

DECLARATION OF TRUST

First Unitarian Universalist Society of Albany (or FUUSA) Endowment Trust

Revised 2/28/93, 5/18/97 and 5/16/99

This Declaration of Trust made this 3rd day of February 1991, by the Board of Trustees of the First Unitarian Universalist Society of Albany (herein after referred to as the "Society" or "FUUSA"), a New York religious corporation, with its office located at 405 Washington Avenue, Albany, New York 12206.

WHEREAS, the Board of Trustees of the First Unitarian Universalist Society of Albany (hereinafter referred to as "Society Trustees" or "Society Board") wishes to establish an Endowment Trust for the purposes of prudently managing *inter vivos* gifts and testamentary bequests made to the Society, and,

WHEREAS, an Endowment Trust will enhance the long-term financial security of the Society, in that the income produced by the Endowment Trust will provide a source of revenue for the Society which will supplement the special fund-raising efforts of the Society; and

WHEREAS, the Society Board has determined that it is in the best interests of the Society and its members that an Endowment Trust be established;

NOW, THEREFORE, the Board of Trustees of the First Unitarian Universalist Society of Albany declares as follows:

- 1) The name of this Trust shall be "The First Unitarian Universalist Society of Albany Endowment Trust" (hereinafter referred to as the "Trust").
- 2) The purpose of this Trust shall be to invest and manage *inter vivos* gifts and testamentary bequests made to the Society by its members and other individuals or entities. The primary objective of this Trust shall be to assure potential donors that their bequests will be honored and administered to protect in perpetuity a principal fund (except as noted in paragraph 9) which will generate income which may be used from year to year to assist the Society in furthering its purposes, through Special Projects.
- 3) This Trust shall be managed and directed by five (5) Trustees and the Society's Treasurer (hereinafter referred to as the "Endowment Trustees" or the "Endowment Board"). The Society's Treasurer shall be Treasurer of the Trust and shall be a non-voting member of the Endowment Board. The Treasurer shall sign the checks of the Endowment Board, prepare the financial portion of the Trust's annual report and of the quarterly reports. The Endowment Trustees shall elect one of their members each year as Chairperson and a second member as Secretary. The Endowment Trustees

shall annually designate one of their number to assist the Treasurer by maintaining the financial records of the Endowment Trust. The Chairperson's duties shall include convening and presiding over meetings of the Endowment Board. The Secretary's duties shall include keeping minutes of meetings of the Endowment Board. Each of the Endowment Trustees shall have been a voting member of the Society for a minimum of three (3) years. No person shall serve simultaneously as an Endowment Trustee and as a Society Trustee, except the Treasurer. The Endowment Trustees shall be elected as follows:

- a) The five Endowment Trustees shall serve overlapping three-year terms, with one or two Endowment Trustees being replaced each year. No individual may serve for more than seven consecutive years as an Endowment Trustee.
- b) Candidates for Endowment Trustee shall be nominated by the FUUSA Nominating Committee. Endowment Trustees shall be elected by majority vote of a quorum of the Society's membership at the Society's annual meeting, and shall take office on June first, following the annual meeting.
- c) In the event an Endowment Trustee is unable to complete his or her term of office, the Society Trustees shall, by majority vote, appoint a successor to complete the balance of that year. A successor Endowment Trustee shall be nominated and elected at the next annual meeting to complete the balance of the term.
- 4) As a condition of accepting the position of Endowment Trustee, each Endowment Trustee shall agree to serve without compensation, direct or indirect, for any services which may be provided as an Endowment Trustee. No Endowment Trustee shall be employed by or otherwise be affiliated with any entity which manages Endowment Trust funds of this Society.
- 5) Any action of the Endowment Board shall require a majority vote of the Endowment Trustees entitled to vote. The Endowment Board shall meet at least quarterly during the year, and shall meet within thirty (30) days of receipt of a request from the Society Board for a distribution from Trust income or principal. All meetings shall be open and minutes shall be published and announced to members of the Society after each meeting.
- 6) The Endowment Trustees shall solicit from the Minister, Society Board of Trustees and the Congregation recommendation for uses of Trust income as it becomes available, while taking into account wishes of donors to the Trust.
- 7) The Endowment Trustees shall prepare for submission to the congregation of the Society at its annual meeting a written annual report which shall include a statement of the current balances of the principal and income accounts of the Trust; an itemized statement of all gifts, bequests and income received, expenses paid and distributions made during the previous year; a statement of all activities undertaken during the

previous year to publicize the Trust; and any other information that the Society Board shall require or the Endowment Trustees shall deem appropriate.

- 8) The Society Board may, from time to time, request the Endowment Trustees to make distributions of Trust income to the Society Board for Special Project costs. Any such request shall be written, and shall specify the purpose for which said funds are to be used and the actual or estimated amount necessary to accomplish said purpose. The final decision as to whether a distribution from income shall be made shall rest exclusively with the Endowment Trustees. In the event that the amount of money which is distributed by the Endowment Trustees to the Society Board is greater than what is actually needed to accomplish the purpose for which the distribution was requested, the Society Board shall return any such additional money to the Endowment Trustees, to be re-deposited into the Trust. All distribution of Trust fund proceeds for Special Projects would be made after meeting the expenses of the Trust fund management adjusted for inflation as determined by the Endowment Trustees.
- 9) The Endowment Trustees shall be authorized to make distributions out of the principal of the Trust only if all of the following conditions have been fulfilled:
 - a) The Society Board shall make a written request to the Endowment Trustees specifying the purpose for which a distribution from principal is requested, the amount of the requested distribution, and setting forth the compelling circumstances which would justify a distribution from the principal of the Trust.
 - b) The Endowment Trustees shall meet, within thirty (30) days of receipt of the request, to decide whether the requested distribution from principal is justified. If the Endowment Trustees decide the requested distribution is justified, they shall present a resolution to approve the requested distribution to the congregation of the Society at either a special meeting to be called for that purpose (the date to be determined by the Society Board) or at the next annual meeting. If the Endowment Trustees decide the requested distribution is not justified, there shall not be further action taken with respect to the request during the Society's fiscal year.
 - c) If the Endowment Trustees decide to present such a resolution, the notice for the special meeting shall include a specific notice that a resolution to approve a distribution from the principal of the Trust will be considered at the meeting, and the notice shall include a statement of the purpose for which the distribution is sought, the amount of the proposed distribution, and the compelling circumstances which would justify a distribution from the principal of the Trust.
 - d) The distribution from principal shall be made only if a resolution authorizing the distribution is approved by a vote of a majority of a quorum of the congregation of the Society at the special or annual meeting.
 - e) If the amount of the distribution from principal exceeds the amount actually needed to accomplish the purposes for which the distribution is requested, the

Society Board shall return the remaining balance to the Endowment Trustees, to be re-deposited in the principal of the Trust.

- 10) Any distribution of either income or principal from this Trust to any person or entity other than the Society, and/or the Society Board shall require authorization by a two-thirds vote by the membership at a properly called congregational meeting.
- 11) The authority and responsibilities of the Endowment Trustees shall include, without limitation, the following;
 - a) To invest, reinvest and otherwise manage the assets of the Trust in a prudent and responsible manner, and insofar as possible, invest in socially responsible enterprises.
 - b) To hire such investment advisors, accountants and other professionals as the Endowment Trustees shall deem necessary and prudent to manage the assets of the Trust.
 - c) To have conducted an annual internal audit of the Trust.
 - d) To take appropriate action to recognize and acknowledge gifts and bequests to the Trust, including the establishment of a wall plaque or other memorial upon which the names of donors to the Trust may be inscribed.
 - e) To publish and distribute or cause to be published or distributed such written materials and take such other actions or cause such other actions to be taken as the Endowment Trustees may determine to be useful in encouraging members of the Society and other persons and entities to make contributions to the Trust.
 - f) To accept and add to the principal of the Trust *inter vivos* gifts and testamentary bequests made specifically to the Trust.
 - g) To accept and add to the principal of the Trust *inter vivos* gifts and testamentary bequests made to the First Unitarian Universalist Society of Albany for permanent endowment.
 - h) To administer any specific *inter vivos* gift or testamentary bequest in such a manner as will fulfill any conditions attached to said gift or bequest by the donor, to the extent that said conditions are not inconsistent with the purposes of the Trust, as set forth herein.
 - i) To determine whether any amounts remaining in the Trust's income account at the end of the Trust's fiscal year shall be carried over into the Trust's income account for the following year, or shall be added to the Trust's principal account.
 - j) Solely and exclusively for the purposes contained herein, to receive, hold and administer any and all property (real, personal or mixed) invest, reinvest, sell

- convey, mortgage or pledge the same, and to carry on any and all activities incident thereto.
- k) To cover reasonable Trust management expenses, the Endowment Board is authorized to spend money out of the Endowment Trust income.
 - l) To take any and all such actions as the Trustees in the exercise of their reasonable and prudent discretion deem necessary to carry out the purposes set forth herein.
- 12) The fiscal year of the Endowment Trust shall coincide with the fiscal year of the Society.
- 13) The Treasurer of the Society Board shall be liaison between the Endowment Board and the Society Board.
- 14) It is intended that the Endowment Trustees, in discharging their responsibilities under this Declaration of Trust, shall consider any opinions and concerns communicated by the Society Board. However, the final authority and responsibility for any decisions concerning the management and administration of the Trust shall rest exclusively with the Endowment Trustees.
- 15) Notwithstanding any other provision of this Declaration of Trust, this Trust is established exclusively for one or more of the purposes as specified in Section 501c(3) of the Internal Revenue Code of 1954 as amended.
- 16) In the event of the dissolution of this Trust, all of the remaining assets and property of the Endowment Trust shall after necessary expense thereof be distributed to the First Unitarian Universalist Society of Albany, or in the event such a distribution is not possible, to the Unitarian Universalist Association.
- 17) This Declaration of Trust may be amended by a two-thirds vote of a quorum of the Congregation of the Society at a special or annual meeting.
- 18) If a majority of the Endowment Trustees or a majority of the Society Trustees decide to present such a resolution, the notice for the meeting shall include a specific notice that a resolution to amend this Declaration of Trust will be considered at the meeting and the notice shall include the proposed amendment.
- 19) This Declaration of Trust will be reviewed at the end of two years from its inception in accordance with paragraph 17 and 18 above.