

Approved 10/19/14

**BYLAWS OF
FIRST CONGREGATIONAL UNITED CHURCH OF CHRIST**

Amended and approved October 16, 2011

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BYLAWS OF FIRST CONGREGATIONAL UNITED CHURCH OF CHRIST

Approved October 19, 2014

ARTICLE I

NAME

The name of this Church shall be First Congregational United Church of Christ. The Church shall be located in Washington, District of Columbia.ⁱ

The Church shall have a corporate seal as provided for under the laws of the District of Columbia. This seal shall contain the name of the corporation, the date of its incorporation, the jurisdiction in which it is incorporated, and the date of its founding.

ARTICLE II

FAITH, COVENANT, SACRAMENTS AND POLITY

Section 1. Faith. We gladly affirm the Prayer of Faithⁱⁱ of the United Church of Christ as a reasonable testimony of the Faith which is shared among us:

PRAYER OF FAITH

We believe in You, O God, the Eternal Spirit, God of our Lord Jesus Christ and our God. And to your deeds we testify.

You call the worlds into being,
create us in your own image,
and set before us the ways of life and death.

You seek in holy love to save all people from aimlessness and sin.

You judge us by your righteous will
declared through prophets and apostles.

In Jesus Christ, the man of Nazareth, our crucified and risen Lord,
You have come to us and shared our common lot,
conquering sin and death
and reconciling the world to yourself.

You bestow upon us your Holy Spirit,
creating and renewing the church of Jesus Christ,
binding in covenant faithful people of all ages, tongues, and races.

You call us into your church
to accept the cost and joy of discipleship,
to be your servants in the service of humanity
to proclaim the gospel to all the world and resist the powers of evil,
to share in Christ's baptism and eat at his table,
to join him in his passion and victory.

You promise to all who trust you
forgiveness of sins and fullness of grace,
courage in the struggle for justice and peace
your presence in trial and rejoicing,
and eternal life in your kingdom which has no end.

Blessing and honor, glory and power be unto you! Amen.

Section 2. Covenant. In grateful response to the call of Jesus Christ, we covenant with God and with each other to be a Church of Christ. We bind ourselves, in God's Redeeming Presence, to walk together in ways revealed to us by the Holy Spirit in sacrament and Word, study and prayer, fellowship and mission.

Section 3. Sacraments. The Sacraments shall be Baptism and the Lord's Supper.

A. Baptism shall be administered at public worship, and in appropriate circumstances at such other times and places as are mutually agreed on by the Pastor and the Church Council. In the latter case, a Church member shall participate with the Pastor whenever possible to represent the worshipping Church. Baptisms shall be approved by the Church Council except in the most extreme situations when they may be performed at the Pastor's discretion.

B. The Sacrament of the Lord's Supper shall be administered at such times and places as the Church Council may appoint; it may be administered apart from the regular public worship at the discretion of the Pastor or the Church Council.

The invitation to the Lord's table shall be extended to all people. Participation shall be a matter of individual conscience.

Section 4. Polity. This Church acknowledges Jesus Christ as its head, and finds its guidance in matters of faith and discipline in the Holy Scriptures, interpreted by the Holy Spirit through reason, faith, and conscience.

The government of this Church is vested in its members, who exercise the right of control in all its affairs, subject in legal matters to the articles of incorporation granted by the District of Columbia.

This Church accepts the obligations of mutual counsel, comity and cooperation involved in the fellowship of the United Church of Christ and pledges itself to share its common aims and work. Further, we testify to the unity of the Church of Jesus Christ and will join with all its branches in hearty cooperation in matters of common concern.

ARTICLE III MEMBERSHIP

Section 1. Qualifications. All persons who have been baptized; who find in the Prayer of Faith a reasonable testimony to our shared faith; who affirm their willingness to join in our Covenant; and who accept Article II, Section 4, as the basis of our Church polity are eligible to become members.

Section 2. Reception of Members. Members may be received by confession of faith, confirmation, reaffirmation of faith, or letter of transfer from any other Church of Christ. Associate members may be received by a letter of confirmation of membership from any other Church of Christ. Application for membership is normally made to the Pastor, but may be made directly to the Church Council. The Church Council shall review all applications for membership, and an applicant must be approved by the Church Council before being received into the membership of the Church. Reception of members shall occur at a service of public

worship of the Church except in unusual circumstances when the Church Council may authorize other arrangements. New members shall receive the right hand of fellowship.

Section 3. Classification of Members.

A. All actions relating to the classification of members shall be taken by the Church at a meeting called in accordance with Article IV.

B. Active members are those who have been accepted into membership and who continue to support the life and mission of the Church. Active membership may be demonstrated by regular participation in public worship, participation at Church meetings, regular support for the life and mission of the Church, and sharing in the life and work of the organized bodies of the Church.

C. Associate members are those who are active members in a church in another community and who have been accepted as active members of First Congregational United Church of Christ while they are in this community. After no more than three years, associate members must apply for active membership or for extended associate status. Associate membership cannot be transferred.

D. A member who has fulfilled none of the duties of active membership for one year may be placed in inactive status by vote of the congregation. Before placing persons in inactive status, reasonable efforts shall be made to invite their active participation in the Church. Persons designated inactive members shall be notified by the Clerk of their changed status, if possible. An inactive member may be restored to active membership by a vote of the Church at a duly called meeting.

Section 4. Termination of Membership.

A. Any active member shall, on request, be granted a letter of transfer to any Church of Christ.

B. A member will, on written request, be released from membership.

C. An inactive member shall remain in that status until removed by reason of restoration to active membership, death, written request to be released from membership, or other known and valid reason approved by the Church at a duly called meeting.

ARTICLE IV CHURCH MEETINGS

Section 1. Annual Meetings. The Annual Church meeting shall be convened at such time in January of each year as may be directed by the Church Council. The meeting shall provide for, but not be limited to: (1) receiving reports of the Church Officers, Church Council, and other organizational elements; (2) consideration and approval of the budget for the ensuing year; (3) the election of officers, members-at-large of the Church Council and Commission members; and (4) the handling of any matter of concern that is presented by any member, subject to the provisions of Section 6B.

Section 2. Regular Meetings.

A. A minimum of two regular Church meetings shall be convened each calendar year, one in the Spring and one in the Fall. The frequency and time of such meetings shall be as directed by the Church Council.

B. Regular meetings shall provide for, but not be limited to: (1) reports of particular interest from Church Officers, the Church Council, and other organizational elements, and (2) the handling of any matter of concern that is presented by any member, subject to the provisions of Section 6B.

Section 3. Special Meetings. Special Church meetings may be called by the Moderator, by the Clerk upon request of the Church Council, by the Pastor, or by a petition signed by 15 active members of the Church. Only the items specified in the call shall be considered at any specially called Church meeting.

Section 4. Notice for a Church Meeting. The original notice for any Church meeting shall be signed by the Clerk or Moderator, and posted on a bulletin board of the Church, and copies delivered to active members at least a week prior to the meeting by any means reasonably certain to be received by each of those members. If the members have listed an electronic mailing address in the most recently published directory listing active members, delivery of this notice may be by that means. If mailed, notice shall be deemed given upon deposit with the US Postal Service. The agenda of the meeting shall be specified in the call.

Section 5. Quorum. 20 percent of the number of active members on the role maintained by the Clerk shall constitute a quorum for any Church meeting.

Section 6. Rules of Order.

A. Church meetings shall be conducted in accordance with the latest edition of Robert's *Rules of Order Revised* insofar as they do not conflict with these bylaws.

B. Any matters raised at the annual meeting or a regular church meeting, but not included in the notice for that meeting, shall be considered only with the approval of two-thirds of those present and voting. Should such a special agenda item pass, the issue may be reconsidered at the next Church meeting if requested by five active members.

Section 7. Presiding Officer. The Moderator or Assistant Moderator shall preside at all Church meetings.

**ARTICLE V
ORGANIZATION**

Section 1. General. Officers, Church staff, Council, and other organizational elements shall be bound by any instructions of the Church, including the budget as approved by the Church. Within policy established by the Church, all organizational elements are expected to exercise initiative and leadership in the development and execution of programs.

Section 2. Duties and Responsibilities.

A. **Officers.** The officers of the Church shall be the Pastor, the Moderator, the Assistant Moderator, the Clerk, the Treasurer, and Assistant Treasurers. With the exception of the Pastor, they shall be elected for terms of one year and are eligible for re-election.ⁱⁱⁱ

(1) Pastor. The office of Pastor may be shared by vote of the Church. The Pastor shall be called for an indefinite time. When a vacancy occurs in the pastorate, the Church may decide to call a Pastor, or an interim Pastor to be followed by a Pastor for an indefinite period of service. The

Church shall elect a search committee (or two search committees if an interim Pastor is to be called) which shall, seeking the guidance of the Holy Spirit, and with the cooperation of the executive head of the Central Atlantic Conference of the United Church of Christ and others of the search committee's choosing, make a canvass of available Pastors and recommend who should be called to the pastorate. The committee shall, at a Church meeting, propose this call. Two-thirds of those present and voting at the Church meeting shall be required to call. Between the arising of a vacancy in the pastorate and the next Church meeting, the Church Council may contract for a temporary Pastor and declare the terms of his or her employment.

When a Pastor, but not an interim Pastor, has been called, has accepted the call, and assumed the duties of Pastor in this Church, the Potomac Association of the United Church of Christ, to which this Church belongs, shall be invited to sit as an ecclesiastical council for the purpose of installing or recognizing the pastor in accordance with established practices.

At the first opportunity, a Pastor, but not an interim Pastor, shall become a member of this Church and of the Potomac Association of the United Church of Christ.

While the term of the Pastor shall be indefinite, the Church, seeking the guidance of the Holy Spirit and, upon its discretion, the counsel of the Potomac Association of the United Church of Christ, may at any time, by a majority vote at a Church meeting, request the Pastor's resignation to be effective within sixty days. If the circumstances make an earlier termination advisable, two months' salary may be paid in lieu of sixty days notice. If the Pastor chooses to resign or leave, he or she shall give sixty days' notice.

The Pastor shall have five major roles:

- a) to provide leadership in worship;
- b) to provide pastoral care to individuals and groups;
- c) to encourage the search for meaning and faith, spiritual development, and theological understanding;
- d) to manage and coordinate the several ministries of the Church;
- e) to provide the day-to-day overall supervision of the entire church staff, in coordination with the Moderator and others as appropriate.

The Pastor shall be, ex-officio, a member of of the Church Council and all commissions, but shall not be expected to attend all meetings of such entities.

If an interim Pastor is called, unless otherwise limited by the terms of the call, he or she shall have all of the rights and duties of a Pastor under these bylaws.

(2) Moderator. The Moderator shall do the following:

- a. Preside at all meetings of the Church and Church Council.
- b. Assist the Pastor in providing coordination and cooperation among commissions and denominational organizations and in administering the various activities of the Church.
- c. Be, ex officio, a member of all commissions, but shall not be expected to attend all meetings of such entities.
- d. The Assistant Moderator will serve in the Moderator's absence as needed.

(3) Assistant Moderator. The Assistant Moderator shall be elected for a term of one year. He/She shall normally then be nominated to be Moderator at the end of the Moderator's term. The Assistant Moderator shall preside at meetings in the absence of the Moderator, and can assume other assignments from the Church Council, in consultation with the Moderator and Pastor. Should a vacancy occur during the Moderator's term of office, the Assistant Moderator shall fill the remainder of said term. The Church Congregation may fill the position of Assistant Moderator for the balance of the term.

(4) Clerk. The Clerk shall do the following:

- a. Record the proceedings of all meetings of the Church and Church Council.
- b. Maintain a register of active and associate Church members with the dates of their reception and of their removal and a record of all baptisms, marriages, and funerals performed in the Church or for Church members.
- c. Issue letters of change in classification, termination, and transfer of membership as provided in Article III of these bylaws.
- d. Report annually to the Church all changes in membership.
- e. Maintain in the Church Office, with the assistance of the Pastor and or Staff, the official copy of the bylaws as amended, copies of the minutes of all meetings of the Church and Church Council (together with any reports or documents explicitly accepted for inclusion in the minutes by Council at those meetings), and copies of any contracts for the services of Pastor, Supporting Professional Staff or Other Staff Members.

(5) Treasurer. The Treasurer shall do the following:

- a. Be responsible for keeping a complete and accurate record, with appropriate supporting documents, of pledges and of all receipts and disbursements of moneys handled by the Church.
- b. Maintain the accounting records in accordance with Article VI, Finances and Property, and generally accepted accounting principles established for non-profit organizations.
- c. Make periodic reports of financial transactions in all funds as directed by the Council. The report for the General Fund shall include a comparison of the Unified Budget with the actual operating results to date. All reports shall be submitted to the Church Council, Auditor and the Finance Commission. The Annual Report of financial transactions for all funds shall be presented to the Church in the Annual Church Meeting.
- d. Maintain all documents supporting the Church's financial transactions in appropriate depositories and in such form as to be readily audited.
- e. Be, ex officio, a member of the Finance Commission.
- f. Be a member of the Investment Commission and exercise signature authority for the Church for approved investment transactions.

(6) Assistant Treasurers. There shall be one or more Assistant Treasurer position/s that work/s under the general guidance and supervision of the Treasurer. This will permit the treasurer to establish internal controls over the financial transactions of the Church and provide a training position for future Treasurers. The Treasurer may designate an Assistant Treasurer to act as Treasurer at Council, Finance Commission, and other meeting of the Church and its organizations.

(7) Vacancies. Unless a mechanism for filling vacancies is otherwise provided for in these bylaws, any vacancy in the positions of Moderator, Clerk, Treasurer or Assistant Treasurer may be filled, until the next Church meeting, by the action of the Church Council.

B. Staff

(1) Supporting Professional Staff. The professional staff supporting the pastor, including ordained ministers, shall be those called or contracted to provide leadership for specialized tasks and ministries.

Such staff members shall be employed by the Church by a two-thirds vote of those present and voting at a Church meeting. Recommendations for such supporting staff shall be made by the Church Council or a group designated by them to canvass available professionals. The Church Council, with the advice of appropriate commissions, shall recommend to the Church the terms of employment and the job descriptions of all supporting professional staff. Upon approval of the Church, any contract for employment shall be executed by the Moderator on behalf of the Church. Termination of a call or contract for employment with the Church may be initiated by the Church Council and become effective by a vote of a majority of those present and voting at a Church meeting called for that purpose. Between the arising of a vacancy in a Supporting Professional Staff position and the next Church meeting, the Church Council may contract for a temporary Supporting Professional Staff and declare the terms of his or her employment.

Unless otherwise determined by Church Council, and recorded in its minutes, all supporting professional staff shall function under the supervision of the Pastor.

Where appropriate, supporting professional staff shall become members of this Church and the Potomac Association of the United Church of Christ.

(2) Student Interns. Student Interns may be added to the professional staff upon approval of the Church Council. Recommendations for Student Interns shall be made by the Pastor. If funding is required, the addition of Student Interns to the professional staff must be approved at a Church meeting.

(3) Other Staff Members. Other staff members (e.g., Building Manager, Secretaries, and Sextons) shall be employed by the Church Council as needed upon recommendation of the appropriate Commissions, Committees, or individuals. The authority to hire may be delegated by Church Council (e.g., the Building Manager may be authorized to hire Sextons who will then report to him/her), but such delegation and the limits thereof must be recorded in its minutes. Church Council may enter into contracts with such employees, as deemed advisable in accordance with personnel policies established by the Church Council. Unless otherwise determined by Church Council, and recorded in its minutes, all persons in this category shall work under the supervision of the Pastor, who may delegate this supervision wherever practicable. Any such delegation by the Pastor shall be evidenced by a document maintained in the personnel file of the person being supervised.

C. Church Council. There shall be a Church Council, consisting of the Pastor, the Moderator, the Assistant Moderator, the Clerk, the Treasurer, two members at large, representatives of Finance and Facilities Commissions, and a representative of each Commission created by the

Congregation at a duly called congregational meeting (excluding the Investment Commission). Each commission, as soon as is practical after its creation, will select its representative, who shall serve on the Council for a maximum of two years. Commissions shall promptly fill any vacancies in its representation on Council. The members at large shall be elected by the Church for terms of one year.^{iv} Term limits are intended to encourage the broad participation of church members in Council. No individual shall serve on Council more than two terms consecutively as a Commission representative and/or At Large Member. However, a person elected as an officer may serve up to four consecutive terms, if at least two of those four terms are served in an officer position.^v Only the Pastor has no term limit.

A quorum shall be sixty percent of the members on Council (any “fractional member” in computing that 60% being rounded up). The Church Moderator shall chair the Church Council and shall convene regular monthly meetings. The Church Clerk shall serve as Secretary. Special meetings may be called by the Moderator or Pastor, or upon the petition of three members of Council. In the absence of the Moderator, the Assistant Moderator shall preside over the meeting.

The Church Council shall function as a Board of Directors. It shall be responsible for the interpretation of Church policies. The Council shall coordinate all programs of the Church, and all Commissions shall report to the Church through the Council. The Council shall formulate long-range goals and major objectives and recommend new and revised programs to the church. With regard to matters delegated by these bylaws to the Church, the Church Council may act for the Church between congregational meetings. If a proposed action is approved by the votes of at least sixty percent of the Church Council members, that becomes the action of the Church until the next Church meeting. If the proposed action fails to be approved by at least sixty percent of the possible votes, the proposal must be referred to the Church. A report of all decisions made by the Church Council with regard to matters delegated by these bylaws to the Church shall be made by the Moderator at the next congregational meeting and presented for ratification. In an emergency situation, the Council need not meet as a body. In such a situation, the Moderator or Assistant Moderator shall try to contact all Council members by whatever means available. A report of all decisions made by the Church Council in emergency situations shall be made by the Moderator at the next meeting of the Church Council and recorded in its minutes. The minutes of all meetings of the Church and the Church Council shall be available for inspection and copying by members of the Church at the offices of the Church during normal business hours.

A summary of Church Council decisions shall be reported at the regular congregational meetings.

Council meetings shall be open to attendance by members of the Church except when, by vote of two-thirds of those Council members present, the Council meets in executive session.

When requested by the Church Council, Officers, professional staff, commissions, and other groups shall present to it their plans, programs, and procedures.

The Council shall be responsible for the maintenance and preservation of the Archives of the Church.

The Council may designate individuals, groups, or committees to fulfill any of its responsibilities, but in any event the Council remains responsible. Any delegation of its responsibilities must be specific and reflected in the minutes of the Church Council. The authority of the Moderator, or anyone else, to execute contracts or other documents on behalf of either the Church Council or the Church shall be reflected in the minutes of its meeting.

D. Commissions. Believing that the Church is mission, this Church shall delegate authority in carrying out its mission by creating commissions, which shall have the following characteristics:

- (1) Each commission shall be responsible for one area which the Church considers important to its life.
- (2) Commissions shall be chartered at any Church meeting for no more than one year, except as provided in paragraph (6) of this Section, after which the Church shall determine at a Church Meeting whether the commission shall be terminated or chartered for another year.
- (3) Except as provided in paragraph (6) of this section, Commissions shall have a minimum of three members who shall be elected for terms of not more than one year. Members shall serve no more than two full terms in succession, and may serve on only one commission at a time, excluding ad hoc committees. Volunteers are encouraged to work with commissions, but shall not have the right to vote.
- (4) Standards for operation of each commission, including leadership, time, place, duration and frequency of meetings, will be determined by members of each commission, with periodic reports to the Church at Church Meetings and to the Church Council if requested. Upon approval of the minutes, the Commissions shall submit the minutes of their meetings to the Pastor for retention. The minutes of Commissions shall be available for inspection and copying by members of the Church at the offices of the Church during normal business hours.
- (5) The commissions are encouraged to incorporate the discipline of study, prayer, and worship in their activities.
- (6) For reasons of custodial, financial, legal, and insurance responsibilities, the Finance, Investment, and Facilities Commissions shall be designated permanent commissions, whose functions and responsibilities are designated in Article VI. The membership of the Investment Commission is also governed by Article IV. In all other respects, these three commissions shall be like other commissions.
- (7) Commission members shall be nominated and elected as described in Article V, Section 3.

E. Voluntary Groups. Members having similar interests, consistent with the objectives of the Church, are encouraged to associate themselves on a voluntary basis. Such groups shall determine their own form of organization and times of meetings.

If such a group of not less than three members wishes to be recognized as an official commission of the Church, it shall make its desire known to the Church Council, and shall submit to the Council a statement of its purpose and a list of members. of the Church, it shall make its desire known to the Church Council, and shall submit to the Council a statement of its purpose and a list of members. The Church Council shall enter this matter on the agenda of the next regular Church Meeting, and shall advise the Church whether or not the work of this group would duplicate or conflict with the work of an existing commission.

Section 3. Church Elections.

A. Eligibility. All persons holding office as described by these bylaws in Article V shall be active members of this Church.

B. Methods of Election. All Church elections shall be by ballot. If there is no more than one nomination for each office to be filled, the election may be held by voice vote. When there is a contest which is not clearly won by a majority on the first ballot, the name of the person receiving the smallest vote shall be removed and a second ballot shall be held. If an election is not decided on the second ballot, the same procedure shall be followed for succeeding ballots until there is a clear majority.

(1) Nominating Committee. Each year the Church shall elect a Nominating Committee of three or more members. The Committee members shall each have a one year term and be eligible for no more than two successive terms. The Committee shall annually select nominees for: Moderator, Assistant Moderator, Treasurer, Assistant Treasurer(s), Clerk, At Large members of the Church Council, members of the Facilities and Finance Commissions, the Nominating Committee, and such other positions as the Church Council shall direct. All these nominations shall be posed at least one week before the annual meeting. During the year the Committee shall seek nominees for any vacancies in the positions listed above and for other positions as requested by the Church Council.

(2) Election by the Church. Elections to all positions shall be made at a church meeting.

(3) Filling of Vacancies. The Church Council shall fill any vacancy in a position elected by the Church, subject to confirmation at the next regular Church meeting.

(4) Oral Nominations. At any Church or Church Council meeting, when nominations are received, there shall be opportunity for additional oral nominations.

(5) Consent of Nominees. All nominees shall be contacted by the group or individual making the nominations, and their consent to be so nominated received prior to formal submission of their names.

ARTICLE VI

FINANCES AND PROPERTY

Section 1. Finance Commission. The Finance Commission, in cooperation with the Investment Commission, shall be responsible for the financial affairs of the Church subject to Church policy and regulations prescribed by the laws of the District of Columbia. The Finance Commission shall have no power to buy, sell, mortgage, lease, or transfer real property without the two-thirds approval of those present and voting at any meeting of the Church called for that purpose. The Commission shall organize and conduct an annual program to obtain financial pledges from all Church members and friends, and shall be responsible for assuring that adequate pledge records are maintained by the Treasurer. The Commission shall be responsible for administering the General Fund of the Church and the Special Purpose Funds in accordance with the provisions of these bylaws and the direction of the Church Council and the Church. The Commission shall provide a surety bond for all persons who handle moneys and negotiable instruments. The

Commission shall review a monthly comparison of the amounts disbursed to date and the amounts budgeted for the year.

Section 2. Investment Commission.

A. Membership. The Commission shall consist of five members: the Treasurer, at least one member of the Finance Commission, and three other church members who may be members of other Commissions. Members shall be elected annually but may serve up to four consecutive years. After the second year of operation, the Nominating Committee shall strive to replace at least one new member each year, with the goal of establishing rotating terms whereby a majority of the Commission remains each year but at least one new member is new.^{vi}

B. Operation. The Commission shall strive to operate by consensus. No transaction may be made or other action taken by the Commission without the vote of at least three members. Members shall disclose any conflicts of interest and shall not participate in any action where there is a potential conflict of interest. The Treasurer shall have signature authority to execute decisions voted by the Commission, including the authority to buy and sell financial instruments in the name of the Church.

C. Duties, Authority, and Reports. The Commission shall be responsible for administering the Endowment Fund of the Church in accordance with the direction of the Church and the provisions of these bylaws, including the following.

(1) The Commission shall develop an Investment Policy and manage the Endowment in accordance with such Policy. The Policy shall be ratified by vote of the Congregation before the Commission undertakes any significant investment decision. The Policy may be amended or revised by the same procedure. The Commission shall have no authority to act except in accordance with the ratified Policy or Policy amendment.

(2) The Investment Policy shall contain:

- a. a statement of investment objectives, including an objective for maintaining and/or increasing asset value in relation to inflation, an objective for growing the endowment, and an objective for providing reliable income for the Church's annual operating budget;
 - b. a statement of investment guidelines, including guidelines for asset allocation and diversification of risk. Such guidelines may include other requirements for or limitations on other investments, e.g., requirements to invest a percentage of assets in certain types of funds or proscriptions against direct investments in real property or foreign assets;
 - c. an Annual Expenditure Limit on expenditures/withdrawals from the Endowment Fund designed in accordance with stated investment objectives. The rule must take into account transaction costs and any costs of professional asset management;
 - d. a rule allowing expenditures beyond the Annual Limit in extraordinary circumstances – to be narrowly defined and strictly construed – but only if recommended by majorities of the Commission and Church Council and approved by the Church at a Congregational Meeting;
 - e. procedures to govern the timing of sales and withdrawal of funds from the Endowment Fund so such funds are available as receipts in the General Fund for operational purposes;
 - f. rules specifying allowed and prohibited transactions (e.g., rules prohibiting short sales or margin sales or other transactions deemed unduly risky or otherwise inappropriate);
- and

- g. a strategy for integrating Church mission and socially-responsible investing into Plan objectives and guidelines and investment actions.
- h. a standard to limit management fees, expenses, or other costs (if any) incurred with respect to professionally managed assets.

(3) The Commission may engage the services of professional brokerage firm(s) and/or financial consultant(s) to assist in the development of the Investment Policy and/or to manage or assist in the management of the Endowment Fund. The Commission may expend a portion of the Endowment Fund (inclusive of investment returns) for such purposes, provided that:

- a. management fees, expenses, or other costs with respect to professionally-managed assets must be accounted for in the determination of the Annual Expenditure Limit;
- b. all assets managed by a professional asset manager must be managed in accordance with the Church's Investment Policy; and
- c. the Council must approve the selection of the professional asset manager before any funds are invested.

(4) The Commission shall review investment performance on an ongoing basis and shall establish procedures, including a regular meeting schedule, to ensure such review. The Commission shall maintain meeting minutes and shall record all votes on transaction and investment decisions. The Commission shall provide quarterly reports to the Council and Finance Commission on the status of investments and potential impacts on the annual operating budget. The Commission shall provide an annual report to the Congregation, in advance of the January Annual Meeting, which report shall include: (a) a summary of asset allocation and investment performance; (b) disclosure of financial consultants (if any) employed to manage the Endowment and associated costs; (c) a report on the extent to which expenditures and performance in the previous year met Investment Plan objectives; (d) a recommendation on any necessary or desired Plan amendments; and (e) a determination of the amount of investment income that can be dedicated to operating expenses for the upcoming budget year, based on the Annual Expenditure Limit. The Commission shall not be responsible for determining whether to budget any or all of such funds to the operational budget, which decision shall remain with the Congregation, on recommendation of the Finance Commission and Church Council.

Section 3. Finances. The Church in seeking financial participation from members and friends shall adhere to the principles of Christian Stewardship.

The Church shall operate under a unified budget that provides for estimated programmed expenditures not exceeding the total anticipated receipts available to the Church. All individuals and church-affiliated groups shall be invited to participate therein.

Opportunity shall be offered to all members and friends of the Church to make pledges of their time, talent, and treasure.

A. Types of Funds. The following types of funds shall be used as needed in the financial operation of the Church.

(1) General Fund. The General Fund shall be a current fund, administered by the Finance Commission and Treasurer, for purposes of paying the Church's ongoing operational expenses. Receipts shall include all pledged income, all building rental income, and all other income from

any other source, excluding only those contributions specially designated to the Endowment Fund or for an authorized special purpose.

(2) Endowment Fund. The endowment fund shall be a permanent fund, to be administered for the purposes and in accordance with the terms of the Investment Policy. The Endowment Fund shall consist of:

- a. all unrestricted assets (i.e., all assets not restricted by the donor or designated by the Church for a particular purpose) in the Church's existing endowment fund as of January 1, 2012, not including gifts that had been given in memory of others;
- b. all proceeds from the redevelopment of the Church's property at 945 G Street NW pursuant to the Purchase and Sale and Development Agreement between the Church and 733 10th and G LLC, September 2009, which redevelopment is expected to be completed in 2011 and proceeds received in 2012, excluding amounts designated by the Congregation (via vote at a Congregational meeting) for other purposes;
- c. any tax refunds received from the Government of the District of Columbia in connection with the redevelopment of the Church's property at 945 G Street NW pursuant to the Purchase and Sale and Development Agreement between the Church and 733 10th and G LLC, September 2009;
- d. any surpluses in the General Fund (above the annual operating budget) voted by the Church to be used for endowment purposes;
- e. all future contributions (of stocks, bonds, property, or cash) specifically granted and received for endowment purposes. Unrestricted contributions for endowment purposes are encouraged. Upon approval of Church Council, the Church may receive restricted asset offerings for endowment purposes (e.g., a gift of real property with the restriction that the property cannot be converted) notwithstanding an inconsistency with the existing Investment Plan (e.g., guidelines on asset allocation), provided that the contribution does not put existing assets at risk; and
- f. all future unrestricted contributions, not specifically received for endowment purposes, which the Church Council designates for the endowment fund.

(3) Special Purpose Funds. The Church may solicit and/or receive contributions for special purposes (e.g., donations for building repair, renovation, or furnishings) on the following conditions: (a) the funds are to be used for a specific purpose distinct from a regular program of the Church; (b) the Church must anticipate expending the funds in the near term; and (c) the Council must approve the receipt of funds for the specified purpose. Regular church programs are to be funded through the unified budget and General Fund, and long-term needs (for asset reserves) are to be considered as part of the Investment Policy for the Endowment Fund. When established, Special Purpose Funds are to be managed by the Finance Commission and held in forms suitable for the designated purpose.

Section 4. Receipts and Disbursements of Funds.

All receipts shall be deposited in the bank immediately. Any disbursement in excess of \$500 -- either electronic or hard copy -- needs written approval of two persons, one of whom is the Treasurer or Moderator (or someone designated by the Council if Moderator and Treasurer will be unavailable for an extended period of time), prior to payment.

Section 5. Audit.

The Church Council may appoint an auditor to audit or review the church's financial records and the auditor's report shall be presented at a regular church meeting.

Section 6. Budget.

A. Budget Formulation. The Church Council in the Fall of each year shall prepare a preliminary budget for use in the Christian Stewardship Campaign.

Prior to the 15th of January, there shall be a well publicized open meeting to receive suggestions and recommendations from members of the Church, in connection with the proposed budget.

The Church Council shall present its recommended budget to the Annual Church Meeting. The budget shall be adopted by the Church at the Annual Church Meeting, unless by vote it be deferred to a later date.

B. Budget Execution. The various officers, commissions and groups responsible for program as specified in the budget shall exercise diligence in ensuring that the expenses for the year do not exceed the amount budgeted.

Section 7. Facilities Commission. The Facilities Commission is assigned the stewardship of the personal and real property of the Church. It shall be responsible for developing the policies governing the management and the use of the personal and real property of the Church and submitting these policies to the Church for approval; directing the implementation of these approved policies with the Pastor and others as appropriate; directing the establishment and maintenance of a perpetual inventory of all real and personal property of the Church; and providing for the use of Church facilities by others under contracts or other agreements.

Section 8. Property Donations.

Church organizations, members, or friends who wish to provide personal property or memorial gifts for use in the Church plant operations shall obtain the approval of the Church Council. If a gift is accepted by the church, title shall be vested absolutely in the Church. Church will acknowledge receipt of the gift according to gift acceptance policies.

ARTICLE VII

FISCAL AND ADMINISTRATIVE YEAR

The fiscal and administrative year shall begin on January 1st and end on December 31st of each year. Records and annual reports of the Church and its organizations shall be maintained on this basis.

ARTICLE VIII

AMENDMENTS

These bylaws may be amended by a two-thirds vote of those present and voting at any meeting of the Church, provided the call for the meeting specifies the substance of the amendment.

ⁱ The First Congregational Church was incorporated under the laws of the District of Columbia , as a non-profit corporation., on May 26, 1958, and is a successor to the unincorporated First Congregational Church of Washington, D.C., gathered in 1865. It became the owner of the property, including land, buildings, chattels, real and personal property, by vote at a duly called meeting on May 14, 1958. The property, previous to the establishment of the

present corporation, belonged to the First Congregational Society of Washington. This Society was created by Act of Congress of the United States on January 31, 1867, and it held the property for the use of the Church. On, 1987, the incorporation papers and seal were changed to reflect the name of the Church as First Congregational United Church of Christ.

ⁱⁱ The Prayer of Faith, written in the 1980's, is a revised version of the Statement of Faith, which was adopted in 1959. The Synod of the United Church of Christ affirms both versions.

ⁱⁱⁱ Article V, section 2 A, 4 changed from: "There shall be two Assistant Treasurer positions that work under the supervision and guidance of the Treasurer." The amendment eliminates the word "two." Other references in the bylaws to two Assistant Treasurers were changed accordingly. Bylaws change approved at Church Meeting on January 23, 1994.

^{iv} Article V, Section C amended from having four at large members on council, plus officers, to having each commission send a member as its representative to Council. The intent is to broaden input into Council, to create more channels of communication into the community, and to facilitate communication among commissions.

^v Article V, Section C, amended to shift terms limits for Council membership to more adequately accommodate the Moderator and Assistant Moderator model by allowing officers to serve more than two terms on Council. Bylaw change was approved at Fall Congregational Meeting on October 19, 2014.

An exception will be made for the 2014 Assistant Moderator, who is expected to serve as Moderator in 2015.

Illustrative examples:

Permitted

Treasurer, Treasurer, Asst Mod, Mod
Treasurer, Treasurer, Clerk, Clerk
Treasurer, Clerk, Asst Mod, Mod
Clerk, Clerk, Treasurer, Treasurer
Clerk, Treasurer, Asst Mod, Mod
Comm Rep, Comm Rep, Asst Mod, Mod
Comm Rep, Comm Rep, Treasurer, Treasurer
Asst Mod, Mod, Comm Rep, Comm Rep
Asst Mod, Mod, Treasurer, Treasurer

Not permitted

Comm Rep, Comm Rep, [Officer], *Comm Rep*
Comm Rep, Comm Rep, [Officer], *At Large*
Comm Rep, Comm Rep, *Comm Rep*
Comm Rep, Comm Rep, *At Large*
At Large, At Large, *At large*
At Large, At Large, *Comm Rep*

^{vi} Article VI, Section 2 A (3): Diaconate Fund. This section was amended to eliminate the Diaconate Fund as a separately maintained and audited Fund of the Church. The following specific changes to the Bylaws were made: 1. Section 2 A (3) of the Bylaws was eliminated. 2. Section 2 A (4) was renumbered Section 2 A (3). Bylaw change was approved at Church Meeting on October 6, 1996.