

Bylaws

These revised Bylaws were approved at the Annual Meeting, June 3, 2018

Article 1. Name

The name of this church shall be: Second Unitarian Church of Omaha.

Article 2. Denominational Affiliations

Second Unitarian Church shall be a member of the Unitarian Universalist Association and of the MidAmerica Region. It is the intent of this Congregation to make annual financial contributions equal to its full Fair Share as determined by the Association and the Region, based on the number of Members.

Article 3. Mission Statement

Our Mission is to be Authentic, Compassionate and Transformative in our lives, in our faith, and in our world.

Article 4. Non-Discrimination and Confidentiality Policies

Section 4.1. Non-discrimination

Eligibility for membership, hiring practices, and the call of religious professionals shall be made without discrimination based on color, race, sex, sexual orientation, gender identity, religious heritage, national origin, socio-economic status, marital status, age, disability or appearance. In all dimensions of congregational life, we shall conduct ourselves without discrimination toward others.

Section 4.2 Confidentiality

It is expected that information about all aspects of the Church, except confidential information as defined here, shall be readily available to all Members and the Minister.

As defined in these By-Laws, the term “confidential information” shall include all information, in oral, written or electronic format, that is shared with persons who have a need to know as a result of their position with the Church with the assurance that it will not be shared beyond these persons without the written permission of the original owner of the information. The types of information to be treated confidentially shall include, but not be limited to:

- Financial and other personal information of members
- Personnel and payroll records of all employees and federal and state taxpayer information of vendors
- All information shared by a Member with the Minister in a pastoral care setting, except for information that must be shared with public authorities to protect the safety of any person
- Codes and account numbers to protect the business security of the church as an institution.

Article 5. Membership

Section 5.1. Eligibility.

Any person 16 years of age or over, or any young person who has completed our senior high Coming of Age program, may become a Member of this Church. The Church shall not adopt nor require any articles of faith or creed as a condition of membership.

Section 5.2. Members and Affiliates.

5.2.a. Members. Members shall be those who have signed the Membership Book and who have fulfilled requirements of membership set forth in Section 5.4.

5.2.b. Affiliates. An Affiliate is a person who, though not a Member as defined under Section 5.2.a., makes an annual pledge and an annual recordable financial contribution towards their pledge. The Church encourages Affiliates to become Members in order to participate fully in the life of the Church. Affiliates are entitled to have their contact information in the Church Directory, but otherwise have no rights of membership as defined in Section 5.3. An Affiliate will lose their status if either of the following are true: If by June 30, they have not made a recordable financial contribution for the year ending June 30, their Affiliate status will end as of June 30, OR if by June 30, they have not made a pledge for the next fiscal year beginning on July 1, their affiliate status will end as of June 30. The Chairperson of the Board of Trustees will notify Affiliates of this loss of status by letter.

Section 5.3. Rights of Membership.

5.3.a. Members shall have the exclusive right to decide with their vote

5.3.a.1) to elect or dismiss members of the Board of Trustees, Endowment Committee, and Nominations and Leadership Development Committee,

and delegates to General Assembly, 5.3.a.2) to call or dismiss a minister,

5.3.a.3) to adopt the annual budget,

5.3.a.4) to approve solicitation of funds or expenditures in excess of five percent of annual budgeted income for a single project or expenditure,

5.3.a.5) to approve disbursements from the Endowment Fund, 5.3.a.6) to buy or sell property or to mortgage (encumber) property, 5.3.a.7) to amend the Bylaws, and

5.3.a.8) to decide other issues submitted to the Congregation by the Board of Trustees.

5.3.b. Members shall have the right to receive pastoral care and rites of passage from the Minister at no cost.

Section 5.4. Requirements for Admission to Membership.

To be admitted to membership, a person must sign the Membership Book and make a financial pledge of support. The date membership begins is the date the Membership Book is signed. The pledge must represent an amount judged by the Member to be their fair share of the Church's needs, in light of the Member's income and means. If a pledge is made by a household, all with eligibility may become Members of the congregation by signing the Membership Book. If, after signing the Membership Book,

a new Member does not make a financial pledge of support to the Church within 60 days of the date of their signing, they will be contacted by the Stewardship Team. If at the time of contact, they do not make a financial pledge, they will be removed from membership by a letter from the Chairperson of the Board of Trustees.

Section 5.5. Ongoing Requirements for Membership.

To continue in membership, Members must make an annual financial pledge of support for the next fiscal year before June 30 of the current fiscal year and also make a recordable financial contribution during each year that they pledge.

Section 5.6. Expectations of Members and Affiliates.

It is expected that Members and Affiliates will commit to living in accord with the Seven Principles of Unitarian Universalism and the Church's Covenant of Right Relations. Members are expected to attend the Annual Meeting. Members and Affiliates are expected to attend Sunday worship, to participate in the life and activities of the Church, and to read communications sent by the leadership and staff of the congregation via postal mail and email.

Section 5.7. Notice of Membership Status.

5.7.a. Each year, after the Annual Meeting and before July 1, the Board of Trustees shall direct that Members who have not made a pledge of financial support for the upcoming fiscal year beginning July 1 or who have not made a recordable financial contribution during the current fiscal year, be notified by a letter, signed by the Chairperson of the Board of Trustees, that they will be removed from Membership unless they make a pledge for the upcoming fiscal year within 30 days of the date of the notification letter if they have not made a pledge, or unless they make a recordable financial contribution for the current fiscal year.

5.7.b. Each year, in preparation for the Church's Annual Meeting, the Board of Trustees will notify by letter all those Members who made a financial pledge for the current fiscal year, but have not made a recordable financial contribution, that if they do not make a recordable financial contribution before or on the day of the Annual Meeting, they will not be eligible to vote at the Annual Meeting. If the financial contribution is made the day of the Annual Meeting, it must be in cash.

Section 5.8. Termination of Membership.

5.8.a. Any Member may choose to withdraw from membership for any reason by requesting that their name be removed from the current membership list by sending written notice to the Secretary.

5.8.b. Members can be removed from membership, as directed in Sections 5.4., 5.5, and 5.7.a., for failing to make an annual pledge at their time of joining the congregation, for failing to make a pledge for the upcoming fiscal year during the annual stewardship campaign, OR by failing to make a recordable financial contribution during the current fiscal year.

5.8.c. Members can be removed from membership as per the process set forth in the Church's Disruptive Participants Policy.

Section 5.9 Renewal of Membership.

5.9.a. Any former Member who voluntarily requested their removal from membership may renew their membership by following the Membership Committee's policy and process for membership renewal.

5.9.b. Members who are removed from membership for reasons having to do with pledging or making a recordable financial contribution, as per 5.4, 5.5 and 5.7.a. above, may renew their membership by making a financial pledge and/or making a financial contribution on an existing pledge.

5.9.c. Former Members who are removed from membership for disruptive behavior may only have their membership renewed by following the process set out for them at the time of their removal, as per the Disruptive Participants Policy.

Article 6. Congregational Meetings

Section 6.1. Annual Meetings.

The annual meeting of the congregation shall be held at such time and place as shall be fixed by the Board of Trustees.

Section 6.2. Special Meetings.

A special meeting of the congregation may be called by the Board of Trustees, or by 25 members who have filed with the Board Secretary written notice of their intention. Notice of special meetings shall include a statement of matters to be considered, and the business of the meeting shall be limited to the matters as stated.

Section 6.3. Notice.

Two notices of all congregational meetings, stating the purpose of the meeting, shall be sent to each member of the church not less than seven days and not more than 30 days before the meeting. Announcements shall also be made at church services on two Sundays preceding the meeting.

Section 6.4. Right to Vote.

The right to vote at congregational meetings shall be extended only to persons who have become Members at least 60 days prior to the meeting. Proxy votes shall not be accepted.

Section 6.5. Quorum.

Thirty-five percent of the voting membership shall constitute a quorum for the transaction of business at a congregational meeting. A quorum shall be defined as the requisite number of Members who are present in person at the meeting at the time any action is taken by the Members.

Section 6.6. Procedures.

All congregational meetings shall be conducted in a timely and courteous manner, adhering to the Covenant of Right Relations with open interaction among all interested parties. Sufficient time shall be provided for discussion. At the discretion of the Chairperson or upon the request of any member, the Chairperson shall provide for voting by secret ballot on the matter under consideration. Unless otherwise specified

herein, all action at any meeting shall be by majority vote. The rules contained in Robert's Rules of Order, Revised shall govern all meetings in matters not covered by the Articles of Incorporation and By-Laws. Minutes of all congregational meetings shall be kept by the Board Secretary.

Section 6.7. Absentee Ballots.

A member who knows in advance that he or she will not be able to attend a congregational meeting may obtain an absentee ballot from the Secretary of the Board of Trustees or designee appointed by the Board. The absentee ballot must be obtained prior to the scheduled congregational meeting. The absentee member must return the ballot directly to the Secretary or designee prior to the scheduled meeting.

Absentee ballots will be available for voting on pre-announced topics such as election of candidates from an announced slate. Absentee ballots will not be counted if the pre-announced topic or slate of candidates is amended during the congregational meeting.

Decisions on which topics may be included on the absentee ballot are at the sole discretion of the Board of Trustees. The Board is responsible for preparing all absentee ballots in such a manner that the absentee ballot clearly indicates the voter's preferences. Absentee ballots will not count towards a quorum, but shall count as votes for or against the action to be taken.

Article 7. Board of Trustees

Section 7.1. Selection and Term.

The governing body of this church shall be a Board of Trustees consisting of six members elected for three-year terms by the church membership. Two Trustees shall be elected annually by the members. No person who has served four successive years on the Board of Trustees is eligible for election or appointment until that person has been absent from the Board of Trustees for a period of not less than one year. No more than one family member from the same household shall serve on the Board of Trustees at the same time. No member of the congregation shall be eligible to serve on the Board of Trustees if a family member from the same household is an employee of the church. If the number of candidates for election to the Board of Trustees exceeds the number of seats to be filled, then voting at the annual meeting shall proceed by secret ballot with each voting member present at the meeting allowed to vote for a number of candidates equal to the number of seats to be filled.

The candidate(s) receiving the highest number of votes shall be elected. There shall be separate nominations and elections for the regular three-year terms and for any unexpired terms. No candidate nominated for the Board of Trustees shall be on the slate for election at the Annual Meeting unless they have been cleared through a background check regarding offenses against children as per the Safe Congregation Policies and Procedures. The Nominations and Leadership Committee is responsible for ensuring that the

background check is done and for notifying any ineligible candidates for the Board of Trustees of their ineligibility for election. If someone is nominated to the Board of Trustees from the floor during the annual meeting and is elected, that person cannot take office on the Board of Trustees until they have been cleared through a background check. If the newly-elected member of the Board of Trustees does not have a clean background check and therefore does not take office, the vacancy may be filled by election by the Board of Trustees, as per Section 7.3. Terms of office for elective Trustees shall begin July 1, following their election at the annual meeting. All Trustees shall have been Members and actively involved in the Church for at least two years prior to the start of their terms and be prepared to attend the June Board of Trustees meeting for orientation.

Section 7.2. Removal.

Any Trustee may be removed from office by majority vote of the voting members present at a congregational meeting. Any Trustee who has missed three consecutive meetings or four meetings between annual congregational meetings may be considered for dismissal at the next congregational meeting.

Section 7.3 Vacancies.

The Board of Trustees may elect a member to complete the unexpired term caused by a vacancy, except when an unexpired elective term extends beyond the next congregational meeting. Said member shall serve until that annual meeting, when a member will be duly nominated and elected by the membership to fill the remainder of the unexpired term.

7.3.a. If there is a vacancy on the Board, the Board may ask a current member completing his or her term to continue on the Board for another year to provide continuity. Board members who volunteer to stay for an additional year will stand for election for a one year term. If no current member wishes to stay for another year, the board will notify the Nominations and Leadership Development Committee. The Nominations and Leadership Development Committee will be charged with nominating a member to stand for election for a one year term on the Board to fill that vacancy. Preferably this will be a member with previous Board experience.

Section 7.4. Legal Authority.

The Board shall be the legal representative of the Church.

Section 7.5. General Responsibilities.

The general responsibilities of the Board, which shall not be delegated, are to:

7.5.a. Provide leadership in advancing the mission (Article 3) of the Church.

7.5.b. Govern and lead the Church as the representative body of the

Congregation.

7.5.c. Set policies which establish goals with a long-range perspective for church organizational units.

7.5.d. Monitor achievement of goals.

7.5.e. Ensure that all governing documents of the church are followed.

Section 7.6. Specific Responsibilities.

The specific responsibilities of the Board, which shall not be delegated, are to:

7.6.a. Ensure ongoing communication with the Congregation.

7.6.b. Meet at a regularly scheduled time once each month, and as often in addition as necessary to carry out the affairs of the church.

7.6.c. Submit an annual budget to a congregational meeting for approval.

7.6.d. Adopt and publish a set of Policies and Procedures, which will serve as a guide and framework for committees and other church-related activities.

7.6.e. Organize policies and make them available to all members of the Congregation.

7.6.f. Be the interpreter of the Bylaws, and conduct a review of them at least every five years.

7.7.g. Oversee the management and control of assets in the Endowment Fund.

Section 7.7. Board Meetings.

7.7.a. All regular Board meetings will be publicized electronically, and if practicable, in the church bulletin.

7.7.b. A majority of Trustees shall constitute a quorum for the transaction of business.

7.7.c. Any member of the church may attend except during those times when an executive session is declared.

Article 8. Officers of the Board of Trustees

Section 8.1. Selection and Terms.

8.1.a. The outgoing Board and officers shall remain in office, retain decision making responsibilities and preside at any meetings occurring through June 30.

8.1.b. New members elected to the Board will attend the June Board meeting without general voting privileges. This is to acquaint new members with board functions and assure successful transition of duties. At the June meeting incoming and continuing members, who will comprise the new Board, will elect all officers. All officer positions on the Board begin July 1.

Section 8.2 Duties of the Officers.

8.2.a. The Chairperson shall preside at all congregational meetings and at all meetings of the Board of Trustees. The Chairperson shall be an ex-officio member of all committees and shall assure that the Ministerial Compensation Review Committee convenes as provided in Article 10.

8.2.b. The Vice Chairperson shall perform the duties of the Chairperson when the Chairperson is unable to act or while the office is vacant. In the event that the office will be vacant for more than 1 month, a new member of the Board will be appointed by the Board. The Vice Chairperson will succeed to the Chair at that time and a new Vice Chairperson shall be elected to serve the remaining term.

8.2.c. The Secretary shall keep full records of all actions of congregational meetings and of the Board of Trustees, shall cause notice to be given of all meetings as provided in the Articles and By-Laws, shall maintain a current roll of voting members of this church and are responsible for certifying voting members as required at congregational meetings, and shall distribute and provide for distribution and maintenance of records for keys/key codes to the church. The Board Secretary shall set apart in a prominent place in the church, a Membership Book that shall be headed by the Articles of Incorporation.

Section 8.3. Vacancies of Officers.

The Board of Trustees may elect one of its members to fill any vacancy among the officers, such member to hold office until the next election of officers.

Section 8.4. Removal.

The Board of Trustees may remove an officer from her/his position as an officer of the Board. A majority vote of the Board shall be required for removal.

Article 9. Nominations and Leadership Development Committee

Section 9.1. Selection and Term.

There shall be a Nominations and Leadership Development Committee composed of three members. Each year at the annual congregational meeting one member will be elected. The term of membership on the Nominations and Leadership Development Committee is three years. No member of the Committee is eligible for re-election until at least one year after the end of a previous term. Vacancies in the Nominations and Leadership Development Committee may be filled by the Board of Trustees; such appointment to last until the next annual meeting. The Nominations and Leadership Development Committee shall elect one of its members to be Chair at its first meeting after the annual meeting. At the annual meeting, members present may make further nominations from the floor, and the notice of elections sent by the Nominations and Leadership Development Committee should so state.

Section 9.2. Calls and Recruitment.

The Nominations and Leadership Development Committee shall make an open and active call for candidates to run for election to the Board of Trustees, Endowment Fund Committee, and the Nominations and Leadership Development Committee, and also for candidates for positions that are appointed by the Board of Trustees. Church Members may nominate themselves or any other Member with the Member's consent.

Section 9.3. Duties.

The Nominations and Leadership Development Committee shall publish the names of the nominees for the Board of Trustees, Endowment Fund Committee, and the Nominations and Leadership Development Committee that are to be filled by election at the annual meeting, in sufficient time to send to the membership not less than seven days before the Meeting. They will coordinate with other church leaders for leadership development as appropriate.

Article 10. Minister

Section 10.1. Selection of Minister.

In the event of a vacancy in the position of Minister, the Board of Trustees shall present to the Congregation, at a special congregational meeting held for that purpose, the candidate recommended by the Ministerial Search Committee (see Section 10.2). The Minister shall be called by an affirmative vote of 90% of the Members present at this meeting. Voting shall be by written ballot.

Section 10.2. Selection of Ministerial Search Committee.

The Board and Nominations and Leadership Development Committee shall issue a call to all Members and those Affiliates who have made a contribution of record within the past year for names of potential nominees. The call shall be in accordance with the procedure stated in Section 9.2. The Board, in consultation with the Nominations and Leadership Development Committee, will present a slate of seven (7) members at a congregational meeting. The slate will be approved as presented by a majority vote of the Members present at a congregational meeting. In the event of a vacancy on the committee, the Board of Trustees may appoint a member of the congregation to the committee.

Section 10.3. Rights and Responsibilities of Minister.

The Minister shall:

10.3.a. Have exclusive control of the pulpit and shall have general direction of the religious activities of the church as well as freedom to express her/his opinion outside the pulpit. This church shall maintain the tradition of a free pulpit and shall place no restrictions upon the teachings of the minister.

10.3.b. Attend to the Congregation's spiritual interests and needs.

10.3.c. In cooperation with the lay leadership, be responsible for the conduct of worship and participate in the education and pastoral care programs.

10.3.d. Participate in the denomination and the community.

10.3.e. Be a non-voting member of the Board of Trustees and Endowment Fund Committee and ex-officio member of all standing committees.

10.3.f. Be responsible for the selection, termination, supervision, and annual written evaluations of all paid staff. Input from the Personnel Committee and other relevant sources will be sought.

10.3.g. Make recommendations in consultation with the Personnel Committee annually to the Board of Trustees for the compensation of the paid staff.

10.3.h. Make a report to the members at the annual congregational meeting and bring to the attention of the Board of Trustees any matters which seem to be pertinent to the general welfare of the church, and make any recommendations as seem to be proper.

10.3.i. Function within the Bylaws and Board of Trustees policies.

Section 10.4 Minister's Compensation.

The Ministerial Compensation Review Committee shall be chaired by a Board of Trustees member and consist of a Board member and a member of the Personnel Committee. Prior to February 1st each year the Ministerial Compensation Review Committee shall meet with the minister to review salary and other compensation together with other conditions of the ministry, and shall report its recommendations to the Budget Team for inclusion in the upcoming fiscal year's budget. It shall be the duty of the Chairperson of the Board of Trustees to assure that this Committee convenes each year.

Section 10.5. Committee on Ministry.

A Committee on Ministry of at least 3 Members shall be formed and serves to promote a collaborative ministry consistent with the mission of Second Unitarian Church.

Section 10.6. Dismissal of Minister.

Failure of the Minister to follow Church policies, loss of confidence by the Congregation, or unprofessional behavior shall be grounds for recommending the dismissal of the Minister. The Board of Trustees, or twenty-five church Members by petition, shall call a congregational meeting for consideration of the dismissal of the Minister. A majority vote is necessary for dismissal or the acceptance of a resignation. Voting shall be by written ballot.

Article 11. Church Organization

Section 11.1. Committees

Committees should include Finance, Religious Growth and Learning, Membership, Building and Grounds, Worship, and Social Justice. Membership on committees is open to Members and Affiliates of the Church.

Section 11.2. Authority of the Board of Trustees.

The Board of Trustees shall have the authority to create, dissolve, combine, and divide Committees. The Board of Trustees is charged with making changes as needed to fulfill the mission and vision of the church.

Section 11.3. Meetings of Committees.

11.3.a. All meetings of Committees shall be open to church Members and Affiliates. All final and formal actions shall be taken at open meetings.

11.3.b. All committee meetings will be publicized electronically, and if practicable, in the church bulletin.

Section 11.4. Conformity of Policies and Empowerment of Lay Units.

Any policy made by an organizational unit of the Church shall conform to the Bylaws and to the policies of all higher units. The order of units is: Congregation, Board of Trustees, and Committees. The Board of Trustees shall be the arbiter in case of a dispute. All units are empowered to act without prior approval provided that their actions conform to relevant policies and to their budget and spending plan.

Section 11.5. Qualifications of Lay Leaders.

All lay leaders (Trustees and Committee Chairs) shall be Members of the Church (see Section 5.2.a.).

Section 11.6. Committee Chairs.

Candidates for succession to the Chairs of a committee shall be nominated annually by the committee members. After two years in office, a Committee Chair shall not serve as chair of that committee again for at least one year. A succession plan for committee leadership will be established by each committee. A Committee Chair whose performance is inadequate may be removed by the Board of Trustees.

Article 12. Fiscal Matters

Section 12.1. Treasurer.

The Board of Trustees shall appoint annually at their June Board meeting a church Member, who is not a Board member, to serve as Treasurer. The Treasurer's term of office will be July 1 through June 30. The Treasurer shall have custody of all church funds, and shall deposit all funds in a bank designated by the Board of Trustees to the credit of the Second Unitarian Church of Omaha. The Treasurer shall receive and disburse funds in accordance with the annual budget, the Committee spending plans, and as directed by the Board of Trustees, and shall keep an accurate account of such. The Treasurer shall make this accounting open to inspection by any Member, shall make periodic reports to the Board of Trustees and to the Finance committee, and shall make a report to the annual meeting.

Section 12.2. Authorization to Sign Checks.

The Board Chairperson, the Vice Chair and the Treasurer shall be authorized to sign checks. Signatures of two of these officers are required on all checks.

Section 12.3. Budget Limits.

At the beginning of the budget year each Committee Chairperson will submit a spending plan to the Board of Trustees for approval. After said approval a Committee is empowered to act within those plans and the policies of the Church. Expenditures outside the spending plan require prior approval by the Board of Trustees.

Section 12.4. Audits.

An audit of all fiscal operations of the church shall be conducted at least bi-annually and when changing treasurers. The audit may be conducted by an independent CPA or by an audit committee made up of at least three members from the congregation,

at least one of whom is a Board member, as the Board chooses. The Board shall review all audits.

Section 12.5. Bonding.

The Treasurer shall be bonded in sufficient amount to cover all negotiable assets as determined by the Board of Trustees.

Section 12.6. Protection of Non-Profit Status.

Neither the Board of Trustees nor any officer or employee of the Church shall take any action or allow any activity or use of church property which shall jeopardize the tax-exempt status of the Church or its property. Nothing in these Bylaws shall be construed to allow a violation of this section.

Section 12.7. Insurance.

The buildings and contents owned by the Church shall be adequately insured and the Church shall carry liability and other forms of insurance in amounts and with such carriers as determined by policy of the Board of Trustees.

Article 13 The Second Unitarian Church of Omaha Endowment Fund

Section 13.1. Name.

The Church shall establish and maintain a fund known as The Second Unitarian Church of Omaha Endowment Fund, hereafter called the “Endowment Fund.”

Section 13.2. Purpose.

The purpose of the Endowment Fund (1) to enhance the mission of Second Unitarian Church of Omaha and (2) to promote Unitarian Universalist Principles in the Community. No distributions from the fund will be made until it surpasses \$250,000.

Article 14. The Endowment Fund Committee (EFC)

Section 14.1. Custodian.

Endowment Fund Committee (hereinafter called the “EFC”) shall be the custodian of the Second Unitarian Church of Omaha Endowment Fund.

Section 14.2. EFC Membership.

The Endowment Fund Committee shall consist of three (3) members, all of whom shall be voting Members of the Second Unitarian Church of Omaha for a minimum of one (1) year prior to the start of their term on the committee. One member will be elected each year at the Annual Meeting. The term of each member shall be three (3) years. No member of the EFC shall serve more than two (2) consecutive three (3) year terms. After a lapse of one (1) year, former EFC members may be re-elected. The Minister, the Chair of the Board of Trustees, and a representative from the Finance Committee shall be advisory, nonvoting members of the EFC. All members will complete a financial conflict of interest (COI) statement each year to file with the board secretary.

Section 14.3. Nominations.

The Nominations and Leadership Development Committee shall nominate new members for the EFC.

Section 14.4. Vacancies.

In the event of a vacancy on the EFC, the Board of Trustees shall appoint a qualified member of the Congregation to fill the vacancy until the next annual meeting, at which time the Congregation shall elect a member to fulfill the term of the vacancy.

Section 14.5. Meetings.

The EFC shall meet at least quarterly, or more frequently as deemed by it in the best interest of the Endowment Fund. A quorum shall consist of three (3) members. A majority present and voting shall carry any motion or resolution.

Section 14.8. Audit.

Starting the year following the first year when distributions can be made from the Endowment Fund, the financial records of the Endowment Fund shall be audited biannually by a certified public accountant or other appropriate person who is not a member of the EFC. Costs of the audit shall be paid from the proceeds of the Endowment Fund, independent of the normal distribution requirements. The EFC shall report on a quarterly basis to the Board of Trustees and, at each annual meeting of the Congregation following each audit, shall render a full and complete audited account of the administration of the Endowment Fund during the previous two years. In years when an audit is not performed, the Committee shall report a full and complete account of the administration of the fund during the previous year at the annual congregational meeting.

Section 14.9. Advisory Members.

The EFC may request other persons vetted by the EFC, serve as advisory members and, at the expense of the Endowment Fund, independent of the normal distribution requirements, may provide for such financial counseling on investment or legal matters as it deems to be in the best interest of the Endowment Fund.

Section 14.10. Liabilities.

Members of the EFC shall not be liable for any loss that may be incurred upon the investment of the assets of the Endowment Fund except to the extent that such loss shall have been caused by bad faith or gross negligence. No member shall be personally liable as long as she or he acts in good faith and with ordinary prudence. Each member shall be liable only for his/her own willful misconduct or omissions and shall not be liable for the acts or omissions of any other member. No member shall engage in any self-dealing or transactions with the Endowment Fund in which the member has direct or indirect financial interest and shall at all times refrain from any conduct in which her or his personal interests would conflict with the interest of the Endowment Fund.

Section 14.11. Assets.

All assets are to be held in the name of the Second Unitarian Church of Omaha

Endowment Fund.

Section 14.12. Financial Recommendations to Board.

Recommendations to hold, sell, exchange, rent, lease, transfer, convert, invest, reinvest, and in all other respects to manage and control the assets of the Endowment Fund, including stocks, bonds, debentures, mortgages, notes, or other securities, as in their judgment and discretion they deem wise, prudent and in accordance with the religious values of the congregation, are to be made by the EFC for approval by the Board of Trustees, with subsequent execution by the EFC.

Article 15. Distributions From The Endowment Fund

Section 15.1. Gift and Accounting Records.

The EFC shall abide by and keep a record of the terms and restrictions of all gifts to the Endowment Fund and shall determine the principal and income of the Endowment Fund according to accepted accounting procedures.

Section 15.2 Restriction on Use for Operating Budget

No portion of distributions from the Endowment Fund shall be used for the annual operating budget or support services of the Congregation except only in particular, temporary, difficult circumstances, where integrity of gift restrictions permit, and with the approval by a two-thirds (2/3) majority of the voting Members present at a congregational meeting.

Section 15.3. Distribution Requirements.

Distributions from the Endowment Fund shall not be made unless the fair market value of the fund over the previous four (4) quarters is at least \$250,000. Upon meeting this condition, distributions may be made from the Endowment Fund annually and at other such times as deemed necessary and/or feasible, with the total annual distributed amount not to exceed 50% of the interest earned by the Endowment Fund over the previous four (4) quarters, or not to exceed 5% of the average fair market value of the Endowment Fund over the previous thirteen (13) quarters, whichever is least, to accomplish the following purposes, with the remaining interest being added to the principal through re-investment:

15.3.a. Upkeep of the physical plant of Second Unitarian Church, such as but not limited to maintenance of buildings, capital improvements or renovations, or debt reduction;

15.3.b. Outreach into the community, including, but not limited to, grants to UU camps and conferences, theological schools, local social service agencies or institutions to which this congregation relates, and to special programs designed for those persons in our community who are in spiritual or economic need;

15.3.c. Wider mission of Unitarian Universalism, including, but not limited to, stipends for Ministerial Interns in training with Second Unitarian Church, or grants to the Unitarian Universalist Association for new church development, leadership training, community and educational ministries, world mission, or capital financing;

15.3.d. Scholarships or grants to members of the Second Unitarian Church, or their dependents, for the purpose of attending college, graduate school, theological, nursing, or medical school; or other such training which enables members of this Congregation to grow in faith and service to Unitarian Universalism.

Section 15.4. Congregational Approval of Distributions.

Programs for support shall be suggested by Members of the Congregation, recommended by the EFC, and approved by the Board for funding. The Committee will review the status of the Endowment Fund by January 31 of each year. At such time that it is determined that distributions may be made from the Endowment Fund, the EFC will, through the newsletter to be published the following March, notify the Congregation of the approximate amount available for distribution, remind the Congregation of the allowed purposes, and identify the date by which the EFC must receive written requests for Endowment Fund distribution recipients. The EFC will review the submitted requests and make recommendations for funding to the Board of Trustees by the May meeting. The Board of Trustees will announce selected recipients and amounts of the distribution(s) during the annual meeting of the Congregation, at which time the Congregation will act on the selections. Congregational approval of recipients of distributions will require a simple majority of members present. Any funds remaining from the allowed distribution amount shall be added to the principal of the Endowment Fund.

Article 16. Legal Matters

Section 16.1 Legal Counsel.

Legal Counsel may be appointed by the Board of Trustees. The Counsel may or may not be a Member of the Church. The Counsel shall respond to questions from the Board of Trustees regarding the legality of policies and/or actions.

Section 16.2. Indemnification.

The Church shall indemnify all employees, elected and appointed representatives of the Church, and all members of the Board of Trustees against any liability asserted against such person and incurred in the course and scope of her/his duties or functions within the Church to the maximum extent allowable by law, provided the person acted in good faith and did not engage in an act or omission that was 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.

Section 16.3. Dissolution.

In the case of dissolution of the Church, all of its property, real and personal, after all just claims upon it are paid, shall be conveyed to and vested in the Unitarian Universalist Association, the MidAmerica Region of the Unitarian Universalist Association, or another Unitarian Universalist entity as determined by the Board of Trustees. The Board of Trustees shall perform all actions necessary to effectuate

such conveyance.

Article 17: Amendments

Section 17.1. Bylaws

These By-Laws may be altered, amended or replaced by a majority vote of the voting members present at a congregational meeting. A transcript of the changes proposed and of the existing section, if any, being considered for amendment shall be included with the first notice of a congregational meeting called for the purpose of amending the articles of incorporation or these By-Laws.

Section 17.2. Articles of Incorporation

The articles of incorporation may be amended by a two-thirds majority of the voting members present at a congregational meeting or voting absentee.

Article 18: Conveyance of Real Property

Section 18.1. Approval of Conveyance of Real Property

Any conveyance of real property which this corporation shall make must be by the vote of two-thirds (2/3) of the voting members present or voting absentee at the annual or special meeting.