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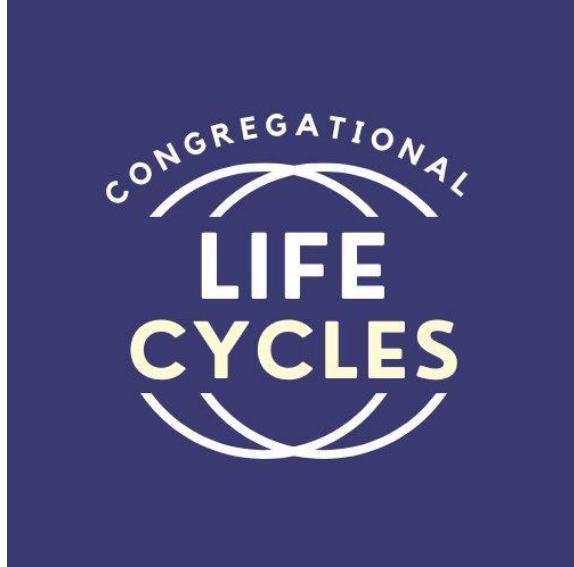
# Congregational Life Cycles

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# Life Cycles of Congregations



*A comprehensive framework for how the UUA supports congregations throughout their "life cycle"*

- Emerging congregations & communities
- UUA membership – process for admitting new congregations
- Congregational Life – core resources for vibrant ministry
- **Structural changes – decisions on buildings, staff, etc.**
- **Mergers, dissolutions and closures – pastoral, practical and policy support**



# Ending Stages – mergers, dissolutions

## Pastoral Support

- Congregations may end their operation, but their ministry continues through the covenant of the UUA
  - Need for more rituals, clear expectations and peer support to accompany congregations in these significant decisions
  - More congregations are entering this stage - In the past year, four congregations dissolved, up from 1-2 per year over the past few years; several more are in process of dissolving so far this year.
  - Developing a Merger/Dissolution Toolkit with UUA staff
- >> *Critical moment to build or break trust with the UUA***



# Ending Stages – mergers, dissolutions

## Policy & Practical Support

- Mergers & dissolutions have state-by-state legal requirements and can be complex
- Mergers vs. dissolutions
  - In mergers, assets and liabilities go to another congregation, requires both congregations to vote, congregational records merged in UUA systems
  - In dissolutions, congregation ceases to exist, sometimes easier, UUA requires congregations to send assets to the UUA as a condition of membership
- The UUA has a collective fiduciary role in ensuring the assets of this ministry continue to support the faith, this differs for mergers vs dissolutions



# UUA's fiduciary duty for dissolutions

- Honor donor intent to support the faith over generations, both generally and for legal restrictions
- Establish clear precedent for dissolutions
- Ensure protection of the UUA and UU congregations' tax status and recognition
- Protect congregations from manipulative intents related to their assets
- Support the long-term sustainability of the Association



## Possible Dissolution Asset Use Policy – for discussion

- All congregational financial assets, after costs of dissolution, should be received by the UUA.
- Property would typically be sold as a part of the dissolution process.
- This policy would require those assets be used or distributed in a standard way, based on conversations with the dissolving congregation.
- Departures from the policy can be made by Board vote.
- Could include a materiality threshold of \$25,000-50,000 for this policy to apply.



# Possible Dissolution Asset Use Policy – for discussion

Possible split of congregational assets:

- 25% to other mission aligned organizations (10% max to non-UU entities), as requested by the congregation
- 25% to the New UU Communities Fund
- 25% to the UUA, congregations may request a focus area (e.g. Side With Love, ministerial formation, etc.)
- 25% flexible, based on congregational circumstance and staff recommendation