

**First Unitarian Universalist Church of Austin  
Spring Pre-Congregational Meeting  
Agenda of Meeting (And Draft for Congregational Meeting)  
Sunday, April 18, 2010 1:30 P.M.**

I.	Call to Order	Nell Newton	5 minutes	1:30
II.	Adopt Agenda and Rules (for Cong. Meeting, not needed for Pre-Cong.)	All	5 minutes	1:35
III.	Reading and Lighting of Chalice	Janet Newman	5 minutes	1:40
IV.	Approval of Minutes from Prior Meeting (for Cong. Meeting, not needed for Pre-Cong.)	Nell Newton	5 minutes	1:45
V.	Discussion and Action Items			
	A. Proposed Bylaws Change Regarding Membership (Page 2)	Sean Hale	5 Minutes	1:50
	B. Second Vote on Grammatical Changes to FAMP (Page 11)	Kae McLaughlin	2 Minutes	1:55
	C. Presentation of Nominated Board Slate, Committee Chairs Proposed to the Board and Nominating Comm. Members (Page 19)	Nominating Committee	10 Minutes	1:57
	D. Settled Minister Search Committee	Michael West	13 Minutes	2:07
	E. Presentation of Covenant of Right Relationship	Janet Newman and Transitions Team	15 Minutes	2:20
VI.	Closing Words	Nell Newton	5 Minutes	2:35
VII.	Adjourn			2:40

# **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, December 13, 2009, and May 16, 2010.-

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

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 creedal requirements for membership. Signature in the membership book and a contribution of record are the basic requirements. 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~~13 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~~13 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 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: 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: 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: 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.

# 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 ~~/ 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 review by an independent audit committee as required and directed by the Board of Trustees..

### **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:

**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.

**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.

**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.

**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.

**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.

---

<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 poll 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 may be 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.

## Nominating Committee Leadership Slate May 2010

### Candidates to be approved by the congregation

Officer And Trustee	Nominees
President	Eric Stimmel
Vice President	Chris Jimmerson
Ex-officio Past President	Nell Newton
Secretary	Klondike Steadman
Treasurer	Kae McLaughlin
Trustee 2010-2013	Eric Hepburn
Trustee 2010-2013	Susan Thomson

#### Nominating Committee Nominees

2009-2011	Tyler Anderson
2009-2012	Mike LeBurkien
2010-2013	Linda Buehlmann

### Candidates to be appointed by the board

#### Nominating Committee Suggestions for Board Appointees (to be voted on during April meeting)

Nominating Committee 2010-2011 .....	Amy McFadden
Nominating Committee 2010-2011 .....	Sandra Ries
Congregational Care .....	Pat Walters
Memorial Services .....	Rose Ann Reeser
Denominational Affairs .....	John Keohane
Facilities .....	John Payne and Charles Galloway
Alternate Space Gallery .....	Genie Martin & Jane Parsons
Bookstore .....	Melanie Walter-Mahoney
Flowers and Indoor Plants .....	Barb Denny
Grounds .....	Paige Hill
Library .....	Stephanie Canada & Andi Windham
Media .....	Tom Martin & Becky Moon
Fellowship Committee .....	<i>Currently inactive</i>
Finance Committee .....	Stephan Windsor
Green Sanctuary Committee .....	Sylvia Pope
Human Resources Committee .....	Sheila Gladstone
Information Tech Website Team .....	Dave Matthis
Information Tech Help Desk .....	Andi Windham
Long Range (Strategic) Planning .....	<i>Recommend that the board add it to the inactive list</i>
Membership Committee .....	Jacob Williamson & Cyndi Loudon
Usher Greeter .....	Kitty Traylor
Sharing Suppers .....	Linda Buehlmann
Public Affairs Forum Committee .....	Cris Cunningham & David Kobierowski
Religious Education Committees	
Adult Religious Education .....	Mike LeBurkien
Children's Program .....	Vicky Bailey-Miller
Social Action Committee .....	Corinna Whiteaker-Lewis & Eric Hartman
Stewardship Committee .....	Bill Edwards
Endowment Fund .....	Rose Ann Reeser
Memorial Butterflies .....	Rose Ann Reeser
Worship Services Committee .....	Carol Ginn

#### Currently Inactive Committees

Building Committee  
 Facilities sub-committee: Archives  
 PR, Marketing, and Advertising Committee  
 Youth Program Committee