



9:00 – 9:30	Check-In Without Observers	
9:30 – 9:45	Opening Worship	Caleb Leman
9:45 – 9:55	Call to Order, Welcome and Introductions, Review Covenant	Jim Key
9:55 – 10:00	Approval of Consent Agenda	Jim Key
10:00 – 10:10	President's Report	Peter Morales
10:10 – 10:20	Moderator's Report	Jim Key
10:20 – 10:25	Vice-Moderator's Report	Denise Rimes
10:25 – 10:30	Secretary's Report	Rob Eller-Isaacs
10:30 – 10:45	Break	
10:45 – 11:10	Financial Advisor's Report	Larry Ladd
11:10 – 12:10	Treasurer's Report Budget Discussion	Tim Brennan
12:10 – 1:10	Lunch	
1:10 – 2:10	Committees Working Group	Michael Sallwasser
2:10 – 2:30	Renewing the Covenant Task Force	Susan Ritchie
2:30 – 3:00	Break	
3:00 – 4:15	Linkage Working Group	Christina Rivera
4:15 – 4:30	Emerging Congregations Working Group	James Snell
4:30 – 5:00	Review Motions / Action Items	Denise Rimes
5:00 – 5:15	Process Observation	Dorothy Holmes
5:15 – 5:30	Recess	
5:30 – 6:30	Dinner	
6:30 – 7:00	Vespers	Tim Atkins Greg Boyd Christina Rivera

9:00 – 9:10	Opening Worship	Julian Sharp
9:10 – 10:30	Governance and Policies Working Group	Andy Burnette
10:30 – 10:45	Break	
10:45 – 11:15	Governance and Policies Working Group	Andy Burnette
11:15 – 12:00	Appointments Executive Session – Appointments; Distinguished Service Award	Michael Sallwasser
12:00 – 1:00	Lunch	
1:00 – 2:30	Inclusion and Empowerment Working Group	Julian Sharp
2:30 – 2:45	Break	
2:45 – 3:15	Presidential Campaign Process	Rob Eller-Isaacs
3:15 – 3:30	UUs for Justice in the Middle East Business Resolution	Jim Key
3:30 – 3:45	Congregational Boundaries Working Group	Denise Rimes
3:45 – 4:00	GA Final Agenda Approve 2017 Rules	Denise Rimes
4:00 – 4:15	GA Scholarship Update	Denise Rimes
4:15 – 4:30	Review Actions for June Board Meeting	Denise Rimes
4:30 – 5:00	Board Report	Rob Eller-Isaacs
5:00 – 5:15	Process Observation	Michael Sallwasser
5:15 – 5:30	Closing Words	Jim Key
5:30	Adjourn / Dinner on Your Own	

Changes in Congregational Status
April 2016 UUA Board of Trustees Meeting

ITEMS FOR BOARD ACTION:

Applications for Membership of the UUA

The Southern Region of the Unitarian Universalist Association recommends that the **Unitarian Universalist Fellowship of Benton County** in **Bentonville, AR** be accepted into congregational membership with the Unitarian Universalist Association as a member congregation.

Redding Unitarian Universalist Fellowship in **Redding, CA** has applied to change their status from member congregation to covenanting community.

ITEMS FOR INFORMATION, AND REPORTING TO THE BOARD:

All Souls Church (Belgrade, ME) has dissolved.

The Hattiesburg Fellowship (Hattiesburg, MS) has dissolved.

Formerly: Unitarian Fellowship of Grand Rapids (Grand Rapids, MN)
Now Known As: Itasca Unitarian Fellowship



Brent Lewis
Administrator, Congregational Life



FEBRUARY 2015

Application for Congregational Membership

**Unitarian Universalist Fellowship of
Benton County**



Introduction

Each year at General Assembly a colorful parade of hundreds of banners from many of our member congregations energizes the Opening Plenary. The parade is a powerful visual statement of our diversity and unity as a religious organization. In becoming a member congregation of the Unitarian Universalist Association, your congregation's strength and vision joins this living religious tradition.

As stated in the UUA Bylaws, *"The primary purpose of the Association is to serve the needs of its member congregations, organize new congregations, extend and strengthen Unitarian Universalist institutions, and implement its principles."* Consequently, we unite in this Association to provide services that individual congregations cannot provide for themselves. Each affiliated congregation becomes associated with one of district or regional offices. Through these structures, member congregations have access to a variety of programs and services, including resources on our web site, in

- Lifespan faith development, religious education
- Congregational growth including racial and cultural diversity
- Congregational finances
- Social action and justice making initiatives for the denomination and congregations
- Ministry and professional leadership including settlement
- Lay leadership development and support

In addition, your congregation may send delegates/participants to our annual General Assembly as well as to a variety of trainings, conferences and gatherings held at the local and Association level.

More than 1,000 congregations in the United States, Canada, and throughout the world are members of the Association. Each congregation is democratic in process, governing itself. Becoming a member congregation in the UUA unites you with our on-going history as a religious organization that combines two traditions: The Universalists, who organized in 1793, and the Unitarians, who organized in 1825. These two merged into the Unitarian Universalist Association in 1961.

Unitarian Universalism is a liberal religion with Jewish and Christian roots. We have no creed. Our principles call us to affirm the worth and dignity of human beings, to advocate freedom of belief and the search for truth and meaning. We strive to provide an inclusive and supportive community for people who believe that living our UU principles is a much-needed witness in our world. As a member of a congregation of the UUA, you commit yourself to affirming and promoting our Unitarian Universalist purposes and principles in your life and as an active member of your congregation.



Checklist

Use this list to make sure your application is complete. Please include this checklist with your application.

Name of Congregation:

- X Application from the congregation
- X List of charter members
- X The congregation's Articles of Incorporation
- X The congregation's Bylaws
- X Check to the UUA for the Annual Program Fund
- X Recommendation from the Regional Lead
- ☒ Recommendation from a local UUMA chapter minister
- X Covenanting Documents & Practices



UUA Membership Application

On June 28, 2015 the Unitarian Universalist Fellowship of Benton County Arkansas
date name of congregation

of Bentonville, Arkansas
City, State

was organized with 39 charter members.
number

The following are the elected officers:

President: **Harris B. McKee**

Address:

Phone/email:

Secretary: **Suzanne Miltich**

Address:

Phone/email:

Treasurer: **Jim Jensen**

Address:

Phone/email:



Name and Address of Meeting Place:

Little Einstein Montessori School
1110 SE Evergreen St, Bentonville 72712

Official Mailing Address (if different) to be used in UUA Directory:
5 Cunningham Ln, Bella Vista, AR 72715-6550


Name and Address of Nearby Congregations and Ministers:

Unitarian Universalist Fellowship of Fayetteville
901 W. Cleveland St, Fayetteville, AR 72701
Rev. Jim Parrish

Subscribing to the principles of the association, including the stated policy of the UUA that applying congregations welcome into membership all qualified persons "without regard to race, color, sex, affectional or sexual orientation, age, or national origin," and pledging to support the Association, it is the desire of this congregation to become a member of the Unitarian Universalist Association. We herein enclose with this application: 1) a list of charter members; 2) the Articles of incorporation with the appropriate dissolution clause; 3) the Bylaws of the congregation, and 4) an initial contribution of \$840, which is not less than the suggested Fair Share of the Annual Program Fund, pro-rated for the portion of the UUA fiscal year remaining as to the date of this application.

Respectfully submitted:

	McKee	March 1, 2016
President or Leader	Sign Full Name & Print Last Name	Date

	Miltich	March 1, 2016
President or Leader	Sign Full Name & Print Last Name	Date



Charter Members

You may submit this form or create your own based on this form. Please print.

Name of Congregation:

Name	Address
Ellen Bell*	
Rick Billeter	
Richard A. Bland*	
Carol Bobek	
Lauren Boer	
Andee DeRouen	
Joe DeRouen*	
Charles Faulk	
Lauren Galle	
Cherie Geiser	
Michelle Harvey	
Peggy Hoehe	
Jim Jensen	
Julie Jensen	
Melissa Jordan	
Thore Koch	
Sheila Jo Kornblum	
Michael Kornblum	
Fran Levin	
Jessey McCormick	
Matt McCormick	
Harris McKee	
Mary McKee	
Kate McWilliams	



Suzanne Miltich	
Tony Miltich	
Carol Olson	
Chandra Perkins	
Perk Perkins	
Michael Pointer	
Sherry Pointer	
JB Portillo	
Tony Potochnik	
Casey Roberts	
HannahRoberts	
Kathy Rogers	
Winnie Shanor	
Ellen Tate	
Jeff Tate	
Brad Tew	
Karen Tucker	
Kate Williams	
*Members who joined after Charter Member Sunday	





Arkansas Secretary of State Mark Martin

State Capitol Building • Little Rock, Arkansas 72201-1094 • 501.682.3409

I, Mark Martin, Arkansas Secretary of State of the State of Arkansas, and as such, keeper of the records of domestic and foreign corporations, do hereby certify that the following and hereto attached instrument of writing is a true and perfect copy of

All Corporate records on file for

**UNITARIAN UNIVERSALIST FELLOWSHIP OF BENTON
COUNTY**

In Testimony Whereof, I have hereunto set my hand and affixed my official Seal. Done at my office in the City of Little Rock, this 20th day of February, 2013.

Mark Martin

Mark Martin
Arkansas Secretary of State

By: *Nannette Akins*

Nannette Akins

CERTIFIED COPY

Articles of Incorporation of

We, the undersigned, acting as incorporators of a corporation under Act 1147 of 1993 (the Arkansas Nonprofit Act), adopt the following Articles of Incorporation of such corporation.

- 1: The name of the corporation:
UNITARIAN UNIVERSALIST FELLOWSHIP
OF BENTON COUNTY
- 2: This corporation is:
*
RELIGIOUS CORPORATION
- 3: Will this corporation have members?
YES
- 4: How will the assets be distributed upon dissolution?
DISTRIBUTED TO THE UNITARIAION
UNIVERSALIST FELLOWSHIP OF
FAYETTEVILLE.
- 5: Corporation's initial registered agent:

Name JEFFREY L. TATE
Street Address [REDACTED]
City: [REDACTED]
State: [REDACTED]
ZIP: [REDACTED]

- 6: Incorporator information:

Name 1 JEFFREY L. TATE
Address 1 [REDACTED]
City 1 [REDACTED]
State 1 [REDACTED]
Zip1 [REDACTED]

Name 2
Address 2
City 2

CERTIFIED COPY

CERTIFIED COPY

State 2

Zip2

Name 3

Address 3

City 3

State 3

Zip3

Optional: You may provide any of the following if applicable to this corporation.

- The names and addresses of the initial directors
- Power of the Corporation
- The purpose for which the corporation is organized
- Other provisions as deemed necessary

Optional Info:

NOTE: Annual Reports will be due on or before August 1 the year following filing or qualification in this state.

Executed this 1st day of May, 2009

Signature **JEFFREY L. TATE**

CERTIFIED COPY

Bylaws of the Unitarian Universalist Fellowship of Benton County, Arkansas

Proposed August 2014 as Revised June 1, 2015

Name

The name of this religious society shall be The Unitarian Universalist Fellowship of Benton County

Purpose

The purpose of this Fellowship is to be a vibrant, spiritual community for Benton County, free of dogma and guided by love, reason, and conscience. Our intention is to be a Fellowship that seeks knowledge, expresses care, provides service, and builds community.

Congregational Membership in the UUA

This Fellowship shall be a member of the Unitarian Universalist Association.

Nondiscrimination Clause

This Fellowship adheres to the following statement made by the UUA: “The Association declares and affirms its special responsibility, and that of its member congregations and organizations, to promote the full participation of persons in all of its and their activities and in the full range of human endeavor without regard to race, color, sex, disability, affectional or sexual orientation, age, or national origin and without requiring adherence to any particular interpretation of religion or to any particular religious belief or creed.”

Membership

Membership in this Fellowship is defined as follows:

1. Voting Member
 - a. Attends greater than 25% of Sunday meetings
 - b. Makes and pays an annual pledge

- c. Attends recommended educational sessions on Unitarian Universalism
 - d. Is 18 years of age or older
- 2. Member
 - a. Makes and pays an annual pledge
 - b. Attends recommended educational sessions on Unitarian Universalism
- 3. Friend
 - a. All others who want to be officially affiliated with UUBC
- 4. Attendance and pledge payment determined on an annual basis
- 5. Membership status will be adjusted annually depending on attendance and pledge payment the previous calendar year

An individual's eligibility to be a member or a voting member is determined by the Governing Board of the Fellowship, and the Board will approve or disapprove all new members.

Removal of Membership

A member's name shall be removed from the Membership Roll in case of: (1) the member's death; (2) written request by the member (emailed or mailed) to the secretary of the Governing Board; (3) a period of inactivity over one year, pending review by the Board; or (4) removal by a two-thirds (2/3) vote of the Board for actions that threaten the well-being of the Congregation.

Congregational Meetings

Regular meetings of the Fellowship shall be held during the months of May, October, and January at a time and place designated by the Governing Board. The Board may vote to omit the October meeting. The meeting held in May shall be for the purpose of adopting an annual budget for the fiscal year, commencing July 1st, and other business that may be properly brought before the membership. The meeting held in January shall be for the purpose of electing board members who will take office February 1st, to receive reports from Board members, and other business

that may be properly brought before the membership. The meeting held in the month of October shall be to transact any business that may be properly brought before the membership.

Special Congregational Meetings

Special Congregational Meetings may be called by the Board or by the receipt of a written petition requesting such a meeting signed by at least fifteen percent (15%) of all voting members. The Secretary of the Board shall call such a meeting. A call for a Special Congregational Meeting, either by the Board or by petition, shall state the purpose of the meeting. No other business may be transacted at such a meeting.

Method of Notification of Congregational Meetings

All Voting Members shall be notified of annual and special business meetings of the Fellowship at least fourteen (14) days prior to the meeting. (Notifications will be by email unless member has asked for mailed communications.)

Quorum for Congregational Meetings

A quorum of the Congregation for the purposes of voting shall be constituted of thirty percent (30%) of the Members eligible to vote in person or by absentee ballot.

Voting at Congregational Meetings

All voting and elections shall be determined by a simple majority of the people present and voting or represented by absentee ballot, except as otherwise noted in these bylaws; and except when more than one Board or Committee position is being filled, when a plurality of the people present and voting or represented by absentee ballot shall determine the election. Election of a new minister shall be at a congregational meeting called for that purpose. Election of a new minister shall be by a three-fourths (3/4) vote of those voting members present and voting or represented by absentee ballot. Dismissal of a minister shall be at a special congregation meeting called for that purpose. Dismissal shall be by a majority vote of voting members present and voting.

Absentee Voting for Congregational Meetings

Absentee ballots shall be on such form as may be stipulated by the Governing Board and shall be processed for consideration in such manner as may be prescribed by the Board. If the Board decides absentee ballots are not to be allowed for a given meeting, such decision must be included in the notice of meeting.

Committee of the Whole Fellowship

Authority with respect to the governance of the Fellowship and the conduct of the Fellowship's business and administration of its affairs shall be vested in the voting membership of the congregation (the Committee of the Whole) subject to the provisions of law, any limitations imposed in the Articles of Incorporation, or these By-laws, and as may be amplified in the organization's Policy and Procedures Manual.

A Committee of the Whole quorum shall consist of at least thirty-five (35) percent of the voting membership. Voting members present at a duly called and held meeting at which a quorum is initially present may continue to do business notwithstanding the loss of a quorum at the meeting provided that any action taken after the loss of a quorum is approved by at least a majority of the members required to constitute said quorum.

The Committee of the Whole shall retain and not delegate to any congregational committee the authority and responsibility to (1) ordain a minister, (2) call a minister to serve the congregation, (3) dismiss a minister, (4) approve contracts and other matters related to the purchase, sale, or mortgage of real property, (5) adopt the congregation's operating budget, and (6) ratification or amendment of the Articles of these By-laws.

Composition of the Governing Board and Election Provision

The Governing Board shall consist of six (6) to twelve(12) members, except as provided below. (It is anticipated that the Board will grow as the congregation grows.) Each Board Member shall be a voting member of the Fellowship and shall serve for a term of three (3) years. At every annual meeting voting members shall elect two (2) to four (4) Board Members and vote on any vacancies that have been filled by the Board since the last annual meeting. A new Board Member shall take office upon the election of that Board Member and shall continue until the term expires, the Board Member resigns, or the Board Member is removed.

Governing Board Membership Term Length and Term Limits

Elected Board members may serve for no more than six (6) years. After serving for six(6) years a member must be off the board for one year before serving again.

Responsibilities of the Governing Board

The Governing Board shall be responsible for the finances, administration, property, and business affairs of the Fellowship. The Board shall supervise all Fellowship programs. Any decision, action, or omission of the Board may be appealed at an Annual Meeting, or at a Congregational Meeting called for that purpose. At each annual business meeting, the Board shall submit an operating budget for the coming fiscal year. The Board's specific duties and obligations include:

- (a) to hold monthly Board meetings at such time and place as the Board shall designate;
- (b) to appoint the Committee Chairpersons;
- (c) to hold special Board meetings when requested to do so by the President, the Minister, or three (3) members of the Board. Due notice of special Board meetings, stating the date, time, place, and purpose of the meeting shall be given to each Board member. No business except that stated in the notice shall be acted upon, but other matters may be discussed;
- (d) to give notice to the Congregation at least seven (7) days in advance of special Board meetings, except when the Board, or Minister determines the existence of an emergency which allows insufficient time for prior notice as described herein. Whenever a special Board meeting is held without prior notice to the congregation, the Board shall report to the Congregation the business transacted at such meeting; (Reports will be by email unless member has asked for mailed communications.)
- (e) to make available minutes of each Board meeting, or a summary of all business transacted at the Board meeting;

(f) to set Personnel policies and procedures for appointing/dismissing employees of the fellowship, salary structure as well as determining employee review procedures.

(g) to establish budgets for Congregational approval, monitor those budgets, and see that Fellowship expenditures are within those budgets; Once a budget is approved, the Board may authorize and expend the funds as budgeted. The Board may reallocate funds, as long as the reallocation does not exceed ten percent (10%) of the approved budget.

(h) to appoint the Director of the Annual Canvass;

(i) to ensure recruitment of volunteers to staff Standing Committees and to fill unelected positions needed to carry out Fellowship programs or administration;

(j) to conduct or supervise and approve all polls of the Congregation;

(k) to authorize expenditures exceeding its budget to the extent of not more than three percent (3%) of the total annual budget, as periodically adjusted in light of actual income. Any expenditure in excess of this limitation shall be approved by a majority of those Voting Members present and voting at a Congregational Meeting with such expenditure in its call;

(l) to establish Standing Rules for conducting its own business and approve Standing Rules for each of the Fellowship Committees.

Governing Board Meetings Frequency and Notice

The Governing Board shall meet monthly on such dates and places as the Board shall from time to time fix. The July and/or August meetings may be canceled at Board Option. Special meetings of the Board may be called by the President or by any two (2) members of the Board with twenty-four (24) hours' notice to each member of the Board and to the Minister. The latter time restriction may be waived by no less than eight (8) Board members, all of whom are present at the Special Meeting when waived.

Board Meeting Quorum

A quorum at a meeting of the Governing Board shall consist of a simple majority.

Governing Board Decision Making and Voting

Decisions of the Governing Board shall be made by consensus of all members present at a meeting. The Fellowship is committed to operating by consensus. If, however, a consensus cannot be reached, the President of the Governing Board shall so declare and actions shall be taken by majority vote of the Governing Board members present.

Open Governing Board Meetings

Governing Board meetings shall be open to the members of the Fellowship. Provision shall be made at meetings for non-Board members to address the Board. The Board may meet in executive session only to discuss personnel matters or to receive legal advice. Fellowship members who are not Board members may speak at Board meetings, but may not make motions or vote at Board meetings.

Minutes of Governing Board Meetings

Minutes shall be kept of any and all regular or special meetings of the Governing Board. A record set of final approved minutes shall be kept in a bound and indexed form at a place determined by the Governing Board to be safe from loss or damage. A second set of such minutes shall be kept in a place and under conditions which shall make them readily available to all members of the Fellowship membership. All recorded minutes shall be formally approved by a majority vote of at least a quorum of the Board, and shall be signed by the Secretary certifying that such minutes are as approved by the Governing Board.

Governing Board Vacancies

In the event of the death or withdrawal or removal of a Governing Board member, the Governing Board shall have the power to appoint a replacement until the next annual meeting.

Removal of Governing Board Members

In the event that any elected officer or a person serving in any other elected position of the Fellowship, fails, without showing good cause, to be present at three (3) consecutive meetings that he or she is required to attend, or otherwise is considered derelict in duties to the Fellowship, that person may be subject to recall proceedings as follows: Upon recommendation of the President, and subsequent notice to the individual, the Governing Board will conduct a hearing.

The elected person will be recalled if the hearing results in recall action concurred in by three-fourths (3/4) of the required Board quorum, and concurrence at a Special Meeting of the Fellowship called as set out in these bylaws.

Governing Board Officer Composition

From among its own members, the Governing Board shall elect a President, Vice President, Treasurer, and Secretary, all of whom shall hold their offices for one (1) year.

Governing Board Officer Responsibilities

The President shall: be the executive officer of the Fellowship, serve as a member of the Board, be responsible for organizing the agenda for all Regular and Special Board meetings, and have authority to sign on behalf of the congregation any deeds, mortgages, bonds, contracts or other legal instruments which the Governing Board has authorized to be executed, except in those instances where the signing and other execution of such instruments shall have been expressly delegated by the Governing Board or by these bylaws or by statute to some other officer or agent of the Fellowship.

The Vice President shall act in the absence of or at the request of the President, at which time she/he shall have all powers and functions applicable to the President. In addition, the Vice President shall perform such functions and duties as may be specified by the Governing Board.

The Secretary: Keeps minutes of meetings of the Fellowship membership and Governing Board; keeps the official record of Fellowship membership; in conjunction with the treasurer prepares a list of voting members thirty (30) days prior to any business meeting of the membership; keeps all papers, correspondence, documents, and written instruments belonging to the Fellowship or that pertain to the business of the Fellowship; and performs such other functions as assigned by the Governing Board.

The Treasurer shall sign checks and the president and the secretary shall sign all minutes and legal documents of the corporation. The president and treasurer shall submit a comprehensive report to the congregation at each annual meeting.

The Treasurer shall receive, safely keep, and account for all money and other property of the Fellowship entrusted to his/her care, and shall disburse the same under the direction and to the satisfaction of the Board. She or he shall maintain:

- (1) a current roster of the pledging units and their pledges;
- (2) a complete accounting of the financial records of the Fellowship, which shall remain the property of the Fellowship, and which shall be open for inspection by any member;
- (3) the annual financial report of the Fellowship, which shall be audited by a person, not a member of the Board, who is designated by the Board. From time to time the Treasurer shall furnish statements detailing the status of their pledges to pledging units. At the discretion of the Board, the Treasurer shall be bonded by the Fellowship in such amount as the Board may determine.

Optional Youth Representative

(To be determined when the Fellowship has qualified candidates.)

The Board may have a youth representative as a member. The youth representative shall serve for a one (1) year term with full voting privileges. There shall be no youth representative on the Board when there is no qualified candidate in the Young Religious Unitarian Universalist (YRUU) youth group. The youth representative must meet the following qualifications: be a member of the church, be an active member of the YRUU youth group, want to be on the Board of Trustees, be willing and able to attend Board meetings, and be willing to report back to the YRUU on a regular basis about the Board Meetings. The nomination and approval procedure shall be as follows: (1) YRUU members shall nominate one (1) or more candidates; (2) YRUU advisors and the Religious Education Director shall review the candidate(s) to determine qualifications; (3) YRUU members shall vote to determine the nominee if there is more than one (1) qualified candidate; (4) the name of the nominee shall be submitted to the Nominating Committee; (5) Approval of the candidate shall be by election at the Annual Meeting.

Basic Provision of Committees and Teams

The Governing Board may establish committees and teams as necessary appoint Team-Leaders and fill team membership with the help of Team Leaders. The duties of such committees shall be prescribed by the Governing Board within the requirements of these Bylaws.

Nominating Committee

The Nominating Committee shall be composed of five (5) voting members. Terms of office for Committee members shall be for two years, and shall begin on July 1 of the first fiscal year after election and end on June 30 of the second fiscal year after election. Terms of office of three (3) committee members shall begin in even numbered years. Terms of office of two (2) committee members shall begin in odd numbered years. The initial Nominating Committee members will be appointed by the Governing Board.

Nominating Committee Procedure

The Nominating Committee shall publicize, solicit, and submit the names of all qualified candidates for vacant positions on the Board and Nominating Committee. Members who desire to serve in positions on the Board or Nominating Committee may apply to the Nominating Committee, pursuant to standing rules adopted by the Committee.

Committee on Ministry

To be determined when the Fellowship is prepared to hire a minister.

Definition of Relationship and Responsibility of the Minister

To be determined when the Fellowship is prepared to hire a minister.

Qualifications of the Minister

To be determined when the Fellowship is prepared to hire a minister.

Ministerial Search Committee

To be determined when the Fellowship is prepared to hire a minister.

Quorum and Plurality of a Ministerial Call

To be determined when the Fellowship is prepared to hire a minister.

Dismissal and Termination of a Ministerial Call

To be determined when the Fellowship is prepared to hire a minister.

Other Professional and Support Staff

All other staff shall be responsible to the Governing Board, which shall determine direct lines of reporting as appropriate to a staff member's job.

Fiscal Year

The fiscal year of the Fellowship is from July 1 through June 30.

Budget Process

At each annual business meeting, the Fellowship Board shall submit an operating budget for the coming fiscal year. The budgeted expenses may not exceed the anticipated income. A budget is adopted by a simple majority vote of the voting members present at the meeting. Once a budget is approved, the Board may authorize and expend the funds as budgeted. The Board may reallocate funds, as long as the reallocation does not exceed ten percent (10%) of the approved obligation or indebtedness that exceeds \$5,000.

Financial Indebtedness

The Fellowship shall not become indebted in an amount greater than Fifteen Thousand Dollars (\$15,000) unless said limit is increased by a two-thirds (2/3) vote of the voting members present at a duly called special meeting.

Fellowship Funds

All funds and property received by or coming into the custody of the Church belong to and are the property of The Unitarian Universalist Fellowship of Benton County, to be held and expended only for the purposes authorized and only in accordance with the regulations and/or written agreements prescribed or accepted by the Board of Trustees of the Fellowship.

Execution of Instruments

Checks and other orders on the funds or credit of the Fellowship, and all contracts and instruments in writing by the Fellowship, shall be valid and binding upon the Fellowship only when executed by such officers as shall be designated and authorized by the Governing Board.

Dissolution Clause

Any action to dissolve the Fellowship must be approved by a two-thirds (2/3) vote of eligible Voting Members of the Fellowship present at a meeting called to specifically consider such action, for which meeting notice has been issued to all Members eligible to vote in accordance with the provisions of these bylaws. (Notifications will be by email unless member has asked for mailed communications.)

If the Fellowship at its own option shall cease to exist, all property real or personal shall be transferred to a continuing Unitarian Universalist organization designated at the Dissolution Meeting.

Rules of Procedure

Unless otherwise specified herein, Robert's Rules of Order or simplified versions¹ selected by the Governing board shall govern Board and Fellowship Meetings. The Governing Board may appoint a parliamentarian and such other persons as may be necessary to assist at each congregational meeting. The Governing Board may appoint a parliamentarian to serve at Board meetings. Any Voting Member of the Fellowship, including members of the Board, may serve as parliamentarian.

Indemnification

The Fellowship shall indemnify any person who is or was an employee, agent, representative, member of the Governing Board, or Committee volunteer of the Fellowship against any liability asserted against such person and incurred in the course and scope of his or her duties or functions within the Fellowship to the maximum extent allowable by law, provided the person acted in good faith and did not engage in an act or omission that is intentional, willfully or wantonly negligent, or done with conscious indifference or reckless disregard for the safety of others. The provisions of this article shall not be deemed exclusive of any other rights to which such person may be entitled under any bylaw, agreement, insurance policy, vote of members or otherwise.

Real Property

¹ For example: <https://www.counseling.org/docs/default-source/Branches/simplified-roberts-rules-of-order.pdf?sfvrsn=0>

At any meeting of the Board or any congregational meeting where the sale, encumbrance, or acquisition by the Fellowship of real property or improvements thereon is to be discussed, notice of the same shall be published in the official Fellowship newsletter or on the Fellowship website at least thirty (30) days prior to said meeting, and read from the pulpit at least two (2) consecutive Sundays immediately preceding the meeting. Any action requiring the sale, encumbrance, or acquisition by the Fellowship of real property shall require a two-thirds (2/3) vote of those voting members present and voting at a congregational meeting with such action in its call.

Expectations of Members and Affiliates

Members are expected to participate actively in the Fellowship's activities and to make a recordable financial pledge to the Fellowship each fiscal year. The financial contribution should represent an amount judged by the member or affiliate to be a fair share of the Fellowship's needs, in light of the member's income and means, and the fact that generous contributions from others in the past have sustained and built the Fellowship we enjoy today.

Open Records

All records of the Fellowship other than those of a personal nature shall be made available for inspection by any member during reasonable hours.

Interpretation

These bylaws shall be liberally interpreted in order to accomplish their basic intent, which is hereby stated to be the efficient operation and management of the Fellowship in order to accomplish the purposes stated in the Fellowship's statement of purpose.

Bonding

The President, President-Elect, Treasurer and other authorized signatories may be bonded at the expense of the Fellowship in an amount determined by the Board.

Protection of Non-Profit Status

Neither the Fellowship, the Board, nor any officer or employee of the Fellowship shall take any action or allow any activity or use of Fellowship property which shall endanger the non-profit corporate status or charitable, tax-exempt status of the Fellowship or its property. Nothing in these bylaws shall be construed to allow a violation of this section.

Representation

The president, or any other member of the Fellowship, who is specifically authorized by the Fellowship, or by the Board of Directors, may represent the entire Fellowship in any public or private meeting.

Public Statements in the Name of the Fellowship

Public statements in the name of the Fellowship on social or other public issues will be made only after a vote of the congregation, and must include the vote of individuals within the Fellowship for and against. This does not limit the right of individuals or groups within the Fellowship to make statements in their own name.

Authority of Congregation

The ultimate authority of the Fellowship is vested in the congregation as expressed in Annual and Special Meetings. The following powers may not be delegated, but may only be exercised by the congregation: (1) the employment or release of the Minister; (2) the location of any Fellowship buildings and grounds and their purchase or sale; (3) the requirements of membership; (4) approval of the annual budget for the operating fund; (5) ratification or amendment of the bylaws.

Initial Adoption of Bylaws

The initial adoption of these bylaws shall be by majority vote of those persons attending a meeting called and held for such purpose, who have made a financial pledge to the Fellowship, and who have attended greater than 25% of the Sunday morning meetings of the Fellowship for the previous six months, and who have fulfilled the educational requirements as specified to be a Voting Member of this Fellowship.

Amendments

Amendments to the Articles of Incorporation, or to these Bylaws, may be made at duly called Congregational Meetings, and voted upon, affirmatively, by at least two-thirds (2/3) of those present and voting. The content of such amendments shall be stated in the notice or call for the Congregational Meeting as prescribed in these bylaws.

Unitarian Universalist Fellowship of Benton County

Fair Share Contribution to UUA Prorated from March 1, 2016 to June 30, 2016

42 Members @\$20 = \$840

UNITARIAN UNIVERSALIST FELLOWSHIP OF BENTON COUNTY ARKANSAS
5311 VILLAGE PKWY
ROGERS, ARKANSAS 72758

1426

DATE 2/27/16

PAY TO THE ORDER OF Unitarian Universalist Association \$ 840.00

Eight hundred forty and no/100 DOLLARS

ARVEST[®]
BANK arvest.com

FOR _____

James B. Jensen

0001426 082900872 0012143214

Mr. Jim Key, Moderator
Unitarian Universalist Association
24 Farnsworth
Boston, Massachusetts 02210

RE: Unitarian Universalists of Benton County
Application for Membership

Dear UUA Board:



The good folk in Bentonville, Arkansas have been in discernment of what a Unitarian Universalist community might be and become for the last five years. Three years ago, they reached out to the Southern Region's staff (Reverend Susan Smith) to establish relationships and to move toward "emerging status."

They have established a credible approach to their Sunday meetings. Like many lay-led congregations, they are still learning what it means to be "in worship." However, they are grounding themselves well in our Unitarian Universalist faith and practice, honoring and relying upon our heritage and principles. They have good in-take of new people and membership orientation to ensure they understand that this is a Unitarian Universalist congregation. Further, they have membership expectations that will serve them well.

Currently, their nine member board is led to very experienced Unitarian Universalist leaders who have been in leadership positions in other congregations. Their procedures for selecting leaders is good. Their by-laws are appropriate for a congregation of this size and include provisions for ministerial leadership should they continue to grow.

Bentonville is a small, northwest Arkansas community with no other Unitarian Universalist presence. The next nearest congregation is in Fayetteville, about 45 minutes to the south.

We have encouraged the congregation to participate in cluster, district, and regional events so they may strengthen their ties with the faith.

They are taking all the appropriate steps. Thus, I am please to recommend their admission to the larger fellowship of our Association.

Kenn

The Reverend Kenneth Gordon Hurto
Lead Executive
Southern Region — Unitarian Universalist Association

February 29, 2016

Congregational Life
Unitarian Universalist Association
24 Farnsworth Street
Boston, MA 02210

Dear UUA Board,

I fully endorse chartering the Unitarian Universalists of Benton County, Arkansas, (UUBC) to become a recognized UUA congregation. Talking with UUBC leadership about their vision for the future and reviewing their history, I see they are level headed and understanding of the challenges they face to grow and thrive. They are determined to take a solid five year growth effort and, with this move to be recognized and supported by the UUA, work to become a center for liberal religion in their region. I applaud this work, and believe that our UU voice in northwest Arkansas (NWA) would only be strengthened by bringing UUBC into the denomination.

The folks at UUBC know how much our voice and presence is needed in this religiously conservative part of the nation. Liberal religious education for adults and children are welcomed by many who feel marginalized, and programs like OWL are actively asked for by organizations like Planned Parenthood and educational groups. UUBC sent members to OWL training recently (training with our own new teachers) showing commitment to this vital program. UUBC can become an important link in liberal religion in NWA, they are part of a growing population area that, with care and work, can sustain and grow the congregation. Our denomination needs to support their efforts.

I've met with UUBC leadership, and a few of their members at our Arkansas UU Cluster gatherings, and am convinced of their sincerity and work ethic. I am invited to speak with the community in the near future, and we hope to build collaborative relationships between the congregation I serve (UU Fayetteville, AR), UUBC, and the growing Arkansas UU Cluster of Fellowships and Churches. The folks at UUBC are eager to become "mainstream" in the Unitarian Universalist covenantal tradition. They, and I, hope it will help them to grow stronger and more influential in a part of northwest Arkansas that needs our saving message. I hope, and ask, that you welcome them into our Unitarian Universalist Association.

Sincerely,

James N. Parrish

Rev. James N. Parrish
UU Fellowship, Fayetteville, Arkansas
901 W. Cleveland Ave.
C: 479-439-1415 / Ofc: 479-521-8422

Covenant of the Unitarian Universalists of Benton County

We, the members of Unitarian Universalists of Benton County covenant to affirm right relations¹ and promote our "Principles and Practices" and to promise "one another our mutual trust and support."

A covenant of right relations is a set of guidelines to create a welcoming, respectful, safe and vibrant spiritual community. This purpose is served through respectful communication amongst individuals when engaging in congregational activities. Such guidelines are meant to reduce the amount of conflict, misunderstandings and hurt feelings that can occur when people speak passionately about subjects important to them. Right relations are the foundation on which a safe congregation is based. As we work together to articulate our understanding of and affirm our commitment to the practice of right relations, we will enrich our ability to love, respect, and nurture each other in our lifelong spiritual quests.

Conflict is normal in healthy relationships. Disagreement, ideally, communicates caring and involvement. When practicing right relations, people may disagree vigorously but still treat each other respectfully, stay connected, and learn together. Power is shared. A sense of well being pervades the congregation as people minister to one another. This allows each of us to choose with intention and act with integrity on what we believe and value, in a framework of respectful relationship with members of the Congregation, community and wider world.

As members of the UUBC Congregation, the following guidelines are in place in order to create our own welcoming, respectful, safe and vibrant spiritual community where each person can search for truth and meaning in an environment that builds connections, renews spirit, and inspires action. While realizing that we do not

¹ This right relations covenant has extracted major portions of the Westside Unitarian Universalist Congregation Covenant of Right Relations.

always live up to our ideals, we know we can choose to grow in a manner that promotes a religious community grounded in love and justice. In pledging to follow these guidelines, we will serve our own spiritual development, one another, our religious home, our local community, our larger faith, and our world.

Principles and Practices

- The inherent worth and dignity of every person;
- Justice, equity and compassion in human relations;
- Acceptance of one another and encouragement to spiritual growth in our congregations;
- A free and responsible search for truth and meaning;
- The right of conscience and the use of the democratic process within our congregations and in society at large;
- The goal of world community with peace, liberty and justice for all;
- Respect for the interdependent web of all existence of which we are a part.

The living tradition which we share draws from many sources:

- Direct experience of that transcending mystery and wonder, affirmed in all cultures, which moves us to a renewal of the spirit and an openness to the forces which create and uphold life;
- Words and deeds of prophetic women and men which challenge us to confront powers and structures of evil with justice, compassion and the transforming power of love;
- Wisdom from the world's religions which inspires us in our ethical and spiritual life;

- Jewish and Christian teachings which call us to respond to God's love by loving our neighbors as ourselves;
- Humanist teachings which counsel us to heed the guidance of reason and the results of science, and warn us against idolatries of the mind and spirit;
- Spiritual teachings of Earth-centered traditions which celebrate the sacred circle of life and instruct us to live in harmony with the rhythms of nature.

Grateful for the religious pluralism which enriches and ennobles our faith, we are inspired to deepen our understanding and expand our vision. As free congregations we enter into this covenant, promising to one another our mutual trust and support.

Members will strive to do the following as they participate in the life of the Congregation:

- Welcome and engage members and visitors alike, encouraging them to join in Congregation activities
- Value and express our own emotions and differences in a way that respects the worth and dignity of each person.
- Express gratitude for the efforts of others
- Listen attentively to appreciate fully another's point of view, valuing the perspective of others
- Support and encourage the personal and spiritual growth of others, acknowledging that each person has a unique path and truth
- Support and respect the contracts and/or agreements with the minister, staff, board and congregational committees
- Value confidentiality
- Ask for help, support and collaboration when needed and encourage others to do the same
- Build courage and commitment to voice our values in the world, and work toward positive relationships with other faith communities

- Provide opportunities to share diverse ideas in a safe place
- Approach disagreements and conflicts constructively, communicating with others in a direct, caring and responsible manner
- Advocate for mediation and resolution processes agreeable to all parties, when conflicts and misunderstandings arise within the Congregation
- Acknowledge that everyone makes mistakes. Seek and offer forgiveness.

This covenant is a living document. It can be reviewed by the congregation at any time in the future and adapted to fit changing needs and circumstances. It represents a commitment to thoughtful, active participation in the life of this religious community; caring and respectful relationships with one another and with visitors; cooperative support for the minister, staff and volunteers; and individual and collective contributions to the wider community.

We also commit to

- learn and worship alongside other congregations by participating in **district or regional** programs
- provide direct services to other congregations by paying Fair Share dues to our **Association** and to districts/regions

UUA Board of Trustees
January 22 & 23, 2016

DRAFT - NOT YET APPROVED BY THE UUA BOARD.

MINUTES
BOARD OF TRUSTEES
UNITARIAN UNIVERSALIST ASSOCIATION

January 22 & 23, 2016

Pursuant to notice duly given, a meeting of the Board of Trustees of the Unitarian Universalist Association was held on Friday, January 22 and Saturday, January 23, 2016 in Boston, Massachusetts.

MEMBERS

PRESENT: Tim Atkins, Greg Boyd, Andy Burnette, Rob Eller-Isaacs, Dorothy Holmes, Jim Key, Larry Ladd, Patrick McLaughlin, Peter Morales, Christina Rivera, Michael Sallwasser, Julian Sharp, James Snell, and Susan Weaver.

MEMBERS

ABSENT: None.

ALSO

PRESENT: Tim Brennan, Olivia Calvi (youth observer), Terasa Cooley, Caleb Leman (youth observer), Harlan Limpert, and observers.

Jim Key, Moderator, called the meeting to order at 10:05 AM on Friday, January 22, 2016. Board members and guests introduced themselves.

All board members read the covenant silently. Rob Eller-Isaacs moved and Patrick McLaughlin seconded the motion to approve the consent agenda. It passed unanimously. The consent agenda that was approved included the following motions:

- Approval of UUA Board of Trustees minutes from October 16-17, 2015 meeting
- Approval of UUA Board of Trustees minutes from November 19, 2015 meeting
- Approval of UUA Board of Trustees minutes from December 17, 2015 meeting

The following reports were presented:

MODERATOR'S REPORT - Jim Key presented his moderator's report.

UUA Board of Trustees
January 22 & 23, 2016

VICE MODERATOR'S REPORT – Susan Weaver presented her vice moderator's report.

SECRETARY'S REPORT – Rob Eller-Isaacs presented his secretary's report.

FINANCIAL ADVISORS'S REPORT – Larry Ladd presented his financial advisor's report.

RENEWING THE COVENANT TASKFORCE REPORT – Susan Ritchie presented her report from the Renewing the Covenant Taskforce.

TREASURER'S REPORT – Tim Brennan presented his treasurer's report.

AUDIT COMMITTEE REPORT – Sean Rush, chair of the audit committee, presented the audit committee's report.

EMPOWERMENT AND INCLUSION WORKING GROUP REPORT – Julian Sharp presented the report from the Empowerment and Inclusion working group.

PRESIDENT'S REPORT Peter Morales presented his president's report.

PROCESS OBSERVATION

Christina Rivera shared process observations and at 4:18 Jim Key declared the meeting recessed until Saturday morning.

RECONVENED

Moderator Jim Key reconvened the board meeting at 9:20 AM on Saturday, January 23, 2016. Guests were introduced.

GOVERNANCE AND POLICIES WORKING GROUP REPORT –Tim Atkins, Andy Burnette and Patrick McLaughlin presented information from this working group.

OPEN UUA COMMITTEE –_Dick Jacke, chair of the Open UUA Committee, presented their report.

JOURNEY TOWARDS WHOLENESS TRANSFORMATION COMMITTEE – Wendy von Courter presented a report from this committee.

LINKAGE WORKING GROUP REPORT – Christina Rivera presented the report from the linkage working group.

COMMISSION ON SOCIAL WITNESS REPORT – Susan Goekler presented a report from the commission on social witness.

UUA Board of Trustees
January 22 & 23, 2016
EXECUTIVE SESSION

Susan Weaver moved and Julian Sharp seconded a motion to enter Executive Session for the purpose of considering nominations and discussing staff compensation matters. Motion carried.

Upon returning from Executive Session it was announced that nominations and staff compensation matters were discussed and that results of the nomination discussion would be announced at the end of February. Topics related to UUA staff compensation that were deemed not appropriate for Executive Session continued to be discussed in open session with Rob Molla, the UUA's Director of Human Resources, presenting a report.

REVIEW OF EXECUTIVE COMPENSATION – Rob Molla, UUA Director of Human Resources, joined the board in to present information about UUA staff compensation.

REIMAGINING GOVERNANCE WORKING GROUP REPORT – Susan Weaver presented a report from the reimagining governance working group.

MOTIONS PRESENTED AND ACTED UPON

Motion re Undesignated Bequest Income:

Came from finance committee so no second required: Motion to Amend Executive Limitation 2.7 to add 2.7.2.6: If undesignated bequest income is placed into operating funds, rather than placed in the Common Endowment Fund, then such funds shall only be used for innovation initiatives. Motion passed.

Motion re Endowment:

Larry Ladd moved and James Snell seconded that the UUA's Endowment Payout Policy in the UUA Governance Manual Appendix 2.D be amended as follows:

The amount made available for expenditure from the Association's endowment in a fiscal year shall be a weighted average of:

- the prior year's spending adjusted for inflation (weighted at 70%), and
- the trailing four-quarter average market value of the endowment as of the previous December multiplied by 5.5% in fiscal year 2016, 5.0% in fiscal year 2017, and 4.5% in fiscal year 2018 and thereafter (weighted at 30%).

However, the spending rate must be at least 4.0% and not more than 6.00% of the trailing four-quarter average market value of the endowment as of the previous December. Motion carried.

Motion re Reserve for Repairs:

UUA Board of Trustees

January 22 & 23, 2016

Larry Ladd moved and Tim Atkins seconded that the Treasurer annually conduct a Facilities Condition Assessment (FCA) and set aside sufficient funds in a board restricted account to pay for major repairs and maintenance of major building systems in accordance with the FCA. Motion carried.

PROCESS OBSERVATIONS – Julian Sharp provided process observations.

ADJOURNMENT

At 5:40 PM Moderator Jim Key shared closing words and declared the meeting adjourned, confirming that the next meeting would take place by video conference on February 25, 2016 at 9:00 P.M. EST.

Respectfully submitted,

/s/ Harlan Limpert
Clerk

BOARD OF TRUSTEES SCHEDULE

- **Conference Call: February 2016**
February 25, 2016
8:00 PM - 9:30 PM (Eastern)
 - Meeting URL: <https://zoom.us/j/315386726>
 - Meeting ID: 315 386 726
 - Phone: (408) 638-0968 or (646) 558-8656
- **Conference Call: March 2016**
March 24, 2016
8:00 PM - 9:30 PM (Eastern)
 - Meeting URL: <https://zoom.us/j/382683809>
 - Meeting ID: 382 683 809
 - Phone: (408) 638-0968 or (646) 558-8656
- **Meeting: April 2016, Boston, MA**
Friday, April 15—Saturday, April 16

UUA Board of Trustees

January 22 & 23, 2016

- **Conference Call: May 2016**
May 26, 2016
8:00 PM - 9:30 PM (Eastern)
- **Meetings: June 2016, Columbus, OH**
Tuesday, June 21—Wednesday, June 22: Board of Trustees Meeting
Wednesday, June 22—Sunday June 26: General Assembly
Monday, June 27: Board of Trustees Meeting
- **Meeting: October 2016, Boston, MA**
Thursday, October 13 - Saturday, October 15, 2016
- **Meeting: January, 2017, Boston, MA**
Friday, January 27 - Saturday, January 28, 2017
- **Meeting: April, 2017, Boston, MA**
Friday, April 21 - Saturday, April 22, 2017
- **Meetings: June 2017, New Orleans, LA**
Tuesday, June 20—Wednesday, June 21: Board of Trustees Meeting
Wednesday, June 21—Sunday June 25: General Assembly
Monday, June 26: Board of Trustees Meeting
- **Meeting: October 2017, Boston, MA**
Thursday, October 19 - Saturday, October 21, 2017
- **Meeting: January, 2018, Boston, MA**
Friday, January 19 - Saturday, January 20, 2018
- **Meeting: April, 2018, Boston, MA**
Friday, April 20 - Saturday, April 21, 2018
- **Meetings: June 2018, Kansas City, MO**
Tuesday, June 19—Wednesday, June 20: Board of Trustees Meeting
Wednesday, June 20—Sunday June 24: General Assembly
Monday, June 25: Board of Trustees Meeting

UUA Board of Trustees
February 25, 2016

DRAFT - NOT YET APPROVED BY THE UUA BOARD.

MINUTES
BOARD OF TRUSTEES
UNITARIAN UNIVERSALIST ASSOCIATION

February 25, 2016

Pursuant to notice duly given, a meeting of the Board of Trustees of the Unitarian Universalist Association was via video conference call on Thursday, February 25, 2016.

MEMBERS

PRESENT: Tim Atkins, Greg Boyd, Andy Burnette, Rob Eller-Isaacs, Dorothy Holmes, Jim Key, Larry Ladd, Patrick McLaughlin, Peter Morales, Denise Rimes, Christina Rivera, Michael Sallwasser, Julian Sharp, and James Snell.

MEMBERS

ABSENT: None.

ALSO

PRESENT: Tim Brennan, Sarah Lammert, Harlan Limpert, Mary Katherine Morn, Olivia Calvi (Youth Observer), Caleb Leman (Youth Observer), and observers, including Tom Bean, the UUA's General Counsel.

Jim Key, Moderator, called the meeting to order at 8:00 PM EST on Thursday, February 25, 2016.

Larry Ladd moved and Dorothy Holmes seconded the following motion:

That the spending policy for funds held in trust by the Association for the benefit of congregations and other entities be adjusted as follows: the payout percentage that is applied to the 13-quarter rolling average be reduced to 4.5% over next 3 years; Specifically, 5.0% in FY 2016 (current year), 4.75% in FY 2017 and 4.5% in FY 2018.

Motion carried.

Larry Ladd moved and Michael Sallwasser seconded the following motion:

We are seeking to create a Justice Focused General Assembly in 2017 where we will have more worship, witness, and service opportunities with local partners. The UUA Board of Trustees, General Assembly Planning Committee, the Office of Multicultural Growth and Witness, the Commission on Social Witness, and the Center for Ethical

UUA Board of Trustees
February 25, 2016

Living and Social Justice Renewal in New Orleans request that the delegates vote to amend the Bylaws to suspend the AIW process in 2017, which will allow us an opportunity to practice different models of immediate witness. **Accordingly, the Board of Trustees moves to amend section 4.16 of the Bylaws to read as follows:**

“(b) Prior to 2018, there will be no General Assembly Actions of Immediate Witness on the agenda.

(c) (1) A General Assembly Action of Immediate Witness is one concerned with a significant action, event or development, the timing or specificity of which makes it inappropriate to be addressed by a UUA Statement of Conscience pursuant to the Study/Action process.

(2) No more than three General Assembly Actions of Immediate Witness may be admitted to the agenda of a regular General Assembly.”

This amendment makes no changes to our current AIW process other than its suspension at GA 2017.

Motion carried.

Denise Rimes was officially welcomed to the Board of Trustees, a decision that was made in Executive Session at the January 23, 2016 UUA board meeting.

Michael Sallwasser moved and Julian Sharp seconded a motion to move into Executive Session. Motion carried.

Michael Sallwasser moved and Andy Burnette seconded a motion to remain in Executive Session for the purpose of considering nominations for various volunteer positions. Motion carried.

It was reported that during Executive Session two appointments were approved: The Rev. Sofia Betancourt to the Appointments Committee and Catherine Romano Griffin to the Commission on Appraisal.

Moderator Key adjourned the meeting at 9:00 PM EST.

Respectfully submitted,

/s/ Harlan Limpert
Clerk

BOARD OF TRUSTEES SCHEDULE

- **Meeting: April 2016, Boston, MA**
Friday, April 15—Saturday, April 16
- **Conference Call: May 2016**
May 26, 2016
8:00 PM - 9:30 PM (Eastern)
- **Meetings: June 2016, Columbus, OH**
Tuesday, June 21—Wednesday, June 22: Board of Trustees Meeting
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Monday, June 25: Board of Trustees Meeting

Memorandum

To: UUA Board of Trustees
Subject: President's Report
From: Peter Morales
Date: April 12, 2016



This report highlights topics that are not covered in other parts of the agenda or in other reports.

Multi Faith Outreach

I am pleased to report significant progress in this area. We steadily building additional partnerships. In particular, we are about to finalize an agreement to work with Harvard Divinity School students (soon to be graduates) Casper ter Kuile and Angie Thurston, who have focused on the topic of the changing religious landscape. You can see two of their reports at howwegather.org. They will take over the staffing of our interfaith effort with the financial support of the Fetzer Institute and will be housed at Harvard Divinity School. A planning meeting will be held at HDS in May. Larger gatherings of religious innovators and supporting denominations are being planned for this winter.

Finding Our Way Home

This annual gathering of ministers, seminarians and religious professionals of color took place last month in Philadelphia. What is significant is that more than 90 people took part, by far the largest gathering of UU religious professionals of color ever. (This is in spite of the fact that a number of prominent ministers were not able to attend). We are entering a new era in the ethnic and racial diversity of our ministry. The rising number of people of color, combined with the record number of retirements, is creating a time of unprecedented opportunity.



Ministerial Transition

We are in the midst of a generational shift in our ordained ministry. We currently do not have enough minister to fill all the open positions in parish ministry. The number of ministers retiring this year is currently 59, and the number will certainly go up before GA. We will have averaged 60 retirements a year for the past three years. That is double the average of the previous three years.

Congregations having the most difficulty are those with between 75 and 140 members who are looking for three-quarter or full time ministers. Keith Kron of the Transitions Office and Scott Tayler of Congregational Life are working on a “minister on loan” program.

As of yesterday, we had 66 congregations in search and nine developmental ministries. Fifteen congregations came up without a candidate on the first round. A second round begins next week. Of the 15 who did not find a candidate, 12 had 140 or fewer members.

Membership and congregations

I would like to propose that the Board set aside time at its October meeting to discuss trends in membership in our congregations and developments in UU communities that are not traditional congregations.

Jim Key
UUA Moderator and
Chief Governance Officer

April 2016

Report to the UUA Board of Trustees

Congregational and other visits

January 24 – UU Fellowship of Statesboro (GA) – Speak at Building Dedication

February 21 – UU Church of Savannah (GA) – Preach

February 27-28 – UU Church of Eugene (OR) – Facilitated Governance Workshop for three Boards; Preach

March 6 – First Parish of Lincoln (MA)– Speak at Installation of Rev. Manish Mishra-Marzetti

March 13 – UU Church of Augusta (GA) – Preach, meet with Board Exec Committee

March 23 – UU Fellowship of Fredericksburg (VA) – Meet with Denise Rimes to plan GA General Session Agenda

April 2 – Ohio-Meadville District Assembly (Akron OH) – Speak

April 3 – UU Church of Marblehead (MA) – Speak at 300th Anniversary
Sermon delivered by Gini Van Courter in my absence due
To weather delay

April 8-9 – Joseph Priestly District Assembly (York PA) – Speak

April 10 – Mainline Unitarian Church (Devon PA) – Preach and speak at Installation of Rev. Neal Jones

Narrative

The board will hear updates about the three initiatives I brought to the board in my October 2015 report: Larry Ladd will provide an update from the APF task force, Susan Ritchie will report from the Renewing the Covenant task force, and Denise Rimes will bring you up to date on the GA Delegate Scholarship initiative.

In other areas participated in:

- Meetings with GAPC, CWS, and staff regarding a justice-themed GA in New Orleans in 2017
- Meetings with various committees, groups, and staff on GA 2016 Agenda items. The Board will be copied on the letter that will go to presenters.
- Meetings with UUJME and various parties on the Business Resolution (BR) on Divestment from Corporations Complicit in the Violation of Palestinian Rights. The Socially Responsible Investing Committee (SRIC) applies human rights screens as well as other screens on equities held by the UUA Common Endowment fund (CEF). As a result, the CEF holds no equities in the firms that the BR directs divestment.
- Meetings with Renewing the Covenant Task Force (RCTF) to develop an approach to introduce the topic and hear feedback at GA Columbus.
- Meetings with Parisa Parsa and Barbara Simonetti, consultants in large-group decision making, to create training materials and develop logistics for RCTF discernment at GA
- Meetings with Marie Fortune, consultant, CSM (Clergy Sexual Misconduct) advisory members, staff, and Vice Moderator to assess web page content for those considering lodging a CSM complaint

	C	D	E	F	G	H	I
2	Unitarian Universalist Association	FY14	FY15	FY16	FY16	FY16	Percent
3	Budget Overview	Results	Results	Budget	2Q16 Fcst	3Q16 Fcst	Inc/(Dec)
4	Current Operations						G to H
5							
6	\$ in Thousands						
7	Income:						
8	Income for General Support						
9	Annual Program Fund	6,657	6,532	6,734	6,554	6,550	-0.1%
10	Annual Program Fund - Regional	0	0	700	490	480	-2.0%
11	Unrestricted Gifts	1,437	1,333	1,350	1,236	1,192	-3.5%
12	Bequest Income	698	450	500	500	500	0.0%
13	Administrative Fees	2,007	2,037	2,335	2,334	2,312	-0.9%
14	Investment Income	2,293	3,288	3,148	3,148	3,148	0.0%
15	Net Lease Income	0	319	757	1,009	981	-2.8%
16	Other Current Fund Income	2,595	1,908	1,938	2,045	1,888	-7.7%
17	Total Income for General Support	15,688	15,868	17,462	17,316	17,052	-1.5%
18							
19	Income for Designated Purposes						
20	Campaign Income	698	1,774	1,487	1,612	1,583	-1.8%
21	UUCSR Veatch Grants	2,207	2,320	2,304	2,354	2,365	0.5%
22	Grants and Scholarships	927	1,086	1,026	1,026	1,028	0.2%
23	Ministerial Aid Funds	531	543	484	484	484	0.0%
24	Holdeen and International Trusts	1,448	1,940	1,698	1,981	2,001	1.0%
25	Income for Other Purposes	835	951	1,114	1,176	1,246	6.0%
26	Total Inc for Designated Purposes	6,645	8,614	8,112	8,632	8,706	0.9%
27	Total Income	22,333	24,481	25,574	25,948	25,758	-0.7%
28							
29	Expenses:						
30	Board & Volunteer Leadership	568	550	494	527	529	0.5%
31							
32	Programs:						
33	Program and Strategy Office	899	803	805	812	821	1.2%
34	Multicultural Growth and Witness	1,242	1,217	1,130	1,209	1,234	2.1%
35	International Programs	1,367	1,770	1,525	1,911	1,930	1.0%
36	Congregational Life	2,912	2,969	3,809	3,622	3,630	0.2%
37	Ministries and Faith Development	4,864	4,824	4,968	4,927	4,960	0.7%
38	UU Funding Program	1,207	1,320	1,254	1,329	1,340	0.8%
39	Crisis Relief & Misc. Programs	401	60	53	113	112	-1.1%
40	Communications	2,733	2,654	2,748	2,771	2,750	-0.7%
41							
42	Total Programs	15,624	15,617	16,292	16,693	16,776	0.5%
43							
44	Administration	1,626	1,211	1,462	1,515	1,490	-1.6%
45	Contingency/Salary Increase	22	0	687	345	155	-55.1%
46							
47	Infrastructure						
48	Stewardship and Development	2,343	1,920	2,097	2,095	2,029	-3.1%
49	Information Technology Services	1,419	1,443	1,485	1,502	1,491	-0.8%
50	Internal Services	1,874	3,732	3,306	3,522	3,537	0.4%
51	Total Infrastructure	5,636	7,095	6,888	7,119	7,057	-0.9%
52							
53	Total Expenses	23,476	24,473	25,824	26,198	26,008	-0.7%
54							
55	Depreciation Spending	0	0	250	250	250	
56							
57	Current Section Excess/(Deficit)	(1,143)	8	0	0	0	

	D	E	F	G	H	I	J
1	Unitarian Universalist Association	FY14	FY15	FY16	FY16	FY16	Percent
2	Forecast Summary	Results	Results	Budget	2Q16 Fcst	3Q16 Fcst	Inc/(Dec)
3	Current Operations Expenses						H to I
4							
5	\$ in Thousands						
6	Income:						
7	Income for UUA General Support						
8	Annual Program Fund	6,657	6,532	6,734	6,554	6,550	-0.1%
9	Annual Program Fund - Regional	0	0	700	490	480	-2.0%
10	Unrestricted Gifts	1,437	1,333	1,350	1,236	1,192	-3.5%
11	Bequest Income	698	450	500	500	500	0.0%
12	Administrative Fees	2,007	2,037	2,335	2,334	2,312	-0.9%
13	Endowment Income	2,254	3,370	3,148	3,148	3,148	0.0%
14	Net Lease Income	0	319	757	1,009	981	-2.8%
15	Investment Income	39	(82)	0	0	0	0.0%
16	Other Current Income	2,595	1,908	1,938	2,045	1,888	-7.7%
17		15,688	15,867	17,462	17,316	17,052	-1.5%
18	Income for Designated Purposes						
19	Campaign Income	698	1,774	1,487	1,612	1,583	-1.8%
20	Veatch Grants	2,207	2,320	2,304	2,354	2,365	0.5%
21	Grants and Scholarships	927	1,086	1,026	1,026	1,028	0.2%
22	Ministerial Aid Funds	531	543	484	484	484	0.0%
23	Holdeen & International Trusts	1,448	1,940	1,698	1,981	2,001	1.0%
24	Income for Other Purposes	835	951	1,114	1,176	1,246	6.0%
25		6,645	8,614	8,112	8,632	8,706	0.9%
26	Total Income	22,333	24,481	25,574	25,948	25,757	-0.7%
27							
28	Board & Volunteer Leadership						
29	Board of Trustees	249	221	166	188	188	0.1%
30	Board Committees	102	101	109	110	111	0.7%
31	Board Task Forces	8	7	4	4	3	-18.8%
32	Moderator	26	28	26	24	25	6.4%
33	Nominating Committee	21	27	19	19	19	0.7%
34	Commission on Appraisal	26	20	19	31	32	3.1%
35	Ministerial Fellowship Committee	111	119	121	121	121	0.0%
36	Commission on Social Witness	24	29	30	31	31	0.0%
37	Total Board & Volunteer Leadership	568	550	494	527	529	0.5%
38							
39	Programs:						
40	Program Strategy Office (former Growth Strategies)	899	803	805	812	821	1.2%
41							
42	Multicultural Growth and Witness	1,242	1,217	1,130	1,209	1,234	2.1%
43							
44	International Office	233	230	205	213	216	1.0%
45	Holdeen International Partners	139	143	161	165	165	0.0%
46	Holdeen India Program	686	1,101	845	1,213	1,232	1.5%
47	UU-UNO	310	296	315	319	318	-0.5%
48	Total International	1,367	1,770	1,525	1,911	1,930	1.0%
49							
50	Congregational Life						
51	Congregational Life	2,633	2,756	2,495	2,359	2,356	-0.1%
52	Southern Region	0	0	1,237	1,185	1,198	1.1%
53	Office of Congregational Stewardship Services	278	213	78	78	76	-2.4%
54	Total Congregational Life	2,912	2,969	3,809	3,622	3,630	0.2%
55							
56	Ministries and Faith Development						
57	Resource Development Director	131	139	153	153	154	0.7%
58	Resource Development Office	624	507	471	477	476	-0.1%
59	Youth and Young Adult Ministries	442	528	588	596	598	0.3%
60	Director of Ministries and Faith Development	569	364	400	405	414	2.3%
61	Director of RE Credentialing	96	70	100	102	103	0.5%
62	Director of Ministerial Credentialing	208	200	192	193	194	0.5%
63	Director of Transitions	343	334	315	316	318	0.7%
64	Office of Church Staff Finances	572	592	657	652	641	-1.8%
65	Office of UUA Health Plan	195	240	239	231	240	3.8%
66	Director of Professional Development	158	193	190	191	210	10.0%
67	Scholarships and Ministerial Ed Grants	328	350	350	349	349	0.0%
68	Continuing Education	48	65	85	85	85	0.0%
69	Aid Funds	597	606	577	552	553	0.2%
70	Panel on Theological Education	552	634	651	625	625	0.0%

	D	E	F	G	H	I	J
1	Unitarian Universalist Association	FY14	FY15	FY16	FY16	FY16	Percent
2	Forecast Summary	Results	Results	Budget	2Q16 Fcst	3Q16 Fcst	Inc/(Dec)
3	Current Operations Expenses						H to I
71	Total Ministries and Faith Development	4,864	4,824	4,968	4,927	4,960	0.7%
72							
73	UU Funding Program	1,207	1,320	1,254	1,329	1,340	0.8%
74	Crisis Relief & Misc. Programs	401	60	53	113	112	-1.1%
75							
76	Communications						
77	IPW Office	500	349	382	378	379	0.3%
78	Periodicals Office	960	952	975	977	970	-0.7%
79	Publications Administration	504	526	567	572	573	0.1%
80	UUA Bookstore	769	827	823	844	828	-1.9%
81	Total Communications	2,733	2,654	2,748	2,771	2,750	-0.7%
82							
83	Total Programs	15,624	15,617	16,292	16,693	16,776	0.5%
84							
85	Administration						
86	Office of the President	460	500	557	573	567	-1.0%
87	Office of the Executive Vice President	651	331	409	396	399	0.9%
88	Contingency Expense	22	0	433	91	155	69.5%
89	Salary Increase	0	0	254	254	0	-100.0%
90	Human Resources	514	379	496	545	524	-4.0%
91	Total Administration	1,648	1,211	2,149	1,860	1,645	-11.5%
92							
93	Infrastructure:						
94	Stewardship and Development						
95	Vice President, Development	288	59	51	52	50	-3.1%
96	APF Campaign	291	270	367	351	335	-4.5%
97	Friends Campaign	414	291	353	316	315	-0.4%
98	Charitable Gift and Estate Planning	140	154	175	176	177	0.5%
99	Comprehensive Campaign	1,210	1,146	1,151	1,201	1,153	-4.0%
100	Total Stewardship and Development	2,343	1,920	2,097	2,095	2,029	-3.1%
101							
102	Information Technology Services	1,419	1,443	1,485	1,502	1,491	-0.8%
103							
104	Internal Services:						
105	Finance						
106	Treasurer and Vice President of Finance	529	381	387	376	376	0.2%
107	Financial Services	601	615	635	655	657	0.3%
108	Total Finance	1,130	996	1,022	1,030	1,033	0.3%
109							
110	Facilities						
111	Facilities - General	78	(0)	0	0	0	0.0%
112	25 Beacon Street	(27)	0	0	0	0	0.0%
113	41 Mt Vernon Street	(7)	29	0	0	0	0.0%
114	Eliot & Pickett House	416	0	0	0	0	0.0%
115	24 Farnworth Street	284	2,706	2,285	2,492	2,504	0.5%
116	Total Operations Services	743	2,735	2,285	2,492	2,504	0.5%
117							
118	Total Internal Services	1,874	3,731	3,306	3,522	3,537	0.4%
119							
120	Total Infrastructure	7,284	8,305	9,037	8,979	8,702	-3.1%
121	Total Expenses	23,476	24,473	25,824	26,198	26,007	-0.7%
122							
123	Depreciation Spending	0	0	250	250	250	
124							
125	Current Section Excess/(Deficit)	(1,143)	8	0	0	0	
126							

FY 16 2nd Quarter Budget Variance Analysis

Summary

The variance analysis describes the key differences between the second quarter Fiscal Year 2016 budget forecast and the third quarter forecast. At this time, we are forecasting a breakeven outcome for the year. Overall, both income and expense variances are approximately 1% of budget. Significant changes from the second quarter forecast are described below.

Variances from 2nd Quarter Forecast to 3rd Quarter Forecast

Overall income – down 0.7%

Unrestricted gifts – down 3.5%

The most significant change from the 2nd quarter forecast is a reduction in the amount we expect to raise at General Assembly from \$100,000 to \$75,000.

Other current fund income – down 7.7%

Lowered projection is due primarily to lower than expected bookstore income and less outside trust income. Like our endowment, the outside trusts have been adversely affected by the financial markets.

Income for Other Purposes – up 6.0%

The increase is the result a UU Funding Program grant for Green Sanctuary, the UUSC contribution towards Commit 2 Respond, a Panel on Theological Education grant for entrepreneurial ministry, and increased registration fees.

Overall Expenses – down 0.7%

Multicultural growth and witness – up 2.1%

Primarily the effect of grants for Black Lives Matter and other social justice activities funded by a major donor.

Contingency – \$155,000 remains

Contingency increased from \$91,000 to \$155,000 due to favorable changes in projected expenses. Annual raises were instituted in January and are now reflected in departmental salaries, and as a result the allowance for raises has been reduced to zero.

Stewardship and Development – down 3.1%

Reflects budgeted staff positions that were unfilled for part of the year.

UUA FY16 and FY17 Consolidating Budgets
Statement of Unrestricted Operating Income and Expense

(in \$000s)

Fiscal Year 2017	General								UUA Total
	Current Operations	Beacon Press	Insurance Program	Building Loan Fund	UUCEF	General Assembly	Farnsworth Bldg	Eliminations	
Support and Revenue									
Income for general support	17,416	-	1,736	21	-	1,493	1,614	(4,511)	17,769
Income for designated purposes	7,925	100	-	-	-	-	-	(1,466)	6,560
New sales form publishing	-	6,097	-	-	-	-	-	-	6,097
Interest income	-	-	-	285	-	-	-	-	285
Investment income, gains/losses	-	38	-	-	6,342	-	-	-	6,379
	<u>25,341</u>	<u>6,235</u>	<u>1,736</u>	<u>306</u>	<u>6,342</u>	<u>1,493</u>	<u>1,614</u>	<u>(5,976)</u>	<u>37,090</u>
Expenses									
Programs	16,451	-	1,186	97	-	1,493	-	-	19,228
General and administrative	9,290	-	492	258	-	-	639	(1,229)	9,450
Cost of goods sold and publishing	-	6,228	-	-	-	-	-	-	6,228
Expenses associated with investments	-	-	-	-	873	-	-	-	873
	<u>25,741</u>	<u>6,228</u>	<u>1,678</u>	<u>356</u>	<u>873</u>	<u>1,493</u>	<u>639</u>	<u>(1,229)</u>	<u>35,779</u>
Depreciation Spending	<u>400</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>400</u>
Surplus (deficit)	<u>0</u>	<u>7</u>	<u>58</u>	<u>(49)</u>	<u>5,468</u>	<u>-</u>	<u>975</u>	<u>(4,747)</u>	<u>1,711</u>

Fiscal Year 2018	General								UUA Total
	Current Operations	Beacon Press	Insurance Program	Building Loan Fund	UUCEF	General Assembly	Farnsworth Bldg	Eliminations	
Support and Revenue									
Income for general support	17,475	-	1,788	21	-	1,471	1,650	(4,341)	18,064
Income for designated purposes	7,754	100	-	-	-	-	-	(1,372)	6,482
New sales form publishing	-	6,144	-	-	-	-	-	-	6,144
Interest income	-	-	-	299	-	-	-	-	299
Investment income, gains/losses	-	50	-	-	6,488	-	-	-	6,538
	<u>25,229</u>	<u>6,294</u>	<u>1,788</u>	<u>319</u>	<u>6,488</u>	<u>1,471</u>	<u>1,650</u>	<u>(5,713)</u>	<u>37,527</u>
Expenses									
Programs	16,443	-	1,222	102	-	1,471	-	-	19,238
General and administrative	9,369	-	507	258	-	-	661	(1,220)	9,575
Cost of goods sold and publishing	-	6,293	-	-	-	-	-	-	6,293
Expenses associated with investments	-	-	-	-	896	-	-	-	896
	<u>25,812</u>	<u>6,293</u>	<u>1,728</u>	<u>361</u>	<u>896</u>	<u>1,471</u>	<u>661</u>	<u>(1,220)</u>	<u>36,002</u>
Depreciation Spending	<u>400</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>400</u>
Surplus (deficit)	<u>(183)</u>	<u>1</u>	<u>60</u>	<u>(41)</u>	<u>5,592</u>	<u>-</u>	<u>989</u>	<u>(4,493)</u>	<u>1,525</u>

UUA CAPITAL BUDGET

	FY16	FY17	FY18
	Forecast	Budget	Budget
	2-Apr-16	2-Apr-16	2-Apr-16
Computer Hardware & Software			
Computer Hardware	\$ 123,300	\$ 113,500	\$ 120,000
Computer Software	167,000	194,900	140,000
Telephone system	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>
	292,300	310,400	262,000
Property & Renovations			
UUA occupied space	157,129	40,000	93,500
Furniture and fixtures	97,960	40,000	25,000
General building improvements	<u>412,850</u>	<u>361,900</u>	<u>174,000</u>
	<u>667,939</u>	<u>441,900</u>	<u>292,500</u>
Total Capital Expenditures	\$ 960,239	\$ 752,300	\$ 554,500
Depreciation expense			
Computer Hardware	32,213	101,031	106,540
Computer Software	<u>52,025</u>	<u>108,847</u>	<u>117,886</u>
Total computer depreciation	84,238	209,878	224,426
<i>Excess (deficiency)</i>	<i>(208,062)</i>	<i>(100,522)</i>	<i>(37,574)</i>
Office Furniture & Fixtures	162,134	178,271	182,914
UUA occupied space	495,021	500,271	503,839
General building improvements	<u>378,453</u>	<u>401,658</u>	<u>415,004</u>
Total facilities	1,035,608	1,080,200	1,101,757
<i>Excess (deficiency)</i>	<i>367,669</i>	<i>638,300</i>	<i>809,257</i>
Total depreciation expense	1,119,846	1,290,078	1,326,183
<i>Total excess (deficiency)</i>	<i>159,607</i>	<i>537,778</i>	<i>771,683</i>

	C	D	E	F	G	H
2	Unitarian Universalist Association	FY15	FY16	FY17	FY17	FY18
3	Budget Overview	Results	2Q16 Fcst	Budget	Inc/(Dec)	Budget
4	Current Operations				E to F	
5						
6	\$ in Thousands					
7	Income:					
8	Income for General Support					
9	Annual Program Fund	6,532	6,554	6,750	3.0%	7,000
10	Annual Program Fund - Regional	0	490	490	0.0%	490
11	Unrestricted Gifts	1,333	1,236	1,451	17.4%	1,400
12	Bequest Income	450	500	500	0.0%	500
13	Administrative Fees	2,037	2,334	2,327	-0.3%	2,309
14	Investment Income	3,288	3,148	2,971	-5.6%	2,830
15	Net Lease Income	319	1,009	975	-3.4%	989
16	Other Current Fund Income	1,908	2,045	1,952	-4.6%	1,957
17	Total Income for General Support	15,868	17,316	17,416	0.6%	17,475
18						
19	Income for Designated Purposes					
20	Campaign Income	1,774	1,612	1,577	-2.2%	1,480
21	UUCSR Veatch Grants	2,320	2,354	2,316	-1.6%	2,391
22	Grants and Scholarships	1,086	1,026	991	-3.3%	913
23	Ministerial Aid Funds	543	484	474	-1.9%	459
24	Holdeen and International Trusts	1,940	1,981	1,390	-29.8%	1,327
25	Income for Other Purposes	951	1,176	1,177	0.1%	1,183
26	Total Inc for Designated Purposes	8,614	8,632	7,925	-8.2%	7,754
27	Total Income	24,481	25,948	25,341	-2.3%	25,229
28						
29	Expenses:					
30	Board & Volunteer Leadership	550	527	502	-4.6%	510
31						
32	Programs:					
33	Program and Strategy Office	803	812	582	-28.4%	589
34	Multicultural Growth and Witness	1,217	1,209	1,144	-5.3%	1,179
35	International Programs	1,770	1,911	1,432	-25.1%	1,389
36	Congregational Life	2,969	3,622	3,553	-1.9%	3,574
37	Ministries and Faith Development	4,824	4,927	5,031	2.1%	4,971
38	UU Funding Program	1,320	1,329	1,341	0.9%	1,341
39	Crisis Relief & Misc. Programs	60	113	61	-46.3%	59
40	Communications	2,654	2,771	2,804	1.2%	2,829
41						
42	Total Programs	15,617	16,693	15,949	-4.5%	15,933
43						
44	Administration	1,211	1,515	1,521	0.4%	1,549
45	Contingency/Salary Increase	0	345	604	75.1%	606
46						
47	Infrastructure					
48	Stewardship and Development	1,920	2,095	2,072	-1.1%	2,089
49	Information Technology Services	1,443	1,502	1,553	3.4%	1,567
50	Internal Services	3,732	3,522	3,540	0.5%	3,558
51	Total Infrastructure	7,095	7,119	7,165	0.6%	7,214
52						
53	Total Expenses	24,473	26,198	25,741	-1.7%	25,812
54						
55	Depreciation Spending	0	250	400		400
56						
57	Current Section Excess/(Deficit)	8	0	0		(183)

	D	E	F	G	H	I
1	Unitarian Universalist Association	FY15	FY16	FY17	FY17	FY18
2	Forecast Summary	Results	2Q16 Fcst	Budget	Inc/(Dec)	Budget
3	Current Operations Expenses				F to G	
4						
5	<i>\$ in Thousands</i>					
6	Income:					
7	Income for UUA General Support					
8	Annual Program Fund	6,532	6,554	6,750	3.0%	7,000
9	Annual Program Fund - Regional	0	490	490	0.0%	490
10	Unrestricted Gifts	1,333	1,236	1,451	17.4%	1,400
11	Bequest Income	450	500	500	0.0%	500
12	Administrative Fees	2,037	2,334	2,327	-0.3%	2,309
13	Endowment Income	3,370	3,148	2,971	-5.6%	2,830
14	Net Lease Income	319	1,009	975	-3.3%	989
15	Investment Income	(82)	0	0	0.0%	0
16	Other Current Income	1,908	2,045	1,952	-4.6%	1,957
17		15,867	17,316	17,416	0.6%	17,476
18	Income for Designated Purposes					
19	Campaign Income	1,774	1,612	1,577	-2.2%	1,480
20	Veatch Grants	2,320	2,354	2,316	-1.6%	2,391
21	Grants and Scholarships	1,086	1,026	991	-3.3%	913
22	Ministerial Aid Funds	543	484	474	-1.9%	459
23	Holdeen & International Trusts	1,940	1,981	1,390	-29.8%	1,327
24	Income for Other Purposes	951	1,176	1,177	0.1%	1,183
25		8,614	8,632	7,925	-8.2%	7,754
26	Total Income	24,481	25,948	25,341	-2.3%	25,229
27						
28	Board & Volunteer Leadership					
29	Board of Trustees	221	188	193	2.7%	198
30	Board Committees	101	110	94	-14.5%	94
31	Board Task Forces	7	4	5	12.5%	5
32	Moderator	28	24	24	0.0%	25
33	Nominating Committee	27	19	19	0.0%	21
34	Commission on Appraisal	20	31	31	1.8%	31
35	Ministerial Fellowship Committee	119	121	103	-14.9%	103
36	Commission on Social Witness	29	31	34	11.5%	34
37	Total Board & Volunteer Leadership	550	527	502	-4.6%	510
38						
39	Programs:					
40	Program Strategy Office (former Growth Strategies)	803	812	582	-28.4%	589
41						
42	Multicultural Growth and Witness	1,217	1,209	1,144	-5.3%	1,179
43						
44	International Office	230	213	203	-4.7%	195
45	Holdeen International Partners	143	165	154	-6.6%	145
46	Holdeen India Program	1,101	1,213	785	-35.3%	757
47	UU-UNO	296	319	289	-9.4%	292
48	Total International	1,770	1,911	1,432	-25.1%	1,389
49						
50	Congregational Life					
51	Congregational Life	2,756	2,359	2,309	-2.1%	2,321
52	Southern Region	0	1,185	1,166	-1.6%	1,175
53	Office of Congregational Stewardship Services	213	78	78	0.6%	78
54	Total Congregational Life	2,969	3,622	3,553	-1.9%	3,574
55						
56	Ministries and Faith Development					
57	Resource Development Director	139	153	155	0.9%	156
58	Resource Development Office	507	477	474	-0.7%	478
59	Youth and Young Adult Ministries	528	596	609	2.2%	614
60	Director of Ministries and Faith Development	364	405	410	1.3%	413
61	Director of RE Credentialing	70	102	132	29.3%	147
62	Director of Ministerial Credentialing	200	193	196	1.7%	198
63	Director of Transitions	334	316	320	1.0%	321
64	Office of Church Staff Finances	592	652	720	10.4%	722

	D	E	F	G	H	I
1	Unitarian Universalist Association	FY15	FY16	FY17	FY17	FY18
2	Forecast Summary	Results	2Q16 Fcst	Budget	Inc/(Dec)	Budget
3	Current Operations Expenses				F to G	
65	Office of UUA Health Plan	240	231	242	4.5%	244
66	Director of Professional Development	193	191	212	11.1%	213
67	Scholarships and Ministerial Ed Grants	350	349	336	-3.5%	336
68	Continuing Education	65	85	82	-3.0%	82
69	Aid Funds	606	552	540	-2.1%	443
70	Panel on Theological Education	634	625	603	-3.5%	603
71	Total Ministries and Faith Development	4,824	4,927	5,031	2.1%	4,971
72						
73	UU Funding Program	1,320	1,329	1,341	0.9%	1,341
74	Crisis Relief & Misc. Programs	60	113	61	-46.3%	59
75						
76	Communications					
77	IPW Office	349	378	389	2.9%	394
78	Periodicals Office	952	977	957	-2.0%	966
79	Publications Administration	526	572	577	0.8%	585
80	UUA Bookstore	827	844	882	4.5%	884
81	Total Communications	2,654	2,771	2,804	1.2%	2,829
82						
83	Total Programs	15,617	16,693	15,949	-4.5%	15,933
84						
85	Administration					
86	Office of the President	500	573	557	-2.8%	572
87	Office of the Executive Vice President	331	396	392	-0.9%	402
88	Contingency Expense	0	91	376	312.2%	378
89	Salary Increase	0	254	228	-10.2%	228
90	Human Resources	379	545	572	4.9%	575
91	Total Administration	1,211	1,860	2,125	14.3%	2,155
92						
93	Infrastructure:					
94	Stewardship and Development					
95	Vice President, Development	59	52	53	2.0%	53
96	APF Campaign	270	351	424	20.8%	428
97	Friends Campaign	291	316	300	-5.2%	300
98	Charitable Gift and Estate Planning	154	176	189	7.4%	191
99	Comprehensive Campaign	1,146	1,201	1,107	-7.8%	1,117
100	Total Stewardship and Development	1,920	2,095	2,072	-1.1%	2,089
101						
102	Information Technology Services	1,443	1,502	1,553	3.4%	1,567
103						
104	Internal Services:					
105	Finance					
106	Treasurer and Vice President of Finance	381	376	378	0.7%	381
107	Financial Services	615	655	668	2.1%	674
108	Total Finance	996	1,030	1,046	1.6%	1,055
109						
110	Facilities					
111	41 Mt Vernon Street	29	0	0	0.0%	0
112	24 Farnworth Street	2,706	2,492	2,493	0.1%	2,503
113	Total Operations Services	2,735	2,492	2,493	0.1%	2,503
114						
115	Total Internal Services	3,731	3,522	3,540	0.5%	3,558
116						
117	Total Infrastructure	8,305	8,979	9,290	3.5%	9,369
118	Total Expenses	24,473	26,198	25,741	-1.7%	25,812
119						
120	Depreciation Spending	0	250	400		400
121						
122	Current Section Excess/(Deficit)	8	0	0		(183)

NOTES TO BUDGETS FOR FISCAL 2017 AND 2018

Budget Fiscal Year 2017 – Flux Analysis

The following is an analysis of the changes from the FY16 2nd quarter forecast to the FY17 budget.

Overall income – down 2.3%

Annual Program Fund – up 3.0%

We are projecting modest growth driven primarily by more aggressive management of the APF program, including more staff resources, greater involvement by the board of trustees, and a renewed volunteer committee effort. A small decline in national membership creates some headwinds for overall revenue growth.

Annual Program Fund Regional Dues – no change

In FY16, the Southern Region's finances were incorporated into the UUA's budget. Regional dues that formerly went to the Southern Region – a separate legal entity – are now coming to the UUA as a percentage of GIFT income to support staff and programs in the Region. We are projecting no change from FY16.

Unrestricted gifts – up 17.4%

The increase is primarily due to the new mid-level donor program, which focuses on donors in the \$1000 to \$10,000 range with a more personalized approach. A senior development officer is leading this effort. In addition, a new direct mail consulting firm with more capacity has been engaged.

Bequest Income – no change

The 10-year average for unrestricted bequests is over \$700,000 per year, so we believe that budgeting \$500,000 is prudent. Because we are notified of bequests many months in advance of the payments, we would have sufficient time to adjust for any budget variance. Bequest income in excess of the budget would be counted as current income under generally accepted accounting principles, but the cash would go into reserves or the unrestricted endowment. Unrestricted bequest income will be directed to innovation in fulfilling the Association's mission.

Administrative Fees – down 0.3%

Administrative fees include fees charged for asset management services for endowment funds, legacy gifts, mortgage loans, Holdeen Trusts, the retirement plan, and general insurance policies. Also included is the 17.5% overhead charged on programs funded with restricted gifts. This is still below our actual cost for management, finance, information technology, human resources, facilities, and other administrative support.

Investment Income – down 5.6%

This line reflects the payout from the unrestricted portion of the endowment according to the Board's spending policy. The UUA's spending policy is based on the current year's spending increased by inflation, weighted 70%, and 5.0% of the average asset value for the four quarters ending December 31, weighted 30%. The formula is as follows:

plus	(Previous year endowment spending X (1+inflation rate)) X 70%
equals	<u>(4 quarter average asset value at 12/31 X 5.0%) X 30%</u> Endowment spending for FY starting 7/1

The market performance of the endowment fund was weak in 2015. Permitted spending from existing assets decreased due to declining market performance and a downward adjustment in the payout rate on assets from 5.5% to 5.0%. This will be further reduced to 4.5% in FY18.

Net Lease Income – down 3.4%

The small decrease in net income from leasing the upper three floors of 24 Farnsworth Street is due primarily to increases in general liability, property, and flood insurance.

Campaign Income – down 2.2%

The FY 16 budget benefitted from the inclusion of income from the sale of the mineral rights in FY 15 for \$960,000. Approximately 400,000 of that was spent in FY15 and the remainder was applied to FY16. The forecast for FY17 is based on a detailed analysis of individual donor prospects with whom the UUA has direct relationships. Large gifts are targeted to specific projects, such as Standing on the Side of Love, Commit 2 Respond, the UU College for Social Justice, and Entrepreneurial Ministry. Note that Campaign Income included in the operating budget includes funds that will be expended during the fiscal year, not the total amounts pledged or collected.

Grants and Scholarships – down 3.3%

Revenue for grants and scholarships is primarily payout from endowment funds restricted to scholarships and theological education. In addition, the Administration has dedicated approximately \$100,000 of the allowable spending from the LRCS fund to theological education. This practice will end in FY17 at the end of Peter Morales' term. The decrease is due to the change in spending policy and market declines.

Ministerial Aid Funds – down 1.9%

The decrease is due to the change in spending policy and market declines.

Holdeen and International Trusts – down 29.8%

This precipitous decline is driven by a 20% reduction in the payout rate from 5% to 4% set by the trustee bank, Wells Fargo. In addition, declining market returns negatively affected the payout from this trust. The reduction is triggering a reduction in program expenditures in International Programs including the Holdeen India Program.

Income for Other Purposes – up 0.1%

No significant change in income from miscellaneous restricted endowment funds, program fees, and insurance administration fees.

Overall Expenses – down 1.7%

Board and Volunteer Leadership – down 4.6%

The decline is due primarily to the elimination of most spending for the Presidential Search Committee, as their work is largely completed.

Program and Strategy Office – down 28.4%

The Chief Strategy Officer position, previously held by Rev. Terasa Cooley, is not being filled.

Multicultural growth and witness – down 5.3%

One open program assistant position will not be filled and one position is going from full to part time.

International – down 25.1%

Grants cut due to reduced payout from the Holdeen Trusts.

Congregational Life – down 1.9%

Several senior positions are being vacated due to retirements. Less senior replacements carry lower compensation.

Ministries and faith development – up 2.1%

Increase in the Office of Church Staff Finance due to the addition of an administrative position, which is paid through administrative fees, is largely offset by reductions in scholarships and ministerial relief grants driven by reduced endowment payout.

UU Funding Program – up 0.9%

All of the UUFP's expenses, including grants and administration, are entirely covered by a grant from the Veatch Fund.

Crisis Relief & Miscellaneous– down \$52,000

The Schulman scholarship is no longer being booked as a UUA expense, but as an agency payment recorded through the balance sheet. This practice is better aligned with generally accepted accounting principals. There is no bottom line effect to the UUA.

Communications – up 1.2%

Increase in the cost of goods sold for non-book items is largely offset by lower postage and printing due to the lower number of magazines distributed.

Administration – up 0.4%

Small increase is due to the effect of 1/1/16 raises carrying over into the new fiscal year.

Contingency/Salary Increase

Contingency is set in the by-laws as 3% of unrestricted income. The contingency is drawn on throughout the year to compensate for expense overages and income shortfalls as needed. It is then reset at the beginning of each fiscal year according to the formula. The salary increase for FY17 is carried in this section as a lump sum that will

be distributed into the staff group budgets when increases are determined around mid-year. Salary increase assumes:

- 2% pool for staff cost of living increases and attendant benefits effective 1/1/2017 = \$130,000
- Pool for grade and job changes = \$25,000
- Salary in lieu of FICA for ministers hired post 3/1/2007 = \$25,000

Stewardship and Development – down by 1.1%

Reduction is due to lower expenses for consultants and marketing.

Information Technology Services – up 3.4%

Change is primarily due to the purchase of service contracts on IT servers and other equipment after the expiration of original warranties. In addition, the licensing fees for certain software packages have increased.

Internal Services – up 0.5%

Small increase is due to the effect of 1/1/16 raises carrying over into the new fiscal year.

Depreciation Spending

In the FY 17 budget, total depreciation expense is forecast to be \$ 1.3 million compared to a projected capital need of \$752K yielding a cash surplus of \$538K. Projected capital expenses for the year are based on a multi-year Facilities Condition Assessment. This budget assumes that \$400,000 of the surplus amount is spent on the operating budget leaving a substantial cushion.

Budget Fiscal Year 2018

Projected deficit – - \$183,000

The out-year budget for fiscal year 2018 is a tool to help us anticipate trends and help us to take corrective action. This analysis shows that given current staffing and programmatic priorities, we can anticipate that certain steps will need to be taken to bring this budget into balance. We will need to take steps to reduce expenses over the coming year unless revenue prospects improve. Note that the expense forecast does not include new initiatives or an allowance for raises.

MEMORANDUM

To: UUA Board
From: Peter Morales, President
Re: UUA Budget for Fiscal Year 2017
Date: March 24, 2016

Executive Summary

I am pleased to present the proposed budget for FY2017. As required by our governance model, I certify that all expenditures proposed in the budget are in the furtherance of the Ends of the Association. Furthermore, I certify that the allocation of expenses among the programs has been determined in accord with the strategic vision of the administration.

The UUA budget exists within the ecology of larger market forces. Recent market adjustments combined with lower percentage payouts from both the UUA Common Endowment and outside trusts (including a 40% decrease in payout from Holdeen) put a strain on an otherwise healthy projection for income. I have reviewed and accept the Stewardship and Development team's projection of a slight increase over last year. Beacon Press has expanded revenues and increased staffing and production. Membership in UUA congregations is down slightly, with a sharper decline in RE enrollments.¹ The membership decline affects Annual Program Fund income. The expense budget for programs and administration was held nearly flat over the prior year, but cost of living and health insurance increases create a structural deficit which requires long term planning to reduce staffing over time. FY17 layoffs were avoided through a strategic reduction of open positions and internal transfers.

At each quarter of the budget year we will be assiduously examining our actuals vs. projections and will make changes if necessary at

¹ From FY15 to FY16, adult membership is down 1.1% and RE registration down 5.7%.



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each of those stages. This is consistent with the administration's practice over many years.

Key aspects of the FY 17 Budget

Regionalization & Restructuring of APF –

This links most closely with Ends 1.0, 1.5 and 1.9

- The UUA is currently in negotiations with the New England and Central East regions to bring staffing and assets into the UUA structure.
 - Similarly to the Southern Region, income previously collected by the region will now be reflected in UUA income (APF).
 - The staff that used to be employed by the Regions are now UUA employees.
 - Several district offices have been closed and administrative functions combined for future cost savings.
 - APF has developed a new congregational connection structure, the Generosity Network, which will help our congregations to better understand the importance of covenantal giving through APF and GIFT.
 - The UUA Board of Trustees has appointed an APF Task Force to make a recommendation on how and when to roll out a Congregational giving approach that will best sustain the Association into the future, with the core question being whether and how to replace the existing “per-member” formula with a formula based on ability to pay (% of budget).

Dorothea Brayden 3/28/2016 7:41 AM

Comment [1]: Need to figure out when these are capitalized and when they are not. It varies in the bullet points below.



Anti-Racism/Anti-Oppression Work –

This links most closely with Ends 1.3 and 1.4

- The FY17 budget reflects a sustained commitment to the intersectional work of the Movement for Black Lives, including investing in the health and vitality of UUs of Color.
 - The UUA allocated additional financial resources for



Standing on the Side of Love to network experiences UU organizers, including those engaged in The Movement for Black Lives, as part of SSL's goal to amplify faith-based racial justice movement building.

- Beacon Press continues to publish at the leading edge of the Movement for Black Lives, with three books at the exploratory level in this area.
- Funding for THRIVE (formerly called the Multicultural Leadership School) has been increased to allow for greater capacity in leadership development for UU youth and young adults of color. The youth program has been regionalized (West and East) while the young adult program is now separate, offered in partnership with the College of Social Justice.
- The Finding Our Way Home retreat for UU Religious Professionals of Color has expanded to over a hundred participants. The FY17 budget increases support for this important program.
- Seed funding has been set aside to develop support for Trans UU religious professionals in partnership with TRUUsT, following the first ever retreat for UU Trans religious professionals in April.

Innovation and Outreach –

This links most closely with Ends 1.6 and 1.7

- We continue to invest in entrepreneurial and “intrapreneurial” ministry through our partnership with the UU Ministers Association, curation/training of innovation in religious education, and support for emerging and multi-site ministries in Congregational Life. The Outreach Office is increasing its support for Worship Web, and the creation of outreach/social media tools for congregations, as well as targeted outreach to interfaith, LGBTQ families and military families.

Unitarian Universalist College of Social Justice –

This links most closely with Ends 1.4 and 1.9

MEMORANDUM

- We have increased support for the College of Social Justice in keeping with the five-year commitment that spans 2012-2017. In addition to service-learning experiences, [the](#) UUCSJ also offers other justice-oriented educational opportunities, including youth justice trainings and young adult internships. UUCSJ programs are grounded in Unitarian Universalist history and theology, contemplative practice, social change theory, and multicultural competency.

Revenue Development –

This links most closely with Ends 1.0, 1.5 and 1.9

- We have increased revenues through building rentals, increased bookstore sales, and are exploring how we might monetize OWL for Elders among other resources.

Staff Salary Increases –

This links most closely with Ends 1.0 and 1.9

- In alignment with our Principles and equitable compensation guidelines we continue to place a priority on trying to compensate our staff fairly. Experience shows that this increases staff stability and allows the UUA to remain competitive with the market for staff in areas of high demand such as IT.



A Note on the Appendices

The appendices below are included as background information and are intended especially for new board members. These have been included in prior years. Returning board members may find them useful for reference.

APPENDIX I

Desired Outcomes Based on Ends Interpretations

As you will see in our Ends Interpretations, we seek the fulfillment of our Ends through these desired outcomes:

1.0 A healthy Unitarian Universalist community that is alive with transforming power, moving our communities and the world toward more love, justice, and peace in a manner that assures institutional sustainability.

- Our existing congregations and communities grow in strength, vitality and numbers and our movement expands beyond our congregations.
- Major initiatives' success is measured to ensure they are effective.
- Individuals and communities will be inspired to recognize and be responsible for creating change, and that they can only do this with others.

1.1 Congregations and communities are covenanted, accountable, healthy, and mission driven.

- Members of congregations and communities make explicit promises to one another and participate fully in the life of their communities.
- Congregations serve their members but also the surrounding community.
- Congregations are inspired toward and take responsibility for healthy behavior.
- Congregations and communities help people transform themselves and the world.



1.2 Congregations and communities are better able to achieve their missions and to spread awareness of Unitarian Universalist ideals and principles through their participation in covenanted networks of Unitarian Universalist congregations and communities.

- Congregations and communities join into, and contribute fully, to cluster activities and denominational gatherings at all levels.

1.3 Congregations and communities are intentionally inclusive, multigenerational and multicultural.

- UUA staff and structures will model the diversity we seek in others.
- Congregations will have resources to deepen their inclusivity in action.
- Congregations will be intentional in changing their cultures, structures and attitudes toward creating diversity.

1.4 Congregations and communities engage in partnerships to counter systems of power, privilege and oppression.

- UUA staff will create engage in partnerships for justice.
- Congregations, communities, and individuals will participate in a larger UUA campaign structure (SSL) that emboldens and links their local action.
- Congregations and communities will engage in justice-making in their own communities.

1.5 Congregations and communities have and use Unitarian Universalist Association resources to deepen the spiritual and religious exploration by people in their communities to enhance the ministry of their members and to improve their operations.

- Congregations will have access to and engage resources designed to assist them in being covenanted, accountable, healthy and mission driven.



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1.6 There is an increase in the number of people served by Unitarian Universalist congregations and communities.

- There will be an increase in the number of people participating in congregations and communities.

1.7 There is an increase in the number of Unitarian Universalist congregations and communities.

- There will be an increase of new communities and congregations in relationship with the UUA each year.

1.8 There is an increase in the number of inspired ordained and lay religious leaders equipped to effectively start and sustain new Unitarian Universalist congregations and communities.

- There are more and varied structural opportunities for professional and lay leaders to engage in entrepreneurial leadership.

1.9 Unitarian Universalist institutions are healthy, vital, collaborative partners invested in the future of Unitarian Universalism, its principles and theologies.

- UU institutions are in vital, collaborative, mutually enriching relationship with one another and with the wider UU community.



APPENDIX II

Changes in Strategic Focus

The Strategic Vision has led us to re-examine many of our guiding paradigms and asks us to make significant changes in them. The following chart describes some of the most significant changes that we have been engaging in:

FROM	TO	EXPLANATION
Creators	Curators	In the past there was a desire, almost a <i>need</i> , on the part of UUA staff to <i>create</i> everything that was provided to congregations. With so much wonderful content now easily available on the web, we've shifted to <i>curating</i> that which is most valuable and useful, cutting through the clutter that our congregations and their leaders don't have time for. (Think of the museum curator curating the best works of whomever.) We still create, but a shift to curation is clearly the more efficient and effective way to go.
"One to one"	"One to many and then many to many"	In the past, UUA staff took pride in providing one-to-one support to congregations and their leaders. More recently we've moved to "one to many" model, as when one staff person gathers leaders from multiple congregations for a workshop. Our continuing shift is to "many



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		to many" where we encourage congregations particularly skilled in a certain area to connect with other congregations for mutual learning and support.
Districts are autonomous	Regionalization	In the past, a district executive who spent three days consulting with a congregation in "another district" would expect reciprocity from that districts' DE within that same fiscal year. Now that concept of quid pro quo is unfathomable. "We are one UUA."
Maintenance	Innovation	In the past, it was seen as sufficient to keep the UUA institution going – system maintenance, in the most negative sense. Now there's a sense that the role of staff is to innovate – to do those things that congregations cannot do for themselves.
Expert	Connector	In the past, great pride was taken by being the expert to whom others were dependent on advice. We are clearly moving towards being the "connective tissue" that helps individual leaders, congregations, and communities connect with one another and use their individual gifts for the benefit of the whole.

MEMORANDUM



Program	Ethos	In the past, the emphasis of staff was on workshops, training, and curriculum. We are moving towards an ethos that emphasizes leadership development, experiential learning, and direct engagement. This is particularly evident in the area of AR/AO/MC.
Boston headquarters as a "Victorian museum"	Boston headquarters as a multicultural hub.	The move to 24 Farnsworth Street is more than simply a physical move. It is a literal "moving into the future" where the values of collaboration, cooperation and communication can take place more effectively because the physical space allows for and encourages it.
Service orientation	Participants in ministry	In the past, the focus has been on "providing services." We have, and are continuing to evolve, towards a focus on participating in the larger ministry of Unitarian Universalism, finding those areas of ministry that national, regional, or district staff can be most value-added.

APPENDIX III

The role of the UUA

Based on the Ends Outcomes and the Strategic Vision, and these described paradigm shifts, we believe the role of the UUA staff is to:

- Support the health and vitality of existing congregations.
- Develop and curate resources to help individuals, congregations and communities reflectively grow in spirit.
- Broaden our awareness to include more people outside of our traditional circles.
- Broaden and enrich our partnerships with like-valued organizations.
- Broaden and enrich our partnership with organizations that are more culturally diverse than ours.
- Strengthen the ability of professional and lay leaders to be entrepreneurial, growing new and possibly different types of communities.
- Strengthen the ability of our congregations to be fruitful in fomenting UU values through active participation.
- Connect congregations more with one another and to the larger movement.
- Model, support and promulgate intentional efforts at increasing diversity in age, culture, race and class.
- Enhance the ability of individuals, congregations and communities to join in larger social justice efforts as well as to conduct their own at a local level.
- Provide support and partnership to other UU institutions.
- Bring field staff into greater alignment with the UUA through sustainable regional structures.

Specific Change Objectives

1. Congregations, communities and individuals have the resources to further their spiritual pursuits in a way that fits their unique needs and situations.



2. Congregations and communities are successfully able to help people live out our values in a way that is appropriate for today's world through new and innovative approaches.
3. The world is increasingly aware of UU values, and individuals see them as strongly connected to their own lives.
4. There is a vital and growing web of UU institutions and like-minded partners who work together to make the changes our values call for.

Near-Term Strategies and Tactics Guiding Operational Decisions

Some examples of current strategic directions based on this analysis and our role in achieving outcomes:

- Strategy: Create a higher awareness of what UUism stands for and how we meet today's needs in the larger culture.
 - Tactic: Communications plan
 - Tactic: Branding strategy
- Strategy: Partnerships in learning.
 - Tactic: Congregational partnerships (Leap of Faith)
 - Tactic: Entrepreneurial ministry
 - Tactic: Models of multicultural ministry (Mosaic Makers)
- Strategy: Grow professional and lay leadership to address today's world, and start new congregations and supports that speak to its people.
 - Tactic: Partner with seminaries around clarifying ministerial competencies
 - Tactic: Create and support lay leadership programs addressing today's world and its needs
 - Tactic: Nurture entrepreneurial ministry
 - Tactic: Develop and resource youth leadership programs (Summer Seminary)
 - Tactic: Support leadership of people of color (Finding Our Way Home)



- Strategy: Creating structures for “border-crossing” experiences.
 - Tactic: Partner with the UUSC to create the College of Social Justice
 - Tactic: Collaborate with other denominations and social justice organizations around witnessing for equality (Mass Moral March)
- Strategy: Regionalization—the alignment of field staff with headquarters staff.
- Strategy: The move of headquarters.



Refocused Missions of Staff Groups to Support Strategy & Ends

Without necessarily changing the budget, these are the refocused missions of the staff groups to support the strategy and the Ends:

Program and Strategy Office

This office is primarily responsible for developing our organizational strategy to advance the Ends and ensuring that our program plans and budgets are aligned with the strategy. In addition, the Program and Strategy Office oversees the development of our outward facing image, or brand, in a clear, compelling and differentiating way.

Also part of this staff group is the UU College of Social Justice, our joint venture with the UU Service Committee. The UUCSJ engages congregations in justice making around the world.

With the departure of the Program and Strategy Officer, the focus in FY17 will primarily be the successful implementation of the initiatives developed in recent years rather than developing new initiatives, acknowledging that the priorities of the new administration may change in July, 2017.



Multicultural Growth and Witness (MGW)

This staff group develops resources and structures to foster the engagement of congregations and communities in partnerships to counter systems of power, privilege and oppression. The staff group accomplishes this primarily through Standing on the Side of Love (SSL) and our Witness Ministries.

The second major priority of this office is developing and curating resources for congregations and communities to be intentionally inclusive, multigenerational and multicultural. They uphold best practices and engage congregations in mutual learning. Mosaic Makers is a prime example of this work.

The budget for MGW was reduced slightly as we are searching for ways to make our work more sustainable by combining events such as Mosaic Makers with the Middle Collegiate Multicultural Experience.

International Office

The International Office engages Unitarians, Universalists and Unitarian Universalists across the globe to promote UU values and advance the cause of justice. The Office works through international partners such as the Partner Church Council, Religions for Peace, and the International Council of Unitarians and Universalists. It also includes the UU United Nations Office that represents UU values before representatives of the world community. The Holdeen India Program (HIP) is in partnership with Indian organizations working for justice and countering systems of power, privilege, and oppression.

Funding for this office comes largely through endowment funds.

Congregational Life

Congregational Life consists of the UUA's field staff and the Office of Congregational Stewardship. These staff provide direct guidance and resources for congregations to assist them in being covenanted, accountable, healthy and mission driven and financially sustainable. They assist congregations to grow in

strength, vitality, and numbers. They foster covenanted networks through districts, regions and cluster events and trainings. They design innovative learning programs such as Leap of Faith. The resources of this office have been shifted recently from supporting national staff group meetings, to helping support robust regional staff structures.

Ministries and Faith Development

A strong professional ministry (including parish ministers, religious educators, musicians, and community ministers) is essential to achieving all of the Ends. Ministries and Faith Development (MFD) supports all our professional credentialing processes, provides an infrastructure for ministerial transitions, trains interim ministers and provides pastoral care and support for religious professionals. They develop programming based on analysis of growth and healthy congregational opportunities and challenges, and collaborate heavily with our professional organizations.

The Faith Development Office provides resources for lifespan religious education, worship, advocacy, and social action that nurture Unitarian Universalist identity, spiritual growth, a transforming faith, and vital communities of justice and love.

The Youth and Young Adult Ministries Office supports all Unitarian Universalist youth and young adults through advocacy, education, training, and resource development.

MFD includes the Church Staff Finance Team which provides health insurance, retirement and benefit plans for our constituents. The Office of Church Staff Finance is financially self-sustaining.

Communications

The Communications staff group is the primary in-house publisher of UU resources and communication vehicles (Skinner House and the *UU World* magazine), oversees the UUA Bookstore which features key congregational resources, plays a leadership role in the helping us determine priorities in public witness and advocacy, and provides the primary interface between the UUA



and media outlets, including training congregational leaders in best practices in media relations.

Administration

The Human Resources department develops and nurtures the staff and creates policies and structures that fulfill our covenantal values and model the diversity we encourage in others.

The Administration develops efficient systems to support staff groups.

Stewardship and Development

The Stewardship and Development staff are the chief fundraisers for the Association, structuring opportunities for generous giving by congregations and individuals. They are actively exploring new platforms for fundraising and long-term financial sustainability. Their mission is encouraging stewardship of the Association at the national level and in our regions, districts and congregations. Approximately 30% of the staff group's resources are devoted to direct congregational services including legacy giving, umbrella giving, and processing gifts of securities.

Information Technology Services

The move to Farnsworth Street has enabled the ITS staff group to develop an upgraded voice and data network to enhance the ability of the national staff to provide resources to congregations. The many meeting rooms are outfitted for web conferencing. The budget also reflects a new content management system that will make the website more agile, engaging and interactive.

Internal Services

This part of the budget includes financial services and facilities, which are dedicated to enabling work of the program staff groups. Approximately 35% of Financial Services' resources are devoted to direct services to congregations and social justice work – specifically, the Common Endowment, building loan program, and shareholder advocacy.



USES OF THE LEGACY FUNDS FOR INNOVATION

Definition of innovation: the act or process of introducing new ideas, devices, or methods.

UUA staff's criteria:

1. New Populations: Reaching new populations of people, especially traditionally marginalized (e.g. 1/3 of those who participate in the UUCSJ programs are non-UUs, Trans UU religious professionals, etc.)

2. New Forms: Supporting new ways of “doing church” (e.g. Emerging Ministries, Multi-site, Trans UU religious professionals, etc.)

3. New Services: Adapting our own UUA institutional structure and programming to both support congregational innovation and position our UUA as a sustainable organization for the future (e.g. Sustainable Ministry Summit work, Design Thinking trainings, collaborative programming like CSJ, seeker-friendly UUA website, Interfaith Initiative, etc.)

Examples of what UUA staff consider innovative:

- Entrepreneurial ministry
- Trans retreat for religious professionals
- UU College of Social Justice
- Multi-site congregations
- Economics on the Sustainability of Ministry
- RE beyond Sunday morning
- THRIVE
- Finding Our Way Home

Initiatives UUA staff will track using project codes:

INITIATIVE	PROJECTED COST	COMMENTS
UU College of Social Justice	\$200,000	40% of program participants are non-UU. Provides experiential learning for UUs – gets people out of their heads.
Economic Sustainability of Ministry	\$150,000	Involves staff from Congregational Life, Ministries and Faith Development; Multicultural Growth and Witness, and Stewardship and Development.
Standing on the Side of Love	\$100,000	XX% of participants are not UUs. Perhaps the UUA's strongest brand.
Support of Trans religious professionals	\$50,000	To our knowledge, no other religious denomination is addressing.