

# The Effort Behind the Bylaw Revisions

Version 2018-03-07

This document captures the efforts of the Bylaws Task Force and the UUFC Board of Trustees to draft a new set of Bylaws for the Fellowship. It is divided into three parts.

The first part provides the **background** to the bylaws revision effort. This includes determining the purpose of bylaws, the goals of the project, and the process used.

The second part highlights the **major changes** of the new draft bylaws.

The third part captures many of the points discussed by the Task Force and the Board during the creation of the draft. These points have been placed in three categories: Information, Strength and Fear. The **Information** column shows legal and historical information related to the topic. The **Strength** column describes how this form of governance gives strength to the UUFC. The **Fear** column describes many of the questions and concerns when the section was discussed.

## Part One: Background

The UUFC Board of Trustees in 2017 made revising our Fellowship's bylaws one of its top goals. The UUFC probably established its first set of bylaws in the early 1950s. At the time, the organization was smaller and its legal needs different. Since then, the organization has grown in size and complexity, and legal requirements for nonprofit organizations have increased. The most recent amending of the UUFC bylaws took place in 2005 and includes items of both policy and the structure of governance.

Bylaws are the Fellowship's second most important document, with the Articles of Incorporation being the most important. Bylaws, according to the authors of the Oregon Nonprofit Corporation Handbook, "provide the structure for how your Board operates as your governing body. The Bylaws should contain the provisions about how the Board is selected, how Board decisions are made, how members ... participate in governance, how the Board functions through its officers and committees, and provisions for amending the Bylaws. We recommend that the Board put provisions about how the Board manages the corporation (such as the fiscal year, who signs contracts, etc.) in Board Policies rather than the Bylaws." (pg. 54)

Bylaws need to be consistent with laws and the Articles of Incorporation, as well as internally consistent. The current UUFC Bylaws do not meet all legal requirements and are currently inconsistent within themselves. A Task Force using the Nonprofit Corporation Handbook and examples of other UU church bylaws and other nonprofit bylaws created a draft, which was then modified by the Board.

The **goals of this revision** are:

1. Make sure that UUFC Bylaws comply with state and federal law and are consistent with the UUFC's Articles of Incorporation and internally.

2. Create Bylaws that focus on governance structure and leave management of the Fellowship to Board and administrative policies.
3. Make it possible for the UUFC to act promptly when issues develop with its governance structure.
4. Clarify elements of current Bylaws that have created unintended conflict since the past Bylaws revision.
5. Develop Bylaws that will be the best practices for the UUFC.

The Task Force **used the following process** in its work:

1. Reviewed the Oregon Nonprofit Corporation handbook, Chapter 65 about nonprofits in the Oregon Revised Statutes, and an Oregon Attorney General's board responsibilities booklet to determine purposes of bylaws and the minimal legal requirements for bylaws.
2. Examined the UUFC's Articles of Incorporation, and the bylaws of five other UU congregations and one other local nonprofit.
3. Reviewed current UUFC Bylaws, issues raised about them in the past 12 years, how they relate to meeting minimal legal requirements, and how they might relate to UUFC structural needs during the next 5-10 years.

## Part 2: Major Changes

The **major changes recommended** by the Board are listed below.

1. Clarifies the role of the Board of Trustees and simplifies the UUFC legal organizational structure.
2. Simplifies membership qualifications and lowers membership age to 16.
3. Reduces the number of Board members to nine from 11.
4. The Congregation will continue to elect all members of the Board, but the Board will now select officers from the elected members.
5. Permits Board to meet by telephone, telecommunications or electronic means.
6. Reduces the quorum requirement on "momentous issues" and reduces the number of topics requiring super-majority vote.
7. Eliminates from the Bylaws most fiscal management requirements that by state law are already required of Board members.
8. Permits the Board or the congregation to amend the Bylaws.

While the Board recommends these changes be adopted by the membership, it will have them **reviewed by an attorney** specializing in nonprofit law to ensure the new bylaws are legally adequate.

The UUFC Board will **conduct an evaluation** of them in 2-3 years to ensure that they are meeting the governance and legal needs of the congregation.

## Part 3: Discussion of New Bylaws

This part captures many of the points discussed by the Task Force and the Board during the creation of the draft. These points have been placed in three categories: Information, Strength and Fear. The **Information** column shows legal and historical information related to the topic. The **Strength** column describes how this form of governance gives strength to the UUFC. The **Fear** column describes many of the questions and concerns when the section was discussed.

### Article I Purpose

Information	Strength	Fear
The primary purposes are similar to current bylaws. This also updates references to state and federal laws.	Continues to match UUFC's Articles of Incorporation.	None.

### Article II Membership

Information	Strength	Fear
Commentary: We looked at the bylaws from a number of UU congregations of similar size, intrigued by the different definitions of membership as well as the qualifications, responsibilities and rights that other UU communities outlined.		
Section 1 – Automatically makes protected identity categories eligible.	Eliminates need to amend bylaws each time a new category is identified. Automatically offers membership to those with disabilities or other religious denominations who affirm UUFC purposes.	Is it important to specify protected identities in order to raise up our commitment to this as a community?
Section 1 – Lists the right of voting members.	Member voting rights not listed in our current bylaws.	Do these reflect what is important for a congregation to vote on?
Section 2 – Reduces age limit for membership to age 16. We researched this in ORS 65 and found no prohibition on reducing the age.	Allows eligible youth to participate in a democratic process and also in significant events in the life of the church, such as the calling of a new minister	Do our youth want this responsibility? Could there be any legal or financial liabilities as a result of their participation in Fellowship decision-making activities?
Section 2 – Eliminates the current requirement for any	UUA is eliminating method that made membership	Will this mean a loss of revenue to support the work

financial contribution (or financial waiver) process to be a member.	numbers the automatic measure of requested financial contribution from UUFC, and changing it to a percentage of budget.	of the church? How will this change how members are counted for annual meetings?
Section 2 – Formalizes the existence of a New Member Program to help on-board new congregants	We think this is a very important process, even for those of us who came from other congregations, as UU communities are diverse. Option for the minister to waive this requirement.	Will this be a barrier to membership?
Section 3 – Change of membership status	A critical addition of language around termination of membership. Lack of specific language to handle these difficult situations jeopardizes our ability to be a safe congregation. This incorporates important legal language that will protect members when implemented.	Is this process for terminating membership a fair one?

**Article III Meetings of Members**

<b>Information</b>	<b>Strength</b>	<b>Fear</b>
Section 1 – annual meeting time	Enables Board and congregation flexibility in time and location of meeting.	Disrupts routines of timing and location; what if major changes in timing mean too many people can't attend?
Section 2 – calling a special meeting by petition requires 5% of membership rather than a specific number of members.	Ties petition requirement to percentage of membership to scale up or down with total number of members.	Will percentage requirement make it harder to know when we have met the petition threshold?
Section 3 – brings UUFC into compliance with state law while retaining current practice.	Accommodates multiple forms of notification. State law currently does not recognize notification by email unless it is sent 30 days or more in advance.	
Section 4 – Lowers quorum required for momentous issues to 20 percent from 40 percent, but raises percentage of yes votes for approval to	While previous system made staying away from meetings a tool to defeat motions, this gives people reason to participate in meetings.	Will it will be too easy for a minority viewpoint in UUFC to take a political stand with which a majority of members disagree?

75 percent from current 67 percent.		
Section 4 – Absentee ballots	Clarifies the value of active participation in discussion prior to voting; makes provisions for use of absentee ballots to affirm uncontested slate.	Shouldn't electing a slate be held to the same discussion-participation standard as all other issues?
Section 5 – Eliminates buying and selling property as a momentous decision, but still requires a congregational vote.	Board relies on Investment Committee, committees and forums for advice and information before making informed decisions. This continues to give congregation a veto power.	Should this remain a congregational vote and, if so, why?

**Article IV Board of Trustees**

<b>Information</b>	<b>Strength</b>	<b>Fear</b>
Section 2 – Reduces number of Trustees and Officers to 9 from 11.	Our current board size is one of largest for a congregation our size. Most Boards from UU churches our size have nine or fewer on Board. Streamlines decision-making with fewer Board members debating issues. Makes job of finding people to serve on Board easier. Makes more people available for other activities at UUFC.	Could a small cadre “take over” the Board and move things in a particular direction?
Section 3 – Reduces Trustee Term to two years from three years.	More people likely to commit to two years than three years. People can still serve a total of six years consecutively if they wish and are re-elected. Staff will continue to provide continuity of information to Board.	Will Board continuity be lost with quicker turnover and weaken our institutional memory?
Section 3 – Requires Officers to be elected by Board.	This ensures that the Officers will have the support of the Board. It will also enable Board to work together during previous years to	Does congregation lose its ability to make sure it has strong leadership?

	identify and train each other for the Officer positions.	
Section 4 – This is a new section and likely never used, but it is precautionary.	This pro-actively deals with a sensitive issue and would require a near-unanimous vote by other Board members to take place. Language is taken from example used in Nonprofit corporation handbook.	Could “The Board” use this to remove someone they personally don’t like rather than for egregious behavior in a leadership role?
Section 8 – Brings UUFC into compliance with state law. State law doesn’t specifically permit e-mail notifications.	This language was approved by a court for a case about notification, so it is recommended.	
Section 9 – Brings UUFC into compliance with state law.	The recommended language is the result of a court case mentioned in the Nonprofit corporation handbook.	
Section 10 – Brings UUFC into compliance with state law for the Board making decisions without formally meeting in-person.		
Section 11 – Open Sessions. This requirement is not part of current bylaws or policy.	Declares congregation will be involved in budget-making, even though it will no longer vote on the final budget. This proposed budget-making practice is more in line with the practice at most nonprofits.	Is it necessary for the congregation to vote on a budget or is providing input into the development of the budget before Board approval adequate?

**Article V Committees**

<b>Information</b>	<b>Strength</b>	<b>Fear</b>
Section 1 Executive Committee. Boards have used informal or situational Executive Committees in the past, primarily for planning.	This formalizes the practice of Executive Committee and requires recording of its decisions. Its power, if any, will be limited by the Board.	Will an inattentive Board improperly delegate important decisions to a tiny group to make decisions at meetings not regularly scheduled or advertised?
Section 2 Nominating Committee.	Continues existing practices of the committee. Prevents holding of power by limiting terms.	

Section 3. Permits the Board to form committees.	It specifically gives the Board authority to form committees, but does not change current UUFC practice of forming committees, councils, task forces, etc.	
Section 4 Limitations	Prevents committees from engaging in activities beyond their scope or responsibility.	

**Article VI Officers**

<b>Information</b>	<b>Strength</b>	<b>Fear</b>
Section 1 – Eliminates Past President and Vice President positions on Board.	Past presidents have a checkered record of continuing after serving as president, as do vice presidents becoming president. This reduces possibility of having someone on Board who is burned out. Staff also can provide leadership continuity.	Will we lose crucial continuity by eliminating these positions?
Section 2 – Permits Board to appoint ex-officio members.	This enables the Board to formally connect people with significant responsibility or authority to the Board, without giving them authority to vote on Board decisions.	Will appointees abuse their role as Board members?
Section 3 -- President	Adds requirement of chairing any Executive Committee meeting. Makes clear that the president has duties and power to perform the role. Board also can designate a Trustee to fill in during President’s absence.	
Section 4 – Secretary.	Similar work from current bylaws, but enables Secretary to spread increasingly heavy workload around.	
Section 5 – Treasurer.	Similar work from current bylaws, but enables Treasurer to spread heavy workload around to staff and other volunteers. Staff is handling	

	more UUFC business matters already because volunteers are overwhelmed with work load or lack professional knowledge.	
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**Article VII Minister**

<b>Information</b>	<b>Strength</b>	<b>Fear</b>
Clarifies that the Board negotiates the terms of called minister’s employment.		
Removes overly specific duties of minister(s) in current bylaws.	Allows for agility in determining duties of minister(s) in response to the Fellowship’s needs and capacities.	If the duties of the minister(s) aren’t spelled out, how do we know that they’ll do what they’re supposed to do?

**Article VIII Indemnity**

<b>Information</b>	<b>Strength</b>	<b>Fear</b>
This is an addition to the bylaws, and is standard legal language for nonprofits.	It protects volunteers at the UUFC from financial penalties for their well-intended actions. Some people do not volunteer for organizations unless indemnity is provided.	

**Article IX Amendment**

<b>Information</b>	<b>Strength</b>	<b>Fear</b>
This permits either the Board or the congregation to amend the bylaws with a three-fourths yes vote.	This enables the Board to expedite solutions and fix legal changes, errors and new challenges quickly. This is a normal clause in the bylaws for non-profit organizations. Our own current bylaws have undergone several revisions as our church has changed the ways it functions. The higher quorum requirement for both the board and the congregation to adopt changes is meant to signify	Will this allow the Board to usurp important power from the congregation or allow small groups of congregants to usurp power from the Board?

	that these are significant and necessary changes rather than trivial.	
Current by-laws have a petition process requiring that 20 members are needed to bring forth an amendment. This makes it a percentage of members which allows the system to work no matter the size of the congregation.		

**Article X Dissolution**

Information	Strength	Fear
This is standard legal language.	It clarifies that the UUA will receive our assets if we dissolve, and that if that cannot happen that UUFC assets will go to nonprofits or the government.	

**Fiscal Management:**

The current UUFC bylaws have two sections dealing with fiscal management that appear to be unnecessary. The Oregon Attorney General’s Office in its Guide to Nonprofit Board Service in Oregon says Board members ensure that funds are used for lawful purposes, oversee the organization’s financial affairs, approve the annual budget, effectively use the resources of the organization, and use donations in a manner consistent with the organization’s stated mission. **Because responsible fiscal management by the Board is already required by law, it is redundant to place fiscal management requirements in the bylaws.**

**Rules of Order**

The current UUFC bylaws require the use of the most recent edition of Robert’s Rules of Order be used for membership meetings. **We recommend the membership use Unitarian Universalist values for order during its meetings.** Robert’s Rules (and other parliamentary systems) come in many versions and many editions. If we are to use them, our bylaws would need to say which version and which edition in the bylaws. According to the Oregon Nonprofit Corporation Handbook, “If your Bylaws require that you run your meetings using some parliamentary system and you fail to do so, it is possible that your decisions are invalid. For most organizations, it is a better idea to consider whether you need any kind of manual or formal procedure. Most groups do just fine with a chair who moderates the discussion, calls for a vote

when everyone has had a chance to be heard, and states clearly what it is that is being decided.”  
By eliminating rules of order in our bylaws, the fallback rules are Unitarian Universalist values.