

MINUTES
UNITED CHURCH OF CHRIST
LOCAL CHURCH MINISTRIES
MEETING OF THE BOARD OF DIRECTORS
June 29, 2013
7:00 A.M. Pacific Time
Westin Hotel, Long Beach, California

The June 29, 2013 meeting of the Board of Directors of Local Church Ministries (a Covenanted Ministry of the United Church of Christ) was held at the Westin Hotel in Long Beach, California.

Members Present

Sue Artt, Lynda Bigler, Robbie Carlson, Karen Curtis-Weakley, Susannah Davis, Mark Doty, Harold Drury, Nancy Erickson, Jean Golden, Jeffrey Groene, Ben Guess, Jane Haubert, William Imes, Meredith Jackson, Renee Jackson, Trinaka Jamison-Finger, Douglas Lander, Nancy Lawrence, Janet Leung, Wilma Manchester, Adrian Maxey, Steven Mayers, Akendo Onamwar, Warren Orikasa, Reiss Potterveld, Inez Reid, Sheila Rubdi, John Selders, Kent Siladi, Carol Stanley, Anthony Stoik, Lisa Strueh, Tammy Toepke-Floyd, Elizabeth Walker, Jan Wargo, Susan Watterson, Carol Williams-Swoope, Frederick Young

Robb Brown and George Weavill, Jr. via telephone

Members Absent

Deana Barth, Geoffrey Black, Geneva Butz, Alan Hilberg, Timothy Marquez, Nancy Wellman

LCM Board Committee Meetings

A meeting of the Local Church Ministries Board of Directors Daniel Hand Annual Review Committee was held electronically prior to June 29, 2013. A meeting of the Audit Coordinating Committee which is comprised of the chairs of the Covenanted Ministry and Executive Council Budget & Finance and/or Audit Committees also took place before June 29, 2013. All members of the LCM Board Audit Committee were invited to attend.

Call to Order

The LCM Board Meeting was called to order by Carol Williams-Swoope at 7:00 a.m.

Opening Prayer

Robbie Carlson offered the opening prayer.

Establishment of Quorum

Carol Williams-Swoope called the roll. Jan Gomoll, Secretary of the Corporation, reported that 40 of 46 LCM Board members were in attendance for the Board of Directors Meeting. A majority of the Board of Directors was present, establishing the existence of a quorum.

Approval of the Minutes

LCM-BOD-06/13-1

VOTED: To approve the Minutes of the March 8, 2013 meeting of the Board of Directors of Local Church Ministries.

MOVED: Carol Williams-Swoope

MOTION CARRIED BY CONSENSUS

Adoption of Agenda, Adoption of Rules of Order, Granting of Voice Without Vote LCM-BOD-06/13-2

VOTED: To adopt the agenda as the agenda for the June 29, 2013 meeting of the Board of Directors of Local Church Ministries; and to adopt Robert's Rules of Order, Newly Revised 10th Edition, as the standing rules for the meeting; and to grant voice without vote to W. Mark Clark, Associate General Minister, United Church of Christ.

MOTION CARRIED BY CONSENSUS

Report of the Executive Committee

Carol Williams-Swoope reported that LCM received a funding request, via the Daniel Hand Review Committee, from Fisk University, one of the *Six Sisters* founded by the American Missionary Association, and the first historically black college or university to attain accreditation by a regional body. Because Fisk University is in its final year of accreditation with probationary status, it requested from the Daniel Hand Review Committee and the LCM Board of Directors an emergency grant of \$836,358 for extraordinary need before June 1, 2013.

Several meetings ensued. On April 5, 2013 Dr. James Williams, Fisk University President, Edwina Harris Hamby, Fisk University Vice President of Institutional Advancement and representatives from the LCM Board, staff and Daniel Hand Review Committee met by telephone conference call to discuss the issues contributing to Fisk's accreditation problems. Additional information regarding the school's financials, enrollment and faculty numbers, alumnae appeals, etc. was requested and received.

On April 26, 2013 The Daniel Hand Review Committee met and voted to recommend that the LCM Board of Directors make a grant to Fisk University in the amount of \$300,000. On May 23, 2013 the LCM Board Executive Committee, acting as the Board, met to consider the recommendation and voted the following action.

LCM-EXCOM-05/13-D - 1

Whereas a special conference call was convened on April 26, 2013 to continue discussion of Fisk University's request for \$836,358 from the Daniel Hand Fund to help the university keep its accreditation and,

Whereas it was noted that a previous information session (via conference call) was held on April 5, 2013 with Dr. James Williams, Fisk President and Edwina Harris Hamby, VP of Institutional Advancement and representatives from the LCM Board, staff and Daniel Hand Committee to discuss the issues contributing to Fisk's accreditation problems and,

Whereas additional information regarding the school's financials, enrollment and faculty numbers, alumnae appeals, etc. was requested and received, and

Whereas the committee was reminded of the Board's April 2007 vote to "set-aside" 10% of the 5% draw from the Daniel Hand Fund for extraordinary requests and that funds can be used after a period of three years or until \$500,000 was accumulated and,

Whereas the available "set-aside" accumulated funds currently total \$322,901 and, Whereas the Daniel Hand Committee acknowledges its limitations in meeting Fisk's actual grant request for \$836,358 but affirms the need to provide assistance based on the UCC's long standing relationship and educational partnership with Fisk through the D.H. funds and other ongoing support and,

Whereas the Daniel Hand Committee passed the following motions:

- (1) To respond favorably to Fisk University's request for financial assistance to meet accreditation requirements (M. Ellis; K. Curtis-Weakley).
- (2) That assistance not exceed funds available in the Daniel Hand set-aside (currently totaling \$322,901). (K. Curtis Weakley; M. Ellis).
- (3) That LCM make a grant in the amount of \$300,000 to Fisk University (M. Ellis; K. Curtis-Weakley).
- (4) In providing this assistance Fisk University be encouraged to report to LCM its long-term plans for institutional sustainability.

Be it therefore resolved that the Daniel Hand Annual Review Committee recommends that Local Church Ministries make a grant of \$300,000 from the Daniel Hand "set-aside" funds to assist Fisk University in meeting its accreditation requirements. And further that the "set aside" funds not be used for a period of three years or until there is \$500,000 in available funds

MOVED: By the Daniel Hand Fund Annual Review Committee

SECONDED: None needed; motion was made by the Daniel Hand Fund Annual Review Committee

MOTION CARRIED

Audit Committee

The Audit Coordinating Committee which is comprised of the chairs of the Covenanted Ministry and Executive Council Budget and Finance and/or Audit Committees met on Thursday, June 20 to review and discuss the 2012 audited financial statements and SAS 114 letter with McGladrey LLP. The members of the audit committees of each of the Boards of the Covenanted Ministries were invited to participate in the conference call. Based upon the review and discussion, the following vote was presented to each of the Boards:

LCM-BOD-06/13-3

VOTED: To receive The Executive Council and the Covenanted Ministries of the United Church of Christ and Certain Affiliated Entities December 31, 2012 Financial Report and SAS 114 letter.

MOVED: Reiss Potterveld, for the Audit Committee

SECONDED: None needed; motion was made by the Audit Committee

MOTION CARRIED

Unified Governance

Resolution to Adopt Amended LCM Articles of Incorporation

LCM-BOD-06/13-4

VOTED: Upon motion duly made, seconded and carried, the following resolutions were duly adopted by the affirmative vote of not less than 2/3rds of all voting members of Local Church Ministries (A Covenanted Ministry of the United Church of Christ), an Ohio public benefit corporation (“LCM”), present at a meeting duly called and held on June 29, 2013, the votes cast in favor of these resolutions being at least equal to the quorum and all members casting votes being entitled to vote thereon:

RESOLVED, that the Amended Articles of Incorporation attached hereto are hereby adopted to supersede and replace the existing Articles of Incorporation of LCM and any amendments thereto; and

FURTHER RESOLVED, that the officers of LCM are hereby authorized and directed to prepare or cause to be prepared an appropriate certificate of amendment and to execute such certificate as required and cause the same to be filed in the office of the Ohio Secretary of State, and to take such further action, execute and deliver such other documents, and obtain all such other governmental approvals, as may be necessary or appropriate to carry out the purposes of this resolution.

MOVED: Jean Golden

SECONDED: Carol Stanley

MOTION CARRIED

Resolution To Adopt Amended LCM Bylaws

LCM-BOD-06/13-5

VOTED: Upon motion duly made, seconded and carried, the following resolution was duly adopted by the affirmative vote of not less than 2/3rds of all voting members of Local Church Ministries (A Covenanted Ministry of the United Church of Christ), an Ohio public benefit corporation (“LCM”), present at a meeting duly called and held on June 29, 2013, the votes cast in favor of this resolution being at least equal to the quorum and all members casting votes being entitled to vote thereon:

RESOLVED, that the Bylaws attached hereto are hereby adopted to supersede and replace the existing Bylaws of LCM and the Secretary of LCM shall enter such Bylaws into the Minute Book of LCM.

MOVED: Carol Stanley

SECONDED: Karen Curtis-Weakley

MOTION CARRIED

Closing Prayer

Robbie Carlson offered the closing prayer.

Adjournment

The meeting was adjourned at 7:40 a.m.

Note: All reports, votes, statements (when provided) and resolutions to which these Minutes refer are on file in the office of the Secretary of the Corporation. These Minutes reflect only actions or brief discussion summaries. Verbatim discussions are not recorded.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Jan Gomoll".

Jan Gomoll

Executive for Administrative Planning and Coordination and
Secretary of the Corporation