

Unitarian Society of Hartford Board Meeting October 10, 2023

Location: Zoom & USH Meeting House

Quorum NO ___ YES X

Board Attendees	Guests	Regrets
Dana Donovan	David Newton	
Nancy Kemmerer	Janice Newton	
Jon Covault	Laura Cipriano	
Rick Tsukada	Rev. Bob Janis	
Gloria F. Mengual	Sue Smolski	
Jim Venneman		
Paul Cipriano		
Judy Sullivan		
Tina Davies		
Laurie Kelliher		

Orders of Business

6:37 p.m. **Dana** - called the meeting to order. Check-in.

Nancy – Reading: Board Covenant

UNFINISHED BUSINESS

- **Approval of September 2023 Board Meeting Minutes – Motion:**
Jim made motion to accept minutes. Nancy seconded. Unanimous approval.

COMMITTEE REPORTS

- **Endowment Committee – David Newton**
Reviewed resolution presented at September Board meeting. Read resolution regarding restricted funds (*noted in September Board meeting minutes as an addendum) David spoke in favor of approval of this. Nancy - \$100,000 set aside for noise abatement. Is that included here? David: No. Sherry noted this needed to be removed.

Donor noted that she spoke to Joe Rubin regarding making funds unrestricted. An email/letter to Joe Rubin documents this change. *(See Endowment Committee addendum submitted by David Newton below). **Motion:** Jim made motion to accept it. Nancy seconded. Unanimous approval by Board. Final appointment to Endowment Committee fell through. Joe Rubin has been approached about joining. No resolution on this invitation yet.

- **Endowment Fund – Jim Venneman**

We are in process of ensuring we have some fundraising in lieu of the auction, which did not raise much last time. The hope is to continue the regifting sale. Mary Sherwin, who ran it, no longer wishes to lead, but will advise. Have list of 10 – 15 people to approach (or have spoken with) to see if they will lead stewardship effort. Sid Garvey sold Block Island property, with \$100,000 going to USH endowment. He provided a testimonial during a service, encouraging others to leave USH in their will. Some funds were diverted. We need to honor those who have bequeathed funds to USH. We need to honor all who do this, without listing dollar amount. **Rick:** do you want to backtrack it? **Jim:** yes. The idea is to have people look toward the future without impacting what they are giving today. Goal: September/October for relaunching endowment campaign.

- **Human Resources Subcouncil – Nancy** – The HR Subcouncil met with Rev. Bob. Main focus: working on review process for RE position. Discussed posting this position on July 1st. We had 14 children last Sunday and recently have regularly had double digit attendance. **Rick:** this is about position, not Annie. We are looking at what the position requires, as it exists now. How many hours does it take? What are the recruitment/supervisory responsibilities? We are working with her on documenting all of this, along with assessing what might need to be done if we are in a trajectory of growth, which would impact adult volunteer staffing positions. **Dana:** Do we have a job description from when Rayla held the position? **Rev. Bob** – have not found Rayla's job description, nor a UUA one we could use. **Rick:** Have spoken with other congregations and looked job description up. It is happening all over – the search to fill this position. **Nancy:** Rev. Bob has created a good RE position description; we're making progress on job description, with Annie having looked at it and giving us feedback. **Jon:** If goal is July hire, is January goal of starting this process? **Laurie:** Are we competitive salary-wise? **Rick:** No, having reviewed other congregation positions. There is a broad difference in training

levels and skill sets of our and other area RE staff. **Tina:** are RE positions subject to similar salary requirements of other positions? **Paul** – HR committee still is figuring out its role. We cannot ignore policies and apply them to some, but not all staff. **Rev. Bob** – trying to make sure we move forward within legal ramifications. **Rick** – HR role - when there is a minister and when there is not, we need to consider the increased HR role, depending on circumstances. **Nancy:** we have not done good job in past – i.e., Annie working 18 months with little or no supervision.

MINISTER'S REPORT - *Rev. Bob Janis*

- **DRE decision**
- **Update on Meetings with Staff** – met with Sam; mentioned Briana's situation and how coverage for her responsibilities is going. It may be good to occasionally have professional come in to hand cleaning.
- **Ministry – Contract vs. Interim:** Focused on congregational life. Format and timing for staff healing process – feedback from board is welcome. **Rick:** have been using forums that started with Rev. Terry. People are getting used to talking now that this process has started. The hard side is the action component, beyond just talking. **Laura:** Rehashing is not the desired focus; looking forward should be the focus and something many expressed desire to see happen.
- **Building Use:** Looking into options to use this building for rental income. Would make ideal wedding space. Do we want to invest in this; board does not need to micromanage this.
- **Getting more people in** – Ways to have more people want to visit, based on getting the word out – social media, ads, etc. This should be developed further.
- **UUA Development – Rev Bob:** Big vote on Article 2 coming up in June 2024. I'm happy to play a facilitative and pastoral role during and after services. Am trying to see how I can be useful on this. **Tina:** there was confusion around role of admin and staff at GA regarding this – education on procedure. **Rev Bob:** ministers get a vote. Congregations get vote, depending on their size. RE staff get vote, depending on credentials (ministers). **Rick** – UU ministers are in funny position in good standing with UUMA; also they are in relationship to congregation. Another group is forming in contrast to what's happening within UUA. This group is aware of awkward role UU ministers are in, especially if their congregations differ from UUA direction. **Rev. Bob** – Am particularly interested in what this congregation has to say to reflect that in my vote.

SPIRITUAL LIFE DISCUSSION - Rick Tsukada

- **Ideas for Discussion**

- **How are things going?**

- **Judy** – coming back after being away so long and with a new minister takes some time. GHIAA-trained leaders are used to having one-on-one conversations that go beyond fellowship chit chat. Likes forums that took place during services; enjoys the power of the one-on-one conversations.
- **Rev. Bob** – Met with Seabury folk. Many appreciated the shared meals and the one-on-one conversations that happened then.

- **Are there things we should give more attention to more immediately?**

- **Judy** – It would benefit to have more Board members trained in GHIAA approach. It fits in well to idea of community within our congregation.
- **Laurie** – this is a congregation-wide issue. People don't want to be approached with reference to noticing they are new. People want to be made to feel like they are welcomed from the start. New people often come right before service and dash out at end. I welcome people if they sign up at Welcome table. Encouraging people to come to First Connections after service is important. We need to push congregation to take active role in being welcoming. Welcome Team will be meeting in November. One thing: location of Welcome table is too far from entrance and having a second Welcome table downstairs makes sense as well. **Nancy:** took course on schmoozing – it's intimidating to approach group who clearly know each other well. Strategy: take step back to welcome outsider into group. **Jon:** there was time when we had people stand up at start to be welcomed. It was noted some don't like this kind of attention called to themselves. **Laurie:** not convinced all people do not like it. **Rev. Bob** – it's okay for people to come in and leave incognito. If we can do it in a gentle way, it could be nice to ask them to introduce themselves; you need to keep them feeling welcomed if they do come downstairs. **Laurie:** when people introduce themselves during service, sometimes

person sitting near them introduces themselves to them at end of service. **Paul:** personal invitation during coffee hour to come to *Under the Stairs* has been effective for him in the past. **Judy:** One congregation has two people of color; friend of color who attended was asked if she is coming back; she said no. During coffee hour line of people were waiting to talk to her. **Rev. Bob** – there is a fine art to schmoozing we don't teach our youth. **Rick:** It's about not just telling others about our church, but truly listening to what the other person is talking about. **Jim:** during Lunch Bunch, is an opportunity to truly learn about others. **Janice:** Caring Network has a table near door downstairs after service - people who are new can ask questions; this has worked well. It's an opportunity for person to stand there and talk to person at table rather than look like they don't know what they're doing. **Rick:** Youth via tech, often don't have opportunity to connect person to person. They have that here at USH. **Laurie:** signage is another issue. A short message that sends idea of what's happening inside USH, that pulls drivers in, could work. Publicizing what's happening here on signage out front and in other places may pull people in. **Rick:** Overall, do our outside efforts reflect what's inside?

NEW BUSINESS

COUNCIL CHAIR REPORTS

- **Administration** - *Paul Cipriano* – Re: video cameras. We did not request audio capabilities, but received them anyway, as he found out when he downloaded app to his phone. Cameras only exist in public spaces – sanctuary, main office, upstairs/downstairs spaces and the roof. Only 5 people had access to sound. Sound has been disabled. In some cases, audio may be of use; in other cases, we may be treading on legal issues regarding recording. CT requires consent by all parties in order to record; otherwise it is illegal. Law in CT suggests disabling if it has this feature. **David:** motion: board uses full capability of our audio system for legal purposes. New camera system has capability of capturing both sound and visual. Cameras are only in public spaces, except for Office. Purpose of cameras is to enhance security. **(See security upgrade report in addendums)*. We've had one break-in, one computer theft, purposeful opening of fridge to ruin food. We should use full capability of system. We need a policy for

this. All who use this need to be aware of purpose of use of this system. Karolina is often in office alone. She may be accused of false behavior claimed by visitor. Audio may clarify what happened. Karolina has expressed support for this. We have habit of worrying about what others think about use of this. Let's work out policies that are legal and share that with those using cameras/sound systems. This could provide police more information should a theft occur. Recommends use of cameras with full capability as long as it is for legal purposes. We've invested heavily in security; let's not hobble it. Let Security Committee work on looking into this, ensuring that its use complies with all legal guidelines. **Laurie:** how long are recordings held and who has access? **David:** Karolina, Paul, Kevin, Laura and I have access. Laurie – this was topic of conversation in past that had some express concerns. **Dana:** suggested Board table the issue for now. Asked Paul and Security Committee to speak with Joe Rubin regarding legality around the use of sound in cameras. In the meantime, they will remain disabled. Paul read state law on legal restraints (see addendum provided by Paul below Board minutes)

- **Community Within – Tina Davies –**

With USH being about one month into the 2023/24 program year, the “extracurricular activities” calendar... small-group socializing to promote deeper connections among members and friends... is filling. **(More about each of these activities is in the enclosed addendum).*

Adult Program Activities Include:

- **USH Book Club**
- **Pizza and Movie Night**
- **Lunch Bunch**
- **Gentle Yoga**
- **Meeting House Presents**
- **Connection Circles** — three groups are starting up shortly, all are in-person, home-based gatherings.
- **Sing Along**
- **Artist's Way** — Monday evening meetings, every other week
- **Disability Support** — monthly Zoom meetings connect those for whom differing abilities (or support for those with differing abilities) present challenges.

In addition to the above groups, we wish to highlight Reverend Bob's introduction of two monthly opportunities to gather and explore:

- **First Tuesday Hangouts**

- **Lunchtime Poetry Workshops.**

Communications

More information also is available in the enclosed addendum regarding:

- **eNews**
- **Constant Contact**
- **Website Update**

Caring Network- The Caring Network has been extending its reach, as planning and presentation of memorial receptions have fallen heavily on its shoulders.

**(See addendum with further Community Within Information below)*

- **Finance** – *Jon Covault 0 (See addendum below)*
- **Membership** – *Laurie Kelliher*
- **Social Justice** – *Judy Sullivan* – SJ met in September and has lots of plans. Gloria M. will be facilitating *The Sum of Us* podcast after service to discuss podcasts people listen to on their own time. Will be doing social justice movie night – *I am Not Your Negro* – to be shown in November. In terms of AIM, we have interest via Gloria Bent and Susan Hope in doing advocacy work with area organizations. Web site – working on SJ pages of USH web site, along with others.
- **Representation by someone in Youth Group on Board (Dana) – Nancy** – technically Board members are elected. **Dana** – Youth would be nonvoting members, unlike us, so they don't need to be elected. **Nancy** – would be great to have youth representation. **Rev. Bob** – Perhaps call them youth group liaison? It would be great to have their voice at the table. **Dana - Motion** that youth board representation be established. **Rick** seconded. One abstention; all others in favor.
- **People with Tech Experience (or willingness to train) Needed:** **Rick:** Need people for 12/24 and 12/31 services to run the Zoom while Karolina is on vacation. There are specialties people need to be trained in, beyond Zoom. **Rev. Bob** – it would be great to build a team up to do this. Board needs to be aware of this upcoming need.

GUEST COMMENTS - None

MOTION TO ADJOURN – Motion to adjourn at 9:00 p.m: **Tina** made motion; **Jim** seconded motion. Unanimous vote to adjourn.

Addendums – October 2023 Reports Submitted by Council Chairs

I. USH Ministerial Board Report- *Rev. Bob Janis*

"Listen! The wind is rising, and the air is wild with leaves. We have had our summer evenings, now for October Eves!" – Humbert Wolfe

Here's to autumn – here at last.

Foundations and Behind the Scenes

Dana forwarded on a few of the things I'm thinking about as happening in the year ahead. (I meant to tidy it up a bit for public consumption, sorry if it's not as thought out as it might be.) There seems to be some energy picking up, and now we'll see how to direct it...

Sundays

Good lay-led, minister-led, and collaborative Sundays. Trying to vary up the form a little bit, so it's not exactly the same template each week, while keeping enough regularity to be soothing. Worship Associate conversations have been great.

Energy picking up in religious education too – seems to be a new family almost every week, and a lot are coming back! We had a good session with parents to talk about what they are looking for from RE program and beyond.

Programming and Social Justice

First Tuesday Discussions and Poetry Workshops are going well. Had a good conversation with folks at Seabury – facilitated very engagingly by Marye Gail Harrison, where she asked about what community looks like and how we might build community. Many great ideas were written down, have a list recorded. Many feature eating together, looking for ways to make dinners and the like happening here, when everyone is more busy than ever.

Pastoral Care and Rites of Passage

Great to attend Caring Committee and get some good suggestions of who I might follow up with. Please feel free to whisper in my ear if I might be of service to someone.

Happy October everyone!

II. Administration Council Chair Report - Paul Cipriano, Chair

Security Upgrade

The security upgrade continues to progress around the Meeting House. There is one more piece of equipment to add to the camera system, a backup battery for the cameras; we are awaiting installation.

We received the final bill from Len Clapis for the camera/keyless entry/camera doorbell systems; it has been paid in full and submitted to the state for reimbursement from the security grant.

Of the \$25,400.00 USH was awarded, we have spent \$12,964.38 and have \$12,435.62 remaining. We are awaiting a final bill from TAB for the intercom system. Currently the intercom installation is under budget at \$2,625.65; we asked for \$4,000.00.

Last week, Tab started installing the building intercom system. There are two speakers, one in the ambulatory outside Sam's office and one in Fellowship Hall.

Upon installation, TAB learned the phone in Fellowship Hall is no longer functional. Our first thought was to buy a new phone but that could be an expensive option. TAB informed Karolina it also would require replacing the other phones in the Meeting House, the control box in the office and additional hours of labor from for the installation.

The other challenge: the extra equipment was not in the original grant application. We would have to ask the state if the extra equipment would be covered under the original grant application.

Another option is to move the rarely used extra phone in the office to Fellowship Hall, avoiding the expensive equipment upgrade while remaining able to communicate throughout the building in an emergency. Karolina is working with TAB on estimates for the remaining installation. This is part of the security grant, so USH should be reimbursed for the expense.

Human Resources Committee Update

The HR Committee (Laura, Nancy and Gloria, along with Rev Bob) continues to meet regularly to define its role at USH. One or more members hope to stop into the next USH staff meeting with Reverend Bob if they don't miss E.T. on pizza/movie night, which is happening simultaneously.

III. Council on Community Within – Christina Davies, Chair

Adult Programs

- The **USH Book Club** continues to meet principally on Zoom, offering engagement for those in the congregation for whom it's difficult or impossible to travel to the Meeting House. A current highlight is the inclusion of member Louise Harmon's manuscript *Ashes to Bhagsu*.
- **Pizza and Movie Night** resumes Friday (10/13), with ET as the feature presentation (inspired by the appearance of one of the genuine ET's stand-ins at an early July worship service). This year, we are intentionally combining with a couple other USH "areas of interest" for some possible cross-pollination: in November, the Social Justice council is presenting *I Am Not Your Negro*, with post-movie discussion to be facilitated by Gloria Mengual. January's offering will be one of the movies around which Annie Witzler built her worship presentation this summer. This is somewhat experimental, and it will be interesting to see the reception by both our traditional movie night audience and those who may be attending primarily because of the particular featured film.
- **Lunch Bunch** picks up again next Tuesday (10/17), meeting in Fellowship Hall for lunch and conversation.
- **Gentle Yoga** began weekly Monday morning meetings right after Ingathering, and continues to be a fine start to one's week. LU Giammatteo's expertise, and humor all combine in inviting people to approach the discipline without fear and expectation.
- **Meeting House Presents** offers its initial concert of the season next Friday, 10/20.
- **Connection Circles** — three groups are starting up shortly, all appear to be in-person, home-based groupings. One group is based at Seabury, offering an on-site meeting for residents there (which is also open to non-Seabury folks). The groups meet weekly, or as close to weekly as people's schedules allow. They will wrap up by the end of 2023. Another series of Connection Circles is anticipated during late winter/early spring.
- **SingAlong** — the Second Saturday SingAlong has now moved to the third Saturday each month, which is not as alliterative but presumably just as musical.
- **Artist's Way** — this group, which generally opens briefly at the beginning of the program year, determines its schedule of meetings and activities, often twice monthly on Monday evenings.
- **Disability Support** — monthly Zoom meetings connect those for whom

differing abilities present challenges.

In addition to the above groups, we wish to highlight Reverend Bob's introduction of two monthly opportunities to gather and explore: the

- **First Tuesday Hangouts** and the **Lunchtime Poetry Workshops**. Both have been highly appreciated, and the demonstrated willingness of our minister to engage with members of the congregation in informal, unscripted discussions about life and living, is indeed welcome and refreshing.

Communications

Regarding the two primary media ("print" via cyber) by which news and information is disseminated to the congregation (the weekly eNews and website):

- **eNews:** Earlier this year, the eNews shifted from one online media marketing platform ("Emma") to a different one ("Constant Contact"). Reviews are rather mixed, though one significant benefit of CC over Emma is a savings of several hundred dollars per year. Plus, the switch offered us an opportunity to clean up our mailing list by starting fresh: in order to continue receiving the newsletter, people needed to re-enroll, and this process pared our distribution by roughly 50%.

Constant Contact is not without its flaws and difficulties, but these are less obnoxious than Emma's were. Unfortunately, a few expected benefits did not materialize, thanks to software "evolution" on CC's part: one major feature we coveted, which promptly turned to vaporware upon our purchase, involved "anchor links" (whereby one can click on a link, such as in a table of contents, and jump to the relevant section in the document). CC withdrew this ability as it was linked to spamming and other undesirable issues. One focus at the moment is to "clean up" the weekly letter by moving repetitive information (regular notices of meetings; information involving local organizations other than USH or UUS:E or Fern Street) to an external location, while providing an eNews link.

- **Website:** once other priority issues at the Meeting House have been addressed, it is my belief that it's time to take a good look at our website. The most recent major "re-do" was almost 10 years ago. There have been some targeted "clean-ups" more recently, but there continues to be outdated information (e.g Covid policy), inconsistencies, some navigational blind alleys, and to my eye, the site looks dated and static. As the website is our online front door, it would ideally be attractive and welcoming... and I have a hard time persuading myself it is either at the moment. Something to think about, perhaps for the next fiscal year.

- **Caring Network**

The Caring Network has recently spent a great deal of time and effort to coordinate receptions when we have memorial services. At a recent meeting, the subcouncil explored some thoughts on how this process (not a function originally part of the Network's scope, but one which has now defaulted to them) might be structured to lift much of the burden from a small group of people. A more extensive report from the Caring Network will follow, by the end of 2023.

IV. Finance Report, Jon Covault, Treasurer

FY24 Q1 Account activity summary (July-Sept)

- **Endowment** - \$2,775 in endowment memorial gifts. The only withdrawals have been monthly transfers of \$4,453 in support of the operating budget and quarterly investment fee.
- **Schwab** – \$38 withdrawal for purchase of memorial garden plant, \$10,250 from PPP funds to support the approved budget. Interest income of \$1,919 for the period from 3-month CDs. There are additional pre-paid pledge funds held in Schwab account will be moved to M&T checking next quarter to support the budget.
- **M&T checking** – September 30 balance of \$50,329 (expenses for the quarter exceeded income by \$18,730 after accounting for a payment of \$12,694 for a new security camera system to be repaid from a State CT security grant).

For further details: link to FY 2024 first quarter account summary:

date	account	balance	chd	change	invest	deposits	notes	total	expense/	budgeted	USH	notes
			interest	market	return			withdrawal	fees	withdrawal	withdrawal	
FY24 Q1	Main endowment											held for capital improvements/sc
6/30/23		\$ 1,284,365										\$ (41,590)
7/31/23		\$ 1,314,064	\$ 1,203	\$ 36,152	2.9%	\$ -		\$ (7,655.78)	\$ (3,202.11)	\$ (4,453.67)		\$ (42,767.81)
8/1/23						\$ 25.00	stuart Spence memorial					
8/1/23						\$ 500.00	Mary Leonard endowment memorial					
8/1/23						\$ 600.00	Ed Sak endowment memorial					
8/31/23						\$ 50.00	Bill LaPorte-Bryan memorial					
8/31/23						\$ 50.00	Ed Sak memorial					
8/31/23		\$ 1,284,001	\$ 1,242	\$ (28,076)	-2.0%	\$ 1,225		\$ (4,453.67)	\$ -	\$ (4,453.67)		\$ (41,834.88)
9/1/23										\$ (4,453.67)		
9/19/23						\$1,000	Elin/David Walpole Unrestricted endowment in appreciation of their wedding at USH 30 yrs ago					
9/25/23						\$ 500.00	Bill LaPorte-Bryan memorial					
9/25/23						\$ 50.00	Barbara Thomsg memorial					
9/29/23										\$ (4,453.67)		
9/30/23		\$ 1,233,047	\$ 4,234	\$ (47,830)	-3.4%	\$ 1,550		\$ (8,908.07)	\$ (0.73)	\$ (8,907.34)		\$ (40,414.46)
FY24 Q1		\$ 1,233,047	\$ 6,679	\$ (39,754)	-2.6%	\$ 2,775		\$ (21,018)	\$ (3,203)	\$ (17,815)		\$ (40,431)
FY24 Q1	Sound abatement											sound abatement in main endowment
8/30/23		\$ 100,029										
7/31/23		\$ 100,568	\$ 368.63	\$ 170.94								\$ 42,707
8/31/23		\$ 100,904	\$ 335	\$ (0)								\$ 142,739
9/30/23		\$ 101,274.82	\$ 370.98	\$ -								\$ 141,689
FY24 Q1		\$ 101,275	\$ 1,075	\$ 171		\$ -		\$ -				\$ 40,431
FY24 Q1	Schwab reserves											
6/30/23		\$ 185,385										
7/31/23		\$ 185,445	\$ 30									
8/31/23		\$ 186,564	\$ 1,119									
9/30/23		\$ 177,539	\$ 771	\$ (8)		\$ 500		\$ 10,288	\$ (10,250.00)	\$ (38)	quarterly PPP to M&T	
FY24 Q1		\$ 177,539	\$ 1,919	\$ (8)		\$ 500		\$ 10,288		\$ (38)		

FY23 Q4	M&T Checking											
6/30/23		\$ 81,753										net change
7/31/23		\$ 76,782				\$ 26,964		\$ (31,933)	\$ (2)			\$ (4,971)
8/31/23		\$ 65,515				\$ 24,749		\$ (35,841)	\$ (2)			\$ (11,094)
9/30/23		\$ 50,329				\$ 36,024		\$ (51,381)	\$ (2)			due to -12694.38 security cameras
FY24 Q1		\$ 50,329				\$ 87,737		\$ (119,155)	\$ (4)			net change

V. Endowment Committee Addendum

A. Resolution Concerning Various Restricted Contributions to the Endowment (as approved)

Whereas, In 1952, \$65,534 was contributed (Bissell) for restricted RE use, and in 1995, about \$33,000 (Delaney) for General Expenses, and

Whereas, The interest on said restricted funds, which is directed for said restricted purposes, was more than equaled by expenses for these purposes drawn from the operating fund to which the Endowment contributed, continuing to the present, and

Whereas, Accounting for these, and smaller restricted funds has become a de minimis activity, and

Whereas, The Board may also choose to release the restrictions on remaining restricted funds amounting to \$4,652 (\$792 in Schwab) following the USH custom of carefully in good faith redirecting certain restricted funds to unrestricted status, now therefore, be it

Resolved, That the Board herewith releases restrictions on the Bissell and Delaney funds and other referenced restricted funds totaling \$4,652 listed in the Endowment Records as of 2017. *

Passed this 10th day of October, 2023

* As a matter of record please consider associated with this document:

1. Permanently Restricted Endowment
2. Historical endowment Contributions
3. Note from Hank

B. Permanently Restricted Endowment Email – S. Manetta:

From: Subject: Date: To:

s.manetta@comcast.net

permanently restricted endowment

July 22, 2023 at 10:30 AM

Dana Donovan dedanu49@gmail.com, Nancy H. Kemmerer tankermom0@gmail.com, Paul Cipriano pcipriano01@gmail.com, Jon Covault jncovault@hotmail.com, Ellie Venneman ellielooncove@gmail.com, Laura Cipriano laurascipriano@gmail.com, David Newton dcnewton999@gmail.com, ushminister@gmail.com

Hi All,

I prepared the attached document at the beginning of my stint on the board, so summer/fall of 2017. I went through Louise Schmoll's careful documentation of restricted contributions (done in 2013), discussed these with Brian Mullen and former members of the endowment and finance committees. I cleaned up some of the notes in the past few days to make the spreadsheet clearer, but all the detailed information is from my 2017 review.

As a reminder, USH can spend earnings on permanently restricted funds but cannot spend the initial contribution. The two largest restricted amounts are for RE (\$65,534, Bissell, made in 1952) and general expenses (about \$33,000, Delaney, made in 1995). These are highlighted in green and red on the spreadsheet.

Under the USH bylaws/constitution, the congregation needs to maintain an endowment at least 2x the annual operating budget. The current unrestricted endowment is over \$1mm. The annual withdrawal from the endowment to meet operating expenses (which includes the costs of RE) has generally been in the \$40,000 to \$60,000 range. It can easily be said that USH spends far more than the earnings on these two permanently restricted amounts for the intended purposes. They are old (70 years for Bissell) and continuing to bookkeep for these is not meaningful.

If the board votes to reclassify the Bissell and Delaney contributions to the unrestricted endowment, the remaining permanently restricted amounts total \$4,652, some of which is in the endowment (\$3,860) and some of which is in Schwab (\$792). These numbers are in bold on the attached spreadsheet. The board could decide to release these restrictions and consider them unrestricted endowment, it could transfer the Schwab amounts to the endowment and stop tracking them separately in Schwab (which seems to already have stopped after Brian Mullen's departure).

USH has practice of though fully redirecting restricted funds. A note in Louise Schmoll's papers indicates that there was once a contribution restricted to building a playground which was absorbed into unrestricted when no playground was built. Also, as noted on the spreadsheet, a contribution for books for the library was redirected to the minister's discretionary fund.

It is possible for the board to reject a contribution if the intended purpose is inconsistent with the congregation's plans. Or, as Rev Bob suggested in this week's email exchanges, to limit any contribution by policy, and if it hasn't been spent for the intended purpose after x years, it goes into the unrestricted endowment.

All of the above rationale has seemed to me to be sufficient justification to release all these prior restrictions. I am not a lawyer, however, so I'm attaching a 2017 email from Hank Murray for the board's consideration as it makes its determination.

As to the discrepancy on the Bissell account from the 1995 annual report to the 2017 annual report, I can only assume that Bissell donated \$74,670 and the 2017 annual report has only the unrestricted amount. But I don't know.

As to Jim's question of me regarding donations to the endowment subsequent to the time of the attached spreadsheet, I do not have any documentation in my files. These would be in files maintained by Brian Mullen or minutes of the board, finance committee or endowment committee.

C. Email From Henry Murray, Esq. to Sherry Manetta re: Endowment and Audit

From: Henry F. Murray [<mailto:hfmurray@lapm.org>]

Sent: Thursday, September 28, 2017 1:58 PM

To: 'Sherry' <s.manetta@comcast.net>

Subject: RE: endowment and audit

I've attached what I think is the CT version adopting the language of the UPMIFA. As I read both the CT version and Model code, there is no requirement that endowments may not "spend" their principal. The CT law and model code adopt a prudent person rule both with respect to investing and spending. That

said, the “prudent’ person rule and general fiduciary principles would make a Board cautious if spending more than required for the chartable purpose. This is not my area of expertise but I think the language and intent is pretty clear. So, to circle back to something that Larry said on Sunday, the law does not, in my reading of it, prohibit spending any of the endowment’s “capital;” of ‘principal.’ UNLESS, a particular donor gift was so restricted. There are occasions when a donor restriction or requirement no longer makes any sense and there is another way to effectuate the donor’s intent – in such cases there is a legal principle (cy pres) which permits an endowment or charitable trust to go to court (after notifying the AG) to seek a reform of the donor “instrument.’ There is a lot of due process built into the scene to make sure a board of an endowment or charitable trust carries out its fiduciary duty. These issues point out for me one of the important reasons USH needs to transition its endowment to the UUA common fund. In that way the endowment committee can focus on planned giving which is a much neglected area.

Hank

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