

TVUUC Board ZOOM Meeting Agenda of April 20, 2021

The meeting was called to order at 6:34 pm.

Present (in alphabetical order):

Matthew Blondell, Chris Buice, Eddie Chin, Denise Coleman, Justina Hyfantis, Heather Kistner, Viren Lalka, Ryan McBee, David Massey, Jeff Mellor, Mark Mohundro, Grier Novinger, Claudia Pressley, Linda Randolph, Taylor Thomas, Jamie Watts, Erven Williams.

CONSENT AGENDA

1. Confirm minutes from March meeting

Eddie moved, Denise seconded acceptance of the minutes of the March meeting.

Unanimous. [3:00]

DISCUSSION AGENDA

1. Endowment Committee Update

David Massey, together with Grier Novinger from the Endowment Committee, led the discussion on four items from the Endowment Committee.

First, he updated the Board regarding the Challenge Grant Proposal from the Haresh Mirani Foundation to provide up to \$50k funds to match contributions to Endowment Funds. Basis for the discussion was the draft Memorandum of Understanding between the Committee and the Mirani Foundation that had been distributed to the Board. Haresh has expressed the desire that the monies to be generated go to the Social Concerns Fund, a position the Committee broadly supported, in particular because this would dovetail nicely with the 8th Principle initiative currently under consideration. There is considerable sentiment on the Committee that some earnings from the General Sub-Fund of the Endowment Fund could go to Social Concerns issues, both as an incentive to Mirani Foundation matching contributions and 8th Principle initiatives. A second matter was that Haresh Mirani has from the outset desired some form of formal recognition for his gift. Among the options discussed were naming the Foundation on the Eternal Flame Plaque in the Lizzie Crozier French Room and/or an outdoor memorial bench commemorating

the gift placed for its usefulness and prominence on church property. Haresh has asked for additional suggestions to consider. Following discussion with Taylor Thomas, David reported the Committee's eagerness for suggestions as well. The Committee would be providing parameters for possible recognitions to be brought to the Board for further evaluation and approval in consultation with Haresh. The Endowment Committee has not yet finalized approval for an action plan, but is now approaching the Board in this matter on a preliminary discussion basis. David expressed the hope that a final proposal to the Board could be submitted in time for its May meeting. In response to Linda's question about when and how funds might be available for Social Concerns use, David indicated that by Year Three of the Matching Fund Drive some earnings might be available. Another option the Committee had tentatively discussed was drawing some of the earnings from the unrestricted General Fund for this purpose while the Social Concerns earnings accumulate, this again in connection with 8th Principle events and developments. [12:00] Another question raised the issue of proportionality regarding the recognition of the Mirani contribution in relation to other similarly substantial donations to the Endowment. This issue had been a matter of serious discussion in the Committee. Among the issues considered were the respective matters of personal or individual recognition for contributions versus recognition of foundations or organizations for donations. The Committee is striving to make decisions now that do not establish precedents that might provide difficulties for future Committees. High on the Committee's priority list was ensuring that the funds promised actually be available as proposed, for which reason the Three Year Step contribution schedule is in the draft. In response to a question about further ideas for recognition, David mentioned a memorial tree planting. [18:00] A suggestion that grants for Social Concerns be designated Haresh Mirani Social Concerns Grants would be transmitted to the Committee, though the Committee was reluctant to establish a specific sub-fund for this (or other) purposes to avoid complications in administering the funds and soliciting contributions to the Endowment. Several Board members expressed strong appreciation for the diligence of the Committee and the detailed transparency of its communications with the Board. Conscious of the value of transparency, the Committee hopes it will encourage future and continued donations to the Endowment.

Second, he asked if there were questions about the Endowment Fund Committee's 2020 Annual Report and the First Quarter 2021 Report that had been transmitted to the Board via email. There were no questions.

Third, he indicated that the sense of the Endowment Committee for a ‘spinoff,’ or separate 501(c)(3) organization of the Endowment Committee from TVUUC Board proper, was that this matter should be postponed as it seemed premature and the pros and cons warranted extended consideration.

Fourth, he took up the thread from the February Board discussion regarding the use of Endowment Funds, in particular, how they might be used in extraordinary or emergency circumstances.

David wanted to make sure that the Committee and the Board were on the same page regarding the difference between Endowment Fund principal and Endowment Fund earnings and how they are to be used in emergency situations. The COVID-related expenditures for technology and sanitary improvements of this past year were from earnings, not principal. Earnings can be spent on anything that advances TVUUC’s mission, including emergency funding. Since 2016, the Committee has agreed to such expenditures that go beyond the church operating budget. This has proven successful because it is easily promoted and has resulted in enhanced contributions to the Endowment. The Charter of the Endowment Fund states how much principal can be withdrawn from a Sub-Fund, an action that requires approval of the Endowment Fund Committee and 75% of Board members. But the Charter gives no guidance under what circumstances principal can be spent. David outlined some very compelling arguments why principal **should not** be withdrawn and noted that there are likely other reasons why this **could not** be done. In the Should-Not category was the consideration that spending from principal could potentially jeopardize the goodwill of persons who had contributed to the Endowment in the first place and erode confidence in future giving. This aligns with UUA documents outlining the purpose of Endowments in perpetuity. Possibly in the CouldNot category, over the years TVUUC in its solicitations for donations to the Endowment Fund has stated that the funds would be available ‘in perpetuity.’ These commitments in part parallel provisions of the Uniform Prudent Management of Institutional Funds Act of 2007. Absent specific instructions from the donor, for example, the Act states that the wording of the solicitation itself governs the longevity of the donation. Because of this and other provisions that TVUUC must observe in managing the Endowment Fund, the Committee has voted to research the issue further and then, if deemed necessary, retain the services of an attorney specialized in these matters. Not known, for example, is the legislative and judicial history following

the passage of the TN law in 2007. This law applies to churches and the UUA abides by its provisions. More research is both needed and in progress, but some revisions of aspects of our Charter of the Endowment Committee seem likely. What is needed is a trust and estates attorney, specifically one expert in non-profit management law, from outside the church. Amy Hess, UT Law professor and church member, has already provided useful guidance, but the specific areas of required expertise suggest that another expert be engaged in this matter even as she continues her valued work on our behalf. Linda reported that the financial officials of the UUA had been very helpful in the past on understanding the legal practices and common practice in these matters and David expressed his thanks for this suggestion, noting that he had already made some outreach to current officials in this regard. [35:00] The Board extended thanks to David and the committee for their work.

2. Stewardship Update

Taylor reported that Stewardship funds are currently about \$18k down relative to last year at this time, but pledges expected to carry over at some level amount to about \$112k. Inspection of the list of these pledging units suggests very high confidence that a considerable proportion of these monies will be forthcoming. Both additional personal phone and email outreach and another video during the service are envisioned for getting the outstanding pledges confirmed. A total of 75 pledging units represent the \$112k, of which 36 units account for about \$90k. As for COVID impact, about \$17k reduction in pledges occurred between this year and last, whereas an addition of \$35k is attributed to increased pledging in this period. In short, we appear to have good prospects of fulfilling our budgeted pledging goals. Responding to a question from Linda, Denise reported that a couple families had moved from the Knoxville area. Chris observed that this year's stewardship campaign was the first completed entirely on line.

3. COVID 19 Task Force update [45:00]

Matthew noted that a mailing had gone out to the entire congregation informing them of on-line meetings to which everyone is invited and of sign-up opportunities for outdoor activities on church grounds.

4. Personnel Committee Updates [45:23]

4a. Vote at Congregational Meeting

At the Congregational Meeting, we would be voting on a change in nomination procedures.

4b. Change in Nominating Procedure

One proposed change regards nominations for the Personnel Committee. Currently, the Board is in charge of those nominations, but the Personnel Committee proposes that the Nominating Committee resume that role. That requires a change to the By-Laws restoring this procedure. That change would be voted on in the Congregational Meeting. Chris will provide information on the changes to page 3 that will be required. Pages 6-10 of the By-laws Review first discussed at our March meeting did not require much change. In these pages, the Financial Manual is mentioned. That Manual is online and it defines the term Financial Review, which had been the subject of previous Board discussion. Viren needs to be made aware of this manual and the manual online is not the most recent version. For example, Ryan remembers voting approval on a changed provision for Cash on Hand Balance that is absent from the online version. The Financial Manual needs to be reviewed and updated by somebody. In response, Matthew directed Claudia and Viren to do this review and update.

5. 8th Principle Update [48:42]

Mark updated the Board on the state of 8th Principle matters. Eddie, also a member of this Committee, deferred to Mark in this presentation. The breakout Coffee Hour session following a recent service went well. 8th Principle discussions have taken place or will be taking place in various church committees: Music, Endowment, Alliance, Worship, Adult RE. Matthew agreed that Mark could forward records of these discussions to the Board. Mark also said he would be compiling summaries for general distribution to church members. The 8th Principle Committee is taking the lead on book discussions for the Common Read meetings on May 3, 10, 17. Approximately two weeks before the Congregational Vote, a postcard update on the 8th Principle issues will be sent out to ensure that everybody, especially those not constantly online, is aware of the issues involved prior to the Congregational Meeting vote. No final decisions have been made on further action following the vote, particularly in regard to the connection of 8th Principle and Widening

the Circle of Concern. Eddie added that there had been some discussion about making videos on these issues. Also some material from the UUA endorsing the adoption of the 8th Principle might be edited and disseminated. Things appear to be going well in advance of the Congregational vote. There had been some discussion centering on terms like ‘covenant’ which might be perceived differently by individuals coming from a strongly authoritarian church tradition, but it was noted that even those few people who raised questions were broadly in agreement with the spirit of the values enshrined in the 8th Principle discussions. Mark assured the Board that his committee strongly desires feedback from everybody on their issues and concerns. Wordsmithing of the final version of the 8th Principle has yet to take place. Eddie added that if anybody has questions to bring up to the UUA, these would be welcome. The crucial matter of brevity in the final statement of the 8th Principle was raised and Mark assured the Board that this would be brought up in discussions at General Assembly. [55:14] Speaking for the Board, Matthew thanked Mark and Eddie for their work.

6. Budget Requests

Claudia addressed the issue of budget requests for the upcoming year. In consultation with Viren, she has prepared request forms and will distribute to the Board the forms and requirements for documentation to accompany the requests. The request forms state a mid-May deadline. These same materials will also be distributed to other church groups and group leaders that typically apply for such funds.

Drawing on his experience on other boards outside TVUUC, Erven proposed Board consideration of a requirement for a minimum pledge level for Board membership. Claudia noted that other non-profits had requirements for being a (financially) supporting member without specifying an obligatory amount and indicated that this might be a matter for further Board consideration. Linda added that Article 2 of the bylaws, which Chris will be reviewing, addresses the matter of pledge requirements for church members in general. There was sentiment that a minimum required pledge for Board members would not be desirable, lest it give rise to the perception of ‘pay to play,’ but that status as a member in good standing would make sense. Inclusivity requires mindfulness of a range of financial capabilities among church participants, a view that met with widespread endorsement. It was noted that contributions include time, treasure and talent, which could play a role in formulations in the bylaws. [62:07]

7. Share the Plate

Claudia began discussion of Share the Plate matters by apologizing that she had intended, but neglected, to bring this issue up at the last Leadership Team meeting, but it now required consideration. Nominations for Share the Plate candidates, which as indicated on the nomination form must be organizations, need to be solicited starting Sunday, May 9 and conclude on Sunday, May 23. This allows time for Claudia and Terry to review and vet the organizations proposed. Only local organizations are eligible for consideration. Then, promotional videos will be solicited for all the organizations that are nominated and vetted prior to the congregational vote beginning Sunday, June 6, and concluding Sunday, June 20. Final selection of the twelve organizations should be available by July 1. There is now an opportunity with Board consent to bring the Share the Plate program into coordination with the TVUUC fiscal year, July 1, 2021 to June 30, 2022. Claudia noted that Chris has Designated Sundays, where there is greater freedom to recognize and support causes, such as hurricane disasters, Austin-East student support etc., than the strictures for Share the Plate.

Linda moved, Eddie seconded making the Share the Plate Program run in coordination with the fiscal year. Unanimous. [67:12]

8. Financials

Viren opened Financials discussion by observing that with two months to go TVUUC will in all likelihood meet or exceed the budget with regard to fundraising and income.

8a. Paycheck Protection Program (PPP-1) and SBA funding

We have applied for forgiveness under PPP-1. Things are in progress and this is likely to conclude by the end of this month. TVUUC is not eligible for PPP-2, because our revenues did not decrease to the required extent of a 25% drop in 2020 versus 2019, but we have already gotten the Small Business (SBA) funding of \$150k and have an additional opportunity to apply for further SBA (SBA-2) support of any amount up to \$500k under the terms of 2.75% annual interest rate over 30 years. The payments on the current amount of SBA funding of \$150k will amount to ca. \$600/month. Viren observed that this second surge of funding represented an excellent opportunity to support substantial capi-

tal improvement projects that otherwise possibly could strain our resources. The deadline for this funding segment is toward the end of the year so we have time to formulate sound proposals for SBA-2 because the input from the various committees and entities should be available by the end of May. (Matthew said in passing that we had had a special Board meeting devoted solely to the budget and that this is also foreseen for this year as well.) Chris noted that SBA-2 funding could be thought of as an important Capital Campaign and that, given the age of our twenty year old building, upkeep, maintenance and retrofitting needs will become increasingly necessary in the near future. Many churches have fallen into disrepair because they had not sufficiently provided for the needs of aging infrastructure. The need for expert advice and input, such as from Gene Burr, would be critical in formulating such a plan. Perhaps we might also need to appoint a ‘czar’ to coordinate and sustain this work. Chris added that the SBA-2 funds need not be limited to maintenance and upkeep, but could extend and expand our plans and goals as a church. Claudia mentioned that Buildings and Grounds is continuing work on a spreadsheet documenting the upkeep and repair priorities to be addressed by the first \$150k, but an extension of this work could easily be applied to further PPP-2 funding requests. General support for coordination and comprehensive, structured organization, such as a ‘czar’ could provide, was voiced. Viren reminded the Board that the financial conditions of SBA-2 funding were far more favorable than current market conditions and might disappear if we do not move decisively to take advantage of this opportunity now.

Discussion moved on to the status of the PPP-1 projects and expenditures. We have one roofing estimate and weather conditions have prevented inspection for the development of a second estimate. Bids and estimates for the other COVID related projects — touchless faucets, motion activated paper towel dispensers, sanitizing stations — should be complete by the end of the month. Carpeting and floor care discussions are also in progress. [81:00]

9. New Business and Questions

Viren asked whether the church had or planned to compile COVID vaccination statistics. Chris responded that the COVID Task Force will be looking into issues of this sort as the date for resumption of inside events nears. As a matter of responsible public education, some initiatives of this sort seem advisable. In discussion, it emerged that this would not constitute a HIPAA violation, as we are not covered by this law, though some individual

privacy concerns may continue. Notably, we are not dealing with individual medical records, but an overall statistical picture of the church and congregation. Even so, Chris reminded us, we will be entering into a new and complicated phase, not returning to our prior status exactly as it was, but the initiation of a new multigenerational and integrated community under slightly different circumstances. As a matter of leadership in promoting positive responses to the pandemic, it was agreed that the Board would supply selfies of us with our vaccination cards to promote public health.

In conclusion, registration for the General Assembly, which takes place from June 23 through June 27 via ZOOM, was discussed. Currently seven people (Denise, Linda, Eddie, Erven, Chloe, Mark, Alice) have signed up for the 10 delegate positions we are allotted. Eddie mentioned that Aisha Brown had expressed interest and should be encouraged to sign up. Interested persons should sign up via Claudia or do so independently with notification to Claudia that this was done. There are support monies available to persons wishing to 'attend' GA in this manner.

10. Meeting adjourned at 8:02 pm

Respectfully submitted,
Jeff Mellor, Secretary-Clerk