

Changes to the By-Laws and Policies Regarding the Endowment

1.0 Initial proposal:

- 1.1 In January of 2017 the Board of Trustees presented to the Congregation a proposal to create an Endowment Fund for long-term financial planning for UUFCM.
- 1.2 The Congregation voted unanimously that day to empower the Board to execute the proposal, create an Endowment, and begin investing.

2.0 The salient points of the approved proposal were:

- 2.1 Modify the By-laws to allow the Board to create and manage an endowment fund on behalf of the Congregation.
- 2.2 Create a voting procedure by which the Board and Congregation maintain authority over the Endowment.
- 2.3 Create a policy describing how the Board would invest and monitor the money in the Endowment, and report back to the Congregation endowment fund activities.
 - 2.3.1 We are going to continue to invest part of our financial reserves with Edward Jones.
 - 2.3.2 We are going to take some of our financial reserves (minimum \$10,000) and invest in the Unitarian Universalist Common Endowment Fund (UUCEF).
- 2.4 Create a policy that would describe how to create, approve, and execute a plan regarding the Endowment.
 - 2.4.1 We need a plan to follow.
 - 2.4.2 The first Plan was to collect Endowment donations (and reinvest all growth and dividends) until we have at least \$100,000 – the approximate annual operating costs for 2017-2018.

3.0 Here are the proposed Article changes for the UUFCM By-laws

- 3.1 We modified Article 8, which governed how the Congregation votes on proposals
 - 3.1.1 Any proposal regarding the Endowment must receive a 2/3 super-majority of the Board before it can even be considered by the Congregation
 - 3.1.2 Board-endorsed proposals need a 2/3 super-majority of the Congregation to pass.
 - 3.1.3 Recall that we the Congregation felt that we should set a very high bar and follow through on only those proposals that won approval of the congregation.
 - 3.1.4 Also, note that most of the matters that we vote on are won with near unanimous support – we rarely vote on matters that are not well-thought out.
- 3.2 We added Article 14 that empowers the Board to create a fund, invest the money, monitor activities, and report back to the Congregation.
 - 3.2.1 We are keeping the Articles of the By-laws in a logical order. So, the endowment becomes number 14 with other financial governance Articles.

3.2.2 We thusly had to re-number the subsequent Articles. Old 14 becomes 15, old 15 becomes 16, and so forth.

4.0 You will also find the proposed Policy for the Endowment, which has 3 parts:

4.1 First part is about governance and reports to the Congregation.

4.2 Second part is about the creation, approval, and execution of Plans

4.3 Third part is about accepting funds. The Fund is always accepting donations. But, we want to avoid donations with conditions or “strings” attached. We want donors to trust the Board and Congregation as we develop plans.

ARTICLE 8: Voting and Quorum of Congregational Meetings

8.0 A simple majority shall decide all motions, other than motions regarding the UUFCM Endowment (See Article 8.1), requiring a vote of the Members, provided that the required quorum is present.

8.1 When voting on issues regarding the UUFCM Endowment (See Article 19), voting requirements are as follows:

8.1.1 A proposed action involving the UUFCM Endowment must be approved first by a simple majority of a voting quorum of the Board of Trustees (See Article 6) before the proposed change in accounts may be considered by the Congregation.

8.1.2 A Board-of-Trustees-approved proposal involving the UUFCM Endowment must be approved by a 2/3 “super majority” of a voting quorum of the Congregation.

8.2 There shall be no absentee votes or proxy votes.

8.3 Thirty percent (30%) of the Members shall constitute a voting quorum, except as otherwise provided in these bylaws.

ARTICLE 14: UUFCM Endowment

14.0 UUFCM shall designate money for long-term financial planning of UUFCM and name the accounts holding the money for long-term financial planning the “UUFCM Endowment.”

14.1 Accounts comprising the UUFCM Endowment shall be separate from any banking accounts used to maintain the day-to-day operations of UUFCM.

14.2 The Treasurer shall keep a record of all holdings and accounts comprising the UUFCM Endowment on behalf of the Board of Trustees and the Congregation.

14.3 Any actions regarding investments, accounts, institutions holding accounts, plans for using the UUFCM Endowment money, or disbursements or disbursement rates shall be approved by the Board of Trustees and congregation by a special voting procedure describe in Article 8.1.

Policy regarding governance of the UUFCM Endowment

1.0 Governance

1.1 The UUFCM Endowment may include any number of accounts and of any type (e.g., banking, money market, common endowment funds) provided the institution holding an account part of the UUFCM Endowment is appropriately and legally licensed and insured to provide appropriate financial management.

1.2 The Treasurer shall keep a record of all holdings and accounts comprising the UUFCM Endowment on behalf of the Board of Trustees and the Congregation.

1.3 The Treasurer shall make at least quarterly a report regarding UUFCM Endowment holdings and activities to the Board of Trustees.

1.4 The Board of Trustees shall at least annually report regarding UUFCM Endowment holdings and activities to the Congregation.

2.0 Plans

2.1 The Board of Trustees shall develop a Plan for the UUFCM Endowment Fund. A Plan shall include the following components:

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| 2.1.1 | Goal: | The future use of the money in the fund; |
| 2.1.2 | Target Amount: | The amount of money necessary to achieve the Goal; |
| 2.1.3 | Target Date: | The date at which the money is needed. |

2.2 A Plan or changes to a current Plan shall be approved by the Board of Trustees and Congregation as described in Article 8.1 of the By-Laws of the UUFCM.

2.3 There may be more than one active Plan at a time.

2.4 The Treasurer with the consent of the Board of Trustees shall execute a Plan approved by the Congregation.

3.0 Contributions

3.1 Contributions made to UUFCM Endowment are accepted at any time.

3.1.1 Checks or distributions from Donors are to be payable to "UUFCM" and indicated to the Treasurer to be deposited in an account of the UUFCM Endowment.

3.1.2 The Treasurer shall ensure that contributions to UUFCM Endowment are deposited in a UUFCM Endowment account.

3.2 Contributions made to the UUFCM Endowment shall be added to the fund and included in the active Plans.

3.2.1 A contribution to the UUFCM Endowment is not to be accepted for non-Plan activities or used to create a new Plan.

3.2.2 Contributions to UUFCM Endowment shall not be added to the general banking accounts used for day-to-day operations of UUFCM.