

Dear Westside Unitarian Universalist Church Board of Directors:

The Westside UU Endowment Committee proposes the following amendments to the committee bylaws:

1. The first pair of changes are to provide greater flexibility to committee membership through sizing options while maintaining an adequate size for carrying out our prescribed functions, and to allow for a slightly smaller committee during periods when church membership has fallen and operations place a greater demand on volunteers. Changes are in italics and underlined for clarity.

The original bylaws state:

## **II. Governance**

The Endowment shall be governed by the Endowment Committee, which shall consist of six members of the congregation.

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A favorable vote of four committee members or more is required to pass any motion or resolution. The Committee shall elect its own chairperson. The Committee shall report to the Board on a quarterly basis and provide a written report to the congregation at the annual meeting.

The amendment states:

## **II. Governance**

The Endowment shall be governed by the Endowment Committee, which shall consist of not less than five nor more than six members of the congregation.

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A favorable vote of a numerical majority of committee members is required to pass any motion or resolution. The Committee shall elect its own chairperson. The Committee shall report to the Board on a quarterly basis and provide a written report to the congregation at the annual meeting.

2. The second amendment adds “donations” to items included in the perpetual fund. There have been some donations to this fund, and as currently written, donations (which could include sizeable bequests) could conceivably be subject to distribution, which would be contrary to the purpose of this fund.

Original:

## **V. Contribution Management Policy**

A. Contributions will be divided into three categories.

1. Perpetual Fund – Principal will never be subject to distribution as long as the Church remains a Going Concern.

- a. Income from the previous year can be distributed. Any previous year income that is undistributed in the subsequent year will be added to the principal amount.
- b. Income includes capital gains, dividends, and interest over inflation, as measured by Consumer Price Index (CPI) as published by the Bureau of Labor Statistics.

Amendment:

## **V. Contribution Management Policy**

A. Contributions will be divided into three categories.

1. Perpetual Fund – Principal will never be subject to distribution as long as the Church remains a Going Concern.
  - a. Income from the previous year can be distributed. Any previous year income that is undistributed in the subsequent year will be added to the principal amount.
  - b. Income includes donations, capital gains, dividends, and interest over inflation, as measured by the Consumer Price Index (CPI) as published by the Bureau of Labor Statistics.
3. The third amendment modifies and updates monitoring and reporting requirements to enable electronic handling, while still making documents available to the congregation and staff. To the best of our knowledge, members have not availed themselves of the opportunity to examine the documents in the Endowment Committee binder in the church office. This amendment should reduce paper handling and duplication of effort.

Original:

## **VII. Portfolio Investment Policies**

D. Monitoring

1. The Committee will provide monthly statements to the Church membership by placing them in the church office and giving them to the treasurer.

Amendment:

## **VII. Portfolio Investment Policies**

D. Monitoring

1. The Committee shall file electronic monthly investment statements in the Committee's secure online filing system and shall provide copies to the treasurer. Copies shall be provided to members of the congregation and church staff within seven days of a request.

4. The fourth amendment adds Section VIII to the committee bylaws and is to work in conjunction with an amendment proposed to Section 10.4.2 of the church bylaws. These two bylaws amendments provide additional clarity. The church secretary pointed out that, as written, the church bylaws might permit the committee to modify its own bylaws without congregational or board approval, which was not intended by the committee's founders and could be very problematic. This section is copied directly from Article 15 of the church bylaws, minus a short section, "so far as allowed by law."

**VIII. Amendment:** *These bylaws may be amended or revised at any business meeting of the Church by a two-thirds majority of the members present. The congregation may change both the wording and the intent of any proposed amendment. Notice of any proposed change shall be contained in the notice of the business meeting, which must be sent to the membership at least fourteen days prior to the meeting.*