

**First Unitarian Universalist Church of Austin  
 Fall Congregational Meeting  
 Agenda of Meeting  
 Sunday, December 13, 1:30 P.M.**

I.	Call to Order	Nell Newton	5 minutes	1:30
II.	President's Update	Nell Newton	10 minutes	1:35
III.	Adopt Agenda	All	5 minutes	1:45
IV.	Adopt Meeting Rules of Procedure (pages 2-3)	All	5 minutes	1:50
V.	Reading and Lighting of Chalice	Janet Newman	5 minutes	1:55
VI.	Approval of Minutes from Prior Meeting (pages 4-11)	Nell Newton	5 minutes	2:00
VII.	Discussion and Action Items			
	A. Recommended Changes to the Financial Asset Management Policy (FAMP) for Language, Grammar, Formatting, Etc. (pages 12-21)	Luther Elmore	10 Minutes	2:05
		Luther Elmore	10 Minutes	2:15
	B. Second Vote on Change to FAMP establishing Internal Audit Committee (page 22)			
	C. Proposed 2010 Budget (pages 25-29)	Nell Newton	30 Minutes	2:25
	D. Proposed Changes to FAMP and Bylaws - Policy Level Changes (FAMP on pages 23- 24 and Bylaws on pages 30, 34, and 39-40)	Luther Elmore	20 Minutes	2:55
	E. Membership Committee Bylaws Proposal (pages 30 and 33)	Jacob Williamson	10 Minutes	3:15
VIII.	Closing Words	Nell Newton	5 Minutes	3:25
IX.	Adjourn			3:30

# First Unitarian Universalist Church of Austin Congregational Meeting Rules of Procedure

## 1. Order of Business

The order of business will follow the meeting notice unless the order of business is changed by a majority vote.

## 2. Means of Voting

As long as a quorum is present (ten percent of voting members of the congregation), voice votes, uncounted standing votes, or an uncounted show of hands will be used, unless the bylaws specify otherwise. Two or more people shall be designated as vote counters by the chair at the outset of the meeting in the event that a vote count is needed. Written ballots will not be used without a two-thirds vote. All matters will be determined by the number of votes cast by members present and voting, as long as there is a quorum, unless the meeting notice allows absentee voting.

## 3. Presentation of Items

A Board Member or the appropriate Committee Chair will move the action items as printed in the meeting notice.

## 4. Amendments

No one may offer an amendment until there has been at least ten minutes of debate on the main question as moved, unless no one else wants to speak to the main question or it is a clarifying amendment. Anyone making an amendment must give it to the chair in writing before it is discussed. Paper and pencil will be provided; those requesting assistance will be provided assistance.

## 5. Time limits

These time limits will apply to all the business of the meeting. If no one objects, the Chair may grant minor extensions. Time limits may be extended by a two-thirds vote.

- a. No one may speak on any motion for more than two minutes or more than once as long as anyone else is waiting to speak, except that persons with special

information may answer questions with the Chair's permission.

- b. No item will be discussed in the meeting for more than 30 minutes. Discussion time will be divided equally by alternating between speakers at microphones designated pro and con. One microphone will be designated for point(s) of clarification or amendments.
- c. No one may call the previous question if there are persons waiting to speak at both the pro and con microphones and the time for discussion is not over. If the Chair sees no speakers at the con microphone, then the Chair may call for a vote.
- d. Every person must speak at a microphone.

## 6. Budget Motions

Anyone making a motion concerning the budget must give it to the Chair in writing and must provide for reduction in specific categories equal to any increase in spending in the motion. A simple majority vote is required to adopt motions concerning the budget. According to the Financial Asset Management Plan (FAMP), a three-quarters majority vote is required to approve a deficit budget.

## 7. Items Not in the Meeting Notice

Items of a substantial nature which are not in the meeting notice shall not be considered. Committees with items of substantial importance must have the item prepared far enough in advance for inclusion in the meeting notice.

## 8. Amending the Rules of Procedure

These rules of procedure will be adopted by a majority vote and may be changed during the meeting by a simple majority.

## 9. Adjournment

The meeting will adjourn no later than two hours or at such time as a quorum is no longer present after the Chair has called the meeting to order. The meeting may be extended in 15-minute increments by a simple majority vote for as much as one additional hour.

**First Unitarian Universalist Church of Austin  
Spring Congregational Meeting  
May 3rd, 2009**

**Board Members present:** Sheila Gladstone: President, Nell Newton: Vice President, Luther Elmore: Treasurer, Shannon Vyff: Secretary, Mark Kilpatrick (Ex-Officio), Bonny Gardner, Michael West, Derek Howard, Phil Hastings, Jeffrey Hutchens, and Eric Stimmel.

**Staff present:** Sean Hale, Executive Director & Ex-Officio Board Member; Lara Douglass, Director of Religious Education; and Brent Baldwin, Director of Music.

**Voting Members present:** we had a total of 114 voting members sign in. Sign-in was conducted by current and in-coming Membership Chairs, Jeanette Swenson and Jacob Williamson. There was a head count of 122, it is presumed that 8 people attended that were not yet voting members or did not sign in. A long time member of our church said this was the largest attendance for a Congregational Meeting that they'd seen in 30 years.

### **Call to Order**

President Sheila Gladstone called the meeting to order at **1:42pm** and said she appreciated all who took time out of their day to attend to this important church business.

Sheila thanked the High School group for the fabulous lunch they provided, there was a round of applause by all in attendance. She congratulated our congregation for the wonderful news that the Spring Fundraiser has successfully raised the hundred thousand dollars needed to cover the deficit. She specifically thanked Stewardship and their tireless efforts in running the campaign, she brought a present for each member of Stewardship a beautiful wooden pen inscribed with a message of thanks from First Unitarian Church of Austin.

### **Agenda**

The draft agenda was adopted as amended and is the agenda that was passed out is attached (Exhibit A).

The rules of order were adopted.

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### **Consent Agenda Items:**

#### Director of Religious Education

Lara Douglass' reports are attached (Exhibits B).

#### Director of Music

Brent Baldwin gave a verbal report for music and how it is doing well.

#### Treasurer

Luther Elmore's reports are attached (Exhibits C).

#### Executive Director Update

Sean Hale's report is attached (Exhibit D).

#### Stewardship Report

Bill Edwards' report is attached (Exhibit E).

Spring Congregation Meeting Minutes '08

Beverly Donoghue's 5-4-08 minutes are attached (Exhibit F).

Special Congregational Meeting Minutes.

Shannon Vyff's 12-13-08 minutes are attached (Exhibit G).

Fall Congregational Meeting Minutes

Shannon Vyff's 12-14-08 minutes are attached (Exhibit H).

**ACTION:** Member Ron Turner moved to approve the consent agenda items, the movement was seconded, the vote was taken and the consent agenda items were passed.

**FAMP Revisions**

It requires two Congregational Meeting votes to make a change in our First UU Austin Financial Assets Management Plan. Finance Committee is requesting that we remove what was added in 1988 and has never been followed to replace it with wording that can be followed and will work effectively. The proposal is for an Internal audit Committee to be created in order to do the audit. A full audit has not ever been done, as it would cost 15 to 20 thousand to pay an outside auditor. Many churches have their own Internal Audit Committee, UUA even has a book on how to create and manage one. Eugene Balaguer explained the Finance Committee's recommendation that the congregation change the wording on how our Audits can be done at this Spring's and at this Fall's Congregational Meeting and then that the Board approve an internal Audit committee by the Fall Congregational Meeting. There was a question as to whether the Internal Audit Committee's wording is done, it was explained that it is not yet completed but that work has begun on it and it will be done by the Fall Congregational Meeting.

**ACTION:** Member Chris Jimmerson moved to approve these changes for the first time (as listed in attached Exhibit A), the movement was seconded the vote was taken and the first approval to change the FAMP wording was approved.

**By Laws Change**

A small change has been suggested for changing the wording in our First UU Austin By Laws. Membership Committee has been working on a larger revision to how we approve members at First UU, that wording is not yet complete and will be presented at the Fall Congregational Meeting. The Membership Committee has many active members and they are looking at the possibility of requiring minimum pledging requirements such as what we pay for each member to UUA. Also they are looking at requiring classes where people are educated as to what their minimum costs are to our church and what UUA considers as adequate/reasonable pledging—as well as the history and principles of Unitarian Universalism and the history of our church. If you are interested in helping Membership come up with the new criteria for becoming a First UU member you are welcome to join their group.

Ron Turner asked that other committees be given an opportunity to input what they would want to have given to the new member classes, to the Membership Committee.

Sheila explained that the board asked membership to work on the new wording and that the board is delegating more to committees.

**ACTION:** Member Ron Turner moved to approve the wording as presented at the Spring Congregational meeting (as listed in attached Exhibit A). The movement was seconded, the vote was taken and the movement to change the wording was approved.

### **Nominating Committee's Slate of Recommended Trustees & Officers**

Our trustee positions are for 3 years unless they are executive board members in that case they serve for 1 year. Every year 4 officers change (President, Vice President, Treasurer & Secretary) and 2 board members (of the 6 three year term trustees) change. Nominating Committee gives 3 candidates for the Congregation to approve.

Elizabeth Grey of Nominating Committee and the Congregational Care Committee (which has incorporated the former Helping Hands Committee) spoke about the Nominating Committee's recommendations. Nominating Committee Slate of Recommendations is attached: (Exhibit I).

Member Ron Turner moved to accept the slate, it was seconded the vote was taken and the slate was accepted.

Member Humphrey Seay said he did not get a chance at the proper time for discussion and he wanted to make an amendment on the proposal before the vote.

There was discussion that there should have been more time given and it was decided to nullify the vote.

Board Member Michael West moved to nullify the vote, it was seconded the vote was taken and the previous vote was duly nullified.

Member Ron Turner made a movement to approve the Nominating Committee Slate.

Member Humphrey Seay made an amendment to the motion to allow an individual vote by the Congregation on each candidate on the slate, rather than the entire slate at once.

Discussion ensued on the whether to vote one by one.

Member Jim Tracy asked where the democratic process was? The Congregation having to accept the Nominating Committee's recommendations, with no input did not seem democratic at all.

Brenden Sterne explained that a group earlier that was interested in doing this had contacted him and he'd done research with the help of the current board into the proper process through our By Laws. Any member can recommend alternate candidates to the nominating committee for instance under our current By Laws.

Some information that Brenden spoke about:

A vote to replace certain board members would be subject to simple majority, rather than 2/3 supermajority. According to Roberts Rules, a 2/3 supermajority applies when a motion directly overturns a prior congregational decision. One could make the argument

that a prior election of a board member is subject to the 2/3 to modify the term; one could also make the counter-argument that since part of a term was served already, this is not really overturning the election (which occurred 1-2 years ago) but 'modifying/ending' the term of specific members, a different topic.

Board replacement procedures (and also changing the nominating committee recommended slate):

As mentioned there is no mechanism in the bylaws for involuntary removal of any specific board member or set of board members; on the other hand, there is no article that disallows this possibility either. Article V: Congregational Authority is pretty clear on where the power resides. "The ultimate governing power of this church resides in its members who may, after action taken at a properly authorized congregational meeting held in accordance with these bylaws, instruct the Board of Trustees as to their will."

For reference check Roberts Rules (the rules are adopted at the beginning of every meeting, and Roberts Rules is the default).

There are two parts to this, if one wanted to fully replace the whole board. The first, is simply to try to fill the upcoming vacancies on June 1 with preferential candidates. The second strategy is to figure out how remove/replace the 4 remaining trustees whose terms will not expire June 1.

Substituting nominees for vacancies already open. The nominating committee presents a slate of candidates for elected offices, including committee chairs, trustees, and executive board officers (President, Vice President, Treasurer and Secretary). On the board, there are 2 trustees and four officers that must be elected at the spring meeting. Thus, 6 of the ten voting members will be open. The first thing to do if you want particular people to be considered, is to get in touch with the Nominating Committee Chair and present specific names as candidates. This is the normal process, and the Nominating Committee welcomes personal nominations.

If one disagrees with the nominating committee recommendations however, and would like to present an alternative slate of candidates, they can read Article IX Section 2.D. of the bylaws, which describes how to petition the Board Secretary to force an alternate slate of candidates for consideration. The Nominating Committee posts and publishes their recommendations 20 days before the spring meeting; a member can provide the proper signatures and consents to have their own slate considered per the bylaws, only 14 days in advance of the congregational meeting. This alternative slate would have to be considered during the meeting, so instead of an up/down vote on the single slate from the nominating committee, there would be an either/or vote to choose which slate the congregation preferred to consider for the up/down vote. Finally, if the alternative slate failed the vote and the nominating committee slate was accepted, as a last ditch effort someone could make an incidental motion to amend the slate with individual (different) recommendations.

Replacement of currently serving trustees: There was one addition to my previous description of the most efficient process. Those in favor of replacement must amend the agenda before adoption at the beginning of the Spring Congregational Meeting, to add the item for action to replace. It is fairly simple to amend the agenda, but it does need majority approval. This member would need to propose the agenda to include a 'Board Member Replacement' action item -- other congregants will likely want more detail on this item before voting to amend the agenda.

The other possibility is to petition membership to call a special meeting with the sole purpose of replacing board members. That option seems like more work though, in its requirement to gather 20% signatures of verifiable voting members -- yet the benefit is that it would ensure that the specific action item makes the agenda of that special meeting.

Assuming the agenda item is approved: To remove a specific member or set of members of the board whose term is \*not\* set to expire on June 1, we believe one might accomplish this simply by gaining the floor (an agenda item would guarantee this) and introducing a main motion with specific language to remove and replace a certain member or set of members with a different member or set of members. The reason I bundle "remove and replace" together, is because in Article VI, Section 3, The BOT can (after consulting with the nominating committee) fill vacancies with a majority vote at the next board meeting. Removal would only leave a vacancy, which would leave the power of filling the vacancy to the board; if one wanted to ensure a specific candidate filled the spot, one would need to call the vote on the replacement during that same meeting. One might do that with a single 2-part motion, or two successive motions (each requiring a majority vote).

After Brenden had mentioned some of the above points there was further discussion.

Jacob Williamson the new Chair of Membership said that part of the class for new members will include information on the By Laws since many of our members do not know how our leadership at First UU works, such as the points Brenden mentioned about how Board Members could be replaced at a Congregational Meeting along with other important points within our By Laws.

Sean Ramsey asked that if we voted up or down on each candidate, there would be an opening on the board that would be appointed by the board—who would be appointed?

It was mentioned that the same candidates could be appointed to fill a vacancy.

Elizabeth Grey the Chair of Membership said that a one by one vote would eliminate Nominating Committee's role and is not appreciating the work they have done. They requested information from people interested in being on the board in the Church Announcements, the Church Newsletter, email sent to Leadership and many one on one conversations. They interviewed all the people that were interested in being on the board or were recommended to them to be on the board.

Member Carl Appel said that a one by one vote would be a waste of time and that he would like to accept the Nominating Committee's Slate.

Member Ruth Marie said she had been approached by the Nominating Committee about serving on the board but sadly was not able to due to the time commitment and other time commitments she already had for the next year. She said she suspected that many in the room had been approached by Nominating Committee and asked if anyone had been interviewed to please raise their hand—and about 12 people raised their hands. She said she felt Nominating Committee has done an excellent and democratic job.

Member Nancy Groblewski Called the Question in order to end the discussion and call the vote.



The vote was taken on the amendment to vote on each nominating committee candidate one by one, and it failed, as there was not a majority in favor.

ACTION Member Ed Nichols moved the original movement to approve the Nominating Committee Slate, it was seconded the vote was taken and a clear majority passed it. The entire Nominating Committee slate was accepted.

### **Contingency Options**

Bill Edwards reported on Stewardship's successful Spring Campaign. 6 weeks ago the Spring Fundraiser began, since then 235 pledging units (a unit can be one person or a family) have pledged over \$100,000.00. 18 pledged the \$29,000.00 matching grant that was filled. Bill profusely thanked all the Stewardship members, especially Rose Ann Reeser and a super extra special thanks was given to our Executive Director Sean Hale who helped coordinate a lot of the fundraiser.

The following are some of the Stewardship Committee members that we all are in gratitude to: Luther Elmore, Ruth Marie, Mary Jane Ford, Sean Ramsey, Monty Newton, Rose Ann Reeser, Brian Miller Al Rogers, Keith Savage, Joseph Hunt, Michael Trice, Ron Turner, Eugene Balaguer, Jim Tracy, Judy Parken, and Kae McLaughlin.

Member Russell Esckew asked if we'll be going forward with the architectural plans.

Board member Jeff Hutchens said the Building Committee is meeting bi-monthly and is discussing how to best move forward the next stage may be to develop a model for people to see. The general consensus is that we need to wait till the economy recovers to start a capital campaign.

Eugene Balaguer of Finance Committee explained that the Finance Committee recommended keeping all of our current programs and staff. Now that the Spring Fundraiser has been so successful we should not have to use the Contingence Option recommended by the Finance Committee of taking out loans or using our restricted funds.

Paradox Players a group that was founded at our church as a part of Sunday Services and grew into a well respected community theatre that puts on plays that reflect our UU values, has increased their pledge to our FUUCA budget from 50% to 100%. Chris Jimmerson clarified that this will be for the next year. They also acknowledged their deep appreciation of support from FUUCA in prop donations, space for rehearsals and all the members who help with PP.

Sean, Lara and Brent all have prepared plans for how they would address the impact of budget cuts if such cuts are needed. Fortunately now, over half our pledge has been collected and people will continue with their commitments to our community.

Margaret Borden asked about option C. and what the current state of our savings is and what savings are owed to our operating fund. He said he hoped not to use any money from investments for the operating fund, if we continue to bring in our pledges we should be able to erase our deficit.

Jill Wiggins thanked Brent for keeping the music program rich and varied with quality productions.

Sheila Gladstone said that the line item in our budget for our former Senior Minister will pay for our Interim Minister. The Interim Search Task Force already has been reviewing high quality candidates and will be making an announcement soon.

Joys & Concerns:

Ron Turner said that his thoughts are with those of our church membership that have passed away in the past year. He thanked the board for all their work over the past year, and many in membership gave a standing ovation to the board.

Eric Hepburn the chair of the Committee on Ministries said he looks forward to helping our community in the next year and he held up his greatest joy to share with the congregation—his new baby!

Michael West said that our long time member Marjorie Adams fell and broke her hip, she is recovering well but would welcome visits from members.

Vicki Miller spoke on behalf of our children and asked those present to please volunteer in children's RE. DRE assistant Cyndi Stein has started a new volunteer calendar system where it is easy to sign up to help just one hour, or possibly more each month.

Sheila Gladstone thanked Lara Douglass our DRE for becoming a minister herself after the dismissal of our Senior Minister, and filling in pastoral roles. Also for guiding RE and continuing its quality, we have one of the best RE programs in UUA.

Sean Hale thanked our members for stepping forward and closing the deficit. Around the country churches are having hard times and some places are making drastic budget cuts to programs and staff, but not at our church. We've sent a clear message about what we value and a historical amount has been raised

Jeannette Swenson thanked our FUUCA staff, Linda, Natalie, Cyndi, Jim and Sean.

Ruth Marie said she volunteered with our High School youth and enjoyed the experience. The High School group needs advisors for their weekly meetings and their out of town trips.

Barbara Denny said this was the largest congregational meeting she'd seen in 30 years and thanked all who attended.

Chris Heidel thanked our members, our RE Staff and the Children's Choir with what her daughter recently went through. When her daughter was in a wheelchair members helped by visiting her home, by including her at church and even helping to lift her wheelchair onto the stage in the Sanctuary during the Children's Choir performances. She said she was happy that we have been coming together as a community after all we've been through and thanked all for their love and support.

Russell Esckew said he hoped to help with getting things in order so that we can move ahead with our Capital Campaign fund for our new building.

Sheila Gladstone said that our Solar Panels are online and making electricity. She thanked Don Smith, Derek Howard, John Payne and Sean Hale for all the work they did to help get the panels up. We are now putting energy back into the grid.

Margaret Borden spoke on behalf of Bridge Builders for the work they are doing with the Reconciliation Committee and implementing Dr. Peter Steinke's report. She invited members and leadership to attend one of the upcoming Bridge Builder focus groups if they've not already attended one. Information on when the remaining groups are on-line as well as how to set up childcare. There is one this coming Tuesday night at 6:00pm and this coming Sunday at 1:00pm.

David Mathis said that his son Michael Mathis has chosen First UU for his Eagle Scout project; he'll be renovating the sanctuary garden with the help of Page Hill and Elizabeth Gray. He hoped that some members will also want to step forward and help, the side garden that is viewed from the Sanctuary windows has been in need of an overhaul for years.

Nell Newton said that the Security Task Force that was created last September has been compiling suggestions for our church for how to increase our security, some have already been implemented. If anyone is interested in joining the group and learning more just contact her.

Again all were thanked for attending as our meeting was **adjourned at 3:25pm**

Notes submitted by Shannon Vyff

**Description of Changes to the Financial Asset Management Policy (FAMP) and the Policy on the Memorials Savings Fund (MSF)**

There are several proposed changes to the FAMP and the policy on the Memorial Savings Fund:

1. Changes to both that involve minor corrections for grammar and clarity.
2. A policy level change to the FAMP up for a second vote after being voted on affirmatively once at the Spring 2009 Congregational Meeting (changes to these policies currently require two congregational votes before they may go into effect).
3. Policy level changes to both that are being voted on for the first of two votes at this Congregational Meeting.

To avoid confusion by having several different versions of these policies presented at the same time, we are presenting them as follows:

- The FAMP and the policy on the Memorial Savings Fund in their current versions with the suggested minor changes for grammar and clarity shown.
- Following the above, just the section to receive a second vote with the suggested policy level changes shown.
- Following that, just the sections of these policies to receive a first vote on policy level changes.

In Appendix A at the end of this packet, you will also find a version of what all of these changes would look like if they are approved.

# Financial Asset Management Policy<sup>1</sup>

~~Date of Board Approval: October 16, 2007~~

## **Purpose:**

To provide formal and sophisticated financial management controls in cash flows and investments for the First Unitarian Universalist Church of Austin.

## **Financial Asset Management Guidelines**

- To realize long-term capital appreciation and generation of income, the financial asset management guidelines shall be the following:
  - To invest in mutual funds or Exchange Traded Funds (ETF) not individual securities;
  - To seek professional (independent) assistance on investments;
  - To give weight to avoiding investing in companies ineligible for investment by the Unitarian Universalist Association's endowment fund;
  - To establish an Investment Committee that will work with independent advisors, but retain with the Board of Trustees the responsibility for overall financial asset management policies.

## ~~This Resolution~~

~~These Guidelines~~ specifically mandates the development and implementation of a membership approved Financial Asset Management Policy.

## **Financial Asset Management Policy**

The following Financial Asset Management Policy shall be the operational document for carrying forth the Memorial ~~Endowment~~Savings Fund<sup>2</sup> Resolution, the Permanent Endowment Fund Resolution and the Financial Asset Management Guidelines.- Such policy has been approved by the Board of Trustees and is recommended to the membership for approval. Because of its importance, the Board of Trustees recommends that this policy statement be reviewed and approved by the Church membership at two consecutive regularly scheduled Congregational Meetings.

## **Financial Assets and Records**

The ~~overwhelming~~ majority of income received by the Church is contributed ~~and~~ or donated by its members and friends. Though most often made in the form of cash or check, these donations have been and could be made in many other forms, e.g., stocks, bonds, mutual

<sup>1</sup> Incorporates Amendments creating a new Permanent Endowment Fund and adding information about the Murr Fund, approved by congregation at 12-02-2007 and 05-04-2008 Congregational Meetings.

<sup>2</sup> The Memorial Savings Fund was formerly known as the Memorial Endowment Fund.

fund shares, real property, life insurance policies, etc. All forms of income to the Church are subject to the controls of this Policy Statement.

~~Typically the~~The only other source of meaningful income for the Church has been the rental received for the use of the building and parking lot by outside organizations. ~~This income is expected to be less than 15% of the Church's annual budget.~~ All such earned, and all other, Church income is also subject to the controls of this Policy Statement.

The cash value of all contributions, rental receipts, and any other income received by the Church is to be recorded in the Church's financial records. No person may approve or agree to any form of financial transaction, receipt or disbursement in the name of First Unitarian Universalist Church of Austin without that transaction being fully and truly recorded in the Church's financial records.

If individual company securities are contributed to the Church, they shall be sold within eight weeks, with the proceeds being added to the appropriate Church accounts.

~~The~~To the extent practicable, the Church's financial records shall be maintained on an accrual basis ~~to the extent practicable~~ and in accordance with generally accepted accounting principles.

The Church's financial records shall be subject to an independent audit no less frequently than once every two years.

### **Assignment of Income**

The cash value of all income received by the Church, no matter the type of financial asset, must be recorded in the Church's financial records as designated for one of the following:

- 1. Operations Fund:** the normal day-to-day income and expenditures fund for the continuing operation of the Church; ~~pledged. Pledged~~ and Sunday plate contributions and rental receipts comprise most of the income for this Fund, but there are ~~also~~ other lesser income sources as well.; The Church's annual Operations Fund Budget approved by the membership at the ~~Fall~~fall semi-annual meeting controls the expenditures from this Fund.
- 2. Restricted Funds:** any of a number of special funds through which contributions are sought and expenditures made for specific designated purposes, e.g., Facilities Enhancement Fund, Religious Education Fund, Senior High Fund, Social Action Fund, etc.; ~~the ..~~The establishment of a new Restricted Fund can only be authorized by the Board of Trustees. ~~Annually the~~The Board of Trustees shall review annually the status of each Restricted Fund and close any such fund which is no longer needed or has been inactive for two consecutive years. The Board of Trustees shall designate where any balance remaining in a Restricted Fund that is being closed shall be credited.
- 3. Memorial Savings Fund** ~~(formerly known as the Memorial/Endowment Fund)~~: a Restricted Fund established by Resolution of the Church membership for the

purpose of providing a growing foundation of financial stability for the long term financial health and continuity of the Church, the principal and income from which **may** be used to supplement the annual operating budget or for other purposes as set forth in the Resolution creating the [Memorial Savings](#) Fund and in this Policy.

**4. Murr Fund:** a Restricted Fund established from a donation by a member for the benefit of the Church music program, as follows: the fund balance is reviewed on December 31 each year and 3% of the balance at that time is computed and may be used by the music program at the discretion of the Director of Music at any time during the following year.

**5. Permanent Endowment Fund:** a Restricted Fund established by Resolution of the church membership for the purpose of providing a permanent and growing foundation of financial stability for the long term financial health and continuity of the Church, the principal of which **may not** be used to supplement the annual operating budget of the church except under extreme circumstances as set forth in the Resolution creating the Permanent Endowment Fund and in this Policy, and the income and appreciation from which may be used only as set forth in the Resolution creating the Permanent Endowment Fund.

Typically, contributors to the Church indicate which of the above funds their contributions are for. In all cases, these designations shall be honored.

From time to time, contributions without designation or with an imprecise designation are received. It shall be the responsibility of the Church Treasurer, or the Treasurer's representative, to decide which fund, or funds, will be credited with these contributions. In the case of relatively large such contributions, or if there is a reasonable basis for uncertainty, the Treasurer shall consult with the contributor and/or the Board of Trustees before making a final determination. All contributions indicating that the contribution is for an “endowment” fund shall be deposited to the Permanent Endowment Fund, whether or not the designation uses the precise name of the Fund.

### **Distributions from the Memorial Savings Fund**

Since the purpose of the Memorial Savings Fund is to assure the long range financial future of the church and to help the church manage and survive financial emergencies, the Church shall have policies and procedures in place to limit annual distributions to a set percentage of total reserves. Church policies and procedures shall also make clear that other distributions or loans from the Memorial Savings Fund would occur only in rare and extreme circumstances and that any such distribution or loan would require a two third affirmative majority vote of members present and voting at two consecutive regular scheduled meetings of the Congregation.

### **Distributions from the Permanent Endowment Fund**

Since the Permanent Endowment Fund is established as a fund to preserve the principal of permanent gifts made to the Church, and to further the mission of the Church, apart from the general operation of the congregation, through distributions only of income and appreciation of fund assets, distributions from the Permanent Endowment Fund shall be governed according to the Resolution to Implement the First Unitarian Universalist Church

of Austin permanent Endowment Fund and the policies and procedures enacted pursuant to that Resolution.

### **Operations Fund Reserve**

Twelve-month forecasts of income and expenditures cannot reasonably be expected to ~~predict reality be~~ precisely accurate predictors. Therefore, it shall be the practice of the Church to record and carry forward each fiscal year an Operations Fund Reserve. (This is a calculation, not a balance sheet line item.) This carried forward reserve is the cumulative difference between actual Operations Fund receipts and actual Operations Fund expenditures for all prior years. Note: using accounting terminology, the Operations Fund Reserve is defined as "Total Operations (and Restricted) Fund assets, less any Restricted Fund Equity Balances, less Fixed Assets (net of Accumulated Depreciation), less Liabilities (other than those secured by Fixed Assets), less other major known encumbrances or obligations which are not yet recorded in the financial statements, net of liabilities, excluding fixed assets and mortgage."

When adopting a budget for a new fiscal year, it shall be the policy of the Church not to allow the Operations Fund Reserve projected for the end of the new year to exceed, either positively or negatively, one-twelfth of the new year's Operations Fund expenditure budget. If the projected Reserve is positive and exceeds one-twelfth of the proposed new year's budget, the excess shall be transferred in the Church's financial records to the Memorial Savings Fund during February of the new fiscal year. If the projected Reserve is negative and greater than one-twelfth of the proposed new budget, then next year's budget must be revised such that this limit will not be exceeded.

If the projected Reserve is negative and less than one twelfth of the operating budget, then the upcoming budget must eliminate the negative balance within the next two years.

### **Restrictions on Operations Fund Budget**

A deficit budget can only be adopted by a vote of three quarters of the present and voting members of the congregation, at a congregational meeting.

**Unanticipated expenses:** The Board after receiving recommendations from the Finance Committee may allocate up to \$10,000 per year for unanticipated expenses.

**Unanticipated Budget Shortfalls:** If during the year the Board as advised by its designee(s) ~~estimate~~estimates that a shortfall is projected to be greater than one twelfth of the proposed budget, then the designee(s) shall make recommendations to the Board for specific actions to address the shortfall. The Board has full authority to take unilateral actions to address the shortfall to bring the Operations Fund Budget back into alignment.

### **Church Accounts with Financial Institutions**

All Church financial assets other than real property shall be deposited with reputable financial institutions which provide regular, clear, informative, and auditable reports. The Treasurer shall maintain for the Church one or more checking accounts and one or more



investment accounts. These accounts must provide convenient and auditable electronic funds transfer services amongst them.

The primary checking account shall be the day-in, day-out account for receiving deposits and against which authorized expenditure checks are written. The cash balance in this account shall be maintained between one-quarter and three-quarters of one month's average expenditure as forecast in the current year budget. All other financial assets, except the assets of the Murr Fund and the Permanent Endowment Fund, shall be retained as an investment pool in the Church investment account or accounts. The assets of the Murr Fund and the Permanent Endowment Fund shall be held in ~~a~~ separate investment accounts, invested pursuant to the guidelines set forth in this Policy for the investment of other church assets.

The Church Board of Trustees shall, from time to time, promulgate procedures and signature authorizations required for making approved Church expenditures, transferring Church funds between accounts, and investing Church funds in accordance with this Policy.

### **Investment Guidelines for Investment Pool, Murr Fund and Permanent Endowment Fund**

The fundamental objective in managing the Church's investment pool shall be to realize income and growth at rates commensurate with overall United States of America financial marketplace performance. The Church shall not expend money or effort attempting to outperform average marketplace results.

To achieve this fundamental objective, marketplace history makes it clear that a substantial portion of the Church's investment pool will, much of the time, be invested in equities. However, it shall be the policy of the Church not to hold stock in individual companies. If individual company stocks are contributed to the Church, they shall be sold within eight weeks with the proceeds being added to the appropriate Church accounts. All equity investments shall be made through mutual funds and Exchange Traded Funds. ~~The church shall not sell any investment instruments short, purchase hedge funds, or deal in options.~~

It shall be the policy of the Church to work with and through an experienced, professional broker/advisor/money manager who shall provide market analyses, investment pool allocation recommendations, and specific investment vehicle recommendations that are in accord with this Policy Statement. The intent here is to work with a professional who will provide long-term continuity and stability in overseeing and protecting the Church's investments. Members of the Church are specifically prohibited from filling this professional advisor role.

It is anticipated, but not required, that the Church Board of Trustees will delegate responsibility for working with the professional advisor and overseeing the investment pool management to an Investments Subcommittee of the Finance Committee. However, the Board of Trustees bears the ultimate fiduciary responsibility for assuring that this Policy is adhered to in all its particulars.

### **Assignment of Investment Pool Interest/Dividends & Gains/ (Losses)**

The investment pool will earn interest and dividends, and, at any point in time, will have realized and/or unrealized gains/ (losses). As specified in the Resolution Establishing A Memorial/~~Endowment Savings~~ Fund, it shall be the policy of the Church to credit in the Church's financial records all such interest, dividends, gains, and losses to the Memorial/~~Endowment Savings~~ Fund, ~~now renamed the Memorial Savings Fund~~. This policy results in all investment pool monies from the Operations Fund and Restricted Funds being included in the investment pool on a "no risk, no gain or loss" basis. (Note: interest earned in the checking account, if any, shall be credited to the Operations Fund.)

### **Murr Fund and Permanent Endowment Fund Interest/Dividends & Gains (Losses)**

The Murr Fund and the Permanent Endowment Fund will each earn interest and dividends, and will have realized and/or unrealized gains/losses. It shall be the policy of the Church to credit all interest, dividends and gains and losses gained by a Fund to that particular Fund.

### **Amendment of this Policy**

This Financial Asset Management Policy may be amended by action initiated by the Church Board of Trustees, in consultation with the Finance Committee. and approved by a majority of the Church membership attending two consecutive regularly scheduled membership meetings.

### **Appendix: Background and History of the F.A.M.P.**

The Financial Asset Management Policy (F.A.M.P.) was created in the mid-1990s to establish a strong investment strategy with adequate and appropriate oversight.

The F.A.M.P. was originally approved by the Board of Trustees on February 3, 1998. Amendments were approved by the Board of Trustees on February 15, 2005, and were approved by the congregation on May 1, 2005 and December 11, 2005.

The F.A.M.P. has been revised Jan14 1997; Feb 3 1997; Feb17 1997; Nov 3 1997, May 1 2005, Nov 11 2005, Dec 11 2005, May 6 2007, October 11, 2009.

The latest Final Congregational Revision Approval was October 16, 2007.

The current revisions to this policy were completed October 11, 2009 and will be considered for a Congregational vote in December 2009.

### **Investment Fund History**

On May 4, 1997, and December 7, 1997, the membership of the First Unitarian Universalist Church of Austin adopted a Resolution Establishing a Memorial Endowment Fund – since

renamed the Memorial Savings Fund – which formalized a long-standing Church practice of setting money aside in a memorial fund.

In addition to the Memorial Savings Fund, the church added a Long Range Fund specifically to serve as seed money for a Capital Fund Campaign to enlarge and update the church building. Other funds have been created specifically to provide funds for specific purposes.

At duly called meetings in December 2007 and May 2008, the Congregation approved creation of a new fund entitled the Permanent Endowment Fund, to function as a true endowment fund, of which the principal is held virtually inviolate. To avoid confusion, the Congregation approved renaming the original Memorial Endowment Fund to the “Memorial Savings Fund”.

## Memorial Savings Fund<sup>3</sup>

**Date of Original Board Approval: May 4, 1997**

**Date of Latest Revision Approval: October 11, 2009**

### **Purpose of the Memorial Savings Fund**

The purpose of the Memorial Savings Fund is to provide a growing foundation of financial stability for the long-term financial health and continuity of the Church.

### **Contributions to the Memorial Savings Fund**

- As of the date this Resolution is formally adopted, all financial assets shown in the Church's official financial records as being restricted to, or designated for, the prior Memorial Savings Endowment Fund, shall be instantly incorporated within the financial records of the Memorial Savings Fund established by this resolution.
- Any property of any kind left, given or conveyed to the church for its Memorial Savings Fund, or transferred by its governing bodies to its Memorial Savings Fund, shall be held as part of the Memorial Savings Fund and managed and used as herein provided.
- The Church Board of Trustees may refuse to accept any property offered as contributions to the Memorial Savings Fund that are considered by them to be of a burdensome character.

### **Management of the Memorial Savings Fund**

- Consistent with its purpose, the primary intent in managing the Memorial Savings Fund is to have it grow over time through contributions, wise investment, and limited withdrawals.
- The Board of Trustees shall recommend to the Church membership a Financial Asset Management Policy (FAMP), outlining general objectives to be used in managing and investing the Memorial Savings Fund and other church assets. Upon approval by a majority of the church membership attending a regularly scheduled membership meeting, this FAMP shall be official church policy.

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<sup>3</sup> Formerly the Memorial Endowment Fund

- To aid in accomplishing the purpose of the Memorial Savings Fund, and in its management, the Board of Trustees may from time to time, appoint such committees from their own membership or the membership of the church as the trustees deem desirable.
- For investment management purposes, the Board of Trustees may combine the Memorial Savings Fund assets with the other Church assets available for short- or long-term investment. However, all dividends interest and realized or unrealized gains or losses generated by the investment pool shall be credited to the Memorial Savings Fund.
- Accurate accounting records must be kept, showing all transactions relating to the Memorial Savings Fund. At the Fall semiannual membership meeting of the Church, the Board of Trustees shall furnish a written statement showing the content and market value of the Memorial Savings Fund assets as of the last business day of the preceding September, and all Memorial Savings Fund receipts, disbursements and realized or unrealized gains/losses, for the preceding year through the end of September.
- The Board of Trustees may hire counsel, agents, brokers or consultants as in the judgment of the Trustees may be necessary to manage properly the Memorial Savings Fund assets. Costs for any such professional assistance shall be borne by the Memorial Savings Fund.

### **Use of the Memorial Savings Fund**

1. With the approval of the Church membership at its Fall annual meeting, the Board of Trustees may budget the transfer of money from the Memorial Savings Fund into the Operations Fund of the Church for the succeeding fiscal year. However, the amount that maybe transferred under this provision is limited to a maximum of 5-1/2 percent (5.5%) of the Memorial Savings Fund market value on the last business day of September preceding the fiscal year in which the transfer is to take place. An approved budget transfer of Memorial Savings Fund money into the Church Operations Fund shall be made in the Church's financial records during January of the budgeted year.
2. To expend for any purpose any amount from the Memorial Savings Fund greater than provided by Section 1 above, the approval of a majority of the Church membership attending two consecutive regularly scheduled membership meetings is required.
3. In no case may the value of the Memorial Savings Fund be reduced through withdrawals permitted by Section 2 above, to less than two hundred fifty thousand (\$250,000.00).

### **Final Disbursement of the Memorial Savings Fund**

The membership of the Church intends that the Memorial Savings Fund will be irrevocable and perpetual. In the event the First Unitarian Universalist Church of Austin is merged into or consolidated with any other body, or if its name or organizational structure shall be changed, such successor or continuing organization or body shall control the Memorial Savings Fund created hereby. In the event the First Unitarian Universalist Church of Austin ceases to exist, the Memorial Savings Fund shall be distributed as directed by the Church's Bylaws. In all such cases, it shall be distributed consistent with the requirements of Section 501-c-3 of the Internal Revenue Code.

**Amendment of this Memorial Savings Fund Resolution**

This Resolution must be adopted and may be amended by majority vote of the Church membership attending two consecutive regularly scheduled membership meetings, provided that no amendment shall be made which shall in any manner affect the general purposes of the Memorial Savings Fund as provided herein, and provided that no such amendment shall in any manner adversely affect the tax exempt status of the Memorial Savings Fund and the First Unitarian Universalist Church of Austin under the laws of the United States of America or the State of Texas.

**Second Vote on Policy Level Changes to the FAMP**

**(First Vote for this Change Occurred at Spring 2009 Congregational Meeting)**

From Page 14

The Church's financial records shall be subject to review by an ~~independent audit no less frequently than once every two years~~ Independent Audit Committee as required and directed by the Board of Trustees.

### **First Vote on Policy Level Changes to the FAMP and Memorial Savings Fund Policy**

From Page 15:

#### **Distributions from the Memorial Savings Fund**

Since the purpose of the Memorial Savings Fund is to assure the long range financial future of the church and to help the church manage and survive financial emergencies, the Church shall have policies and procedures in place to limit annual distributions to a set percentage of total reserves. Church policies and procedures shall also make clear that other distributions or loans from the Memorial Savings Fund would occur only in rare and extreme circumstances and that any such distribution or loan would require a two third affirmative majority vote of members present and voting at ~~two consecutive regular scheduled meetings~~ a properly authorized meeting of the Congregation.

From Page 18:

#### **Amendment of this Policy**

This Financial Asset Management Policy may be amended by action initiated by the Church Board of Trustees, in consultation with the Finance Committee. and approved ~~by a majority of the Church membership attending two consecutive regularly scheduled membership meetings.~~ by a two-thirds majority voting at a properly authorized meeting of the Congregation.

From page 20:

#### **Use of the Memorial Savings Fund**

1. With the approval of the Church membership at its Fall annual meeting, the Board of Trustees may budget the transfer of money from the Memorial Savings Fund into the Operations Fund of the Church for the succeeding fiscal year. However, the amount that maybe transferred under this provision is limited to a maximum of 5-1/2 percent (5.5%) of the Memorial Savings Fund market value on the last business day of September preceding the fiscal year in which the transfer is to take place. An approved budget transfer of Memorial Savings Fund money into the Church Operations Fund shall be made in the Church's financial records during January of the budgeted year.
2. To expend for any purpose any amount from the Memorial Savings Fund greater than provided by Section 1 above, the approval of a ~~majority of the Church membership attending two consecutive regularly scheduled membership meetings is required.~~ two-thirds majority voting at a properly authorized meeting of the Congregation.
3. In no case may the value of the Memorial Savings Fund be reduced through withdrawals permitted by Section 2 above, to less than two hundred fifty thousand (\$250,000.00).

From page 21

**Amendment of this Memorial Savings Fund Resolution**

This Resolution must be adopted and may be amended by two-thirds majority vote of the Church membership attending and voting at a properly authorized meeting of the Congregation~~two consecutive regularly scheduled membership meetings~~, provided that no amendment shall be made which shall in any manner affect the general purposes of the Memorial Savings Fund as provided herein, and provided that no such amendment shall in any manner adversely affect the tax exempt status of the Memorial Savings Fund and the First Unitarian Universalist Church of Austin under the laws of the United States of America or the State of Texas.



	<b>INCOME</b>		<b>2009 Budget</b>	Jan - Oct	EoY Projected	<b>2010 Budget</b>
1						
2						
3	Pledge Income		525,000	415,562	498,675	<b>425,000</b>
4	Pledge Income anticipated by 12-31-09					<b>25,000</b>
5	Unrestricted Contributions		60,000	32,678	39,214	<b>50,000</b>
6	Suspend Split-the-Plate			11,650	13,980	<b>15,000</b>
7	Rental Income		35,000	42,739	51,287	<b>50,000</b>
8	Paradox Players (net)		3,500	9,286	11,143	<b>5,000</b>
9	Sunday Kitchen Donations		4,000	2,677	3,212	<b>4,000</b>
10	Miscellaneous Income		1,400	4,297	5,156	<b>2,000</b>
11	Unrest. Invst Income			58	69	<b>72</b>

Change from last year  
-14%  
-17%  
43%  
43%  
0%  
43%  
-8%

12	<b>TOTAL ALL INCOME</b>		<b>628,900</b>	518,947	622,736	<b>576,072</b>
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**NET Surplus / ( Deficit ) (31,334)**

The following transfer amounts are not included in the NET calculations above.

<b>2010 TRANSFERS</b>						
26	Transfer from RE Restricted Funds				For program and professional expenses	<b>5,000</b>
27	Transfer from Caring Fund				For Victor Gonzales	<b>2,400</b>
28	<b>TOTAL ALL TRANSFERS</b>					<b>7,400</b>

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44	<b>Committees</b>		
45	Stewardship	2,250	-50%
46	Social Action	1,500	-25%
47	Nominating	1,000	
48	Fellowship	1,000	-50%
49	Interim Minister Search	750	0%
50	Media	625	-50%
51	Membership	500	-50%
52	Forum	250	-50%
53	Congregational Care (Helping Hands)	50	-50%
54	Board / Council	0	-100%
55	<b>TOTAL COMMITTEES</b>	<b>7,925</b>	<b>-30%</b>
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<b>Total Payroll Costs</b>	75%	<b>453,921</b>	28
<b>Total Non-Payroll Costs</b>	25%	<b>153,485</b>	

**TOTAL ALL EXPENSES 607,406**



**Description of Changes to the Bylaws**

There are two set of changes being proposed to the bylaws in the following pages:

1. Changes to the bylaws being recommended by the Finance Committee and the Board of Trustee so that the bylaws and the FAMP and the policy on the MSF are consistent with one another. These may found on pages
2. Changes to the Article on Membership Section on Method of Joining being recommended by the Membership Committee. These may be found on page

You may also review a version of what the bylaws would contain if all of these changes are approved in Appendix B.

# **First Unitarian Universalist Church of Austin**

# **Bylaws**

## FIRST UNITARIAN UNIVERSALIST CHURCH OF AUSTIN

## BYLAWS

Adopted February 24, 1955

Amended: May 5, 1963, November 12, 1967, April 27, 1969, April 25, 1971, May 12, 1972, May 6, 1973, April 28, 1974, April 27, 1980, April 15, 1984, April 26, 1987, April 23, 1989, December 5, 1993, May 1, 1994, April 30, 1995, December 7, 1997, February 21, 1999, May 4, 2003, May 1, 2005, December 11, 2005, May 6, 2007, December 14, 2008, May 3, 2009.

## ARTICLE I: NAME

The name of this organization shall be First Unitarian Universalist Church of Austin.

## ARTICLE II: AFFILIATIONS

The church shall be a member of the Unitarian Universalist Association and of the Southwestern Unitarian Universalist Conference or their successors.

## ARTICLE III: PURPOSE

Founding Vision (Adopted circa 1959)

The purpose of this church is to encourage and practice the Unitarian principles of individual freedom of belief, discipleship to advancing truth, the democratic process in human relations, and universal brotherhood and sisterhood, undivided by nation, race, or creed.

Current Vision (Adopted May 4, 2003)

As an inclusive religious and spiritual community, we support each individual's search for meaning and purpose, and join together to help create a world filled with compassion and love.

Mission Statement (Adopted May 4, 2003)

Our mission is to:

- Create and sustain a joyful, caring, involved church community;
- Promote intimacy, support and fellowship to foster the individual spiritual and emotional growth of our members;
- Offer inspirational and challenging worship services;
- Provide ritual and ceremony for rites of passage;
- Provide progressive religious education for all ages;
- Enrich our community through music, drama and the arts;
- Empower and encourage members toward social and civic leadership;
- Share our values and gifts with the larger community;
- Strive to create a more diverse church community.



## ARTICLE IV: MEMBERSHIP

### Section 1: Method of Joining

~~Membership in this church is open to any person 18 years or older who accepts the general purpose and programs of this church. Full voting membership in this church is open to any person 18 years or older who accepts the general purpose and programs of this church.~~ There shall be no credal requirements for membership. ~~No requirement as to race or belief, either political or theological, shall ever be made.~~ Signature in the membership book, agreement to the membership covenant, and a contribution of record are the basic requirements, ~~and membership becomes official when acknowledged by the Board of Trustees.~~ The date of membership is the date of signature in the membership book. The date of membership is the date of signature in the membership book; membership becomes official when acknowledged by the Board of Trustees.

### Section 2: Requirement for Voting

Individuals who have been members of the church for 30 days or more and who have (as an individual or part of a family unit) made a recorded financial contribution during the last 18 months and at least 30 days prior to the meeting, have the right to vote at all official church meetings.

### Section 3: Associate Membership

Any individual who has signed the membership book and who has not made a recorded financial contribution in 18 months, unless the Board of Trustees decides otherwise, will be designated an associate member.

### Section 4: Youth Membership

Individuals 12 through 17 years of age also become members as described in Section 1. They are not included in the church population count. These members are eligible to vote at official meetings on all but financial considerations.

### Section 5: Termination of Membership

Any member who chooses to resign from the congregation may do so by notifying the Board of Trustees in writing. Members who have moved away permanently or ceased to participate in Church affairs may, by action of the Board of Trustees, be deleted from the membership list after an effort to determine their wishes has been made.

### Section 6: Restoration of Membership

Restoration of membership will occur when an Ex member signs the membership book, makes a contribution of record, and is approved by the Board of Trustees.

## ARTICLE V: CONGREGATIONAL AUTHORITY

The ultimate governing power of this church resides in its members who may, after action taken at a properly authorized congregational meeting held in accordance with these bylaws, instruct the Board of Trustees as to their will.

## ARTICLE VI: BOARD OF TRUSTEES

### Section 1: General Duties of the Board of Trustees

The Board of Trustees has the authority between congregational meetings to conduct the business of the church. This includes, but is not restricted to, the conduct of its business affairs, the management of its property, the responsibility of a periodic audit, the control of its administration, the establishment of the covenant with its minister, the review of the bylaws, and the coordination of its programs, except as otherwise restricted by these bylaws.

### Section 2: Composition of the Board of Trustees

The Church Board of Trustees, all of whom shall be voting members of this church, shall consist of the following:

- A. Six Trustees who shall serve staggered terms of three years each. Two Trustees shall be elected at the spring semi-annual congregational meeting.
- B. The President, Vice-President, Treasurer, and Secretary, who shall be elected for one-year terms at the spring semi-annual congregational meeting and who shall become Board of Trustees members by virtue of their offices.
- C. A youth trustee member who shall be elected by the Youth Programming Committee, or its successor, to serve for a term of one year.
- D. The immediate past President, the Senior Minister, and the Executive Director shall serve as ex officio members of the Board of Trustees, and may not vote or make motions. In the event of vacancy of any of these ex officio positions, the Board of Trustees shall have the discretion to appoint interim ex officio members.

### Section 3: Vacancies and Term Limits

Board of Trustees vacancies occurring between annual meetings shall be filled by a majority vote of the Board of Trustees after consultation with the Nominating Committee. No person may serve more than six consecutive years without an absence of one year. This six-year term limit applies only to the time spent serving on elected, full terms as officer or other Board member. Time spent finishing out another individual's uncompleted term does not count toward the six-year limit.

### Section 4: Expenditures

On adoption of the budget, no expenditure exceeding the annual budget shall be made unless by official vote of two-thirds of the members attending a congregational meeting or by three-quarters vote of the Board of Trustees present at a regular or special meeting. A vote by the Board of Trustees to expend or to encumber capital funds cannot exceed \$10,000 per annum. Withdrawals from and expenditures of Memorial Savings Fund/Endowment Fund monies may only be made in accordance with the provisions of the Resolution establishing a Memorial/Endowment Fund as adopted or subsequently amended by the congregation in accordance with the Financial Asset Management Policy and the policy governing the Memorial Savings Fund.

### Section 5: Use of Church Buildings and Facilities

The Board of Trustees shall establish regulations governing the use of buildings and facilities and property of the church by members as well as by outside groups.

### Section 6: Meetings

The Board of Trustees shall meet monthly on a regular prescribed date. Additional meetings of the Board of Trustees may be called by the President or any three of its members. Notice shall be given to the Trustees of the time and purpose of any such special meeting. A majority of the Trustees shall constitute a quorum. Except for a vote to exceed the annual budget, which shall require a three-quarters vote, all actions of the Board of Trustees shall be by majority vote of those present. Any member of the church is entitled to attend any Board of Trustees meeting except Executive Sessions.

The Board may hold Executive Sessions only for the purpose of considering personnel matters, real estate transactions, or possible litigation. The Board of Trustees will regularly report major decisions to the congregation by announcements in the newsletter. Board minutes will be available on the church bulletin board.

### Section 7: Absence from Meetings

Three absences from regular meetings by a Board of Trustees member without prior notification shall be considered resignation from the position.

## ARTICLE VII: OFFICERS

### Section 1: President

The President shall be the executive officer of the church; exercise all the functions usually pertaining to the office of president of a non-profit corporation; such functions may include the signing of deeds, mortgages, notes, bonds, contracts or other instruments authorized by the congregation to be executed, except as may otherwise be delegated by the Board to some other officer or agent of the congregation; preside at meetings of the congregation and the Board of Trustees; convene the Nominating Committee in June; be an ex-officio member of all committees except the Nominating Committee when it is sitting for the purpose of making nominations for elected positions.

### Section 2: Vice-President

The Vice-President shall assume the duties of the President in the absence of the President, convene the committee councils, and perform other duties assigned by the President or Board of Trustees.

### Section 3: Secretary

The Secretary shall keep minutes of all Board of Trustees meetings and congregational meetings of the Church and maintain the Policies and Procedures as adopted by the Board. The Secretary shall issue all notices and conduct the correspondence of the Board of Trustees, as directed by the President and these bylaws. The Board may appoint the position of assistant secretary to assist the secretary with these duties as needed.

### Section 4: Treasurer

The Treasurer shall be responsible for the receipt and safe-keeping of all money and other property of the church entrusted to the Treasurer's care; disbursing the same under the direction and to the satisfaction of the Board of Trustees; keeping a complete account of the finances of the church upon books which shall remain the property of the church and which shall be open for inspection by the Trustees at any time; rendering a current statement at each regular meeting of the Board of Trustees and at each congregation meeting; maintaining a current list of voting members of the

church; and bringing necessary records to congregational meetings to resolve any questions concerning membership status. The execution of these duties may be delegated by the Board to some agent or staff of the congregation. The Board may appoint the position of assistant treasurer to assist the Treasurer with these duties as needed. The Treasurer may be bonded at the expense of the Church and shall serve as ex-officio member of the Finance Committee.

#### Section 5: Executive Committee

The President, Vice-President, Secretary and the Treasurer shall constitute the Executive Committee. The Board of Trustees may, by majority vote, give specified decision-making authority to the Executive Committee. Between the meetings of the full Board of Trustees, the Executive Committee has authority to take action deemed necessary to carry out the policies and decisions of the Board of Trustees.

### ARTICLE VIII: CONGREGATIONAL MEETINGS

#### Section 1: Fiscal Year

The fiscal year shall be the same as the calendar year.

#### Section 2: Spring Semi-Annual Meeting

The election of officers and members of the Board of Trustees and the election of the Nominating Committee, as well as the transaction of other business shall take place at the spring semi-annual congregational meeting of the church. The time and place of the meeting shall be set by the Board of Trustees. The Nominating Committee will present a recommended slate of candidates at the meeting.

#### Section 3: Fall Semi-Annual Meeting

The adoption of the annual church budget and the transaction of other business shall take place at the fall semi-annual congregational meeting of the church. The time and place of the meeting shall be set by the Board of Trustees.

#### Section 4: Special Meetings and Petition Right

Special congregational meetings may be called

- A. by the President of the Board of Trustees,
- B. by at least three members of the Board of Trustees, or
- C. by petition. The President or another member of the Board of Trustees shall call a meeting within three weeks of receiving a written request signed by no fewer than 20 percent of the voting members. The questions or issues to be discussed shall be on the original petition and on the agenda for the meeting.

#### Section 5: Notice of Membership Status

A list of voting members compiled by the Treasurer shall be posted on the church bulletin board at least two Sundays prior to congregational meetings. This list shall be subject to correction up to the time of the meeting when supporting proof is provided for the requested changes.

#### Section 6: Notice of Meetings

Notice of the time and place of any meeting shall be mailed, e-mailed, or otherwise effectively and reliably transmitted to the members, and shall be posted on the Church bulletin board at least 20 days prior to the meeting day. Notice of the spring semi-annual meeting shall include the

recommendations of the Nominating Committee for officers and members of the Board of Trustees and the nominations for the Nominating Committee. Notice of the fall semi-annual meeting shall include the proposed budget.

#### Section 7: Terms of Office

All terms of office shall begin on June 1.

#### Section 8: Agenda

Notice of the congregational meetings shall list other business to be considered. Matters not listed in the meeting notice will be considered for discussion only and shall follow termination of listed business. If the Board of Trustees by majority vote determines that an emergency necessitates a special congregational meeting, notice of the meeting shall be mailed, e-mailed, or otherwise effectively and reliably transmitted to the members at least seven days prior to the meeting or given by telephone at least three days before the meeting date.

#### Section 9: Quorum

Ten percent of the voting members shall constitute a quorum.

#### Section 10: Procedure

Unless otherwise specified herein, the procedure for any congregational meeting is to be governed by such rules of order as are adopted at the meeting. In absence of specific enactment to the contrary, and where the bylaws are silent, Robert's Rules of Order, Currently Revised shall govern. Absentee voting and votes by proxy or by attorney shall not be accepted.

### ARTICLE IX: ELECTIONS AND APPOINTMENTS

#### Section 1: Selection of Nominating Committee Members

The Nominating Committee shall consist of five voting members of the church, two appointed by the Board of Trustees, and three elected by the congregation. The three elected members will serve staggered three-year terms, with one member elected at each semi-annual spring meeting of the congregation. The Board of Trustees will appoint two members at the April Board meeting to serve one-year terms. Nominations for the three elective members of the committee shall be delivered to the Secretary of the Board of Trustees and posted on the Church bulletin board at least 20 days prior to the meeting. In the event of a vacancy on the Nominating Committee, the Board of Trustees shall select a replacement.

#### Section 2: Nomination and Election Procedures

In order to carry out its responsibility, the Nominating Committee will receive from the Treasurer a current list of voting members. The Board Secretary shall provide the Nominating Committee with a list of Board of Trustee and committee positions to be filled. No recommendations or nominations should occur without consent of the person nominated or recommended. The committee shall elect its own chair. Meetings of this committee are closed.

- A. Nominations for the Board of Trustees: Every voting Church member shall have the right to present his or her name or that of any other voting member for consideration for nomination by the Nominating Committee as a candidate for elective office. The committee shall submit to the Secretary of the Board of Trustees a slate of nominations for positions to be voted on by the congregation at the spring semi-annual meeting. These nominations shall include those for Trustee positions on the Board of Trustees and for President, Vice-President, Secretary and

Treasurer. These names shall be submitted in sufficient time to enable the Secretary to post nominations on the Church bulletin board at least 20 days prior to the meeting date and to publicize them along with the notice of the meeting to members not less than 20 days prior to the spring semi-annual meeting.

- B. Recommendations for Committee Chairpersons: Except as otherwise provided in these bylaws or the Policies and Procedures, the Nominating Committee is responsible for recommending names of chairpersons for church committees as listed in the current policies and procedures. The Nominating Committee shall present a slate of recommended committee chair candidates to the Board of Trustees for approval prior to the spring congregational meeting.
- C. Recommendations for committee members: The Nominating Committee is responsible for recommending names of certain members of the Nominating Committee, as otherwise specified in these bylaws, and members of the Committee on Ministries. The Nominating Committee shall submit to the Secretary of the Board of Trustees a slate of recommended committee member candidates to be voted on by the congregation at the spring semi-annual meeting.
- D. The Nominations for Trustees, Officers, and Nominating Committee and Committee on Ministries members may also be made by petition signed by at least five voting members, filed with the Board Secretary at least 14 days before the meeting date with the prior consent of the nominee to serve if elected. Such consent must be made in writing and filed with the Nominating petition.

## ARTICLE X: COMMITTEES AND CHURCH AFFILIATED ORGANIZATIONS

### Section 1: Establishment of Committees

The Board of Trustees shall establish and charge such committees and task forces, as it deems necessary for the conduct of the church's business and programs. Committees duly established and charged may appoint sub-committees and task forces, which are represented by their parent committee. Committees and task forces may be abolished or consolidated by vote of the Board of Trustees.

### Section 2: Committee Membership and Chairs

Except as otherwise provided in these bylaws or the policies and procedures, membership of all committees is open to all interested persons. The chairperson of a committee must be a voting member of the church. Except as otherwise provided in these bylaws, committee chairs are appointed by the Board of Trustees on recommendation by the Nominating Committee.

### Section 3: Church Affiliated Organizations

Organizations whose activities and practices are consistent with those of the Church may be recognized by the Board of Trustees as "Affiliated Organizations." Members of this church wishing to form an Affiliated Organization must submit a written petition to the Board of Trustees. These organizations are responsible to the Board of Trustees, which has the authority to revoke affiliation of any organization which no longer conform to the guidelines established in the current policy and procedures.

## ARTICLE XI: MINISTER

### Section 1: Selection

In the event of a vacancy in the position of minister, the Board of Trustees shall appoint a committee of at least nine persons to assist it in the selection of a candidate for this position. Upon

nomination by the Board of Trustees, election to the position of minister shall be by an affirmative vote of two-thirds of the members of the church present and voting at a regular or special meeting.

#### Section 2: Tenure

The tenure of the minister shall be indefinite.

#### Section 3: Resignation

In the event that the minister resigns, he or she shall give the church not less than three months' notice, unless the Board of Trustees shall waive this requirement.

#### Section 4: Termination

A majority vote of those present and voting at a called meeting of the membership shall be necessary to the minister's dismissal. Three months' notice of termination of tenure shall be given.

#### Section 5: Authority

The minister shall have full authority over all regular or special services held in the church during his or her period of ministry of the church.

#### Section 6: Records

The minister shall keep the records entrusted to his or her care up to date and shall surrender these to the Secretary upon request, or at the termination of his or her ministry to the church.

#### Section 7: Church Committees

The minister shall be an ex-officio member of all church committees except the Nominating Committee, and the Personnel Committee when it is sitting to discuss salaries.

### **ARTICLE XII: FINANCIAL ASSET MANAGEMENT POLICY**

The Financial Asset Management Policy as adopted and amended by the Congregation shall serve as the financial policy for the church. The Financial Asset Management Policy shall be amended in the same manner as the By Laws.

### **ARTICLE ~~XII~~: XIII DISPOSITION OF PROPERTY**

In the case of dissolution of the church, all of its property, real and personal, after paying all just claims upon it, shall be conveyed to and vested in the Unitarian Universalist Association or its legal successor, and the Board of Trustees of the church shall perform all actions necessary to effect such conveyance.

### **ARTICLE ~~XIII~~: XIV POLICY AND PROCEDURES**

These bylaws are supplemented by policies and procedures adopted by the Board. These policies and procedures shall be maintained by the Secretary and reviewed periodically by the Board of Trustees.

### **ARTICLE ~~XIV~~: XV AMENDMENTS**

These bylaws may be amended or repealed at any business meeting by a two-thirds vote of the members present and voting. Notice of any proposed change shall be contained in the call to the meeting.