

First Unitarian Society of Chicago

Bylaws

(Adopted at Annual Meeting, May 15, 1981; amended November 30, 1984; April 21, 1985; March 21, 1993; May 21, 1993; May 16, 1997; May 21, 1999; September 17, 2000; March 24, 2002; May 19, 2002; December 16, 2007; May 31, 2009; May 19, 2013; February 21, 2016)

[NOTE: These bylaws are being revised in stages.

- Content adopted on or after February 21, 2016 appears in this typeface.
- Older content appears in this typeface.

Article and section numbers will be adjusted in the final round of revisions. Meanwhile, parenthetical notes tell the reader where the subject matter of now-vacant parts now appears. The Appendix shows revisions proposed by the Board of Trustees but not yet presented to the congregations for adoption.]

ARTICLE I: NAME

This Society shall be known as the First Unitarian Society of Chicago. The Society consists of its members as defined in Article IV.

ARTICLE II: PURPOSE

The Society is a community of members and friends who, in fellowship together, seek enduring moral and spiritual values and strive to help one another to live in accordance with them. Although recognizing its roots in the Judeo-Christian tradition, the Society affirms the worth of all people and religions, and requires no creed. It is a Society of seekers after knowledge, truth, and understanding, who employ a variety of methods and premises and who acknowledge that each has its limitations and none is an absolute.

ARTICLE III: AFFILIATIONS

Section 1. Denominational Affiliations

- a. The Society shall be a member of the Unitarian Universalist Association and shall make annual financial contributions to the Association appropriate for a congregation of its size. It shall also be a member of the Central Midwest District and the Chicago Area Unitarian Universalist Council.
- b. The Board of Trustees (hereinafter "Trustees") shall inform the membership of the time, date and place of denominational meetings to which the Society is entitled to send voting delegates. Delegates and an equal number of alternates shall be members nominated by petition of at least fifteen members and elected at a regular or special meeting held before the deadline, if any, for the filing of delegate credentials. The Trustees shall fill vacancies in any denominational delegation.

Section 2. General Affiliations

- a. The Society, or any of its committees and organizations, may join any outside organization whose purposes are not in conflict with its own. The Society may do so only by vote of the membership at a regular or special meeting. Committees and organizations may do so on their own behalf, but not on behalf of the Society as a whole. Memberships in outside organizations may be terminated by the same process by which they were initiated.
- b. When the Society is entitled to send delegates to a meeting of an outside organization of which it is a member, the Trustees shall appoint them.

ARTICLE IV: MEMBERSHIP

Section 1. Each year the Trustees shall appoint a Membership Committee of five or more members.

Section 2. Any person who subscribes to the purposes of this Society and is approved by the Membership Committee shall become a member of the Society upon signing the Membership Book.

Section 3. Any person who has been a member for at least 90 days and has at least contributed \$50 of record to the Society during the 12 months preceding any regular or special meeting of the Society shall be entitled to vote at that meeting. Upon a member's prior petition the Senior Minister may modify for that member the financial requirement for voting.

Section 4. The Trustees may establish a class of nonvoting members called associate members, to include persons whose primary affiliation is with another congregation or who for some other reason prefer to be called associate members. No individuals shall be designated associate members without their consent.

Section 5. Under any of the following conditions, any member shall be subject to removal from Membership according to procedures approved by the Trustees.

- a. The member has made no financial contribution of record to the Society for two consecutive years.
- b. The member has been persistently disruptive of the programs of the Society.
- c. The member has endangered the security of the Society, its members or its property.

Section 6. The Trustees shall appoint a Parish Clerk to maintain membership records and to supply figures and credentials as required by denominational organizations.

ARTICLE V: MEETINGS AND ELECTIONS

Section 1. The Annual Meeting of the Society shall be held each year on a Friday evening or on a Sunday. It shall be held on or after May 15 but no later than June 1. The Trustees, no later than the previous January, shall set the date of the Annual Meeting and shall publish that date by the end of February.

Section 2. A State of the Society informational meeting shall be called by the Trustees for the sole purpose of informing the members of the Society about issues that are of critical importance to the Society. This meeting shall be held on or after January 15 but no later than February 15 of each year.

Section 3. Special meetings of the Society (a) may be called by the Trustees and (b) shall be called by them upon the written request of fifteen members of the Society.

Section 3 Notice of all meetings of the Society shall state the purposes, time and place of the meeting, and shall be mailed to all members not less than fifteen days before the day of the meeting. Action taken at special meetings shall be limited to the purposes for which the meetings were called.

Section 4. Thirty members eligible to vote and present shall constitute a quorum. Absentee ballots and voting by proxy shall not be allowed except under circumstances determined by the Trustees and included in the notice of the meeting.

Section 5. Officers of the Society *[see Appendix for Board-approved revisions concerning duties of officers, pending adoption by the congregation]*

- a. Officers are President, Vice President, Secretary, and Treasurer. All officers serve one-year terms and may serve consecutive terms. Only continuing and incoming Trustees are eligible to be President and Vice President.
 - The President shall preside at all meetings of the Trustees and of the Society, delegate responsibilities as specified in these bylaws or as directed by the Trustees, and serve as an ex officio member of committees appointed by the Trustees.

- The Vice President shall preside in the absence of the President and may be directed by the President to assume other of the President's responsibilities.
 - The Secretary shall keep a record of the proceedings of the Board and of the Society, call meetings when requested by the Trustees, notify members of Society meetings, and perform other duties usually associated with the office as directed by the President or the Trustees.
 - The Treasurer shall receive all monies belonging to the Society, pay all approved bills, keep correct accounts of all transactions, including those of the endowment funds, report monthly to the Trustees, and perform other duties usually associated with the office as directed by the President or the Trustees.
- b. The Society elects the President and the Vice President at the Annual Meeting. The Trustees appoint the Secretary and Treasurer. The Trustees may appoint assistant secretaries and assistant treasurers as needed.
- c. If the office of President becomes vacant, the Vice President becomes President. If the office of Vice President becomes vacant, the Trustees fill the vacancy.
- d. The Trustees publish the current responsibilities of each officer in a policy manual available to members of the Society.

Section 6. Nominations

- a. A Nominating Committee of three members is elected by the Society each year to serve one-year terms. Not more than two may be re-elected from the previous year.
- b. The Nominating Committee prepares a slate of candidates for the following positions for the coming year, one candidate per position:
- Trustees and alternate
 - President and Vice President
 - The Chair of each council
 - Nominating Committee

The committee publishes its nominations at least 30 days before the Annual Meeting.

Section 7. Elections

Elections are held during the Annual Meeting by written ballot. Additional nominations may be made from the floor. Terms of office begin on July 1.

ARTICLE VI: BOARD OF TRUSTEES *[subject matter of old section 3 is at Art. V Sec. 5]*

Section 1. Responsibilities

- a. The Trustees shall have the care, custody, and control of the real and personal property of the Society and shall establish the policies necessary for the conduct of the programs and affairs of the Society.
- b. The Trustees shall receive recommendations from the Councils of the Society relating to the concerns of these councils.
- c. The Trustees shall maintain a manual containing the current policies and procedures under which the affairs of the Society are conducted.

Section 2. Membership

- a. The Board of Trustees consists of seven members of the Society elected by the Society to serve three-year rotating terms. No person may serve consecutive three-year terms. If a Trustee is absent for three

consecutive regular meetings, that seat shall become vacant. The Trustees have the power to fill vacancies until the next annual meeting of the society.

- b. The Board also has one alternate Trustee elected by the Society to serve a one-year term, who may be re-elected. The alternate attends all Board meetings and participates fully in discussion, but votes only in the place of an absent Trustee.

Section 4. Meetings

- a. The Trustees shall meet at least monthly for eleven months of the year at a regular time and place which they shall determine. Additional meetings may be called by the President or any three Trustees. All regular meetings shall require a seven-day notice to the Trustees and the Society. Five Trustees (including alternates) shall constitute a quorum.
- b. In an emergency, action may be taken by the President after polling a majority of the Trustees. Such action shall be subject to ratification at the next meeting of the Trustees.

Section 5. Accountability

The Trustees shall be accountable to the Society, reporting at the Annual Meeting and as needed at special congregational meetings. The policies established by the Trustees, the records of the Secretary, and the books and accounts of the Treasurer shall be open to members of the Society.

ARTICLE VII: ORGANIZATIONS AND COMMITTEES

Section 1. Councils

- a. Each Council shall coordinate for the Society an extensive area of concern that is substantially beyond the scope of a single committee. Committees and church organizations that address matters within a Council's area of concern shall be represented upon it and/or shall include at least one of its members.
- b. Each Council shall propose policies to the Trustees and establish priorities and goals regarding the council's area of concern, and shall initiate, facilitate, and coordinate activities consistent with them.
- c. Each Council shall meet at least quarterly. Each shall report to the Trustees quarterly, to the Society at the Annual Meeting, and at other times as directed by the Trustees or the Society.
- d. Either the Chair or the membership of each Council shall be elected by the Society.
- e. Each Council shall be accountable to the Trustees for matters of policy and finance and to the Society for matters of priorities, goals, and activities.
- f. A new Council may be created or an existing Council dissolved by amendment of these bylaws. Any amendment creating a new Council shall specify its name, area of concern, membership, and the term of office of its Chair or membership, whichever shall be elected by the Society.

Section 2. Program Council

- a. The area of concern of the Program Council shall be coordination of programs throughout the Society.
- b. The Program Council shall consist of a regular designee from each committee or organization dealing with program, including the Councils of the Society. The Senior Minister, the Minister for and/or the Director of Religious Education, and directors of associated programs shall be ex officio members.
- c. The Program Council Chair shall be a member of the Society elected by the Society to serve no more than three consecutive one-year terms.

Section 3. Religious Education Council

- a. The area of concern of the Religious Education Council shall be religious education in the Society. The Council shall oversee the religious education program.
- b. The Religious Education Council shall consist of a regular representative of each of the committees affiliated with it and interested members and friends of the Society. The Senior Minister, the Minister for and/or the Director of Religious Education, and one Trustee appointed by the Trustees shall serve as ex officio members.

- c. The Religious Education Council Chair shall be a member of the Society elected by the Society and may serve no more than three consecutive one-year terms. The Religious Education Council shall have the power to fill a vacancy in the Religious Education Council Chair until the next Annual Meeting of the Society.

Section 4. Social Justice Council

- a. The area of concern of the Social Justice Council shall be social justice concerns of the Society.
- b. The Social Justice Council shall consist of a regular representative of each of the committees (often called task forces) affiliated with it and interested members and friends of the Society. The Senior Minister, any other minister of the Society charged with responsibilities regarding social justice, and one Trustee appointed by the Trustees shall serve as ex officio members.
- c. The Social Justice Council Chair shall be a member of the Society elected by the Society and may serve no more than three consecutive one-year terms. The Social Justice Council shall have the power to fill a vacancy in the Social Justice Council Chair until the next Annual Meeting of the Society.

Section 5. Committees

- a. Standing Committees may be established by the Trustees and the Councils to carry out the continuing affairs of the Society. In establishing a Standing Committee, its creating body shall specify its name, purpose, and procedures for reporting. The creating body shall annually appoint the Chair and members of each Standing Committee. Standing Committees may form subcommittees outside of their own memberships.
- b. Special Committees may be created for specified purposes and for specified periods of time by the Trustees and the Councils. Unless otherwise specified in these bylaws, the Chair and membership of each Special Committee shall be appointed by its creating body. In creating a Special Committee, the body shall specify its name, task, duration, and procedures for reporting.

Section 6. The Committee on Congregational Participation

- a. The Committee on Congregational Participation shall foster committee activity by promoting awareness of opportunities for volunteer service in the Society, by enlisting volunteers to serve as members and chairs of committees, and by publicly honoring volunteers who serve the Society.
- b. The Committee on Congregational Participation shall consist of the President-Elect, who shall serve as its Chair, and the Chairs of the Councils of the Society.
- c. The Committee on Congregational Participation shall propose Chairs and members for each committee for approval by its creating body.
- d. The Committee on Congregational Participation shall report quarterly to the Trustees regarding the levels of activity of the committees and their members.
- e. The Committee on Congregational Participation shall propose to the Trustees a member to fill a vacancy in the Program Council Chair until the next Annual Meeting of the Society.

Section 7. Church Organizations

A group of members meeting regularly for some common purpose may petition the Program Council for recognition as a Church Organization. Recognition is at the discretion of the Program Council. Such recognition will carry with it representation on the appropriate Council and the privilege of meeting on the church premises. All church organizations shall be open to all members of the Society sharing their concerns and purposes.

Section 8. Associated Programs

- a. From time to time the Society may approve granting to an existing church program or to a new program the authority to set up an organizational structure and a staff separate from those of the Society. Such programs shall be known as Associated Programs. The purpose of these programs is to enable the Society to enhance and enrich the life of the community.
- b. The Trustees shall bear the legal and financial responsibility for Associated Programs. For each such program they shall appoint a body which shall supervise its operation, staffing, and finances. This body

shall report regularly to the Trustees, which in turn shall report at least annually on these matters to the Society.

- c. The Society may terminate such programs in the same way that they were approved.

ARTICLE VIII [vacant: subject matter now in Article V; full bylaws will be renumbered in 2016-2017]

ARTICLE IX: MINISTERS

Section 1. Search and Call

- a. In seeking to call a professional minister (interims and interns excepted), the Society shall select a Search Committee of seven or more members. This committee shall seek and recommend a candidate, cooperating with the appropriate office of the Unitarian Universalist Association and following its procedures. The title, responsibilities, and terms of service of the ministerial position shall be proposed by the Board of Trustees.
- b. After such recommendation the minister shall be called and his or her compensation package approved by a written vote of 80% or more of the voting members present at a meeting of the Society called for that purpose. A written majority vote shall be required for the dismissal of the minister. The employment relationship between minister and Society may be terminated by either upon three months' notice.

Section 2. Rights and Responsibilities

- a. The professional ministers shall have freedom of the pulpit. They shall be invited to attend all meetings of the Trustees and of such councils and committees as are appropriate to their ministerial positions. Each professional minister shall make a report to the Annual Meeting of the Society, bring to the attention of the Trustees any matters which seem to him or her pertinent to the general welfare of the Society, and make such recommendations as seem proper. The final decision in matters of policy, however, shall remain with the Trustees or the Society.
- b. The Senior Minister shall advise the Society in its determination of its mission and have general direction of the religious activities of the Society. The Senior Minister and the Trustees shall determine the use of the church buildings for religious purposes other than those of the Society. The Senior Minister is the chief administrator of the Society.
- c. The Minister for Religious Education shall have primary responsibility for developing, implementing, and managing the lifespan religious education program of the Society. Working in consultation and coordination with the Senior Minister, the Minister for Religious Education shall participate in the broader ministerial work of the Society.

Section 3. Ministers other than the Senior Minister and Minister for Religious Education (interns and interims excepted) shall be sought and recommended either by a special committee or by the Trustees; they shall be elected at a meeting of the Society. Their titles, responsibilities, and terms of service shall be proposed by the recommending body. Ministerial interns and interim ministers (when appropriate) shall be appointed by the Trustees.

Section 4. Committee on Ministry

- a. A Committee on Ministry shall be chosen by the Trustees and the professional ministers to consult with and advise the professional ministers regarding their relations with the Society. The committee shall also work with the committees and councils of the Society to translate the church's mission and long-term goals into program, and to evaluate the effectiveness of the Society's ministry. The committee shall meet at least bimonthly. The committee's deliberations shall be confidential, but it shall report quarterly to the Trustees.
- b. The committee shall include three at-large members, selected by the Board and the professional ministers together and appointed to three-year rotating terms; one representative each from and appointed by each Personal Advisory Committee to one-year terms, renewable for up to three years; and a past President of the Society or former Chair of the Board of Trustees, selected by the other members of the committee and approved by the Board for a one-year term, renewable for up to three years. No at-large member may serve

consecutive full terms. Vacancies shall be filled by appointment by the party or parties that appointed the member vacating the position. All terms begin July 1.

- c. Each professional minister may have an individual Personal Advisory Committee of three or more members which shall be a sub-committee of the Committee on Ministry. The Personal Advisory Committees shall meet with the Committee on Ministry as needed.

Section 5. Upon recommendation of one of the professional ministers and after its affirmative vote, the Society may ordain individuals to the Unitarian Universalist ministry, provided these are graduates of accredited theological schools, recommended by their schools, and already in preliminary or full fellowship with the Unitarian Universalist Association.

ARTICLE X: FISCAL AFFAIRS

[see Appendix for Board-approved revisions concerning fiscal affairs pending adoption by the congregation]

Section 1. Definitions

a. Endowment Funds

1. The Permanent Endowment Fund consists of those assets donated to the Society with the donor's restriction that the value of the principal (annually adjusted for inflation) not be spent. Interest, dividends, and capital appreciation beyond that required to maintain the inflation-adjusted principal may be spent as restricted in Section 6.
2. The Unrestricted Endowment Fund, formerly known as the Fund for the Eighties, consists of those assets obtained by the Society without restriction as to the expenditure of the principal and held with the intent that the Society retain the assets long-term and use only the investment earnings there from for current expenditures. Interest, dividends, and capital appreciation may be spent as restricted in Section 6. The principal of the Unrestricted Endowment Fund may be used as specified in Section 7.

b. Special Purpose Funds

1. The Crypt Fund is a special purpose restricted fund. Its principal is available only for purposes of special crypt maintenance or expansion.
2. The Property Reserve Fund is a special purpose fund limited in use to major projects of building repair, based upon long-range planning by the Trustees.

c. Other Fiscal Terms

1. Investment earnings: all interest, dividends, and capital appreciation from invested assets.
2. Capital withdrawal: withdrawals of principal made from the Unrestricted Endowment Fund.

Section 2. The fiscal year shall begin July 1 and end June 30.

Section 3. Budget

The budget for each fiscal year shall be approved at the Annual Meeting which precedes that fiscal year. Individual items in the budget may be altered by congregational vote but the budget approved must be balanced. It is the responsibility of the Trustees to monitor the budget throughout the year. Shortfalls in income or excesses in expenses that may emerge as a year goes on must be balanced by reducing expenses or by increasing income.

Section 4. Investment Committee

- a. The Investment Committee shall direct the investment of church assets so as to provide maximum yield with recognition of appropriate risk. The Investment Committee is expected to act with the care, skill, and diligence that would be applied by a prudent investor, acting in a like capacity and knowledgeable in the investment of endowment funds, with appropriate safeguards and diversity. The committee must deal with or through reputable brokers or other agents. All major decisions, including buying or selling of funds in excess of 25% of the market value of endowment funds, must be approved in advance by the Trustees.
- b. The Investment Committee shall consist of a Chair and at least two other members appointed by the Trustees, each to serve staggered terms of three years. No member shall serve more than six consecutive years.

- c. The Committee shall meet at least quarterly.
- d. The Committee shall be accountable, and shall report at least quarterly, to the Trustees for oversight and policy direction for investment of church funds.
- e. The Committee shall report its deliberations and decisions in writing to the Society at least once yearly at the Annual Meeting and at other times as directed by the Trustees or the Society.

Section 5. Endowment and Special Funds

- a. Endowment funds shall be managed by the Investment Committee in a prudent manner to assure the continuation of the church and its programs and the preservation of the physical plant.
- b. Special Purpose Funds shall be managed by the Investment Committee in a prudent manner for their special purposes.
- c. Assets donated to a Special Purpose Fund may be released when the purpose for which the assets were donated no longer exists or is obsolete. Donors may specify that in such a contingency, when they or their heirs are no longer available to consent to the release of funds, such release must be authorized in a court of law. Authorization for the release may be given by the Trustees if the donor does not make such specification when donating the assets.

Section 6. Percentage of the Market Value of the Endowments Available for Use as Investment Earnings

- a. So that the endowment funds may grow, the Society may not withdraw as income an annual amount greater than 5% of the total market value of the Permanent Endowment Fund, the Unrestricted Endowment Fund, and the Crypt Fund for the previous calendar year. Such withdrawals are to be taken only from the Unrestricted Endowment Fund.
- b. To arrive at the total market value of all endowment funds for each year, the Investment Committee each January shall use the total market values for the last days of the preceding four quarters (periods ending March 31, June 30, September 30, December 31) to arrive at an average for the four quarters. That average shall be reported to the Treasurer by January 31.
- c. Mindful of the need to maintain the Unrestricted Endowment Fund for the future use of the congregation, the Trustees may nonetheless, by a vote of three-fourths and in the event of severe damage to the building and/or exposure to extreme liability related to the building, present to the congregation a proposal to withdraw principal from the Unrestricted Fund for the purpose of addressing the damage and/or liability. The proposal must be approved by a vote of three-fourths of those present at a congregational meeting announced for this purpose.

Section 7. Capital Withdrawal from the Unrestricted Endowment Fund

The Trustees may, by a vote of two-thirds and for any purposes they deem appropriate, present to the congregation a proposal to withdraw principal from the Unrestricted Endowment Fund not to exceed the lesser of \$10,000 or 5% of the market value of the fund as of October 31 of the prior year. The proposal must be approved by a vote of two-thirds of those present at a congregational meeting announced for this purpose. In the event the maximum capital withdrawal of the lesser of \$10,000 or 5% is taken in two consecutive years, further capital withdrawal shall cease until the Trustees submit to the congregation and the congregation approves a five-year cash flow projection.

Section 8. Expenditures and Loans

Within the limits on capital withdrawal, the Trustees may exceed the expenditures authorized by the Annual Meeting by as much as \$5,000 without seeking the approval of the Society. The Trustees are authorized to borrow money to meet capital improvement or other extraordinary expenditures on condition that the payment of such loans is within the budgetary and capital withdrawal limitations of Section 6.

Section 9. Social Concerns and Religious Purposes

The Trustees may take appropriate social concerns into account in determining how to invest the endowment. They may also include within the proposed program budget of the church donations for social or religious purposes.

ARTICLE XI: AMENDMENTS

These Bylaws may be amended at any regular or special meeting of the Society by the vote of two-thirds of the members present and voting. Notice of proposed amendments shall be contained in the notice of the meeting.

ARTICLE XII: DISSOLUTION

[see Appendix for Board-approved revisions concerning the crypt, pending adoption by the congregation]

Section 1. If at some future date this Society considers voting to disband and dissolve, its members are enjoined to remember that the Society has contracted to provide perpetual maintenance for its burial crypt. Any dissolution, voluntary or involuntary, must first commit any remaining assets of the Society to the perpetual maintenance of this crypt. Negotiations shall seek a suitable organization which, in exchange for the assets of the Society (or some portion thereof), will accept the obligations which this Society would be relinquishing by dissolution. Any assets in excess of requirements for crypt maintenance shall be transferred to a recognized Unitarian Universalist organization, which may also be the organization accepting crypt responsibility.

These provisions are not intended to inhibit any future merger of the First Unitarian Society with some other congregation if the merged society accepts responsibility for maintaining the crypt.

Section 2. Any action by the Society to merge or to dissolve shall require a two-thirds vote at a meeting specially called for that purpose and announced to the members in writing at least thirty days in advance.

APPENDIX

Introduction

Bylaw revisions approved by the Board of Trustees May 19, 2016 for consideration by the congregation appear below.

1. **Responsibilities of Officers**, updating the bullet points at Article V, Section 5.a
2. **Fiscal Affairs**, substantially changing Article X and correcting a sentence early in Article XII

The congregation did not receive the final text of these revisions in time for informed action at the May 22, 2016 Annual Meeting. They will be considered at a congregational meeting later in 2016.

1. Responsibilities of Officers

ARTICLE V: MEETINGS AND ELECTIONS

Section 5. Officers of the Society

- a. Officers are President, Vice President, Secretary, and Treasurer. All officers serve one-year terms and may serve consecutive terms. The President and Vice President must be Trustees.
 - The **President** presides at all meetings of the Society and of the Trustees, delegates responsibilities of the Trustees specified in Section 1 or as directed by the Trustees, and serves as an ex officio member of committees appointed by the Trustees.
 - The **Vice President** presides in the absence of the President and may be directed by the President to assume other of the President's responsibilities.
 - The **Secretary** is responsible for keeping a record of the proceedings of the Society and of the Board, calling meetings when requested by the Trustees, notifying members of Society meetings, and performing other duties usually associated with the office as directed by the President or the Trustees. The Secretary may enlist the assistance of other members of the society and its staff in carrying out these responsibilities.
 - The **Treasurer** is responsible for the proper recording of all monies belonging to the Society, payment of all bills, proper recording of all transactions, including those of the endowment funds, monthly reports to the Trustees, and other duties usually associated with the office as directed by the President or the Trustees. The Treasurer may enlist the assistance of other members of the society and its staff in carrying out these responsibilities.

2. Fiscal Affairs

ARTICLE X: FISCAL AFFAIRS

Section 1. Endowment Funds *[replaces previous Sec. 1 Definitions, Sec. 5 Endowment and Special Funds, Sec. 6 Percentage of the Market Value of the Endowments Available for Use as Investment Earnings, and Sec. 7 Capital Withdrawal]*

- a. The Endowment Fund consists of those assets donated to or held by the Society and invested for long-term financial stability of the Society, its buildings, and its burial crypt.
- b. The Endowment Fund is invested so as to secure an annual income and a long-term accretion of value. It is invested as determined by the Trustees upon the recommendation of the Finance Committee, with major changes approved by the membership.
- c. Other funds donated for specific purposes may be separately invested and similarly managed.
- d. The Society may annually withdraw 5% of the average annual value of the Endowment Fund as income from the Fund, to be used primarily for maintenance of the Society's property. The Treasurer reports the average value of the Endowment Fund as of January 1 of each year, based on its closing values in the previous four quarters.
- e. Withdrawals beyond 5% from the Endowment Fund are limited to financial emergencies, such as major building repairs. Such withdrawals may only be taken when approved by two-thirds of the members of the Society present and voting.

Section 2. Fiscal Year

The fiscal year begins July 1 and ends June 30.

Section 3. Budget

The budget for each fiscal year is approved at the Annual Meeting that precedes that fiscal year. Individual items in the budget may be altered by congregational vote. The Trustees monitor the budget and actual income and expenses throughout the year. Shortfalls in income or excesses in expenses that may emerge as a year goes on must be balanced by reducing expenses or by increasing income.

Section 4. Financial Controls and Accounting

The Society follows internal control procedures suggested by the Unitarian Universalist Association and uses standard church accounting practices.

Section 5. Expenditures and Loans

The Treasurer and the Trustees may delay expenditures until cash is available. Any surplus at the end of the fiscal year may be retained as a reserve for future years. The Trustees may authorize expenditures exceeding the budget by no more than \$10,000 and only to the extent that actual income exceeds the budgeted amount.

Section 6. Social Concerns and Religious Purposes

The Trustees may take appropriate social concerns into account in determining how to invest the endowment. They may also include within the proposed program budget of the church donations for social and religious purposes.

ARTICLE XII: DISSOLUTION

Section 1. Responsibility for Burial Crypt

If at some future date this Society considers voting to disband and dissolve, its members are enjoined to remember that the Society is obligated to provide perpetual maintenance for its burial

crypt. [The remainder of this extensive section not addressed by proposed Finance-related revisions. No further revisions to this section are proposed.]

DELETIONS AND INSERTIONS YIELDING THE PRECEDING REVISIONS

Article V, Section 5.a

- a. Officers are President, Vice President, Secretary, and Treasurer. All officers serve one-year terms and may serve consecutive terms. The President and Vice President must be Trustees.
- The President ~~shall~~ presides at all meetings of the Society and of the Trustees ~~and of the Society~~, delegates responsibilities of the Trustees specified in Section 1 or as directed by the Trustees, and serves as an ex officio member of committees appointed by the Trustees.
 - ~~A President elect or~~ The Vice President presides in the absence of the President and may be directed by the President to assume other of the President's responsibilities.
 - The Secretary ~~shall keep~~ is responsible for keeping a record of the proceedings of the Society and of the Board and of the Society, calling meetings when requested by the Trustees, notifying members of Society meetings, and performing other duties usually associated with the office as directed by the President or the Trustees. The Secretary may enlist the assistance of other members of the society and its staff in carrying out these responsibilities.
 - The Treasurer ~~shall receive~~ is responsible for the proper recording of all monies belonging to the Society, payment of all approved bills, keep correct accounts proper recording of all transactions, including those of the endowment funds, ~~report~~ monthly reports to the Trustees, and ~~perform~~ other duties usually associated with the office as directed by the President or the Trustees. The Treasurer may enlist the assistance of other members of the society and its staff in carrying out these responsibilities.

Article X

Section 1. ~~Definitions~~ a. Endowment Funds

- ~~1. The Permanent Endowment Fund consists of those assets donated to the Society with the donor's restriction that the value of the principal (annually adjusted for inflation) not be spent. Interest, dividends, and capital appreciation beyond that required to maintain the inflation-adjusted principal may be spent as restricted in Section 6.~~
- ~~2. The Unrestricted Endowment Fund, formerly known as the Fund for the Eighties, consists of those assets obtained by the Society without restriction as to the expenditure of the principal and held with the intent that the Society retain the assets long term and use only the investment earnings there from for current expenditures. Interest, dividends, and capital appreciation may be spent as restricted in Section 6. The principal of the Unrestricted Endowment Fund may be used as specified in Section 7.~~

~~a.~~ b. Special Purpose Funds

~~b. 1. The Crypt Fund is a special purpose restricted fund. Its principal is available only for purposes of special crypt maintenance or expansion.~~

~~c. 2. The Property Reserve Fund is a special purpose fund limited in use to major projects of building repair, based upon long range planning by the Trustees.~~

~~d. c. Other Fiscal Terms~~

~~e. 1. Investment earnings: all interest, dividends, and capital appreciation from invested assets.~~

~~f. 2. Capital withdrawal: withdrawals of principal made from the Unrestricted Endowment Fund.~~

a. The Endowment Fund consists of those assets donated to or held by the Society and invested for long-term financial stability of the Society, its buildings, and its burial crypt.

b. The endowment is invested so as to secure an annual income and a long-term accretion of value. It is invested as determined by the Trustees upon the recommendation of the Finance Committee, with major changes approved by the membership.

c. Other funds donated for specific purposes may be separately invested and similarly managed.

d. The Society may annually withdraw 5% of the average annual value of the Endowment Fund as income from the Fund, to be used primarily for maintenance of the Society's property. The Treasurer reports the average value of the Endowment Fund as of January 1 of each year, based on its closing values in the previous four quarters.

e. Withdrawals beyond 5% from the Endowment Fund are limited to financial emergencies, such as major building repairs. Such withdrawals may only be taken when approved by two-thirds of the members of the Society present and voting.

Section 2. The fiscal year ~~shall~~ begins July 1 and ends June 30.

Section 3. Budget

The budget for each fiscal year ~~shall be~~ is approved at the Annual Meeting ~~which~~ that precedes that fiscal year. Individual items in the budget may be altered by congregational vote ~~but the budget approved must be balanced. It is the responsibility of t~~ The Trustees to monitor the budget and actual income and expenses throughout the year. Shortfalls in income or excesses in expenses that may emerge as a year goes on must be balanced by reducing expenses or by increasing income.

Section 4. ~~Investment Finance Committee~~ Financial Controls and Accounting

~~a. The Investment Committee shall direct the investment of church assets so as to provide maximum yield with recognition of appropriate risk. The Investment Committee is expected to act with the care, skill, and diligence that would be applied by a prudent investor, acting in a like capacity and knowledgeable in the investment of endowment funds, with appropriate safeguards and diversity. The committee must deal with or through reputable brokers or other agents. All major decisions, including buying or selling of funds in excess of 25% of the market value of endowment funds, must be approved in advance by the Trustees.~~

- ~~b. The Investment Committee shall consist of a Chair and at least two other members appointed by the Trustees, each to serve staggered terms of three years. No member shall serve more than six consecutive years.~~
- ~~c. The Committee shall meet at least quarterly.~~
- ~~d. The Committee shall be accountable, and shall report at least quarterly, to the Trustees for oversight and policy direction for investment of church funds.~~
- ~~e. The Committee shall report its deliberations and decisions in writing to the Society at least once yearly at the Annual Meeting and at other times as directed by the Trustees or the Society.~~

The Society follows internal control procedures suggested by the Unitarian Universalist Association and uses standard church accounting practices.

Section 8 5. Expenditures and Loans

~~Within the limits on capital withdrawal, the Trustees may exceed the expenditures authorized by the Annual Meeting by as much as \$5,000 without seeking the approval of the Society. The Trustees are authorized to borrow money to meet capital improvement or other extraordinary expenditures on condition that the payment of such loans in within the budgetary and capital withdrawal limitations of Section 6.~~

The Treasurer and the Trustees may delay expenditures until cash is available. Any surplus at the end of the fiscal year may be retained as a reserve for the following year future years. The Trustees may authorize expenditures exceeding the budget by no more than \$10,000 and only to the extent that actual income exceeds the budgeted amount.

Section 9 6. Social Concerns and Religious Purposes

The Trustees may take appropriate social concerns into account in determining how to invest the endowment. They may also include within the proposed program budget of the church donations for social ~~or~~ and religious purposes.

Article XII, Section 1, first sentence

Section 1. Responsibility for Burial Crypt

If at some future date this Society considers voting to disband and dissolve, its members are enjoined to remember that the Society ~~has contracted~~ is obligated to provide perpetual maintenance for its burial crypt.