, criminal, administrative or investigative (other than an actions by or in the right of  
136 the Corporation) by reason of the fact that he or she is or was a representative of the

137 Corporation, or is or was serving at the request of the Corporation as a representative of  
138 another corporation, partnership, joint venture, trust or other enterprise, against expenses  
139 (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and  
140 reasonably incurred by him or he in connection with such action, suit, or proceeding by  
141 judgment, order, settlement, conviction, or upon a plea of nolo contendere or its  
142 equivalent, shall not of itself create a presumptions that the person did not act in good  
143 faith and in a manner which he or she reasonably believed to be in, or not opposed to, the  
144 best interests of the Corporation, and with respect to any criminal action or proceeding,  
145 had reasonable cause to believe that his or her conduct was unlawful.

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147 **Section 3.13. Indemnification in Derivative Actions**

148 The Corporation shall indemnify any person who was or is a party or is threatened to be  
149 made a party to any threatened, pending or completed action to suit by or in the right of  
150 the Corporation to procure a judgment in its favor by reason of the fact that he or she is or  
151 was a representative of the Corporation, or is or was serving at the request of the  
152 Corporation as a representative of another corporation, partnership, joint venture, trust or  
153 other enterprise against expenses (including attorneys' fees) actually and reasonably  
154 incurred in connection with the defense or settlement of such action or suit if he or she  
155 acted in good faith and in a manner he or she reasonably believed to be in, or not opposed  
156 to, the best interests of the Corporation, and expect that no indemnification shall be made  
157 in respect of any claim, issue, or matter as to which such person shall have been adjudged  
158 to be liable for negligence or misconduct in the performance of his or her duty to the  
159 Corporation unless and only to the extent that the Court of Common Pleas of Washington  
160 County or the court in which such action or suit was brought shall determine upon  
161 application that, despite the adjudication of liability but in view of all the circumstances  
162 of the case, such person is fairly and reasonably entitled to indemnity for such expenses  
163 which the Court of Common Pleas or other such court shall deem proper.

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165 **Section 3.14. Mandatory Indemnification**

166 Notwithstanding any contrary provision of the articles or these bylaws, to the extent that  
167 a representative of the Corporation has been successful on the merits or otherwise in  
168 defense of any action, suite, or proceeding referred to in either Section 3.12 or 3.13  
169 above, he or she shall be indemnified against expenses (including attorneys' fees)  
170 actually and reasonably incurred by him or her in connection herewith.

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172 **Section 3.15. Determination of Entitlement to Indemnification**

173 Unless ordered by a court, any indemnification under Section 3.12 or 3.13 above shall be  
174 made by the Corporation only as authorized in the specific case upon determination that  
175 indemnification of the representative is proper in the circumstances because he or she has  
176 met the applicable standard of conduct set forth in such paragraph. Such determination  
177 shall be made:

- 178 a. By the Board of Directors by a majority vote of a quorum consisting of  
179 Directors who were not parties to such action, suit, or proceeding; or
- 180 b. If such a quorum is not obtainable, or, even if obtainable, a majority vote of a  
181 quorum of disinterested board Directors so directs, by independent legal  
182 counsel in a written opinion.

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184 **Section 3.16. Advancing Expenses**

185 Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid  
186 by the Corporation in advance of the final disposition of such action, suit, or proceeding  
187 as authorized by the Board of Directors in a specific case upon receipt of an undertaking  
188 by or on behalf of the representative to repay such amount unless it shall ultimately be  
189 determined that he or she is entitled to be indemnified by the Corporation as authorized in  
190 Paragraphs 3.12, 3.13, 3.14 above.

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192 **Section 3.17 Indemnification of Former Representatives**

193 Each such indemnity may continue as to a person who has ceased to be a representative  
194 of the Corporation and may inure to the benefit of the heirs, executors, and administrators  
195 of such person.

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197 **Section 3.18 Insurance**

198 The Corporation shall have the power to purchase and maintain insurance on behalf of  
199 any person who is or was a member of the Board of Directors, officer, employee, or agent  
200 of the Corporation, or is or was serving at the request of the Corporation as a Director,  
201 officer, employee, or agent of another corporation, partnership, joint venture, trust, or  
202 other enterprise against any liability asserted against such person or incurred by such  
203 person in any capacity or arising out of such person's status as such, whether or not the  
204 Corporation would otherwise have the power to indemnify such person against such  
205 liability.

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207 **Section 3.19 Reliance on Provisions**

208 Each person who shall act as an authorized representative of the Corporation shall be  
209 deemed to be doing so in reliance upon the rights of indemnification provided by this  
210 Article.

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**Article 4**

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**Officers**

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215 **Section 4.1. Designation of Officers**

216 The officers of the corporation shall be a Chairperson, Vice-chairperson, Secretary and  
217 Treasurer.

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219 **Section 4.2. Selection of Officers**

220 The Board of Directors shall elect the Chairperson and Vice-chairperson from its  
221 members for a term of one (1) year. Such election shall take place at the first meeting of  
222 the Board on or after November 1. The Treasurer and Secretary positions will be  
223 appointed annually by the Board of Directors, but do not have to come from the elected  
224 Directors serving on the Board.

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226 **Section 4.3. Duties of Corporate Officers**

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- a. **Chairperson-** The chairperson shall preside at all Board meetings and executive meetings of the board, and shall call special meetings when

229 necessary. The chairperson may be ex-officio on any committee established  
230 by the Board of Directors.

- 231 **b. Vice Chairperson** - The Vice-Chairperson shall serve in the place of the  
232 Chairperson in the Chairperson's absence. The vice-chairperson may serve as  
233 ex-officio on any committee established by the Board of Directors in place of  
234 the Chairperson
- 235 **c. Secretary** - The Secretary may serve as a voting director member or as a  
236 non-voting ex-officio position and shall keep the minutes and records of all  
237 Board and executive committee meetings, shall send out such notices as may  
238 be required by law or by these Bylaws to the Board of Directors, and shall  
239 perform generally all duties incidental to the office of Secretary.
- 240 **d. Treasurer**- The Treasurer shall serve as a non-voting, ex-officio member of  
241 the Board of Directors and the executive committee. The Treasurer shall  
242 supervise the accounting for all monies received and disbursed by the  
243 Corporation, and shall supervise the preparation of a report with respect to the  
244 same, which report shall be presented at the regular board meetings of the  
245 Corporation, and at any special meetings for which special reports have been  
246 requested. Working in conjunction with the Corporation's Board of Directors  
247 Chairperson and the Administrator, the Treasurer will secure an annual review  
248 or full audit of the Corporation's financial records and bookkeeping as  
249 determined by the Directors. This review or audit report shall be presented to  
250 the Board of Directors for acceptance and then forwarded to the annual  
251 membership meeting.

## 252 **Article 5**

### 253 **Committees**

#### 254 **Section 5.1. General Authority**

255 The management of the business and affairs of the Corporation shall be assisted and  
256 supported by Standing and Special Committees of the Board of Directors. Each  
257 Committee shall advise, make recommendations to, and generally assist the Board of  
258 Directors in carrying out its responsibilities within the functional area assigned to such  
259 Committee. The Board of Directors may delegate to the Committees any of the powers of  
260 the Board of Directors except the power to amend the Bylaws or approve any merger, or  
261 any other power prohibited to be delegated by the laws of the State of Maryland, as from  
262 time to time amended. Each committee also shall exercise such administrative powers,  
263 duties and possibilities as may be assigned to it by these Bylaws or be resolution of the  
264 Board of Directors, subject, however, to the overall supervision and direction of the entire  
265 Board of Directors.

#### 266 **Section 5.2. Standing Committees**

267 The Standing Committee of the Board shall consist of the Executive Committee.

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- 269 **a. Executive Committee** – Prepares the agenda for the Board meetings,  
270 proposes action on items of major importance or expense, and deals with  
271 emergency decisions when a meeting of the full Board is impractical.  
272 Committee Members may include: Board Chair, Vice Chair, Secretary,  
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275 Administrator and Treasurer with the chairs of other Standing Committees on  
276 call.

277 **Section 5.3. Other Committees**

278 The corporation shall have such other committees as may from time to time be designated  
279 by resolution of the board of directors. The committees may consist of persons who are  
280 not also members of the Board and shall act in an advisory capacity to the Board.

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282 **Section 5.4. Meetings**

283 Each committee shall meet as often as is reasonably necessary or desirable to accomplish  
284 its purpose. Except as otherwise provided by resolution of the Directors, each Committee  
285 may fix or change, by resolution, the number, place, date and time for the holding of its  
286 meetings without other notice than such resolution; and each Committee may adopt rules  
287 providing reasonable notice of its meetings to its members which are not inconsistent  
288 with these Bylaws.

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290 **Section 5.5. Organization and Conduct of Meetings**

291 The Chairperson of the Board of Directors shall serve as the Chairperson of the Executive  
292 Committee. In all other cases, each Committee shall appoint a Chairperson from among  
293 its Committee. The Committee Chairperson shall preside over any meeting of the  
294 Committee and shall regularly report to the Board of Directors on such Committee's  
295 proceedings, decisions, and actions. But if the Committee Chairperson is not present, the  
296 members of the Committee shall choose a Chairperson for such purposes. The  
297 Chairperson of the meeting shall appoint a Secretary of the meeting.

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**Article 6**

**Execution of Instruments, Deposits, and Funds**

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**Section 6.1. Execution of Instruments**

305 The Board of Directors, except as otherwise provided in these bylaws, may by action of  
306 the Board, authorize any officer or agent of the corporation to enter into any contract or  
307 execute and deliver any instrument in the name of and on behalf of the corporation, and  
308 such authority may be general or confined to specific instances. Unless so authorized, no  
309 officer, agent, or employee shall have any power or authority to bind the corporation by  
310 any contract or engagement or to pledge its credit or to render it liable monetarily for any  
311 purpose or in any amount.

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**Section 6.2. Checks and Notes**

314 Except as otherwise specifically determined by resolution of the Board of Directors, or as  
315 otherwise required by law, checks, drafts, promissory notes, orders for the payment of  
316 money, and other evidence of indebtedness of the corporation shall be signed by the  
317 Treasurer, Board Chair or Administrator of the Corporation.

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**Section 6.3. Deposits**

320 All funds of the corporation shall be deposited from time to time to the credit of the  
321 corporation in such banks, trust companies, or other depositories as the Board of  
322 Directors may select.

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#### 324 **Section 6.4. Gifts**

325 The Board of Directors may accept or reject on behalf of the corporation any  
326 contribution, gift, bequest, or devise for the nonprofit purposes of this corporation.

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### Article 7

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## Corporate Records, Reports and Seal

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#### 331 **Section 7.1. Maintenance of Corporate Records**

332 The Corporation shall keep at its principal office:

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#### 347 **Section 7.2. Corporate Seal**

348 The Board of Directors may adopt, use, and at will alter, a corporate seal. Such seal shall  
349 be kept at the principal office of the corporation. Failure to affix the seal to corporate  
350 instruments, however, shall not affect the validity of any such instrument.

351

#### 352 **Section 7.3. Periodic Report**

353 The Board shall cause any annual or periodic report required under law to be prepared  
354 and delivered to an office of this state. An annual report to the members shall be prepared  
355 and delivered to the Mid Atlantic District Conference of the Church of the Brethren.

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### Article 8

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## IRC 501(c)(3) Tax Exemption Provisions

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#### 360 **Section 8.1. Limits on Activities**

361 No substantial part of the activities of this corporation shall be the carrying on of  
362 propaganda, or otherwise attempting to influence legislation (except as otherwise  
363 provided by Section 501 (h) of the Internal Revenue Code), and this corporation shall not  
364 participate in, or intervene in (including the publishing or distribution of statements), any  
365 political campaign on behalf of, or in opposition to, any candidate for public office.

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Notwithstanding any other provisions of these bylaws, this corporation shall not carry on any activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c) (3) of the Internal Revenue Code, or (b) by a corporation, contributions to which are deductible under Section 170 (c) (2) of the Internal Revenue Code.

**Section 8.2. Prohibition Against Private Inurement**

No part of the net earnings of this corporation shall inure to the benefit of, or be distributable to, its members, directors, or trustees, officers or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes of this corporation.

**Section 8.3. Distribution of Assets**

Upon the dissolution of this corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be conveyed as directed by the Mid-Atlantic District Conference of the Church of the Brethren at its annual meeting. However, in the absence of such direction, such property shall be conveyed to the District Board of the Mid-Atlantic District of the Church of the Brethren, Inc.

**Article 9  
Amendment of Bylaws**

Subject to the power of the members, if any, of this corporation to adopt, amend or repeal the bylaws of this corporation and except as may otherwise be specified under provisions of law, these bylaws, or any of them, may be altered, amended or repealed and new bylaws adopted by approval of the board of directors.

**Article 10  
Construction and Term**

If there is any conflict between the provisions of these bylaws and the articles of incorporation of this corporation, the provisions of the articles of incorporation shall govern.

Should any of the provisions or portions of these bylaws be held unenforceable or invalid for any reason, the remaining provisions and portions of these bylaws shall be unaffected by such holding.

All references in these bylaws to the articles of incorporation shall be to the articles of incorporation, articles of organization, certificate of incorporation, organizational charter, corporate charter or other founding document of this corporation filed with an office of this state and used to establish the legal existence of this corporation.

All references in these bylaws to a section or sections of the Internal Revenue Code shall be to such sections of the Internal Revenue Code of 1986 as amended from time to time, or to corresponding provisions of any future federal tax code.

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**Article 11**  
**Membership**

**Section 11.1 Definition of membership**

Voting members of the corporation shall be the delegates to the Mid Atlantic District conference of the Church of the Brethren.

**Section 11.2 Annual Meeting**

The annual meeting of the corporation will be held in conjunction with the Mid Atlantic District Conference. At the annual meeting, members will receive a report of the corporation, select Directors, approve an annual budget and conduct any other business required of the membership.

Between annual meetings, the membership authorizes the Board of Directors to conduct the business of the corporation on their behalf.

**Adoption of Bylaws**

We, the undersigned, are all of the initial directors or incorporators of this incorporation, and we consent to, and hereby do, adopt the foregoing bylaws, consisting of \_\_\_\_\_ preceding pages, as the bylaws of this corporation.

Dated: \_\_\_\_\_  
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