

# **BYLAWS**

## **Minnesota Valley Unitarian Universalist Fellowship**

**Adopted May 20, 2007,  
Amended May 16, 2010  
Amended May 15, 2011  
Amended May 6, 2012  
Amended May 16, 2015**

## Table of Contents

### **Article I. Name**

1.1

### **Article II. Purpose**

2.1

### **Article III. Membership**

3.1. Members

3.2 Qualifications

3.3 Membership Roll

3.4 Certification of Membership

3.5 Liability

3.6 Termination or Suspension

3.7 Membership Privileges

### **Article IV. Meetings**

4.1 Annual Meetings of Members

4.2 Special Meetings of Members

4.3 Notice

4.4 Absentee Ballots

4.5 Quorums

4.6 Record Date

### **Article V. Board of Trustees**

5.1 Management

5.2 Composition

5.3 Meetings

5.4 Responsibilities

5.5 Compensation

5.6 Liability

5.7 Conflicts of Interest.

5.8 Resignation

5.9 Transition

### **Article VI Officers**

6.1 Fellowship Officers

6.2 Duties of Officers

A. Chair

B. Chair-Elect

C. Secretary

D. Treasurer

6.3 Bonds

6.4 Standard of Care

### **Article VII. Program Council**

7.1 Composition

7.2 Meetings

7.3 Consensus

7.4 Board Review

7.5 Responsibilities

### **Article VIII. Indemnification**

8.1 Mandatory

8.2 Standards

8.3 Insurance

### **Article XIX. Committees**

9.1 Nominating Committee

9.2 Committee on Shared Ministry

9.3 Succession

9.4 Other Duties

### **Article X. Minister**

10.1 Selection

10.2 Employment Contract

10.3 Freedom of Expression

10.4 Resignation, Dismissal or  
Suspension

### **Article XI. Community Minister**

11.1 Association with the Fellowship

### **Article XII. Miscellaneous Provisions**

12.1 Fiscal Year

12.2 Rules of Order

12.3 Amendments

12.4 Endowment Fund

### **Article XIII. Dissolution**

13.1 Property Disposition

### **History of Amendments**

### **Addendum A – Permanent Endowment Fund Operating Rules**

The Minnesota Valley Unitarian Universalist Fellowship, having been established in 1966 as a non-profit corporation, adopts this document, pursuant to Minnesota Statutes, Chapter 317A, to regulate and manage its affairs.

## **ARTICLE I**

### **Name**

1.1 The name of this religious society is The Minnesota Valley Unitarian Universalist Fellowship (“the Fellowship”).

## **ARTICLE II**

### **Purpose**

2.1 The purpose of this Fellowship is to provide opportunities to liberal religious persons for the study and practice of religion together, to disseminate knowledge of Unitarian Universalism, and to further its principles.

## **ARTICLE III**

### **Membership**

3.1 **Members.** The membership of the Fellowship consists of one class of members, all members having equal voting rights, subject to section 3.2.

3.2 **Qualifications.** Any person at least fifteen (15) years old, who subscribes to this Fellowship’s purpose, can become a member by applying in writing, signing a financial pledge, and being approved by the Board. Members must make the minimum contribution of record to the current operating budget by the end of each fiscal year. Members renew their membership annually by signing a financial pledge.

3.3 **Membership Roll.** The membership roll is determined at the beginning of the fiscal year by the Board and will include all those who meet the membership qualifications in section 3.2. Throughout the fiscal year, the membership roll changes only in the following ways:

- A. Members who ask to be removed from membership.
- B. Members who are removed by the Board of Trustees as specified in Section 3.6.
- C. Members who die will be removed upon notice of death.
- D. Persons who apply for membership as described in section 3.2 will be added to the membership roll upon Board approval.

- 3.4 **Certification of Membership.** Each year in January, the Board of Trustees (Board) certifies the membership roll to the Unitarian Universalist Association and Mid-America Region.
- 3.5 **Liability.** A member of the Fellowship is not, as such, personally liable for the acts, debts, liabilities or obligations of the Fellowship.
- 3.6 **Termination or Suspension.** A member cannot be terminated or suspended unless the member is given:
- A. At least fifteen (15) days prior written notice with the reason for the suspension or termination;
  - B. An opportunity to be heard orally or in writing, not less than five (5) days before the effective date of the suspension or termination. The hearing can be held by a person or persons authorized by the Board to decide that the proposed suspension or termination not take place. No hearing is required where the reason for termination or suspension is only for failure to pay at least the minimum pledge by the end of the current fiscal year or for failure to make a financial pledge by the beginning of the subsequent fiscal year, but notice required by this section must be given.
- 3.7 **Membership Privileges.**
- A. Any member of the Fellowship may attend Board and Program Council Meetings.
  - B. Members are eligible to vote at duly called Fellowship meetings.

## **ARTICLE IV**

### **Fellowship Meetings**

- 4.1 **Annual Meetings of Members.** The Annual Meeting can be held any time in May at a time and place set by the Board. At the Annual Meeting of the members:
- A. There must be an election of successors for officers and Board members whose terms have expired or whose terms expire at the end of the fiscal year;
  - B. There must be a report or reports on the activities and financial condition of the Fellowship;
  - C. The members must consider and act upon other matters as may be raised consistent with the notice of meeting requirements.
- 4.2 **Special Meetings of Members.** Special meetings can be called by the Board or at the written requests of ten (10) percent of the reported members. After receipt of a written request for a special meeting to any officer of the Board, the special meeting

- must be held within sixty (60) days of such receipt. The notice for a special meeting shall state the purpose of the meeting. No other business may be transacted at such a meeting.
- 4.3 **Notice.** Written notice of any meeting must be given to each member entitled to vote by the Board at least twenty (20) days before the meeting. Additional notice is not required if the date, time and place of a meeting are announced at the time of the adjourned meeting.
- 4.4 **Absentee Ballots.** Absentee voting is not permitted unless authorized as provided in Article V, 5.4.J.
- 4.5 **Quorums.** Thirty (30) percent of members constitute a quorum to conduct business (other than calling a minister – see §10.1) at any meeting of members.
- 4.6 **Record Date.** The Board must set the record date for any meeting of members. The record date is the date by which members must meet all membership requirements in 3.2 and are thereby entitled to notice of, and to vote at, the meeting. After those entitled to vote have been established, any conditions under which members can vote must be applied to all members equally.

## **ARTICLE V**

### **Board of Trustees**

The powers of the Fellowship reside in the congregation and can be exercised at duly called meetings of its members. There is a Board of Trustees which can act for the membership of the Fellowship between annual or business meetings.

- 5.1 **Management:** The affairs of the Fellowship are managed by the Board of Trustees which is the highest administrative, policymaking, long-range planning and visioning body of the Fellowship.
- 5.2 **Composition:** The Board of Trustees consists of the Chair, Chair-Elect, and five elected trustees. In even numbered years two Board members and the Chair-Elect are elected for two-year terms; in odd numbered years, three Board members and the Chair-Elect are elected for two-year terms. The Chair-Elect automatically becomes the Chair in the second year of his/her term. The Board will select a Secretary each year from among its members. Board members are limited to three consecutive terms and must be members in good standing of MVUUF. The minister and director of religious education are non-voting ex-officio members of the Board.
- 5.3 **Meetings:** The Board of Trustees meets monthly.

A. Regular meeting dates, times and places are established by resolution at the first meeting of the fiscal year but can be changed as determined by the Board. This information will be published and the meetings are open to all Fellowship members.

B. Special meetings of the Board can be called by any member of the Board by giving at least ten (10) days written notice to all Board members. If 51 percent of the members of the Board agree the ten-day notice provision can be waived.

C. Meetings shall require a quorum of 51 percent of members of the Board to conduct business. The meeting is governed by Robert's Rules of Order except as modified by these bylaws.

**5.4 Responsibilities:** The Board of Trustees shall:

- A. Oversee Fellowship programs and finances.
  - (1). Take general charge of the property of the Fellowship.
  - (2). Conduct Fellowship business, including approval of contracts and other documents required for Fellowship business.
  - (3). Control and direct the administration of the Fellowship and employ all persons necessary to fulfill its administration.
  - (4). Oversee the annual budget and overall finances of the Fellowship.
  - (5). Provide direction, oversight and support to committees and committee chairs.
- B. Conduct long-range planning and visioning.
- C. Set, review and revise policies and procedures.
- D. Delegate authority to make decisions, act, and define procedures, as appropriate.
- E. Monitor the effectiveness and performance of committees. To do this the Board shall:
  - (1). Approve the establishment and dissolution of committees.
  - (2). Approve the appointment of committee chairs nominated by the committees.
  - (3). Dismiss committee chairs for cause.
  - (4). Assign one Trustee per committee as a liaison and resource.
- F. Appoint interim members to fill vacancies on the Board and Program Council.
- H. Hire and terminate staff except for the minister whose hiring must be approved by the membership.
- I. Cultivate and oversee Fellowship leadership development processes and programs.
- J. Determine whether to authorize the use of absentee ballots at Fellowship business meetings.
- K. Approve applications of individuals into membership.
- L. Approve the amount of the minimum pledge.
- M. Name one member to serve on the Nominating Committee

- 5.5 **Compensation.** Board members are not compensated for their service on the Board. An employee of the Fellowship cannot be a member of the Board. Board members may be reimbursed for expenses incurred on behalf of the Fellowship.
- 5.6 **Liability.** Members of the Board, being uncompensated, are immune from civil liability for acts or omissions made in good faith, if within the scope of their responsibility, and if the acts or omissions did not constitute willful or reckless misconduct.
- 5.7 **Conflicts of Interest.** A contract or other transaction between the Fellowship and a member of the Board or the member's family is not void or voidable if:
- A. The contract or transaction was fair and reasonable as to the Fellowship when it was approved.
  - B. All material facts concerning the contract or transaction and the member's interest are fully disclosed and known to the other Board members and documented in the Board minutes.
  - C. The contract or transaction is approved by a majority of the Board members, not counting the interested member.
- 5.8 **Resignation.** A Board member can resign at any time by giving written notice to the Chair or Chair-Elect. The resignation is effective without acceptance when the notice is given to the Chair or Chair-Elect unless a later effective time is specified in the notice.
- 5.9 **Transition.** The following special procedures will apply to the first election after these bylaws are approved. The Chair and two Trustees will be elected for one-year terms. The Chair-Elect will be elected for a two-year term, the first year to be served as Chair-Elect and the second as Chair. The Treasurer and two additional Trustees will be elected for two-year terms. The election procedures described in section 5.2 will be used in subsequent years.

## **ARTICLE VI**

### **Officers**

- 6.1 **Fellowship Officers.** The officers of The Fellowship are a Chair, a Chair-Elect, a Treasurer, and a Secretary who is elected by the Board from the Trustees, as set forth in Article V, 5.2, with the terms of office provided therein. The Treasurer is elected at the Annual Meeting in odd-numbered calendar years for a two-year term.

## 6.2 Duties of Officers.

### A. Chair. The Chair:

- (1) has general active management of the business of the Fellowship;
- (2) when present, presides at the meetings of the Board and of the members;
- (3) is responsible for assuring that orders and resolutions of the Board are carried into effect;
- (4) signs and delivers in the name of the Fellowship deeds, mortgages, bonds, contracts, and other instruments pertaining to the business of the Fellowship, except in cases in which the authority to sign and deliver is required by law to be exercised by another person, or is expressly delegated by the articles, Bylaws or by resolution of the Board to another officer or agent of the Fellowship.
- (5) maintains records of and, when necessary, certifies proceedings of the Board and its members; and
- (6) performs other duties prescribed by the Board and set forth in the *Policies and Procedures Manual*.

### B. Chair-Elect. The Chair-Elect:

- (1) is vested with all powers of and performs all duties of the Chair in the Chair's absence or inability to act, but only so long as such absence or inability continues;
- (2) serves as Chair in the second year of the term of the Chair-elect;
- (3) presides over the Program Council;
- (4) assists the Chair as needed;
- (5) performs other duties prescribed by the Board and set forth in the *Policies and Procedures Manual*.

### C. Secretary. The Secretary:

- (1) keeps minutes of meetings of the Board, special congregational meetings and the Annual Meeting, and preserves them for the Fellowship;
- (2) is responsible for giving notices required by these bylaws or at the direction of the Board;
- (3) prepares any necessary certified copies of records; and
- (4) performs other duties prescribed by the Board and set forth in the *Policies and Procedures Manual*.

**D. Treasurer.** The Treasurer:

- (1) keeps accurate financial records for the Fellowship;
- (2) deposits money, drafts and checks in the name of and to the credit of the Fellowship in the banks and depositories designated by the Board;
- (3) endorses for deposit notes, checks and drafts received by the Fellowship as ordered by the Board, making proper vouchers for the deposit;
- (4) disburses Fellowship funds and issues checks and drafts in the name of the Fellowship, as ordered by the Board;
- (5) upon request, provides to the Chair and the Board an account of transactions by the Treasurer and of the financial considerations of the Fellowship;
- (6) submits its records to the audit committee in June of each year; and
- (7) performs other duties prescribed by the Board and set forth in the *Policies and Procedures Manual*.
- (8) must be a member in good standing of MVUUF.

**6.3 Bonds.** The Board may require bonds of officers or other persons, as it deems necessary to protect The Fellowship.

**6.4 Standard of Care.** An officer must discharge the duties of his or her office in good faith in a manner the officer reasonably believes to be in the best interest of the Fellowship, and with the care an ordinarily prudent person in like position would exercise under similar circumstances. If the duties or functions of an officer are delegated to another person, that person is considered an officer for liability purposes.

## **Article VII**

### **Program Council**

The Program Council is composed of the committee chairs who implement the programs that enable the Fellowship to meet its mission and purpose. The purpose of Program Council meetings is to facilitate the coordination of Fellowship program activities. The meetings are to promote cooperation among program areas where multiple programs may be in a position to contribute and to avoid or resolve conflicts (such as in resources or scheduling) among program areas. Program Council meetings are open.

**7.1 Composition:** The Program Council shall consist of all chairs of Board approved committees of the Fellowship and any other interested members of the Fellowship as

well as the Board of Trustees Chair-Elect. The minister and director of religious education are ex-officio members of the Program Council.

**7.2 Meetings:** The Program Council meets quarterly and is chaired by the Chair-Elect of the Board of Trustees. Meeting dates, times and places are established at the first meeting but can be changed as determined by the Program Council. Meeting information shall be posted to provide notice of the meetings to all Fellowship members.

**7.3 Consensus:** The standard operating mode for Program Council meetings is a group discussion, guided by a prepared agenda, led by a chair (the Chair-Elect), with intent to make decisions by consensus.

7.3.1. Consensus is defined as “a method of making decisions through which a group strives to reach substantial, though not necessarily unanimous, agreement which can be supported by all.”

7.3.2. When, in the judgment of the chair, no consensus can be reached, the Chair may temporarily impose Robert’s Rules of Order on the Council and call for a vote of the committee chairs present. Any three committee chairs issuing a joint call may also compel the Chair to invoke *Robert’s Rules of Order*. After the decision is reached, the chair may set aside *Robert’s Rules of Order*.

7.3.3. Quorum. At least fifty (50) percent of the committee chairs must be present to have a quorum. The Chair counts towards a quorum.

7.3.4. The Program Council Chair may only vote at Program Council meetings to break a tie.

**7.4 Board Review.** The Board may review any decision of the Program Council. The Board has the authority to revise or overturn any decision of the Program Council. Program Council decisions that are within the scope of its authority shall be considered “approved and in effect” unless and until a Board review changes the decision.

**7.5 Responsibilities** - The Program Council shall:

- A. Lead and implement a variety of programs that enable the Fellowship to realize its purpose, vision and mission.
- B. Facilitate cooperation and coordination among program areas.
- C. Name one member to serve on the Nominating Committee.
- D. Recommend policies and procedures to the Board if appropriate.

E. Plan and coordinate the yearly calendar and events.

## **ARTICLE VIII**

### **Indemnification**

8.1 **Mandatory.** The Fellowship must indemnify officers, Board members, employees, and members acting as agents for the Fellowship when they are made or threatened to be made parties in a lawsuit against judgments, penalties, fines, including without limitation, excise taxes assessed against any one or all of them with respect to an employee benefit plan, settlements, and reasonable expenses, including attorneys' fees and disbursements, incurred in connection with such proceedings.

8.2 **Standards.** To qualify for indemnification, the persons identified in 8.1 must meet the following standards:

- A. have not been indemnified by another organization or employee benefit plan for the same liability with respect to the same act or omissions;
- B. have acted in good faith;
- C. have received no improper personal benefit as a result of a conflict of interest;
- D. in the case of a criminal proceeding, did not have reasonable cause to believe the conduct was unlawful; and
- E. that the acts or omissions were reasonably believed to be in, or were not opposed to, the best interest of the Fellowship.

8.3 **Insurance.** The Fellowship can buy and maintain insurance on behalf of any person or persons in their official capacity against liability for any acts or omissions for which indemnification is required.

## **ARTICLE IX**

### **Committees**

9.1 **Nominating Committee.** The Nominating Committee consists of five (5) members. Three (3) members and two (2) alternates are nominated by the previous years' Nominating Committee and are elected at each Annual Meeting by a majority vote. One (1) additional member is appointed by the Board from among its membership by the time the Nominating Committee meets to discharge its duties, and one (1) additional member is appointed by the Program Council from its members. The Nominating Committee prepares and presents a slate of candidates at the Annual Meeting for election.

**9.2 Committee on Shared Ministry** The Committee on Shared Ministry will assist the Board in its duties of oversight by attending to and evaluating the effectiveness of the resources used to respond to the diverse needs of our congregation and the community's needs for ministry. This will include mission, vision, policies, programming and other components of the Fellowship's shared ministry.

The Committee reviews and facilitates the inter-relationships between Minister, Board, Program Council, staff and members, and reports the results of the review to the appropriate parties. The Committee annually reviews the minister-congregation relationship and reports the results of the review to the Board. The Committee will be comprised of at least three (3) members, preferably five (5) members, appointed by the Board of Trustees for three-year terms, which terms are overlapping. Once a member's term is over, the member must wait two years before being able to serve on the committee again. If a member determines that s/he is unable to complete the designated term, the Board of Trustees will identify a replacement to serve out the balance of the original term or for a period of time not to exceed three years.

**9.3 Succession:** Each committee will nominate a member(s) in March or April for appointment by the Board of Trustees to be committee (co-) chair the following fiscal year.

**9.4 Other Duties.** Duties and responsibilities of these or other committees can be augmented or diminished as the Board determines.

## **ARTICLE X**

### **Minister**

**10.1 Selection.** The minister is selected by the members of The Fellowship on recommendation of the Ministerial Search Committee, at a meeting called for that purpose. Fifty percent (50%) of the members are required for a quorum. Approval by eighty percent (80%) of the members present is necessary to select the minister.

**10.2 Employment Contract.** The employment contract must be approved by the Board. All renewals, extensions and modifications of the employment contract are approved by the Board.

**10.3. Freedom of Expression.** The minister is free to speak from the pulpit without restrictions.

**10.4. Resignation, Dismissal or Suspension.** A minister's employment contract can be terminated by resignation or dismissal. The minister must give the Board at least

ninety (90) days written notice before resignation. A minister can be dismissed on approval of the members with the same majority and quorum needed for selection, after recommendation by the Board. In any case of dismissal, the notice and hearing provisions in Article III 3.5, relating to termination of membership will apply to the minister. However, a minister can be suspended by the Board before termination is final, provided that the terms of the employment contract continue until the termination by dismissal is approved by the Fellowship members.

## **ARTICLE XI**

### **Community Minister**

11.1 **Association with the Fellowship.** The Fellowship, with approval of the Board and the assistance of the Minister, can associate with a Community Minister by written agreement. The agreement must comply with Unitarian Universalist Association Ministerial guidelines.

## **ARTICLE XII**

### **Miscellaneous Provisions**

12.1 **Fiscal Year.** The fiscal year begins July 1 and ends June 30 of the ensuing year.

12.2 **Rules of Order.** *Roberts Rules of Order Revised* govern the proceedings of all meetings of the members and of the Board, except as modified by these bylaws.

12.3 **Amendments.** The bylaws can be amended or repealed to the extent permitted by law, at any meeting of the congregation by a two-thirds (2/3) vote of those present and voting. A quorum for such a meeting is thirty percent (30%) of the membership. Notice of any proposed change(s) in these bylaws must be contained in the notice of meeting.

12.4 **Permanent Endowment Fund.** The Fellowship has established the Minnesota Valley Unitarian-Universalist Fellowship Permanent Endowment Fund. Its purpose, governance and operating procedures are defined by the Permanent Endowment Fund Operating Rules attached to the Bylaws as Addendum A and incorporated by reference.

## **ARTICLE XIII**

### **Dissolution**

13.1. **Property Disposition.** If this Fellowship dissolves, all of its property and assets must be given in trust to the Unitarian Universalist Association for the benefit of any

Unitarian Universalist church or fellowship that may be formed in the twin cities metropolitan area of Minnesota within twenty (20) years after the dissolution. If no church or fellowship is formed within the Twin Cities metropolitan area within twenty (20) years, all property and assets are given in trust for the benefit of any other Unitarian Universalist church or churches, fellowship or fellowships in the Prairie Star District; the property or assets held in trust can be used for the furtherance of Unitarian Universalism in any place or manner as the trustee determines.

### **History**

Adopted May 20, 2007

Annual Meeting May 16, 2010: amended section 9.2

Annual Meeting May 15, 2011: amended section 12.4

Annual Meeting May 6, 2012: amended sections 9.2 , 5.2, and 6.1

Annual Meeting, May 17, 2015: amended sections 3.2, added new 3.3, amended 3.3 (now 3.4), renumbered 3.4 to 3.5, amended 3.5 and renumbered to 3.6, amended 3.6, renumbered to 3.7, amended 4.6, amended 5.2, 5.4, and 6.2, and amended the Permanent Endowment Fund Operating Rules to increase the size of the Endowment Committee.

**ADDENDUM A TO MVUUF BYLAWS**

**PERMANENT ENDOWMENT FUND  
OF THE  
MINNESOTA VALLEY  
UNITARIAN-UNIVERSALIST FELLOWSHIP**

**OPERATING RULES**

Minnesota Valley Unitarian-Universalist  
Fellowship (Adopted at May 15, 2011 Annual Meeting,  
Amended at May 17, 2015 Annual Meeting)

**PURPOSE**

The Permanent Endowment Fund (“Fund”) of the Minnesota Valley Unitarian-Universalist Fellowship of Bloomington, Minnesota (“MVUUF”; “Fellowship”) is established for the purpose of providing members and friends the opportunity to make charitable gifts to MVUUF that will become part of a permanent endowment of financial support and a living memorial. The Fund is intended to be used for purposes that are not part of MVUUF’s established programs funded through the annual operating budget of the Fellowship and the regular gifts of its members.

**ADMINISTRATION**

The Fund will be administered by The Permanent Endowment Fund Committee (“Committee”) of MVUUF under the oversight of the MVUUF Board of Trustees (“Board”) through the authority granted to the Committee and the Board of Trustees in the Article XII, Paragraph 12.4 of the MVUUF BYLAWS adopted May 15, 2011. The Committee will consist of five (5) members nominated by the Nominations Committee and elected by the congregation at its annual meeting to serve a three-year term. Committee members may serve two consecutive terms and are ineligible to serve for three years thereafter. At the 2015 Annual Meeting, three members shall be elected, one for a one-year term, one for a two-year term, and one for a three-year term. The initial one-year and two-year terms shall not count for term limit purposes. Thereafter, all members will be nominated and elected by the congregation and serve three-year terms that will each end on succeeding years. If a Committee vacancy occurs during the MVUUF fiscal year, the Board of Trustees shall appoint a member to complete the vacated term. The Committee shall keep permanent records of its financial transactions and shall make a full report each year at the MVUUF Annual Meeting and as otherwise directed by the Board. The Committee shall meet as needed and at least once annually. Meetings shall be called by written notice to Committee members at least twenty (20) days in advance stating the time, place, and purpose of the meeting. The Committee shall cooperate with the MVUUF Finance Committee in assuring that a satisfactory annual report and audit process is followed.

**INVESTMENT OF ENDOWMENT FUNDS**

The Fund’s investment objectives are:

1. Prudent investment in a balanced portfolio with the goal of conserving principal and protecting purchasing power against loss through inflation.
2. Investment of assets in institutions, companies, corporations, or funds, which do not conflict with realization of Unitarian-Universalist Principles (available through the UU Common Endowment Fund).

## **LIMITATION ON USE OF PRINCIPAL**

The objectives of the Fund are to conserve principal and to distribute a maximum of 4% annually from the Fund. (If less than 4% is distributed in any year, the Board may distribute more than 4% in a subsequent year provided distributions do not exceed 4% on a cumulative basis.) Any withdrawals greater than 4% are limited to particular, temporary, difficult circumstances and must be approved by an 80% vote of MVUUF members present and voting at a special MVUUF congregational meeting called expressly for the purpose of congregational approval of principal withdrawal and use.

**Notice.** Members shall be given a 20-day written notice prior to such meeting.

**Quorum.** Fifty per cent (50%) of members shall constitute a quorum for meetings called pursuant to this paragraph.

## **GIFTS TO THE FUND**

The Committee shall have the sole authority and responsibility of accepting or rejecting all gifts of every kind, of real or personal property. Acceptance or rejection of a gift must not burden MVUUF or the Committee with any type of property management responsibility. Gifts of real property or non-cash gifts accepted by the Committee shall be converted to cash immediately upon receipt or as soon as prudently possible thereafter. The Committee shall classify gifts to the Fund on a case-by-case basis as "Designated" or "Non-designated" when the gift is received.

## **DETERMINATION OF INCOME DISTRIBUTION**

- A. The income from Designated gifts in the Fund, which also shall not exceed 4% in a given year, shall be distributed by the Committee as directed by the donors at the time their gift is accepted by the Committee, or as directed by will or other gift document if such direction is in conformity with the general purposes set forth herein.
- B. The income from Non-designated gifts in the Fund will be reinvested until distributions of \$1,000 or more can be made without exceeding the 4% maximum distribution (based on the averaged Fund values as of 3/31, 6/30/ 9/30 and 12/31 of the prior year). Distribution of income shall be made annually on April 15 of each year until income exceeds \$10,000 at which time income will be distributed quarterly on January 15, April 15, June, 15, and October 15 of each year. Distributions shall fulfill MVUUF's Mission and Vision as determined at the sole discretion of the Board of Trustees.

## **APPLICATION FOR AND DISTRIBUTION OF INCOME**

Non-designated gift income shall be available for distribution by the MVUUF Board of Trustees in response to applications for funds from regular MVUUF ministry groups. Applications for funds must be written and received in the MVUUF office not later than November 1 of each year for award the following year. Applications should describe the purpose of the use of the requested funds, applicable budget information and proposed result of the funded project. Application for funds does not guarantee award of funds. Funds not awarded on an annual basis will be available for distribution during the two following years and if not awarded in the third year they will revert to and become part of the principal of the Fund.

## **LIABILITY OF THE BOARD OF TRUSTEES AND MEMBERS OF THE COMMITTEE**

In absence of gross negligence or fraud, no member of the MVUUF Board of Trustees or Permanent Endowment Fund Committee shall be personally liable for any action or omission with respect to the Fund provided the Committee has:

1. Considered the MVUUF Mission and Vision;

2. Acted in good faith with the care a prudent person in a like position would exercise under similar circumstances;
3. Incurred only costs that are reasonable and appropriate in relation to the assets, the purpose of the Fellowship and the skills available to the Fellowship;
4. Made a reasonable effort to verify facts relevant to the management and investment of the Fund.

#### **MERGER, CONSOLIDATION, OR DISSOLUTION OF PERMANENT ENDOWMENT FUND**

If at any time MVUUF is lawfully merged or consolidated with any other Unitarian-Universalist church or fellowship, all the provisions hereof in respect to the Fund shall be deemed to have been made on behalf of the merged or consolidated church/fellowship which shall be obligated to administer the Fund in all respects and in accordance with the terms herein. If MVUUF should ever be dissolved without any lawful successor thereto, the Fund, including both principal and interest to date, shall be given to the *Prairie Star District of the Unitarian-Universalist Association of Congregations ("Association")* or its successor for inclusion in the appropriate endowment foundation of the Association.

#### **AMENDMENT**

Technical corrections and amendments to the Rules of the Fund which do not alter the stated purpose of the Fund (including the limitations on use of principal) must be approved by 80% of MVUUF members present and voting at the MVUUF Annual Meeting or at a special congregational meeting called for the purpose of amending these rules and subject to the notice requirements in MVUUF Bylaws.

#### **INCORPORATION BY REFERENCE**

Paragraph 12.4 of the MVUUF Bylaws creating the MVUUF Permanent Endowment Fund provides that these Operating Rules shall be attached to the Bylaws as Addendum A and incorporated by reference into the Bylaws.

#### **SEVERABILITY**

If any provisions or any application of any provisions of this Fund shall be held or deemed to be or shall be illegal, inoperative, or unenforceable, the same shall not affect any other provisions or any application of any provisions herein contained or render the same invalid, inoperative, or unenforceable.

#### **History:**

Amended at the 2015 Annual Meeting to expand the Endowment Committee to 5 members.