

# Westside Unitarian Universalist Church

Proposed Bylaws and Policy Amendments – June 12, 2022

## No. 1: Proposed amendment to Section VII.A.5.

### *Current version:*

Outlined below are the long-term strategic asset allocation guidelines, determined by the Committee to be the most appropriate, given the Fund's long-term objectives and short-term constraints. Portfolio assets will, under normal circumstances, be allocated across broad asset and sub-asset classes in accordance with the following guidelines:

- a. Equity (Stocks) 25%
- b. Fixed Income (Bonds) 65%
- c. Preferred Stock 10%

### *Proposed amendment:*

Outlined below are the long-term strategic asset allocation guidelines, determined by the Committee to be the most appropriate, given the Fund's long-term objectives and short-term constraints. Portfolio assets will, under normal circumstances, be allocated across broad asset and sub-asset classes in accordance with the following guidelines:

- a. Equity (Stocks) 35%
- b. Fixed Income (Bonds) 55%
- c. Preferred Stock 8%
- d. FDIC insured account: 2%**

**However, the committee, with prior approval of the Westside Board of Directors, reserves the right to modify allocation of fund resources as it determines necessary to preserve the appropriate balance of safety and return on investment.**

*Explanatory note:* Actual practice for several years has been as follows: a. Equity (Stocks) 35% b. Fixed Income (Bonds) 55% c. Preferred Stock 8% d. FDIC insured account: 2% which has made sense and has enabled the fund to grow substantially.

## **No. 2: Proposed Amendment to the Socially Responsible Investing Policy**

*Current version:*

### **PHILOSOPHY & OBJECTIVES**

As Unitarian Universalists we believe in the Seven Principles listed above. In putting our faith into action, we will follow an investment policy that will avoid individual investments in companies or sectors based on Socially and Environmentally Responsible Investing as defined by the SIC codes listed below. However, to achieve a well-diversified, low cost, passively managed fund, the majority of our funds will be invested in broad based indices, in accordance with the Endowment Investment and Distribution Policy approved by the Congregation.

*Proposed Amendment:*

### **PHILOSOPHY & OBJECTIVES**

As Unitarian Universalists we believe in the Seven Principles listed above. In putting our faith into action, we will follow an investment policy that will avoid individual investments in companies or sectors based on Socially and Environmentally Responsible Investing as defined by the SIC codes listed below. However, to achieve a well-diversified, low cost, passively managed fund, the majority of our funds will be invested in broad based indices, in accordance with the Endowment Investment and Distribution Policy approved by the Congregation. **Where available, reputable indices will be selected that avoid investing in the listed SIC codes.**

### **No.3: Proposed amendment to article VII.3 of the Westside UU Endowment Committee Bylaws**

*Current version:*

Fund assets will be managed as a balanced portfolio composed of three major components: an equity portion, fixed income portion, and a preferred stock portion.

*Proposed amendment:*

I agree that, to better adhere to the UU Seven Principles, the Westside UU Endowment Committee may move the endowment fund(s) from the Vanguard general fund to an Environment Social Governance (ESG) fund, should their research indicate that such a move is reasonably safe and prudent.

I agree to amendment of the Westside UU Endowment Committee Bylaws as follows:

**Fund assets will be managed as a balanced portfolio composed of an equity portion and a fixed income portion.”**

*Explanatory note:* The current SRIP requires that investments avoid specified individual securities that conflict with our Seven Principles, but permits investment in “broad based indices,” and that is the policy that the committee has followed since its inception. Those broad based indices, though, included a lot of investment in the very areas which we want to avoid.

The committee currently invests through Ameritrade, which then uses Vanguard funds. Our Principal Trader, Spencer Maxwell, has been investigating Vanguard’s ESG funds, and recommends moving Westside’s investments from the general funds to ESG funds as a way of better living our principles, while still investing in a strong, reputable fund. Our prospective new member, Greg Tooley, has suggested some additional ESG possibilities, perhaps with a broader range of investments.

Preferred stock can be considered under the equity portion if the committee elects to continue with our present investments. While preferred stock has a couple of possible advantages, those advantages often disappear when they are needed, and some investors consider preferred stock as embodying some of the most negative characteristics of both common stocks and bonds.

There have been some recent problems with some ESG funds not fully adhering to ESG principles, and the committee needs to do some further research before making a decision, but if we decide to move forward, we would plan to do so in the near future, and would like the congregation’s blessing when we do. One question which we will need to fully answer is what costs might be involved in this move. We don’t anticipate fees from Vanguard, but haven’t yet checked with Ameritrade.

## **No. 4: Proposed amendment to Article 8, minister's job description**

### *Proposed amendment*

#### **Section 8.1. Duties and Responsibilities**

The Minister shall have charge of the pulpit and conduct the worship services of the Church. The Minister shall have freedom of the pulpit as well as freedom to express personal opinions outside the pulpit. The Minister shall be a non-voting, ex officio member of the Board and a member without vote on each of the standing committees of the Church. The Minister may, with their consent and continuing at the pleasure of the Board, assume such administrative supervisory duties as may be conferred by the Board.

#### **Section 8.2. Employing a Minister**

**Various types of Ministers can be employed including Settled, Developmental, Interim, and Contract. The UUA provides guidelines for calling or hiring a Minister (<https://www.uua.org/careers/ministers>).**

##### **Section 8.2.1. Calling a Settled Minister**

**A Settled Minister enters into a long-term relationship (of unlimited duration) with the congregation and performs all aspects of ministry and outreach. The Settled Minister may be called, upon recommendation for consideration by the Board or by the Ministerial Search Committee (see section 10.5.4), by a nine-tenths majority of the Voting Members present at any business meeting legally called for that purpose. The quorum for that vote shall be forty percent of the Voting Members. The vote shall be by ballot.**

##### **Section 8.2.2. Hiring a Non-Called Minister**

**Should the Congregation decide not to call a Settled Minister, the Board of Directors may hire another type of Minister (e.g., Interim, Developmental, or Contract Minister) to perform specific duties for a certain period of time (with the possibility of contract renewal). The Board of Directors should develop and execute the short-term contract or "letter of agreement" for the Minister.**

**While the decision regarding the type of minister to hire requires a Congregational vote, when a non-called Minister is selected, the Congregation need not vote on a specific individual. Instead, the Transition Team (see section 10.4) conducts a search, identifies a candidate, and makes a recommendation to the Board about hiring a specific individual. The Board then votes to either accept or reject the Transition Team's recommendation.**

### Section 8.3. Dismissal of the Minister

The **Settled** Minister shall be dismissed if they do not receive a three-fourths majority favorable vote of the Voting Members present at any meeting legally called for that purpose. The quorum for that vote shall be forty percent of the Voting Members. The vote shall be by ballot

**If a Settled Minister has not been called, the Board of Directors shall vote to renew or not renew a Non-Settled Minister contract.**

### **No. 5: Proposed Amendment to Section 10.5.4, re Ministerial Search Committee policy**

#### *Current version:*

When the Church requires a new Minister, the search for such Minister may be performed by a Ministerial Search Committee. The committee shall consist of at least five Voting Members of the Church, who shall be selected by a majority of the Voting Members present at a special business meeting legally called for that purpose. The members shall be elected from ten Voting Members nominated by the Board. The committee shall select and interview candidates for Minister and propose a candidate for selection as described in Section 8.2. The Ministerial Search Committee shall prepare an employment contract for the selected Minister.

#### *Proposed amendment:*

When the Church **votes to search for a Settled** Minister, the search for such Minister **will** be performed by a Ministerial Search Committee. The committee shall consist of at least five Voting Members of the Church, who shall be selected by a majority of the Voting Members present at a special business meeting legally called for that purpose. The members shall be elected from ten Voting Members nominated by the Board. The committee shall select and interview candidates for Minister and propose a candidate for selection as described in Section 8.2. The Ministerial Search Committee shall prepare an employment contract for the selected Minister.

