

**BYLAWS OF THE
UNITARIAN UNIVERSALIST FELLOWSHIP OF SAN DIEGUITO
A NON-PROFIT CORPORATION**

ARTICLE I: NAME

The name of this religious organization shall be the UNITARIAN UNIVERSALIST FELLOWSHIP OF SAN DIEGUITO (UUFSD), hereinafter referred to as the Fellowship.

ARTICLE II: PURPOSES

SECTION 1: PURPOSES

The purposes of the Fellowship are: to form a liberal religious association; to provide a place for religious gatherings and to maintain facilities for religious exploration by our youth; and to advocate and practice a religion of reason, community, and good will, enriched by the world's great traditions of the past but captive to none.

SECTION 2: NON-DISCRIMINATION

The Fellowship declares and affirms its special responsibility to promote the full participation of persons in all of its activities and in the full range of human endeavor without regard to race, color, disability, sex, affectional or sexual orientation, age, or national origin and without requiring adherence to any particular religious belief or creed.

SECTION 3: SUNDAY SERVICES

Gatherings for the purpose of holding religious services and conducting religious exploration classes for our youth will be held at the time and places determined by the Board of Directors.

UUFSD is a safe haven and community of inspiration creatively meeting the spiritual, social, educational and emotional needs of members and their families in ways consistent with our UU principles. Through this mutual support, we are empowered to transform the world, one person at a time.

ARTICLE III: MEMBERSHIP

SECTION 1: TO BECOME A VOTING MEMBER

Any person who is in agreement with the purposes of this Fellowship shall become a Voting Member 30 days after signing the membership form/book and by satisfying the requirements of Section 2, VOTING MEMBERSHIP.

SECTION 2: VOTING MEMBERSHIP

A Voting Member shall be one who financially supports the Fellowship by an annual contribution of record of an amount that is at least sufficient to cover the costs of membership in the UUA (Unitarian Universalist Association) and PSWD (Pacific Southwest District), and all mailings to members. This minimum contribution will be calculated by the Finance Committee and approved by the Board of Directors. This requirement may be waived by the Minister or by the Board President if there are special circumstances. The Corporate Secretary shall keep a current list of Voting Members.

SECTION 3: INACTIVE MEMBERSHIP

(1) Changing membership status from Voting to Inactive:

An Inactive Member is one who does not meet the requirements of Voting Membership as set forth in Sections 1 and 2 above. During the pledge campaign, the Pledge Drive Chairperson will contact (by phone, email, and other reasonable means) all members who have not pledged and will compile a list of proposed inactive members (those who could not be reached or declined to pledge) at the end of each fiscal year. The Board President, Membership Chairperson and Minister will review this list, and The Membership Chairperson shall send each member on the list a notice of impending change of membership status at the beginning of the new fiscal year. If the minimum contribution or pledge is not

received within 30 days, the member's status changes automatically from Voting to Inactive. An inactive member shall have none of the rights, privileges and benefits of Voting Membership.

(2) Removal from Inactive Membership:

At the end of the calendar year, a member who has not responded in a satisfactory way (such as by pledging or requesting a waiver or submitting a letter of resignation) will be changed from Inactive to Resigned status.

SECTION 4: MEMBERS EMERITUS

Following a vote of acceptance by the Board of Directors, a Voting Member of long standing with a history of service to the Fellowship may become a Member Emeritus. A Member Emeritus shall receive the Fellowship newsletter and other important mailings at no cost and shall be entitled to all the rights and privileges of membership except for that of voting. A Member Emeritus shall not be subject to the requirement of a minimum pledge.

SECTION 5: RESIGNATION FROM MEMBERSHIP

Members may terminate their membership in the Fellowship by written resignation.

SECTION 6: REINSTATEMENT

An Inactive Member or a Voting Member who has resigned may be reinstated to Voting Member status 30 days after request and certification by the Minister or Board President to the Board of Directors that the member has met the Voting Member requirement or has had this requirement waived.

SECTION 7: REPORT OF MEMBERSHIP TO UUA

The number of members reported annually to the UUA by the Corporate Secretary shall be the number of Voting Members.

ARTICLE IV: DENOMINATIONAL AFFILIATION

SECTION 1: UNITARIAN UNIVERSALIST

The Fellowship shall be a member of the Unitarian Universalist Association and of such regional and sub regional associations as the Association establishes.

SECTION 2: PROPERTY AND OTHER ASSETS

Should the Fellowship cease to function and the membership vote to disband, any assets of the Fellowship will be transferred to the Unitarian Universalist Association for its general purposes. This transfer is to be made in full compliance with applicable laws.

ARTICLE V: CONGREGATIONAL MEETINGS

SECTION 1: CONGREGATIONAL MEETINGS

The Fellowship shall hold two regular meetings each year during the months of January and June. The June meeting shall be designated the Annual Meeting. Officers and members of the Board of Directors shall be elected as provided in Articles VI and VII at the Annual Meeting. The annual budget shall be considered and adopted at the June meeting.

SECTION 2: SPECIAL CONGREGATIONAL MEETINGS

Special meetings may be called by the Board of Directors at its discretion. A special meeting must be called by the Board of Directors upon written request of 20% of the Voting Membership. Special meetings are subject to the notification and other restrictions of Article V Section 3.

SECTION 3: NOTICE OF CONGREGATIONAL MEETINGS

The time and place of all meetings must be announced at the Sunday Services of the Fellowship on the two Sundays immediately preceding a meeting, and by written notice (which may be an announcement in the newsletter) mailed to all Voting Members at least ten days before the day of the meeting. The announcement and notice shall set forth the business to be transacted at the meeting. Action shall be taken at any meeting only on

subjects previously announced. Recommendations for action by the Board of Directors may be made on any subject.

SECTION 4: QUORUM

A quorum shall consist of 20% of the Voting Members.

SECTION 5: MAJORITY

Action shall normally require approval by a simple majority of the Voting Members attending a Congregational Meeting at which a quorum is present. Upon the vote of five (5) members of the Board of Directors, certain issues may be designated as requiring approval by 75% of the Voting Members at a Congregational Meeting at which a quorum is present.

ARTICLE VI: BOARD OF DIRECTORS

SECTION 1: COMPOSITION AND FUNCTION

The Board of Directors of the Fellowship shall consist of seven Directors. The Board shall have the authority to do all things necessary to conduct the business of the Fellowship. A copy of all board meeting minutes shall be posted in a public place and kept on file in the office.

SECTION 2: ELIGIBILITY

A Voting Member of the Fellowship shall be eligible to serve on the Board of Directors only if such person has been a Voting Member for at least six months preceding election or appointment.

SECTION 3: ELECTION AND TERM OF OFFICE

At the Annual Meeting, Directors shall be elected for a three-year term to replace those who have completed their terms. Upon completing a three-year term a person shall be eligible to be elected again only after a minimum of one year has elapsed. The terms of Directors shall commence on the first day of July following the Annual Meeting.

A person appointed to fill a vacancy shall serve until the next Annual Meeting at which time elections shall be held to fulfill the remainder of the term. A Director who has served less than a full three-year term shall be eligible to be elected to a three-year term without a one-year break.

Directorships expiring or being vacated in January, 2014 and January, 2015, shall instead expire June 2014 and 2015, respectively. In order to avoid the disruption to the Board which occurs when four of seven Directors are replaced in one year, in 2015, two of the four Directors being elected will each serve one year terms. The other two will serve three year terms. Beginning in 2016, all Directors will be elected to serve full three-year terms in staggered years.

SECTION 4: VACANCIES

If at any time a vacancy occurs on the Board of Directors, the remaining Directors shall appoint a Voting Member of the Fellowship to fill the vacancy within two months. The appointed Board Member shall serve until the next Annual Meeting, at which time the Voting Members shall elect a Director for the remainder of the term of the vacant office. The Voting Membership shall be notified in writing of such a vacancy prior to board appointment.

SECTION 5: QUORUM

Four Directors shall constitute a quorum.

SECTION 6: ATTENDANCE AT BOARD MEETINGS

Board Members are expected to attend all regular monthly meetings. Any member of the Board of Directors of the Fellowship who has been absent from three consecutive regular meetings of the Board forfeits membership on the Board unless excused by the Board.

SECTION 7: ANNOUNCEMENT OF MEETINGS

The time and place of Board Meetings shall be published on our website, in the newsletter and in the Order of Service. With the exception of specifically designated executive sessions, all Board Meetings shall be open to members of the Fellowship and other interested persons.

SECTION 8: POLICIES AND PROCEDURES DOCUMENT

The Policies and Procedures document is intended to record actions taken by the Board of Directors, to clarify ambiguities in the Fellowship Bylaws, and to define the Fellowship's administrative and committee structure and responsibilities. Policies and Procedures shall be kept by the Corporate Secretary or designee and shall be reviewed and updated by the Board of Directors at least every three years.

ARTICLE VII: OFFICERS

SECTION 1: OFFICERS

The Officers of the Fellowship shall be a President, who shall also serve as Chair of the Board, and a Vice President, who shall be members of the Board; and a Corporate Secretary and a Treasurer, who may or may not be members of the Board.

SECTION 2: ELECTION OF PRESIDENT AND VICE PRESIDENT

At the Annual Meeting, the President and Vice President of the Fellowship shall be elected by the Voting Members from among the seven members of the Board, as set forth in Article 10, Section 2, (2). No member shall be elected or eligible for election who has not given his/her consent. The President and Vice President shall each be elected for one year. The President of the Fellowship may not serve for more than two consecutive years.

SECTION 3: VACANCIES

If the office of President becomes vacant, the Vice President shall serve as President until the next regular Congregational Meeting, at which time the Voting Members shall elect a President from among the members of the Board, who shall serve until the next Annual Meeting.

If the President is absent or unable to carry out the duties of the office, the Vice President shall serve as President.

If the office of Vice President becomes vacant, the Board of Directors shall elect a Vice President, after consultation with the Nominations Committee. This person shall serve until the next Annual Meeting.

SECTION 4: ELECTION OF CORPORATE SECRETARY AND TREASURER

At its first Board Meeting following July 1 the Board shall elect the Corporate Secretary and the Treasurer, each of whom may be re-elected. The term of office shall be one year.

ARTICLE VIII: MINISTER

SECTION 1: DUTIES

The Minister shall have the responsibility of providing leadership to the Fellowship in carrying out the purposes in Article II.

The Minister shall be an ex-officio member of the Board of Directors and of such committees as the Board shall designate. The Minister shall consult with and offer advice to the Board of Directors on the management of the Fellowship affairs and the administration of Fellowship policy.

SECTION 2: APPOINTMENT

The Minister shall have been accepted in fellowship by the Unitarian Universalist Association or be actively seeking such fellowship.

The Minister shall be called upon recommendation of the Ministerial Search Committee by an 80% majority of the Voting Members of the Fellowship present at any meeting legally called for the purpose. Quorum for such a meeting is to be constituted by 40% of the Voting Members rather than 20% of the Voting Members as called for in Article V.

The term of service shall be negotiable.

The Minister's initial salary, benefits, and reimbursable expenses shall be determined by the Board of Directors, subject to ratification at a meeting of the Voting Members.

SECTION 3: TERMINATION

Dismissal of the Minister shall be by written ballot and shall require a majority vote of those present and voting at a congregational meeting called specifically for that purpose. The salary and benefits of a dismissed Minister shall be determined by the Board of Directors in consultation with the Committee on Ministry.

The Minister may resign by giving three months' notice. At the Minister's request, the Board of Directors may waive all or part of this time period.

ARTICLE IX: COMMITTEES

SECTION 1: APPOINTMENT

The Board shall create such standing, ad/hoc and appointed committees as are necessary for the efficient operation of the Fellowship. Standing committees shall include but not be limited to: Religious Exploration, Finance, Membership and Sunday Services. Appointed committees shall include but not be limited to: Committee on Ministry, Personnel and Endowment Fund Committees. Chairpersons of individual committees may either be appointed by the Board or be elected by the members of the committee and approved by the Board.

ARTICLE X: NOMINATIONS

SECTION 1: NOMINATIONS COMMITTEE

(1) There shall be a Nominations Committee composed of three Voting Members, at least two of whom shall not be members of the Board. The Nominations Committee shall be responsible for conducting all elections.

(2) The Nominations Committee shall nominate three Voting Members, at least two of whom shall not be members of the Board, to serve as the Nominations Committee for the following year. There shall be an opportunity for nominations from the floor with the prior consent of the nominee.

(3) The Nominations Committee shall be elected at the Congregational Meeting in January to a one-year term starting February 1.

(4) The Nominations Committee may be called upon by the Board to nominate Voting Members to vacant positions on the Board of Directors.

SECTION 2: NOMINATIONS FOR BOARD MEMBERS

(1) Nominations by Members: With the nominee's consent, nominations may be made in writing by any Voting Member to the Nominations Committee by a date to be determined and announced by that Committee. Nominations so received shall be announced at the two Sunday Services preceding the Annual Meeting and in the written notice of the meeting to be published in the newsletter received by the Voting Members at least ten days prior to the meeting.

(2) Nominations by Committee: The Nominations Committee shall, notwithstanding the number of nominations made by Voting Members as provided in (1) above, nominate a slate of candidates at least equal to the total number of Directors to be elected. The Nominations Committee shall nominate at least one person for President and one for Vice President. Nominations made by the Nominations Committee shall be announced as shown in this Article, Section 2 (1). No member of the Nominations Committee shall be nominated to the Board of Directors by the committee.

(3) Nominations from the Floor: Nominations shall be closed only after an opportunity has been given to Voting Members at the Annual Meeting to make further nominations, each with the nominee's prior consent.

ARTICLE XI: ENDOWMENT FUNDS

SECTION 1: PURPOSE AND ESTABLISHMENT

The work of this Fellowship can be strengthened through gifts (cash, stocks, bonds, and real estate), charitable bequests in wills, charitable remainder and other trusts, pooled income funds, charitable gift annuities, and assignment of life insurance and retirement plans. It is the desire of the Fellowship to encourage, receive and administer such gifts in a manner consistent with the wishes of the donors and grantors, and in accord with the policies of the Fellowship. Therefore, the Fellowship hereby establishes a separate Endowment Fund (hereafter the "FUND") to be administered and managed and its monies expended independent of the annual operating budget.

The Planned Giving Committee (hereafter the "COMMITTEE") shall be the custodian of the Endowment Fund and shall act in accordance with all terms of the Planned Giving Policies and Procedures.

SECTION 2: FUNDING

(1) All gifts that designate the Endowment Fund are deposited fully into the FUND. Any undesignated gift or bequest to the Fellowship will be deposited into the operating account up to an amount equal to three percent (3%) of the current annual operating budget. Any amount remaining from the undesignated gift or bequest in excess of that three percent (3%) will be deposited into the unrestricted portion of the Endowment Fund.

(2) All assets of the Endowment Fund shall be kept separate from the operating funds of the Fellowship. Security of the funds is a primary requirement.

(3) There shall be three subdivisions in the FUND.

- a. The Unrestricted Fund, which is to receive all unrestricted gifts.
- b. The Outreach/Service Fund, which is to receive gifts for which the donor designated social justice and community outreach uses, 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 and/or economic need.
- c. The Buildings/Grounds Fund for the physical plant of UUFSD, which is to receive gifts designated for, but not limited to, major capital expenditures or significant renovation, improvement or maintenance projects related to the buildings and grounds, not covered by the regular maintenance budget.
- d. Should restricted gifts be received which do not fall into one of the above categories, the Board, after considering the recommendation of the COMMITTEE, may create another subdivision in which to place such gifts.

(4) The subdivided funds may be co-mingled for ease of investment management. The COMMITTEE shall separately account for each of these funds, attributing to each its proportionate share of changes in investment values.

(5) The Board may refuse gifts with restrictions which it deems unmanageable by the Fellowship, which are inconsistent with the primary mission and purpose of the Fellowship, which exposes the Fellowship to liabilities that pose a hardship on the Fellowship resources, or which threaten the ability of the Fellowship to maintain its tax exempt status.

(6) The Board shall be responsible for all decisions regarding the disposition of donations of real estate or other non-liquid assets.

SECTION 3: MANAGEMENT OF THE FUND

(1) THE PLANNED GIVING COMMITTEE

- a. The COMMITTEE is charged with the further responsibilities of educating the congregation about planned giving options, encouraging and acknowledging donations, providing recognition of donors to the FUND, and recommending programs for funding to the Board.
- b. The Planned Giving Committee shall be appointed by the Board and shall consist of at least three (3) members, all of whom shall be voting members of UUFSD. Except as herein limited, the term of each member shall be three (3) years. Terms shall be staggered to provide continuity from year

to year. The Minister, the Fellowship Treasurer and a liaison member from the Board shall be advisory (non-voting) members of the COMMITTEE. No more than one-half (½) of the voting members of the COMMITTEE may be members of the Board

- c. No member shall serve more than two consecutive three-year terms on the Committee. After a lapse of one (1) year, former COMMITTEE members may be reappointed.
- d. The COMMITTEE may request other members of the congregation to serve as advisory members. The committee may provide for professional counseling on investments or legal matters as it deems to be in the best interest of the FUND. Such Management expenses shall be taken from the annual distribution amount or undistributed capital appreciation of the FUND.
- e. The Board may terminate a member's appointment if it finds that the member has not acted in accordance with the Policies and Procedures of the Planned Giving Committee.
- f. Members of the COMMITTEE shall not be liable for any losses which may be incurred upon the investments of the assets of the FUND except to the extent that such losses arise out of acts or omissions of willful misconduct 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 FUND in which the member has direct or indirect financial interest. Each member shall at all times refrain from any conduct in which her or his personal interests would conflict with the interests of the Endowment Fund.

(2) INVESTMENT OF THE FUND

Investment of the FUND shall be managed by the Unitarian Universalist Association (UUA) consistent with its policies of socially responsible investment. The expense of this management shall be paid from the Endowment Fund.

SECTION 4: DISTRIBUTIONS FROM THE ENDOWMENT FUND

(1) DISTRIBUTIONS OF INCOME

- a. The COMMITTEE will record distributions from each of the sub-funds.
- b. Unrestricted gifts to the FUND shall accumulate and income shall be reinvested until a fair market value of \$100,000 is achieved, after which annual distributions may commence. However, should the fair market value of the FUND subsequently decline to less than \$100,000, distributions shall be made only upon a two-thirds (⅔) majority vote of approval from the congregation. Restricted gifts shall also be included in the accumulation to \$100,000 unless contradicted by the restriction of the gift.
- c. Except where specifically authorized otherwise in the terms of a gift, distributions from the FUND will be made annually, in amounts not to exceed five percent (5%) of the average fair market value of the FUND over the previous thirteen quarters. If less than five percent (5%) is distributed in one year, the COMMITTEE may distribute more than five percent (5%) in a subsequent year, as long as the distributions do not exceed five percent on a cumulative basis.
- d. No more than twenty percent (20%) of the annual distribution from the FUND may be spent on the annual operating budget of the congregation. No more than twenty percent (20%) of the annual operating budget of the congregation may be funded by distributions from the FUND. In particular, temporary, difficult circumstances, where the integrity of gift restrictions permit, the

congregation may approve a distribution greater than twenty percent (20%) in a vote of seventy-five percent (75%) of the Voting Members in attendance at a congregational meeting for which a quorum has been established.

- e. Annual distributions may be made from all three funds, or from just one or two of the sub-funds.
- f. Suggestions or requests for funding from members and committees of the congregation are to be submitted to the COMMITTEE by January 30th of each year. An Application shall be no longer than one typewritten page and provide the project's name, purpose, cost, and how it is proposed to be carried out and evaluated.
- g. Programs to receive allocations from the FUND shall be recommended by the COMMITTEE to the BOARD. Distributions from the funds that have been approved by the Board will be brought to the June congregational meeting for approval by the congregation, in accordance with the rules of voting established in Article V, Section 5.

(2) DISTRIBUTIONS OF PRINCIPAL

- a. Principal is defined as the "historic dollar value," the combination of the original gifts' value, additional gifts and reinvestment of earnings.
- b. Distributions of principal require approval by 75% of the Voting Members in attendance at a congregational meeting for which a quorum has been established, as defined by Article V, Section 4. In addition, whenever the cumulative distribution of principal approved in any twelve-month period amounts to more than twenty percent (20%) of current principal, confirmation by a seventy-five percent (75%) majority of voting members in attendance at a subsequent congregational meeting held at least twenty-eight (28) days later is required. For this second action all Voting Members shall be notified as required in Article V, Section 3, and a quorum is thirty percent (30%) of eligible voters.
- c. Specific expenditures of principal monies for projects that have already been approved by the Voting Membership require authorization by a two-thirds vote of the Board.

SECTION 5: DISPOSITION OR TRANSFER OF FUND

In the event that a merger or dissolution of UUFSD is being implemented, the Fellowship Board will decide upon the disposition or transfer of the FUND in conformity with the approved congregational by-laws. Consultation with the Association may be desirable for continuation of the UUFSD Endowment Fund obligations to grantors of gifts. If the congregation shall cease to function as an active Congregation with property still held by the UUA, thereafter such remaining property shall forever become the property of the Unitarian Universalist Association to be held by the Association for its general purposes.

ARTICLE XII: AMENDMENTS

These Bylaws may be amended or repealed at any meeting of the Fellowship, provided the proposed amendments are set out verbatim in the notice of meeting. Notice must comply with the requirements set forth in Article V, Section 3.

ARTICLE XIII: FISCAL YEAR

The Fiscal Year and the Congregational Year shall end June 30th.