

Church board begins governance change process

On Wednesday, Nov. 20, the Worldwide Church of God Board of Directors began to discuss potential changes in the way the Church and its Board functions.

Board members at the meeting included Greg Albrecht, Dean Blackwell (by telephone hookup), J. Michael Feazell, Herman Hoeh, Curtis May, Mathew Morgan and Chairman Joseph Tkach. Several additional personnel were present, including Bernard Schnippert, the Church's Chief Financial Officer.

Since Mr. Tkach has on numerous occasions expressed his desire for changes in certain details of church governance, he asked Dr. Schnippert, who is an attorney, to begin the official process by explaining to the Board and other key Church leaders how the church presently is organized and operates.

Our organizational structure

Dr. Schnippert began by describing the research he had done in collecting information for the meeting, including a thorough examination of the Church's various constituent documents (i.e. Articles and Bylaws) and the relevant corporation laws of California under which the Church is organized.

Briefly, he explained that the Worldwide Church of God, Inc., is a special type of nonprofit entity, a "nonprofit religious corporation." Specifically, the Church is nonprofit (meaning none of its assets may inure to any private person), tax exempt (meaning it pays no income tax on exempt funds), charitable (which means donors can deduct their donations from taxable income within Internal Revenue Service [IRS] rules), and, of course, a Church (meaning it meets the IRS definition of a church).

Dr. Schnippert reminded the Directors that the Church as a Corporation is subordinate to the Church as an Association.

He explained that the Association is basically the entity responsible for appointing a new Pastor General if the present one were to become incapacitated or die without having appointed a successor, and for confirming certain ecclesiastical issues, such as contested member status and other spiritual matters.

The actual day-to-day business of the Church is carried on by the Corporation, and all assets are titled in its name or the name of one of the other affiliated entities, such as Ambassador University or Plain Truth Ministries.

As most Church members know, we have a hierarchical governance, as do many other churches. As such, the Pastor General is Chairman of the Board of the Advisory Council of Elders of the Association, and the President and Chairman of the Board of the Corporation.

As the Chief Ecclesiastical and Chief Executive Officer, he is vested with the primary authority of church governance.

Dr. Schnippert explained that this was a natural and even necessary consequence of the fact that the Church is a result primarily of the work of one man, Herbert W. Armstrong.

Dr. Schnippert explained that anyone who starts an organization usually tries to ensure that he or she does not lose control of it. A wise entrepreneur does not knowingly set up procedures by which someone else can take control away and change the business or organization.

But, after an entrepreneur dies, the institution typically evolves into a more broadly owned and operated entity, and, in the case of for-profit entities, often eventually becomes a public corporation traded on the stock exchanges and thus "owned" by stockholders who vote the Directors into office.

The same is true for people who begin churches. They usually operate in such a way as to keep control. They do not want someone else taking the church away from the original purpose which the original leader believes is from God.

The original leader does not want to jeopardize the purpose of the church, so he does not give the ultimate authority to people who have less experience than himself.

However, after the founder dies, it is common for the structure to become more representative and collaborative (although, unlike for-profit companies, no one ever owns a church, since by law its assets cannot be privately owned, even in part).

In Mr. Armstrong's early years in Oregon, a few people tried to wrest control of new churches away from Mr. Armstrong. Therefore, when Mr. Armstrong eventually incorporated in California, he naturally did his best to ensure that no one would be able to take over the Church.

By having a written, legal structure of authority and successors, he made it impossible, for example, for a small group of members to choose a new pastor general and claim authority over the property of the Church.

Dr. Schnippert explained that Mr. Armstrong was not only wise to do this, he probably would have been very foolish at the time to have done anything else.

Although the legal documents for the church specify that the pastor general has ultimate authority, they also outline a procedure by which that person may be replaced after he dies without having appointed a successor, or becomes unable to function. In this case, the Advisory Counsel of Elders is authorized to appoint a new pastor general.

Dr. Schnippert stressed that the impression some members have had that Mr. Tkach can unilaterally, that is, by himself, take action on important corporate matters is mistaken.

Although it is true that Directors are currently appointed to or removed from their terms by the pastor general, the law nonetheless vests in them certain duties and responsibilities which would be the same regardless of whether they were appointed to their offices, were voted in, or became Directors in some other way (such as by chance from the drawing of lots, for example).

That is, how they become Directors and how they become non-directors does not affect their powers and duties while directors.

The chief, but not only, of these duties is for the Directors to exercise their independent judgment and appropriate care under the circumstances in making decisions about the matters which come before them.

And, again by law, the matters which come before them are required to be those matters which are the most fundamental to the running of the enterprise. Therefore, although the church is hierarchical, it is not actually an autocratic structure when functioning properly.

After Dr. Schnippert finished briefing the Board on the Church's system of governance, Mr. Tkach expressed his desire to see certain changes.

Although he was not specific or definitive, he mentioned the following: the inclusion of a term limit of years for the pastor general (instead of the current life term), the broadening of the grounds for removal of the pastor general to include that of serious moral failings while in office and a more collaborative mechanism for appointing board members and the pastor general.

As part of his presentation, Dr. Schnippert explained that the way to change the church's governance was to use the procedure of amendment outlined in the corporation laws and the Church's Articles and Bylaws.

He explained that although the actual procedure was simple, the legal, spiritual and philosophical implications of even the most minor change were far reaching and should not be entered into without much prayer, careful and deliberate study, and much discussion over a period of time.

Near the end of the meeting, Mr. Tkach directed Dr. Schnippert to propose a plan for managing the governance change process and for communicating its progress to members in The Worldwide News.

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