

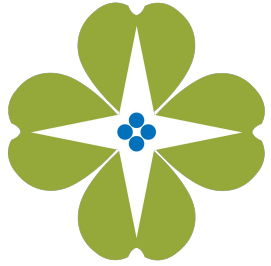


Update: Current Legal Issues for Churches

September 9, 2025 Webinar

Jason Cogdill

Attorney & CBFNC Legal Resource Partner



This Session

- Update on legal resource option
- 6 current topics for churches
- A word about insurance & benefits before benefits renewal season
- *Your questions*



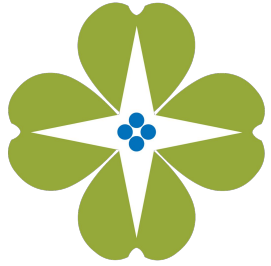
CBFNC Legal Resource

- New resource developed over the past 5+ years; available to CBFNC partner churches & ministers
- General assistance provided for no fee; referrals to other resources provided if needed or appropriate
- * New grant program to assist clergy with estate planning
- ** *Nov 14-15 in Winston-Salem: Helping Churches Thrive Creative Workshop Retreat* incl full range of topics for lay leaders & clergy



Church Incorporation

- **Context**
- **Default: Formally organize & register as a NC nonprofit corporation**
 - *Simple, inexpensive process*
 - *You can check your church's current status at: sosnc.gov*
- **Advantages of incorporation**
 - *Liability protection*
 - *Formality; documentation*



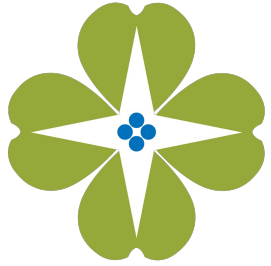
Tax Exempt Status

- **** Under federal law & NC law, organized churches are automatically tax exempt**
 - *No separate 501(c)(3) application/approval is required*
- **Status applies regardless of incorporation or denominational relationships**
- **CBFNC assistance available if needed with respect to 3rd party grant providers, vendors, etc.**
 - *Contact Jason for a CBFNC partner letter*



Constitution / Bylaws

- The golden rule for church policies: Follow the policy or amend the policy
- What churches are doing re: constitutions & bylaws
 - *Two separate documents not required*
 - *Review current version(s) for currency & effectiveness*
 - *Potential changes regarding membership, voting, etc.*
- Clarity & simplicity are optimal



Best Practices: Financial & Personnel Policies

- **Important to follow policies & be diligent**
- **Value of full financial assessment of (a) budget & (b) internal controls**
- **Options available for outsourcing of various functions for admin, payroll, financial, accounting, HR**



Immigration Topic

- **Update on the federal legal action including CBF Global on behalf of all partner churches**
 - Current injunction requiring DHS & ICE to treat church property as a “sensitive location”
- **Comprehensive resources available through CBF Global’s Advocacy Team**
 - *<https://cbf.net/congregational-ministries/advocacy-for-immigration/>*
- **Opportunity to discuss your church’s situation**



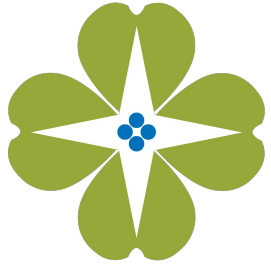
Property Sharing & Monetization

- **The trend continues of churches sharing property with other churches, nonprofits, & businesses**
- **Considerations & best practices include:**
 - *Written facilities use agreement or lease*
 - *Potential impact on local/property tax exemption*
 - *Insurance & liability analysis*



Insurance & Benefits

- **Health insurance options**
 - *Employers with < 50 FT employees remain exempt from the ACA's employer mandate for health coverage*
 - *Available options, models, & tax considerations*
 - *Consultation available for church or individual staff members (no fee)*
- **Retirement plan (403(b)) support available through CBB**
- **Clergy housing allowance: no major updates**



Additional topics beyond today

- **Classification of employees (*exempt; non-exempt*)**
- **Insurance & liability matters**
 - *New sample policy available for youth safety & abuse prevention*
- **Privacy considerations**
- **Church giving & estate gift tools**



Your Questions

You may submit Qs or request a phone call or
consultation with email to:

legal@cbfnc.org