

## **Enabling Resolutions for a Building Fund**

### **Amendment to Congregational Bylaws**

The following Article VI shall be added to the Bylaws, and the existing articles following it shall be renumbered sequentially.

VI. BUILDING FUND. A building fund shall be established, whose purpose, governance, and operational procedures shall be defined by special resolution adopted by the congregation.

#### **A. Resolution to Implement the Building Fund**

WHEREAS it is the desire of the congregation to have its own building and other facilities for worship, meeting, and other congregational activities;

WHEREAS we can provide significant support for the acquisition, including construction, expansion, repair and maintenance, of such building or facility through gifts, grants and other transfers of real and personal property, charitable bequests in wills, charitable remainder and other trusts, pooled income funds, charitable gift annuities, and assignment of life insurance and retirement plans;

WHEREAS stewardship involves the faithful management of the gifts of time, talent, and money, including accumulated, inherited, and appreciated resources;

WHEREAS it is the desire of the congregation to encourage, receive, and administer these gifts in a manner consistent with the loyalty and devotion expressed by the grantors and in accord with the policies of this congregation;

THEREFORE, BE IT RESOLVED that this congregation in special meeting assembled on [*date*\_\_\_\_\_], approve and establish on the records of the congregation a new and separate fund to be known as The Unitarian Universalist

Fellowship of Lake Norman Building Fund (called hereafter the “Building Fund” or “UUFLKN Building Fund”).

BE IT FURTHER RESOLVED that the purpose of this Building Fund is to provide resources, apart from the general revenues and operation of the congregation, for the acquisition and care of one or more facilities in which the Fellowship may conduct its activities; that no portion of distributions from the Fund shall be used for the annual operating budget of the congregation except upon the specific determination of the Building Fund managers and for purposes specifically related to the congregation’s real property, buildings or facilities;

BE IT FURTHER RESOLVED that the Building Fund Committee (called hereafter the “Committee”) shall be the custodian of the Fund;

BE IT FURTHER RESOLVED, that the following Plan of Operation sets forth the administration and management of the Fund.

## **B. Plan of Operation**

### **1. The Purpose of the Building Fund**

The purpose of the UUFLKN Building Fund is to receive, hold, and prudently invest assets that may be used by the Fellowship for land, buildings and related facilities to house its activities, as further described in this plan of operation. The Building fund may be used to

a) purchase real property, acquire an option to purchase real property, or to enter into a lease of real property to be used currently or in the future as the location where the Fellowship shall conduct its operations, provided that a lease of property shall qualify only if the use of the leased premises is controlled by the Fellowship (purchase and lease of such real property is hereafter called “Real Property”);

b) upfit Real Property;

c) construct, remodel, or repair Real Property;

- d) pay expenses incurred in the acquisition of Real Property such as commissions, professional fees, and closing costs;
- e) acquire rights to post a sign directing the public to the Real Property and to pay for signs to be located on the Real Property or that are designed to direct public to the Real Property;
- f) acquire furnishings, equipment, and decoration to be used at Real Property;
- g) pay expenses relating to architect, engineering, or interior design services with respect to the Real Property;
- h) pay for the landscaping, grading, parking lot, or outside furnishings or equipment, including play equipment for children relating to Real Property; and
- i) pay for any other use that relates to the Real Property that is of a type substantially similar to those listed above.

## **2. The Building Fund Committee**

### **a. Membership of the Building Fund Committee**

(1) The Building Fund Committee shall consist of three (3) persons all of whom shall be voting members of the Unitarian Universalist Fellowship of Lake Norman. Except as limited in this plan of operation, the term of each member shall be three (3) years. The minister and the president of the Board of Trustees or her or his designee shall be advisory members of the Committee.

(2) Upon adoption of this resolution by the congregation, it shall elect three (3) members of the Committee: one (1) for a term of three (3) years; one (1) for a term of two (2) years; and one (1) for a term of one (1) year. Thereafter, at each annual meeting, the congregation shall elect the necessary number for a term of three (3) years.

(3) No member shall serve more than two consecutive three-year terms. After a lapse of one (1) year, former Committee members may be reelected.

(4) The Nominating Committee of the Fellowship shall nominate new members for the Committee and report at the annual congregational meeting in the same manner as for other offices. No member may serve on the Building Fund Committee while also serving on the board of trustees of the Fellowship.

(5) In the event of a vacancy on the Committee, the board of trustees, after consulting with the Nominating Committee, shall appoint a member to fill the vacancy until the next annual meeting of the congregation, at which time the congregation shall elect a member to fulfill the term of the vacancy.

(6) The Committee shall meet at least quarterly, or more frequently as deemed by it in the best interest of the Building Fund. A quorum shall consist of three (3) members. A majority present and voting shall carry any motion or resolution. The Committee shall elect from its membership a chairperson, financial secretary, and recording secretary. The chairperson, or another member designated by the chairperson, shall preside at all meetings of the Committee.

(7) The recording secretary shall maintain complete and accurate minutes of all meetings of the Committee and supply a copy in paper or electronic form to each member of the Committee, as well as to the president of the board of trustees. A complete copy of the minutes of the Committee's meetings and other documents shall be furnished to new member of the Committee.

(8) The financial secretary shall sign all checks payable from the Building Fund in amounts no greater than \$250.00. Two authorized signatures are required for all checks payable in greater amounts.

(9) A certified public accountant or other appropriate person who is not a member of the Committee will annually audit the books. The Committee shall report on a quarterly basis to the board of trustees. At each annual meeting of the congregation and at any special meeting called for that purpose, the

Committee shall render a complete audited account of the administration of the Building Fund during the preceding year.

(10) Members of the Committee shall not be liable for any losses that may be incurred upon the investments of the assets of the Building Fund except to the extent that such losses 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 for only her or his 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 Building 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 Building Fund.

**b. Powers of the Committee**

(1) To receive, hold and manage gifts, transfers, and acquisitions of real and personal property, including intangible property in accordance with this plan of operation, subject to the requirement that the congregation's board of trustees shall hold in its name all real property that is used for the activities and operations of the congregation.

(2) To hold, manage, maintain, improve, preserve and control all of the property in the Building Fund, to collect and receive all dividends, interest, rent and other income thereof and to pay all expenses, costs, charges, claims, demands and liabilities imposed upon, incurred or arising in connection with the Building Fund or the property therein and the administration and management thereof.

(3) To purchase, invest and reinvest the Building Fund in, sell, change and exchange shares of stocks, bonds, and other personal property.

(4) To hold and retain any of the property it receives in the same form of investment as that in which it shall have been received without liability for loss or depreciation resulting from such retention, although it may not be of the character of investments permitted by law to committees of this type and although it may represent a large percentage of the Building Fund assets.

(5) To accumulate and retain cash and keep the same uninvested for such length of time as the Committee shall reasonably determine and to retain non-income producing securities or property in the Building Fund.

(6) If securities are taken or purchased for the Building Fund at a premium or at a price greater than their par value, the Committee shall not be required to amortize such premiums or to set aside any part of the income as a sinking fund to retire or absorb such premiums and if securities are taken or purchased at a discount, or at a price less than their par value, the Committee shall not be required to treat or accrue as income any part of such discount.

(7) To exercise all rights with respect to any stocks, bonds or other securities or property, real or personal, held hereunder, and all persons, firms and corporations are authorized to deal with the Committee in connection with said property as if the Committee were the sole owner thereof.

(8) After consultation and approval from the Board of Trustees, to employ or consult with agents, advisors and legal counsel, in connection with the Committee's duties hereunder, and to make any payment to such persons, firms or corporations from the Building Fund for the reasonable value of their services.

(9) To make, execute and deliver all contracts, deeds, assignments, proxies, powers and other instruments, and to do, in general, any and all things for the preservation and management of the Building Fund.

(10) To search and investigate possible building sites, buildings, and other locations for the activities of the congregation; to gather information about leases, as well as services of any and every kind related to the acquisition and use of properties by the congregation; it may engage other members and friends of the congregation to assist with the activities identified in this subsection (10).

**c. Duties of the Building Fund Concerning Assets and Investments.**

(1) Contributions may be received in any form, subject to the determination of the Building Fund Committee that noncash gifts and transfers are appropriate to the purposes of the fund; and if appropriate to do so, such items can be sold or otherwise liquidated.

(2) The Committee shall abide by and keep a record of the terms and restrictions of all gifts to the Building Fund and shall determine what is principal and income according to accepted accounting procedures. All assets of the Building Fund are to be held in the name of the UU Fellowship of Lake Norman Building Fund.

(3) The committee shall conduct its activities in accordance with the financial management guidelines and principles as published by the UUA for congregational and endowment funds.

(4) The Building Fund shall give priority consideration to investing its assets with the UUA Common Endowment Fund. Assets not so invested shall be subject to the following guidelines.

(a) The Building Fund shall invest its assets within reasonable and prudent levels of risk, taking into consideration the total investment position of the Building Fund, the expected timing of disbursements from the Building Fund, and pledged contributions to the Building Fund. The Board shall maintain an appropriate asset allocation that is compatible with the investment objectives and the spending policy set out herein.

(b) Mutual funds shall constitute no more than sixty percent (60%) of the total investments at any time.

(c) FDIC-insured deposits, bond funds, U.S. treasury instruments, cash and secure money market funds shall constitute the remainder of the Building Fund investments.

(d) Real Property and tangible assets that are being held for appreciation, for sale, or for future use by the congregation in its facilities shall be prudently safeguarded and appropriately maintained.

#### **d. Distributions by the Building Fund**

Distributions from the Building Fund shall be made at such times as deemed necessary, desirable and feasible to accomplish the purposes for which the

Building Fund is established. Distributions may be made upon the request of the UUFLKN Board of Trustees or upon the initiative of the Building Fund Committee.

**3. Amending the Resolution**

BE IT FURTHER RESOLVED, that any amendment to this resolution which will change, alter, or amend the purpose for which the Building Fund is established or its powers or its duties shall be adopted by a two-thirds (2/3) vote of the voting members of the UUFLKN congregation members present at an annual meeting or a special meeting called for the purpose of amending this resolution.

**4. Disposition or Transfer of Building Fund**

BE IT FURTHER RESOLVED, that in the event the UU Fellowship of Lake Norman ceases to exist through either merger or dissolution, disposition or transfer of the Building Fund shall be at the discretion of the board of trustees in conformity with the approved congregational bylaws and in consultation with the UUA. Consultation with the UUA may also be desirable for continuation of Building Fund obligations to grantors of gifts.

**C. Adoption of Resolution**

This resolution, recommended by the Board of Trustees and accepted by the congregation at a legally called congregational meeting, is hereby adopted.

Unitarian Universalist Fellowship of Lake Norman

By \_\_\_\_\_  
Veronique Singerman, President

and \_\_\_\_\_  
Sandra McFeeley, Secretary

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.