

Minutes of Governing Board Meeting – 1st February 2022

Attendees: Rev. Marie Alford-Harkey, Clare Coughlin, Rev. Elder Cecilia Eggleston, Rev. Elder Diane Fisher, Chad Hobbs, and Rev. Alberto Najera, James Chavis joined at 5:28pm Eastern/ 9:28 pm UK GMT / 4:28 pm US Central

Staff: Tammy Rabon-Noyce

Apologies: Mark Godette

Establish Quorum: Meeting commenced at 5:03 pm US Eastern / 9:03 pm UK GMT / 4:03 pm US Central

Opening Prayer: Rev. Elder Goudy

Brief Check In: Check in from all present

Consent Agenda:

- Minutes of January Meeting
- Moderator's Report

Motion to accept the minutes of the January meeting and the Moderator's Report.

Moved: Chad Hobbs

Seconded: Rev. Elder Diane Fisher

Passed

Discussion Agenda: New Business

Commission on Pathways of Healing and Reconciliation Report presentation by Rev. Dr.

Roland Stringfellow - shared an update on the work occurring for the Commission on Pathways for Healing and Reconciliation around the status of their work and its implications for future action within UFMCC. Rev. Dr. Stringfellow explained that the Commission is using the wake... as a basis for their work.

Fund Development Group presentation by Rev. Jim Mitulski, Tracey Kennedy, and Liz

Bisordi – This group, who have been meeting for 18 months, congratulated the Governing Board on “right sizing” the budget and the establishment of reserves and an endowment fund. The commitment and effort of this Governing Board has restored trust and confidence. The remainder of the presentation focused on strategies for obtaining funding from other sources.

Copyright Issues – Rev. Dr. Kharma sent a memo regarding copyright and images that are used on the UFMCC website. discussion/solution

Motion to authorize UFMCC attorney to ask for further clarification on the ownership of the copyright of the images in question.

Moved: Rev. Elder Diane Fisher

Second: Clare Coughlin

Passed

MCC staff will develop a policy regarding the use of images and copyright.

Follow Up From Strategic Planning - On 22nd January, representatives from the COE, GB and all staff were present for a session facilitated by Evangeline Weiss (her data). Workgroups have been formed around the five strategic aims: Spirituality, Presence, Diversity, Leadership and Resources. A followup session has been scheduled for 21st March 2022.

- Working Groups meet and develop plan for their goals
- Goals and plans will be shared with others on working day with Evangeline Weiss
- Strategic planning team will be established to ensure action

COVID-19 Update: Rev. Elder Cecilia Eggleston

We continue navigating the impacts of Covid-19 and monitor its global impact. Some churches have gone back to virtual services.

General Conference Update: Rev. Elder Cecilia Eggleston

Rev. Elder Cecilia Eggleston offered an update. Safety is a paramount consideration and a survey was sent to gather data for a coming decision as to on-line only or in-person as hoped.

Governing Board Nominating Committee resignation – The Governing Board received with sadness the resignation of Janet Fitzsimmons. Governors will send names of potential appointees to the Moderator.

Granting Further Flexibility With Respect To Articles IV Through IX Of The UFMCC Bylaws

Rationale: FMCC Bylaws 2019 ARTICLE V – GOVERNMENT, ORGANIZATION, AND OFFICERSA3. “When the Moderator desires more flexibility with respect to Articles IV through IX of these Bylaws, the Moderator can apply to the Governing Board, which may grant that flexibility.”

Motion - Move to grant, in accordance with the by-laws, the following flexibility for the 2022 Business Meeting:

Flexibility as to the time, place and nature of the General Conference Business Meeting, including its process

As the UFMCC bylaws already allow for virtual voting (Article VIII, A1a) the Governing Board authorizes the means by which all members of the Clergy and Lay house will participate virtually. The times, places of said meeting and process will be sent 90 days in advance to all church bodies.

Moved: Rev. Elder Diane Fisher

Seconded: James Chavis

Passed

Motion to allow the flexibility to delay the submission of bylaws from the Bylaws Committee to the Governing Board until the March Governing Board meeting.

Moved: Rev. Elder Diane Fisher

Seconded: Chad Hobbs

Passed

Financial Report: Chad Hobbs

Finance Dashboards from November and December

Chad Hobbs gave an update of the November and December finances via the dashboards, which will be available on the MCC website after the meeting.

Motion to accept the November Dashboard as presented

Moved: James Chavis

Seconded: Rev. Elder Cecilia Eggleston

Passed

Motion to accept the December Dashboard as amended to include an asterisk in the general operating Net Income drawing attention to the facts that it included a \$200,000 church closure amount, \$21,000 end of year giving, and two payroll protection loans that were forgiven.

Moved: James Chavis

Seconded: Clare Coughlin

Passed

Thrive MCC donation - \$200,000 US

Rationale: Given that UFMCC does not own any permanent building structure (with the exception of the rental property in Sarasota), and that a more fitting way to honor the legacy of Thrive MCC is to support MCC's vision for the development of additional church communities in the world.

Motion to split the \$200,000 Thrive MCC donation: 50% (\$100K) into the current operating reserve and 50% (\$100K) will be added to the Endowment Fund.

Moved: James Chavis

Seconded: Marie Alford-Harkey

Passed

Policy on Gifts and Bequests

The Governing Board reviewed current policy language, bylaw language and the proposed adjustments to policy now that UFMCC has an endowment fund.

Motion to approve the amended Governing Board Policy - Proposal for our Internal MCC Policy Distribution of Funds from Bequests, Planned Gifts, and Church Closures - (before/after comparison included at end of minutes as policy 15, 18 and 20 were amended)

Moved: Rev. Elder Diane Fisher

Seconded: Rev. Alberto Najera

Passed

Appointment Affirmation to Board Of Pensions

President Keith Thompson of Board Of Pensions (BOP), contacted the Governing Board via email (13th January 2022) to ask that the Governing Board approve Craig Cranston as a new candidate for the BOP. The candidate has already been unanimously approved by the BOP.

Move to affirm Rev. Craig Cranston's appointment to the Board of Pensions

Moved: Chad Hobbs

Seconded: Rev. Marie Alford-Harkey

Passed

Electronic Motion to Appoint Kirk Blandford to UFMCC Finance Team

Moved: Chad Hobbs, via email on 14th January 2022

Seconded: Alberto Najero, via email on 14th January 2022

Passed - Unanimous

approval with final vote on 24th January 2022.

Housing Allowance: Due to an oversight, this did not appear in the December 2021 minutes,

Motion: Whereas, Section 107 of the Internal Revenue Code permits a minister of the gospel to exclude from gross income (in computing federal income taxes) a church-designated allowance paid to him or her as part of his or her compensation to the extent used for actual expenses in owning or renting a home; and Whereas, the following personnel, Rev. Dr. Kharma Amos, is compensated by the Universal Fellowship of Metropolitan Community Church exclusively for services as a minister of religion and Whereas, the Universal Fellowship Metropolitan Community Church does not provide parsonages to the following minister; therefore it is hereby Resolved, that the total compensation paid in 2021 to Rev. Dr. Kharma Amos shall include housing allowances as indicated pursuant to section 107 of the Internal Revenue Code; and it is further Resolved that the designation of \$20,000 housing allowance shall apply to the calendar year 2022 from 1st January 2022.

Moved: Clare Coughlin

Seconded: Chad Hobbs

Passed

(Rev. Elder Diane Fisher recused herself from the vote, for the Housing Allowance)

Update on Meeting with Henderson Financial Group (Endowment Fund): Chad Hobbs

The meetings have moved to quarterly, beginning April 2022 and an Investment Policy Statement has been drafted and will come to the Governing Board for approval at a future meeting.

Procedures for the Endowment Fund will be included in the Accounting Manual.

Accounting Manual Update: Chad Hobbs

Work is ongoing; goal is for completion soon.

Staffing Update: Rev. Elder Cecilia Eggleston

Rev. Elder Cecilia Eggleston provided a staffing update.

Governance:

Bylaws Committee - work is ongoing.

Procedures Committee - The committee has begun meeting and will set the procedures for the General Conference 2022 online Business meeting.

Church Updates, Closures and Disaffiliations: Rev. Elder Diane Fisher provided an update.

- **Commissions:** The Work of the Commissions is ongoing – all need to be thinking about reports for the 2022 General Conference, and there will need to be time for translations, so probably an April deadline so the reports are brought to the Governing Board for its May 2022 meeting.
- **Commission on Communication:** Governing Board Liaison Rev. Alberto Najera provided an update. Work is ongoing and there has been a meeting with the Community Development Team.
- **General Conference Commission:** will continue its work after 2022's General Conference and use this experience to inform future recommendations.
- **Assessments Commission:** Rev. Elder Diane Fisher as Governing Board Liaison.
- **Commission on Rites and Sacraments:** Rev. Marie Alford-Harkey stepped down from her role as Co-Chair and will remain as Governing Board Liaison; Rev. Dr. Axel Schwaigert will continue as Chair and Rev. Elder Cecilia Eggleston will work with him to find a Co-Chair.
- **Commission on Pathways of Healing and Reconciliation:** Clare Coughlin as Governing Board Liaison. Update provided tonight by Rev. Dr. Roland Stringfellow

Judiciary Process Working Group: Rev. Elder Cecilia Eggleston indicated the work is ongoing, but the group has completed its review of the policy and will send it for review by the attorney.

Ongoing Items:

2021 Governing Board Year in Review is in development and Rev. Elder Diane Fisher will complete it this week.

Governing Board Policy Manual – Rev. Elder Cecilia Eggleston, work is ongoing to ensure all of the policy changes authorized by this and prior boards are reflected in the policy document.

Future Agenda Items:

Disaffiliation working group will bring a Bylaw proposal

Bylaw proposals in March meeting

May - Commission reports to Governing Board

Future Meeting Dates:

Tuesday 1st March 2022

Tuesday 5th April 2022

Tuesday 3rd May 2022

Tuesday 7th June 2022

Tuesday 5th July 2022

Tuesday 2nd August 2022

Tuesday 13th September 2022 (changed from 6th due to World Council of Churches)

Tuesday 4th October 2022

Tuesday 1st November 2022

Tuesday 6th December 2022

Close in Prayer: James Chavis closed the meeting in prayer at 7:21pm US Eastern / 12:21 am UK GMT / 6:21 pm US Central.

Was

Policy 15 – Church Closures and Distribution of Funds

Per UFMCC Bylaws, Article V.B.10 - CLOSURE: When a church disbands or ceases to operate, the net assets of the church will revert to the use of the General Conference of the UFMCC. The Governing Board will decide the disposition of said property.

Policy:

The Governing Board will consider UFMCC's current financial situation with particular attention to the following categories, before disbursing any closure-related funds:

- A. Estimated legal fees
- B. Cash to fulfill designated reserves
- C. Accounts payable
- D. Fund cash reserve account
- E. Funds for church planting or contributing to an existing church to retain a viable MCC presence in a local area.

The Governing Board will decide the specific allocation or distribution formula for a specific property during the church closure process, and such decision will be made on a case-by-case basis.

Proposed

Policy 15 – Church Closures and Distribution of Funds

Per UFMCC Bylaws, Article V.B.10 - CLOSURE: When a church disbands or ceases to operate, the net assets of the church will revert to MCC.

Policy:

Cash assets that revert to MCC following the closure of a local affiliated congregation or emerging ministry are always considered unrestricted; however the Governing Board may consider requests made by the donating party. See Policy 20 for general distribution guidelines.

WAS

Policy 18 – Gift Acceptance Policy

Purpose:

Overview of what this policy addresses
...Remains the same

Policy:

1. **Unrestricted gifts of Cash**
unrestricted gifts (cash, checks, credit cards) to support the mission of MCC are accepted without constraint. When accepted by representatives of MCC, these gifts should be transferred to the MCC main office for processing without delay.
2. **Restricted gifts of Cash**—Restricted gifts (cash, checks, credit cards) that support ongoing core MCC activities and special projects proposed by the Senior Leadership Team and approved by the Governing Board can also be accepted without constraint. Gifts offered to MCC that are unduly restricted by the donor for a new activity(ies) or project(s) must be reviewed by the GB. MCC reserves the right to decline gifts for activities outside of MCC's core mission or for special projects that are not in alignment with MCC's strategic goals and priorities.

All gifts, pledges and promises of...
Remains The Same Through End Of Policy, but numbering changes as #1 and #2 were eliminated

PROPOSED

Policy 18 – Gift Acceptance Policy

Purpose:

Overview of what this policy addresses
...Remains the same

Policy:

It is the preference of MCC that bequests are unrestricted, if at all possible, however, bequests may be restricted by a donor at their discretion. If MCC is unable to designate bequest funds in the manner restricted, MCC will first attempt to negotiate their restriction or have them unrestricted, and if that is not possible, will return the gifts.

Bequests to churches that then give a portion of this gift to MCC are not covered in this policy. They are considered general assessment income. See Policy 20 for general distribution guidelines.

All gifts, pledges and promises of...
Remains The Same Through End Of Policy, but numbering changes as #1 and #2 were eliminated

Was

Policy 20 - Bequest Distribution Policy

This policy addresses the distribution formula for bequest to MCC.

Policy

The current distribution policy adopted (GB 03.03-07.05 Minutes -MOTION 03.03-07.05) is upon the receipt of unrestricted bequests will be distributed according to the following formula:

- 25% to operating reserve until it reaches the six month total;
- 25% to operations prioritized toward vision goals; and
- 50% to our investment account.

Once the percentage limits of the operation reserve has reached its six month total, the Governing Board will determine which operations priorities the remaining percentage will be directed towards.

Proposed

Policy 20 - Bequest, Gifts & Church Closures Distribution Policy

Upon receipt of unrestricted cash from Bequests, Planned Gifts (Policy 18) and/or Church Closures (Policy 15), and in due consideration of the size of the gift as well as the current financial position of MCC, the Finance Committee will recommend and the Governing Board will approve the distribution of funds. In general, the following guidelines will be considered:

- 25% to operating reserve until it reaches the six month total;
- 10% to specific projects* in alignment with strategic vision and goals;
- 65% to the Endowment Fund

**Special projects* refers generally to one-time costs for a project or proposal to advance strategic aims. The intention here is not to fund line items for ongoing expenses that should be planned and funded with sustainability in mind and within the overall scope of the annual budget.