



Structuring Relationships

Between
Seventh-day
Adventist® Church
Organizations
and Supporting
Ministries



Introduction

The Seventh-day Adventist® Church operates through the efforts of both committed Christian individuals and organizations tied together through common beliefs and a system of governance that is set forth in its legal documents and policies. The governing rules and principles form the foundation of how Adventist organizations operate.

Since its beginning, the Holy Spirit has convicted Adventist lay members to spread the good news of Jesus throughout the world. This conviction has caused many faithful believers to devote their professional lives within Adventist organizations.

Others, however, form supporting ministries and engage in ministry that is independent of the Adventist Church organization. These “supporting ministries” also play a significant role in spreading the good news of Jesus’ love and His soon return.

NOTE: The term “supporting ministries” used in this document refers to organizations that operate independently of the Seventh-day Adventist Church and are not controlled or legally affiliated with the Seventh-day Adventist Church, but support the ministry and mission of the Adventist Church. Supporting ministries are not listed in the official *Seventh-day Adventist® Yearbook*. Supporting Ministries should fit the definition, conditions and qualifications set forth in the North American Division Working Policy K-05.



The Issues Before Us

In the recent past, some Adventist organizations have not acted carefully when forming relationships with supporting ministries. Such relationships have lacked the typical formalities that most would insist on when forming a relationship with other commercial organizations. This has led to claims and legal exposure for some Adventist organizations that have treated relationships with supporting ministries in a lax or informal manner. In some instances, this approach has harmed the Adventist Church, and, in some cases, caused a tremendous strain on denominational financial resources.

This document will not solve every possible issue that could arise between an Adventist organization and a supporting ministry. What it will accomplish, however, is to frame some areas that can create problems and legal exposure to Adventist organizations because of the operation and behavior of the supporting ministry and its staff. This document and the thoughts in it encourage proper operation and protection for all.

The Primer will cover the following areas:

- 01 Corporate Formation**
- 02 Operations**
- 03 Publications and Signage**
- 04 Social Media/Internet Sites**
- 05 Financial Practices**
- 06 Real Estate**
- 07 Board Membership**
- 08 Licenses/Accreditation**
- 09 Immigration or Visa Applications**
- 10 Miscellaneous**



01

Corporate Formation

The Adventist Church is designed by policy and structure to work together. Typically, Adventist organizations should not form new corporations or other business organizations without vetting the idea thoroughly, obtaining counsel from Union, Division or General Conference of Seventh-day Adventists (GC) Officers and securing required authorizations. Adventist organizational leaders at all levels should be aware of the formation of any denominationally related legal formations in their territories. They should also seek input from the Office of General Counsel (OGC) at the GC.

The formation of any corporation should be done within the boundaries of all applicable policies. These partnerships should be well-thought-out and properly managed by the Adventist organization involved in forming such a corporation.

Not only is this the proper way to operate responsibly, but it also minimizes the legal exposure to Adventist organizations. Conference leadership or other leaders involved in the formation of a corporation create potential liability for the Adventist organization if the corporation is viewed as an extension of the Adventist Church.

This may not become a problem if the supporting ministry is well-run and fiscally responsible. Supporting ministries that do not follow the requirements of being recognized as a “supporting ministry” or are poorly run or are involved in difficult claims or other financial problems can cause challenges for its partners.

If lay members wish to form a corporation for a supporting ministry, official Adventist Church organizations or employees of the denomination should not be involved in any way. Supporting ministries that wish to work with the conference should do so only if the relationship is formally defined. Adventist organizations should engage in an appropriate level of due diligence so they do not associate themselves with a poorly funded supporting ministry or one that will poorly reflect the mission of the Adventist Church. Individuals employed by the denomination must also ensure that they secure the permissions of their employing organizations if they are asked to serve on the board of any organization which is not listed in the *Seventh-day Adventist Yearbook*.

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Publication and Signage

This has more to do with the Adventist organization and whether it mentions the supporting ministry in its official publications, signage, or on the internet. Consider the following issues:

- 1) The supporting ministry should not be listed in the Adventist organizational directory. The only organizations that should be listed in a directory are official Adventist entities, not supporting ministries
- 2) The supporting ministry should not be featured in news publications, such as a union magazine.
 - a. If it is mentioned because of some joint activity with the conference or a local church, the relationship should be clearly and succinctly described. There should be no confusion about the supporting ministry and its relationship to the conference.
- 3) Signs and publications of the supporting ministry should not mention the Seventh-day Adventist Church or use any of the Church's logos or registered trademarks or state that it is related to or affiliated with the Adventist Church or one of its organizations. The goal is to avoid allowing the supporting ministry to mislead anyone regarding its relationship with the Adventist Church.
- b. There should be no confusing language that could leave a reader to conclude that the supporting ministry is part of the conference or another Adventist organization.

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Social Media/Internet Sites

Adventist organizations should monitor the supporting ministry's internet presence, signage, and publications for compliance.

Supporting ministries should not state on social media or web pages that they are affiliated with an Adventist organization or with the Adventist Church. Any mention of the Adventist Church organization should, by agreement, be approved prior to publication by the Adventist organization. Again, the idea is to insist that they disclose that they are not affiliated with the Seventh-day Adventist Church yet support the mission of the Church. Ensure that the supporting ministry refrain from misstating the relationship. Adventist organizations should monitor the supporting ministry's internet presence, signage, and publications for compliance. If the supporting ministry inaccurately describes the relationship, appropriate action should follow to correct the record including bringing the matter to the attention of the Office of General Counsel at the General Conference.

05

Financial Practices

Supporting ministries must be financially independent and responsible. The following guidelines should be followed when considering a working relationship with a supporting ministry:

- 1) Direct subsidies to supporting ministries should be avoided unless such subsidies are not regular or frequent and decisions for such subsidies are made based on established criteria and not a relationship with a particular supporting ministry.
- 2) School tuition subsidies to employees are an employee benefit and eligibility should be based on an employer defined criteria based on the employer employee relationship and not a relationship between the employer and the supporting ministry
- 3) No direct subsidies from a conference or local church should be given to a supporting ministry without a written agreement. Subsidies from Adventist organizations should not represent the majority of the finances of the supporting ministry, as this may indicate reliance and control.
- 4) Conferences, entities, or local churches should not pass-through donated funds to a supporting ministry but should advise the donors to make the donation directly to the supporting ministry.
- 5) The supporting ministry should have adequate liability insurance. At a minimum, if the supporting ministry is working in collaboration with any Adventist organization on a project or event, or other ministry endeavor, the supporting ministry should have adequate liability insurance coverage equal to that outlined in the North American Division of the Seventh-day Adventist Church (NAD) Working Policy for Adventist entities. Coverage should be checked, verified, and monitored. The insurance policies should have sufficient limits and should protect the Adventist organization along with the supporting ministry. In such instances, the supporting ministry is encouraged to have their insurance coverages reviewed by Adventist Risk Management, Inc. (ARM).
- 6) A supporting ministry should not be permitted to use the Employer Identification Number (EIN) or tax exemption of an Adventist organization.



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Real Estate



Supporting ministries who use Adventist-owned property and vice versa should memorialize such use with a land-use agreement or lease. These documents should be drafted by an attorney and properly executed, and copies retained.

When a conference-owned church or school operates on the premises of a supporting ministry, it is important to go through the process of establishing the new school or church and to keep these organizations separate from the supporting ministry. The only use of the supporting ministry's property must be set forth in a land-use agreement or lease.



07

Board Membership

Anyone employed by an Adventist organization must comply with **NAD Working Policy** regarding serving on the board of a supporting ministry.

- 1) The supporting ministry should provide appropriate training and screening, including:
 - a. Financial training, involving how to read or review financial records.
 - b. Abuse reporting training.
 - c. Background screening should be conducted.
 - d. Adventist leaders who serve on a board of a supporting ministry must disclose their board membership to their employer and obtain authorization from their employing organization prior to serving on the board of any organization that is not a denominational entity or listed in the *Seventh-day Adventist® Yearbook*.
- 2) Adventist leaders invited to serve on the board of a supporting ministry should refuse to serve in the ex officio capacity (by virtue of the office or position). Rather, if appropriate, they should serve as an elected or appointed board member but only after securing the necessary approvals from their employer.

08

Licenses/Accreditation

Supporting ministries should apply for and receive their own certificates, licenses, and accreditation without involvement or support from the Adventist entities. Their submissions to governmental agencies must not represent that the supporting ministry is legally connected to the Adventist Church.



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Immigration or Visa Applications

The supporting ministry should not use a relationship with the Seventh-day Adventist Church to obtain immigration related authorizations for employees or volunteers. Adventist organizations should not write any letters or completing any forms on behalf of supporting ministries will be for immigration purposes.

In addition, Adventist organizations should not misstate the nature of the relationship between the supporting ministry and the Church to any governmental agencies. For example, the Adventist organization should not write a letter stating that someone applying for a visa or work authorization works for the Adventist Church organization when they, in fact, are employed by a supporting ministry.

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Miscellaneous

- 1) Public statements (in sermons, graduation speeches, constituency meetings, etc.) about a supporting ministry should be done carefully and should not exaggerate or otherwise misstate the relationship between the supporting ministry and the Adventist Church.
- 2) Similarly, church bulletins should not misstate the relationship between entities.
- 3) Consistent with the Church Manual, the pulpit or access to the church for promotions or endorsement of the supporting ministry should not be granted, nor should the ministry be provided with opportunities to promote their ministry without prior approval of the Conference President.
- 4) Letters and other forms of written communication should accurately describe the relationship between the supporting ministry and the Adventist Church or refrain completely from such descriptions altogether. Letters can be resurrected and used later to create the impression of a relationship that did not or does not exist. The impression may be baseless, but it is built on imprudent statements or written communications.
- 5) Local churches should not receive, collect, or remit a specific offering to the supporting ministry.

Conclusion

These are a few guidelines to help you create a healthy relationship with a supporting ministry. Supporting ministries are critical to fulfilling God's mission on earth. We should not fear working with supporting ministries, but we should prioritize a clear and formally established relationship and proper monitoring as the relationship moves forward. By doing so, Adventist organizations and supporting ministries can better focus on their mission.

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