

Creative Works

Policy Name:	Creative Works
Scope:	All Employees & Associates
Revision Date:	October 20, 2016
Last Review Date:	June 9, 2023

General Policy: Reliant is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code, and as such, may only expend its resources for the advancement of the religious, charitable, and educational purposes for which Reliant is organized. Therefore, Reliant may not legally allow its resources to be used for the personal benefit of any individual, including Reliant employees. Thus, Reliant has developed this Creative Works (CW) Policy to provide creative works ownership guidelines for:

1. Materials or works that a Reliant employee may create while employed with Reliant ("Reliant Works")
2. Materials or works that a Reliant employee may create outside the scope of his or her employment duties ("Independent Works")
3. Materials or works that a Reliant employee may create from an existing Reliant Work ("Derivative Works")

It is Reliant's sincere desire (in recognition of the distributed nature of Reliant's ministry and to support the advancement of the Gospel of Jesus Christ), to encourage Reliant employees to develop CW. This policy is intended to offer guidance to Reliant employees contemplating the production of CW to ensure that both they and Reliant understand their rights and responsibilities with respect to such property.

Employee Activities and Creative Works

Employee Activities

In general, Reliant employees are employed to conduct the following types of activities in assigned local churches and/or ministries:

- church leadership and pastoral care
- personal evangelism and discipleship
- leading and/or coaching small groups
- performing logistical and financial administration
- conducting worship services, conferences, seminars, small group meetings and other programs and events
- leading retreats, missions trips, and related activities
- publicly preaching and teaching the Word of God
- administrative and/or executive functions related to ministry support operations

Creative Works (CW)

As part of their normal duties, Reliant employees may produce certain types of Creative Works which may include, but are not limited to:

- sermons, teachings, lectures, or other oral presentations
- songs, music or musical productions, dramatic shows and presentations, seminars, workshops, or other live event presentations
- notes or study materials to be used in conjunction with such presentations
- books, newsletters, magazines, Bible or book studies, and other types of literary works
- audio and/or video recordings and productions, still images or photographic presentations, live event staging, lighting, sound and multimedia production, and other recorded or produced materials
- computer and/or electronic hardware, software or digital media

Types of Creative Works

Work Made for Hire (Reliant-owned CW)

When the CW is produced by an employee within the scope of his or her employment, Reliant legally owns the copyrights and all other legal rights and interests in the CW. This is legal standard under U.S. copyright law that Reliant must adhere to as an employer. Such Reliant Works would include:

- Works created in the normal course of an individual's employment with Reliant
- Works created with the assistance of Reliant staff, facilities, or other ministry resources

- Works created primarily for use in the ministry of Reliant

Reliant Works developed or prepared by employees **within** the scope of their normal employment will be considered a **"work made for hire"** under United States copyright law (17U.S.C. §101 et seq.) and legally will need to be considered the property of Reliant.

Derivative Works (Reliant-owned CW)

Reliant recognizes that new works created from existing Reliant-owned Works (known as **"Derivative Works"**), may be beneficial to Reliant and its mission. Reliant also recognizes that there may be cases where its resources may not be best utilized in the creation or production of such Derivative Works. Even in that instance, however, Reliant might still desire such a Derivative Work to be available to the public.

An example of a Derivative Work would be the development of a new book (Independent Work) from underlying sermons or sermon materials that were legally owned by Reliant because they were produced in the course of normal employment. Essentially, Derivative Works are combinations of Reliant Works and Independent Works

Independent Works (Employee-owned CW)

A Reliant employee is entitled to own the copyright of an Independent Work (even if such materials have a spiritual or Christian nature). They just need to meet the following requirements:

- Independent Work has been presented in advance and approved in concept by the President & CEO or designated representative.
- Independent Work is created on the employee's personal time, with no support or resources, financial or otherwise, from Reliant.
- Independent Work is not created or developed for a specific Reliant job assignment, is not based on a Reliant job assignment, or is not otherwise created or developed specifically for the Reliant ministry in any way.
- Independent Work is not advertised or promoted using Reliant resources during the term of the Reliant employee's employment.
- Independent Work does not reference the employee as an employee of Reliant (unless previously approved by the President & CEO or designated representative).

Examples of uses of Reliant support or resources include, but are not limited to:

- The use of Reliant facilities, funds, work time, equipment, or supplies
- The use of "on-the-job" time, personnel, or Reliant staff,
- Any use of Reliant funds, property, or underlying materials

The employee will be considered to have **not relied** upon Reliant resources if the Independent Work is created, edited, developed, and published solely on the **employee's personal time** (after hours, during vacation, or during approved unpaid leave), and using only their resources, without the assistance of any Reliant staff, facilities, or other Reliant resources

Assignment of Creative Works Rights

Church/Ministry

Reliant hereby assigns, conveys, and transfers to the Church/Ministry Reliant's right, title, and interest in and to CW that relate to preaching, teaching, discipleship, evangelism, church doctrine, or other local ministry activities, including the goodwill and any copyright. The Church/Ministry may file applications to register copyright as author and copyright owner thereof, and Reliant will execute any documents which the Church/Ministry deems reasonably necessary in connection with the assignment of such CW and copyright therein to the Church/Ministry. The Church/Ministry may, in its discretion, assign such CW to the Ministry Worker who created them or as it otherwise determines without further consent or approval by Reliant.

Reliant Services

Reliant will retain ownership of and all rights, title, and interest in all CW created by a Ministry Worker in the course of his or her employment by Reliant while working as a coach or consultant for the Reliant Central Office in connection with administrative, human resources, accounting, marketing, fundraising, policy making, or other matters within the scope of Reliant's services. In the event of any dispute concerning whether a particular Work is a Church/Ministry or Reliant CW, Reliant will retain ultimate discretion to make such determination.

Reliant's rights for CW

Include, but are not limited to the following standard rights to:

- copy
- distribute
- display
- create derivative works
- perform
- sell and license

...the CW for (an in) all media now known or later developed.

The President & CEO, or designated representative, will be the contact for all permission and licensing requests, and legally is required to oversee the dissemination of all Reliant Works, and establish procedures to protect all published and unpublished Works from unauthorized use or distribution.

Determination and Notification

Given the nature of the employment responsibilities of Reliant employees, it is expected that employees may routinely create Creative Works in the scope of their normal employment. Employees need to contact the Human Resources Director for guidance in determining the ownership rights with respect to the CW that they are contemplating creating.

This advance contact will help to determine if the Work will be classified as an Independent Work, Church/Ministry Focus, or Reliant Services Focus.

It is Reliant's desire to ensure that there is clarity with respect to the ownership rights of such CW and that requirements of any reasonable compensation have been met, if applicable.

Written Notification

Below is notification requirements for situation specific guidance:

- If the employee desires to create an Independent Work or Derivative Work that is classified as Church/Ministry, contact the designated representative for the Church/Ministry for treatment of the CW.
- If the employee desires to create an Independent Work or Derivative Work that is classified as Reliant Services and believes it has or may have value for distribution outside of Reliant's ministry setting, contact the Reliant Human Resources Director for treatment of the CW.

Written Approval

The Human Resources Director will provide written approvals in the following situations for CW classified as Reliant Services Focus:

- **Independent Works** - approval of the Work in concept and a confirmed understanding the entire CW will be created and developed on the employee's personal time.
- **Reliant Services Focus** - to be developed and distributed **outside** of Reliant's ministry context - approval of the Work and the right to review the content to ensure that it is not contradictory to the Reliant Statement of Faith.
- **Derivative Works** - classified as Reliant Services - permission to create the CW, approval of the CW, negotiated ownership rights, if applicable.

Treatment of Royalties

Treatment of Royalties and Income from Creative Works

- **Independent Works** - All royalties and income obtained from the CW belong solely to the employee.
- **Church/Ministry CW** - All royalties and income obtained from the CW legally belong to the partner Church/Ministry unless negotiated otherwise.
- **Reliant Services CW** - All royalties and income obtained from the CW legally belong to Reliant.
- **Reliant Services Derivative Works** - Unless negotiated otherwise with the President & CEO, or designated representative, all royalties and income obtained from a Derivative Work that was derived from an existing Reliant work legally belong to Reliant.

Treatment of Royalties and Income Received by Reliant

Reliant Royalty Income/MTD Account

Any royalty income belonging to and received by Reliant, that is directly related to Reliant Services CW developed by an employee, will be directed as income to the applicable Reliant MTD account for which that employee is responsible (less any administrative assessments or other financial considerations and overhead as noted in any negotiated CW agreement).

If the field employee leaves Reliant employment and there is no subsequent transfer** of CW ownership or right to use the CW, Reliant has the option to re-direct the royalty income to another Reliant ministry fund.

(**If the employee leaves Reliant employment and **there will** be a subsequent transfer of CW ownership or right to use the CW, please refer to the **Treatment of Reliant Services Creative Works if Employee Leaves Reliant** section below).

Treatment of Production Expenses for Reliant Services Creative Works

- **Independent Works** - All expenses related to producing CW obtained from an Independent Work are the sole responsibility of the employee and must be paid by the employee.
- **Reliant Services Works** - Unless negotiated otherwise with the President & CEO, or designated representative, all expenses related to producing, publishing, distributing CW that is a Reliant Work developed by an employee, will need to be paid from the applicable Reliant MTD account for which that employee is responsible.
- **Reliant Services Derivative Works** - Unless negotiated otherwise with the President & CEO, or designated representative, all expenses related to producing, publishing, distributing CW that is a Derivative Work developed by an employee, will need to be paid from the applicable Reliant MTD account for which that employee is responsible. (Here it is assumed that the Derivative Work was derived from an existing Reliant work and belongs legally to Reliant).

Treatment of Reliant Services Creative Work if Employee Leaves Reliant

If the employee leaves Reliant employment, Reliant may use one of several options (but is not limited to) for the treatment of any CW produced by the employee (that legally would be classified as a Reliant Services Creative Work), including the following:

1. One option is that Reliant will donate the CW to another 501(c)(3) ministry that is in harmony with Reliant's tax-exempt purposes, subject to Board approval.
2. A second option would be for Reliant to agree with the employee, to transfer the ownership rights to the employee who is leaving their employment with Reliant (if that employee desires personal ownership of the CW). Reliant is required by tax-exempt laws to first consider whether it is in keeping with its tax-exempt purposes to make such a transfer. After that decision is made by Reliant, the process would require the following steps (these are again required by tax-exempt laws under which Reliant is constrained):
 - Reliant will obtain a fair market value of the CW for the rights to be transferred to the employee. This is known as the "CW FMV" or "Purchase Price". Reliant is required by law to assign its CW rights in exchange for receiving "fair market value".
 - After obtaining a fair market value of the rights for the CW, this now becomes the "Purchase Price". Reliant will work with the employee /purchaser to arrange one of the following payment options for the assignment of the CW rights to the employee:

a. No cash payment. In this case, Reliant adds the amount of the Purchase Price to the employee's compensation as additional compensation. Reliant will then list the total compensation on the employee's Reliant W-2.

b. Cash payment. In this case, the employee pays Reliant the Purchase Price in a one-time cash payment.

Under either payment scenario above, the employee is responsible for all personal income and any other taxes due as a result of the purchase of the CW from Reliant

3. If during their ongoing Reliant employment, the employee desires to personally own any CW he or she produced while still working for Reliant (and Reliant agrees), they could do so under the same options listed in section 2(a) and 3(b) above.

- If the employee has already left Reliant employment, the only payment option available to him or her is the cash payment - 2(b).

Expenses Incurred: For Sections 2 and 3 above, Reliant will obtain a fair market value of the CW in consultation with legal counsel. Unless negotiated otherwise with the President & CEO, or designated representative, all expenses incurred related to valuing the CW, will need to be paid from the applicable Reliant MTD account for which that employee is responsible.

Employee Responsibility for Taxes for Independent Works

Reliant employees are personally responsible for all tax obligations relating to income generated from their Independent Works. Employees are also responsible to ensure that no Reliant resources, including work time, personnel assistance or Reliant facilities or equipment, are used for the production of materials produced outside the scope of their employment with Reliant.

If, inadvertently, an employee utilizes any Reliant funds or resources in the production of Independent Works, the employee needs to reimburse Reliant in full for the total costs incurred, and/or costs associated with the services and equipment used.

If no reimbursement is made to Reliant, such costs may be considered taxable to the employee. In such instances, there may possibly be significant tax consequences to the employee for which he or she shall be responsible.

Compliance

Compliance with IRS Regulations and ECFA Standards

This policy shall be interpreted to fully comply with IRS regulations and ECFA Standards governing Creative Works, including ECFA Standard 7.9, Conflict of Interest on Royalties, which provides as follows: *"An officer, director, or other principal of the organization must not receive royalties for any product that is used for fund-raising or promotional purposes by his/her own organization."*

Legal Items - Copyright Notice, Registration, and Agreements

All copyright-able Reliant Works produced and/or prepared by Reliant employees, independent contractors, and volunteers within the scope of their employment or their contractual or other duties are required to contain proper copyright notices indicating that Reliant is the legal owner of the copyright. In instances where Reliant determines that the copyright of the Derivative Work can be owned by a Reliant employee (who is creating the Derivative Work outside the scope of his or her employment duties), the Reliant employee is required to specifically indicate the copyright notice of the Derivative Work and all copyright registrations, that the Derivative Works relies on underlying material that is owned by Reliant.

From time to time, Reliant may need to have its employees sign forms to assist Reliant in registering its copyrights in the Reliant Works or Derivative Works, and also may be required to assist Reliant in establishing its copyright ownership.

All employees agree that Reliant can obtain full disclosure in writing of any and all Reliant Works created by the employee at any time during the course of employment.

Reliant may request from its employees, any agreements it needs to implement this CW Policy, but the absence of such agreements does not affect Reliant's rights under this policy.

1 Reliant Work(s) developed or prepared by independent contractors or volunteers at Reliant's request will be considered "works made for hire" under specific guidelines set forth under United States copyright law (17 U.S.C §101 et seq.) and cases, and/or assigned to Reliant by contract or written agreement.

Standards of Conduct pages

- [Appearance - Dress, Grooming and Hygiene](#)
- [Child and Vulnerable Adult Safety](#)
- [Christian Conciliation](#)
- [Civil or Criminal Disobedience](#)
- [College Student/Parent Relationships](#)
- [Dating](#)
- [Grievance System](#)
- [Guidelines For Ministers & Staff Who Are Not Licensed Counselors In Spiritual Care Situations](#)
- [Licensed Counselors & Coaches Professional Revenue Agreement](#)
- [Management of Relatives](#)
- [Misuse of Ministry Influence](#)
- [MTD Standards of Conduct](#)
- [Online and Social Media](#)
- [Political Expression and Activity](#)
- [Reliant Email & Technology Usage](#)
- [Safe Driver](#)
- [Secondary Employment](#)
- [Suspected Misconduct and/or Fraud, and Whistleblower Protection](#)
- [Workplace Harassment and Discrimination](#)