

**MEETING OF THE
THE BOARD OF DIRECTORS OF THE UNITED CHURCH OF CHRIST
HILTON GARDEN INN
CLEVELAND, OHIO**

OCTOBER 20-22, 2016

Members Present: Ms. Maritza Angulo de Gonzalez, Ms. Sue Artt, Ms. Caroline Belsom, Mr. Brian Bodager, Mr. Traci Blackmon, Mr. Frank Bolden, Mr. Geoffrey Brace, Mr. Dennis Coy, Mr. Edward Davis, Mr. Mike Denton, Mr. John Dorhauer, Mr. William Edwards, Mr. Robert (Bob) Frieberg, Mr. David Gaewski, Mr. Gilberto Garcia-Rodriguez, Mr. Darrell Goodwin, Mr. Don Hart, Mr. Richard Harter, Ms. Alice Hunt, Mr. Wesley Hurt, Mr. Noah Jensen Tabor, Mr. Nesa Joseph, Mr. Douglas McClelland, Ms. Brittini Melius, Ms. Yesenia Menendez-Sanchez, Mr. Keith Mills, Mr. James Moos, Mr. Jorge Morales, Mr. David Nelson, Mr. Kevin Omi, Mr. Kevin Peterson, Ms. Thea Racelis, Mr. Michael Readinger, Ms. Inez Reid, Mr. Dwayne Royster, Ms. Carol Shipley, Ms. Hannah Snyder-Samuels, Mr. William Tanner, Mr. Norman Williams, Ms. Frances Q.F. Wong, Ms. Yvette Wynn

Members Not Present: Ms. Lynda Bigler, Ms. Dale Bonds, Ms. Carlyne Call, Ms. Emily Heath, Ms. Julia LeBrell, Mr. James Maki, Ms. Christina Phillips, Mr. Ernie Reyes, Mr. Gary Schulte

Staff to the Board of Directors Present: Mr. Lee Foley, Ms. Jan Gomoll, Mr. Richard Hilbrich, Ms. Ann Kiernozeck, Ms. Heather Kimmel, Ms. Alisa Lewis, Ms. Linda Long, Ms. Christine Lucarelli, Ms. Denise Pittman, Mr. Ron Nowak, Ms. Mary Paxton, Ms. Dianne Roberts, Ms. Valerie Smith, Ms. Christina Villa, Ms. Cheryl Williams.

THURSDAY, OCTOBER 20, 2016

FIRST BUSINESS SESSION

Mr. Frank Bolden, Vice-Chair of the United Church of Christ Board of Directors (UCCB), acting on the advice of the Registrar, Ms. Pittman, declared a quorum present and called to order the First Business Session of the United Church of Christ Board of Directors, the time being 2:00 PM Eastern Time.

Mr. Bolden asked Ms. Artt to say a prayer for thankfulness and for those in our midst that could not be present.

Mr. Bolden then asked the Board to read the Declaration of the Behavioral Covenant.

Mr. Bolden invited the membership to approve the recommended Agenda. It was moved and seconded, and;

APPROVAL OF THE AGENDA

It was VOTED:

16-10-UCCB-01 to approve the recommended Agenda.

Mr. Bolden invited the membership to approve the Consent Agenda, which consisted of the following:

UCCB-16-10-02a – Grant Voice Without Vote to the following staff and others making presentation to the Board of Directors: Mr. Wayne Cherry, Mr. Lee Foley, Ms. Jan Gomoll, Mr. Richard Hilbrich, Mr. Stephen Jones, Ms. Ann Kiernozek, Ms. Heather Kimmel, Ms. Alisa Lewis, Ms. Linda Long, Ms. Christine Lucarelli, Ms. Holly MillerShank, Mr. Ron Nowak, Ms. Mary Paxton, Ms. Denise Pittman, Ms. Dianne Roberts, Ms. Valerie Smith, Ms. Karen Georgia Thompson, Ms. Christina Villa, Ms. Cheryl Williams, Ms. Kerri Parker, Mr. Franz Rigert

UCCB-16-10-02b – approval of the Minutes of the March 17-19, 2016 meeting of the Board of Directors

UCCB-16-10-02c – receive the Minutes of the March 17, 2016 meeting of the Executive Committee

UCCB-16-10-02d – approval of the Minutes of the May 12, 2016 meeting of the Board of Directors (Conference Call)

UCCB-16-10-02e – Grant Voice Without Vote to Non-Director Members of the Special Committee on Development: Mr. Ron Patterson, Ms. Shari Prestemon, and Ms. Sue Wimer

It was moved and seconded, and;

APPROVAL OF CONSENT AGENDA

It was VOTED:

16-10-UCCB-02 to approve the Consent Agenda.

REPORT OF THE GENERAL MINISTER AND PRESIDENT

Mr. Dorhauer provided the Board of Directors with a report of the current state of the denomination.

He began by saying, “I have been saying from the time of my nomination that the United Church of Christ matters – and that the Holy Spirit envisions a future in which we continue to matter.” This is true only to the extent that we have a mission; a mission we own, a mission worth pursuing, a mission to which we give ourselves fully, passionately, and without reserve.”

Mr. Dorhauer shared a bit about what it has been like to serve the Church for his first year and shared the fruit of what he thinks is the most significant, collective accomplishment of that year. Traveling throughout the life of the denomination, Mr. Dorhauer has seen the Church at its best and is very proud. He reflected on Hillsborough, North Carolina, where they still burn the rainbow flags that fly outside the church, and the church keeps replacing them with a storehouse they've built from churches around the country that keep sending those flags to them. He reflected on Rapid City, South Dakota and meeting Ms. Toni Buffalo and her husband, Bryon. In just two days they received word of three suicides of young men and women on the reservation. Bryon took five young men from the reservation to the demonstrations at Standing Rock. They proudly rode their horses 30 miles to the site, whereupon they were invited by the tribal leaders to stand guard in front of the armed soldiers there to 'keep the peace.' Simple acts like this one by the pastors of our churches instill young adults with a sense of purpose and pride – and it changes their lives, giving them an identity and a purpose.

Mr. Dorhauer continued to reflect on demonstrations for immigrants on the southern border, and extravagant welcomes and homecomings back to the faith. He spoke about Global Mission partners teaching in the Occupied Territories, serving Syrian refugee camps in Jordan, walking with Palestinian refugees when they approach checkpoints in Hebron, empowering women starting up their own micro-businesses in Cairo, mentoring youth and young adults in Beirut, standing side by side with community leaders after the Pulse shooting and one month later signing a quilt that leaders in our churches crafted to commemorate the lives of those slain. Mr. Dorhauer lifted up chaplains who serve on military bases and hospitals where no other colleague will or can meet the spiritual needs of their LGBTQ clients.

In this last year, while traveling the globe witnessing how we live this out every day, we engaged in a broad conversation about how to capture language that both articulated this commitment and inspired us to live it more fully with and among each other. At the end of a full year of open dialogue, we are ready to express, to own, and live into our shared Purpose, Vision, and Mission statement.

Mr. Dorhauer went on to say that “We are who we are – and who the Spirit is calling us to be. Being this matters – and owning it without shame and abandon is the key to our ongoing relevance, health, and vitality. Everything we do emanates from this singular commitment – and gives us a reason for being.” All of this was a way of expressing both an understanding that all that we do proceeds from this commitment; and to narrate what living out this commitment looks like throughout the life of this denomination. Our purpose is to love God with our whole heart, soul, mind and strength; and our neighbor as our self.

Our mission, inspired by the Spirit and renewed by God's grace, is to love all, welcome all, and bring justice to all. Our vision, what we see comes as a result of our being who we are – is a just world for all. This sets us apart, giving us not just a common cause, not just a noble purpose, but a reason for maintaining our commitment to steward God's gifts wisely for the sake of this high calling. The stewarding of those gifts and assets remains one of the single most important responsibilities of the Board.

Mr. Dorhauer noted that a consultant was brought in to review the Church's organizational chart and employment standards. Her assignment was to measure against industry best practices and see if there were inconsistencies and inefficiencies that could be identified that, once addressed, would free up precious resources. Her work was thorough, and revealed a few important findings that will help us be better stewards. Based on her report, we are working hard to create a more efficient organizational chart, and bring our benefits packages for employees into better alignment with industry standards. While we don't yet have the recommendations from the Strategic Task Force, we have created room in the budget for new initiatives, a new Social Media assistant and a part time IT architect by the first of the year. We hope to begin to create room in the budget for marketing department for the National Setting. We are also asking that the Board help us build an advisory committee for both IT and Marketing. We need a higher level of sophistication in both arenas in order to achieve our highest potential.

REPORT OF THE DEVELOPMENT COMMITTEE

Mr. Bolden called upon Mr. Joseph of the Development Committee. Mr. Joseph referred the Board to the reports on BoardMax and introduced Ms. Mary Nelson and Mr. Andrew Warner, asking the Board to give Ms. Nelson and Mr. Warner voice without vote.

VOICE WITHOUT VOTE TO MARY NELSON AND ANDREW WARNER

It was VOTED:

16-10-UCCB-03 to approve Mr. Joseph's request to give Ms. Mary Nelson and Mr. Andrew Warner voice without vote.

Ms. Nelson and Mr. Warner referred the Board to the Giving Task Force document on BoardMax and made the following summary indicating that financial giving is part of the covenant we share with one another as a church. We covenant with God and one another to be a vital presence in the world.

The *Pattern of Giving*, a policy document from 1984, delineates and attempts to control how financial resources are gathered and disseminated across the United Church of Christ. The United Church of Christ Board commissioned the Giving Task Force to examine the Pattern of Giving and to analyze the Church's current "ecology of generosity." It was the Board's intent that the Task Force would propose a new framework for our covenantal giving and create specific recommendations for our philanthropic practices. The best practices of a covenantal giving relationship, as understood at the founding of the United Church of Christ, are not necessarily relevant to a giving covenant today. The world around us is changing and the Church needs to change with it.

The Giving Task Force used objective and subjective methodologies to examine the culture of giving in the United Church of Christ. The Task Force conducted a nationwide survey, hosted focus groups, directly solicited input from key constituencies, studied data trends within the Church and strategies implemented by comparable organizations (both faith-based and secular), and built on the work of previous analyses. The full report includes a proposal for how to move forward, with historical background and statement of the problems, an assessment of the current

best practices of philanthropy, and recommendations for how to implement a transition toward donor-focused approaches.

We must shift our strategic approach from a focus on institution to a focus on donors. We can raise more funds by effectively connecting donors with the vital and engaging missions happening in all settings of the Church. Change is necessary, but radical change is more than the system can handle. In this proposal the Giving Task Force presents a transitional strategy that allows for institutional change in the near term.

After careful deliberation, the Giving Task Force suggests a more ecologically-diverse approach to generosity in the United Church of Christ in order to address the challenges and opportunities facing the Church today. This proposal does not provide a settled pattern but rather provides a new way forward. While the Giving Task Force considered more radical modifications to our system, this proposal provides meaningful change within the capacity to handle disruption. The shift in our ecology of generosity will be an on-going philanthropic transformation, built upon core affirmations.

The Giving Task Force suggests a diverse approach to generosity in the United Church of Christ, in order to address the challenges and opportunities facing the Church today. In the report the Task Force proposes:

1. Retiring the *Pattern of Giving* as the standard of covenantal giving in favor of a new direction consistent with norms, expectations, and best practices of a donor-centered approach to philanthropy.
2. That, as a new direction in our giving, the National Setting and Conference settings be free and encouraged to establish coordinated and comprehensive development programs. The National Setting will provide resources to coordinate this effort and build capacity for fundraising across the Church, in covenant, collaboration, and partnership with Conferences and congregations. Congregations and individual donors would be able to give directly to the mission priorities most compelling to them.
3. That Our Church's Wider Mission (OCWM) – Basic Support will continue to be directed from congregations to Conferences.
4. That Conferences be asked to commit to an OCWM sharing formula no less than the average rate for their previous three years of giving (beginning with 2014, 2015, 2016). After five years (2022), the Task Force suggests that Conferences and the National Setting re-evaluate this sharing formula.
5. That the four Special Mission Offerings continue to support the mission of the Church, and that a cost-benefit analysis be completed for each offering to enable a decision regarding their retention or modification.
6. That a marketing analysis of the names “Our Church's Wider Mission,” “Our Church's Wider Mission - Basic Support,” and “Our Church's Wider Mission - Special Support” be conducted, in light of the multiple understandings and confusing uses of these phrases across the Church.

If approved by the Thirty-first General Synod, the new approach to generosity will begin effective January 1, 2018, with the goal of all settings of the United Church of Christ participating by 2020.

Mr. Joseph brought the Committee's recommendation that the United Church of Christ Board of Directors receive the report of the Giving Task Force and advance a resolution for consideration at the Thirty-first General Synod that would implement the proposal and recommendations of the Giving Task Force as set forth in the report.

PROPOSAL AND RECOMMENDATIONS OF THE GIVING TASK FORCE

It was VOTED:

16-10-UCCB-04 to approve the Development Committee's recommendation that the United Church of Christ Board of Directors receive the report of the Giving Task Force and advance a resolution for consideration at the Thirty-first General Synod that would implement the proposal and recommendations of the Giving Task Force as set forth in the report.

REPORT OF THE INVESTMENT AND ENDOWMENT COMMITTEE

Mr. Bolden called upon Mr. Jensen Tabor, Chair of the Investment and Endowment Committee

Mr. Jensen Tabor called upon Mr. Dorhauer to address the Committee's recommendation to create a Shaping our Future Endowment Fund that will hold endowment dollars raised in connection with the Shaping Our Future Campaign.

Mr. Dorhauer reported the following:

The leadership phase of the UCC's Shaping Our Future Campaign has been launched and active fundraising is in process, with the expectation that a public phase of the campaign will be launched in 2017. The goal of this campaign is to raise financial resources for two primary purposes:

- 1) to provide immediate support for new strategic initiatives fundamental to shaping and creating church for future generations; and
- 2) to ensure the financial resources necessary to support the future ministry of the Office of the General Minister and President through the establishment of a dedicated endowment.

The creation of an Office of the General Minister and President Endowment Fund is requested at this time so that gifts designated for this purpose can be adequately stewarded.

The Office of the General Minister and President (OGMP) Endowment exists to support the Ministries of the General Minister and President exercised on behalf of the United Church of Christ to empower, inspire, and demonstrate the vision of the United Church of Christ. Income from the OGMP Endowment may be used to provide financial resources for administrative and operating support for the Office of the General Minister and President, and to support programs and services under the auspices of the Office of the General Minister and President in the execution of his or her duties.

The hope is to have funds available to support technological infrastructures, the need to create revenues to enhance the ability to communicate, and to support leadership development.

SHAPING OUR FUTURE ENDOWMENT FUND

It was VOTED:

16-10-UCCB-05

to approve the Investment and Endowment Committee's recommendation that the United Church of Christ Board of Directors approve the creation of the Shaping our Future Endowment Fund that will hold endowment dollars raised in connection with the Shaping Our Future Campaign.

Mr. Jensen Tabor indicated that the Committee has discussed draw rates and he called upon Mr. Dorhauer to give more background and context. It is believed that for the current time 4.75% is a fitting place to build the 2017 and 2018 budget, in terms of how it meets with current best practices. Mr. Dorhauer asked Mr. Stephen Jones, Chief Financial Officer, to speak to this. Income has decreased by 19% and OCWM has decreased by 33%, and those two make up over 60% of our revenue. The Church will need to decrease its expenses by a greater amount. It's a five year rolling average. It is a pause, not a stop, and we will continue the conversation to get to the 4% draw rate.

APPROVAL OF 4.75% TOTAL RETURN DRAW RATE FOR 2018 BUDGET

It was VOTED:

16-10-UCCB-06

to approve the Investment and Endowment Committee's recommendation that the United Church of Christ Board of Directors approve use of a 4.75% total return draw rate for the 2018 budget and ask staff to perform a study of asset allocation and expected performance and report back at the March 2017 meeting.

Mr. Bolden called upon Mr. Kevin Omi, Vice-chair of the Audit Committee. The complete Audit Report was posted to Board Max.

RECEIVE COMBINED FINANCIAL REPORT

It was VOTED:

16-10-UCCB-07

to approve the Audit Committee's recommendation that the United Church of Christ Board of Directors receive the Combined Financial Report of The United Church of Christ Board and Certain Affiliated Entities dated December 31, 2015.

The Audit Committee reviewed four other firms to conduct the future audits and after review decided to stay with RSM.

Mr. Bolden then called on Ms. Artt to present on behalf of the National Youth Event.

Ms. Artt indicated that over 3,000 youth and chaperones attended the National Youth Event and every Conference of the United Church of Christ was represented. She acknowledged staff that helped make it a success, and there was a standing ovation from the Board. Ms. Artt then had several Conference Ministers share on behalf of some of their youth.

Ms. Artt emphasized the importance of the event and emphasized the covenantal relationships that make things happen.

Mr. Bolden asked Mr. Dwayne Royster to provide a pray and offer a blessing on the meal.

The meeting was recessed, the time being 4:37 PM Eastern Time.

SECOND BUSINESS SESSION

Mr. Bolden called the second business session of the United Church of Christ Board of Directors to order, the time being 6:18 PM Eastern Time.

INVITATION TO THE THIRTY-SECOND GENERAL SYNOD

Mr. Bolden called on Mr. Foley regarding the Thirty-second General Synod.

Mr. Foley said that a recommendation was received to bring Synod to Milwaukee, Wisconsin. The Conference is capable of staffing and financing General Synod and has a great track record for diversity, and the city of Milwaukee has great facilities.

Mr. Foley called on Ms. Terry Parker and Mr. Franz Rigert from the Wisconsin Conference to extend an invitation and express their desire to host General Synod. There was a video presentation as a way to welcome folks to Milwaukee.

A motion was moved, and seconded to go to Milwaukee, Wisconsin for the Thirty-second General Synod of the United Church of Christ.

THIRTY-SECOND GENERAL SYNOD

**It was VOTED:
16-10-UCCB-08**

to accept the invitation to go to Milwaukee, Wisconsin for the Thirty-second General Synod of the United Church of Christ in 2019.

EXECUTIVE COMMITTEE

A request was brought from the Executive Committee to extend the Local Church Ministries (LCM) current realignment until the October 2017 meeting.

It was noted that the leadership of LCM is not exclusively the responsibility of Mr. Dorhauer but that there are shared responsibility for the LCM teams. It was also indicated that all in leadership are managing concerns that may arise, and he indicated that the current realignment will be reviewed again at the March Board meeting to see what concerns need to be addressed.

LOCAL CHURCH MINISTRIES CURRENT REALIGNMENT

It was VOTED:

16-10-UCCB-09 to approve the Executive Committee's recommendation that the United Church of Christ Board of Directors extend the LCM current realignment until the October 2017 meeting of the Board of Directors.

It was moved and seconded to move into Executive session.

EXECUTIVE SESSION

It was VOTED:

16-10-UCCB-10 to move into Executive Session

OPEN SESSION

It was VOTED:

16-10-UCCB-11 to end Executive Session

The meeting was recessed, the time being 7:25 PM Eastern Time.

FRIDAY, OCTOBER 21, 2016

THIRD BUSINESS SESSION

Mr. Bolden called the third business session of the United Church of Christ Board of Directors to order, the time being 10:30 AM Eastern Time.

A Motion was made that the Board of Directors adopt the Purpose, Vision and Mission statement as presented by Mr. Dorhauer during the First Business Session.

PURPOSE, VISION AND MISSION STATEMENT

It was VOTED

16-10-UCCB-12 to adopt the Purpose, Vision and Mission statement as presented by Mr. Dorhauer during the First Business Session

Mr. Bolden called on Mr. Goodwin to present a report from the Strategic Implementation Task Force.

Mr. Goodwin stated that the Strategic Implementation Task Force has reviewed aspects that are institutional imperatives for the future. They have identified items that need critical attention, components that are critical but can also be remedied in the next few years, gaps in the way we function as a Church and how that might be a hindrance to moving forward, and the need to redistribute the original survey to include more diverse voices.

He said that the proposed focal points of a strategic plan for the technological infrastructure of the UCC is the formation of an IT Council for the National Setting, an improved and accessible Web presence, and a review of hardware and software needed to be an effective technological player.

Mr. Goodwin also said that the proposed focal points of curriculum development around difficult conversations would include revitalization of Pilgrim Press resources around critical issues facing our world, cross racial healing and dialogue, and collaboration with ecumenical partners, seminaries and denominational authors.

He shared the proposed focal points for an organizational development plan for the National Setting that included strategic alignment of the budget, human and programmatic resources with the mission, vision and purpose of the Church and streamlining a resource list of partnerships, networks, and collaborations to manage duplicate efforts.

He said that the proposed focal points for cultural competency development included a White Privilege curriculum and its intersection for communities of color, a multicultural assessment tool for the National, Conference, Association and Local Church, and trainings and workshops around multicultural competence, diversity and inclusion.

Mr. Goodwin stated that the formation of an innovation center and think tank would be provided at General Synod as a place to brainstorm and dream about innovation and the future of the Church, and he encouraged the Board to find ways in the Local Church, Association and Conferences to celebrate and disseminate new and innovative programs, services, ways of being organized and “being church”.

He concluded by saying the next steps are to review the survey results from the new participants, to align or discover new ideas and suggestions and to write a report to present to the Board with concrete recommendations to move forward with the strategic planning efforts.

SHAPING OUR FUTURE

Mr. Bolden called on Mr. Don Clark to give a presentation on Shaping Our Future.

CHHSM REPORT

Mr. Bolden called on Mr. Readinger to provide a report on CHHSM.

Mr. Readinger reported that CHHSM Membership remains solid and that connection to the United Church of Christ is valuable in the shared ministry. 2016 was a year of significant turnover in the leadership roles of the member ministries. The focus with new leaders is to maintain the connection to CHHSM and the UCC heritage of their ministry’s founding.

This CHHSM Board convened a working group that was tasked with rewriting the Mission, Vision and Value Statements in a way that aligns the guiding principles with the newly created Value Proposition statement and graphics. The CHHSM tag line, “Bold Vision. Inspired Leaders. Shared Values.” is a product of learnings from CHHSM member ministries.

CHHSM Vice President, Mr. Ben Guess's impact has been a continued testament of his previous work with the National Setting of the United Church of Christ. CHHSM's social media outreach and e-newsletter, Diakonie, are being widely read and accessed by nearly twice the numbers previously reported. Additionally, CHHSM continues to source UCC News with stories about the work of its membership as well as sharing UCC stories through media outlets.

CHHSM continues to focus on UCC partnerships and engagement with the National Setting and will continue to look for ways to partner with the Covenanted Ministries and partnerships with PBUCC, UCF, CF, CBLF, UCCIB and the Office of Philanthropy.

On October 31, CHHSM will gather at the Leading Age annual meeting in Indianapolis with leaders of the Interfaith Roundtable to explore ways to further shared elder care ministry.

The CHHSM Board remains committed to the UCC Core Values.

PENSION BOARDS REPORT

Mr. Bolden called on Mr. Bodager to report on the Pension Boards.

Mr. Bodager introduced Mr. Rick Walters to speak on behalf of the Pension Boards regarding Operating at the Intersection, a policy for faith and finance which is a new way of operating intentionally from the center of faith and social justice witness. For the Pension Boards this means Faith – the conviction and choice to live a certain way; Witness – a way of living out our faith in all we say and do; and Sustainable investment – “double bottom line” objective of doing good and doing well.

This creates three intersections:

- (1) Sustainability, which is how the pension boards invests members' retirement assets, evaluates existing benefits and services, and develops new products and services to better meet members' changing needs
- (2) Collaborations, which strengthen relationships with the wider Church through faith and finance advisory groups, conference/church relations work, speaker's bureau and partnership.
- (3) Advocacy for Ministry – NGLI – transformational leadership among young UCC clergy; CREDO – professional/personal development for mid-career clergy; UCBMA – financial support to retired/active/lay employees, expanding health coverage to opposite-gender partners, and working to address economic challenges facing pastoral leaders.

The Pension Boards is working on amending Bylaws to extend beyond the United Church of Christ. It's an enormous undertaking to take on all of the Disciples. The Pension Boards will look for new and better ways to expand, but this needs to be done through a financial stewardship lens.

Next Generation Initiative guidelines are on the Pension Board's website.

UNITED CHURCH FUNDS REPORT

Mr. Bolden called on Mr. Hart to report on the United Church Funds.

United Church Funds (UCF) is beginning a process to review the screens imposed on investment portfolios to determine if they are still relevant for today. UCF has convened a task force that includes the Investment & Endowment Committee of the UCC Board of Directors. The taskforce will ultimately make recommendations to the UCF Investment Committee for potential changes to the exclusionary screens. The goal of the taskforce is to make recommendations for changes to the UCF screening policy in advance of the March, 2017 UCF Investment Committee and Board of Directors meetings.

At the request of General Synod 2013, UCF opened two investment options that would exclude companies that extract or produce fossil fuels on November 1, 2014.

One of the areas of work we do on behalf of the United Church of Christ along with the Pension Boards is social responsibility.

UCF was part of a group of investors representing \$2.1 Trillion in collective assets under management calling for a full repeal of North Carolina's notorious House Bill 2.

UCF is the lead investor for an engagement on global health and access to life-saving medicines with the pharmaceutical company Abbvie. UCF will lead a dialog with the company in December regarding their score on the "Access to Medicines Index" which benchmarks companies' policies and actions regarding providing access to pharmaceuticals to developing nations for diseases such as HIV, malaria, and TB. In addition, UCF will be a co-filer with several pharmaceutical companies regarding their policies for pricing drugs, and determining whether price increases for necessary medicines are justified.

UCF will co-file a shareholder resolution with Wells Fargo seeking a full business standards review following the revelation that millions of fraudulent accounts were opened by Wells employees seeking to meet their sales goals.

Prompted by UCC Environmental Justice Minister Brooks Berndt, UCF has become actively involved in the investor response to the infringement on the rights of the Standing Rock Sioux Tribe with the "Fast-tracking" of the Dakota Access Pipeline. In addition, UCF is seeking to host a meeting of investors with the Standing Rock Sioux Tribal Chairman next week to get a first-hand account of ways to act in solidarity.

In accordance with UCF policy, a Request for Proposal for audit services was recently issued. The result of this process was a proposal to the UCF Board of Directors next week to engage a new audit firm.

Ms. Angulo de Gonzalez provided a prayer, and Mr. Bolden called the Board to recess, the time being 11:40 AM Eastern Time.

FOURTH BUSINESS SESSION

Mr. Bolden called the fourth business session of the United Church of Christ Board of Directors to order, the time being 1:15 PM Eastern Time. He then called on Mr. Dorhauer to make a special announcement.

Mr. Dorhauer introduced Ms. Traci Blackmon as the Executive Minister of Justice and Witness Ministries and thanked her for her contribution, passion and dedication to the team.

Mr. Bolden called on Ms. Alice Hunt to give a presentation of Gender Identification and conversation. Ms. Hunt provided the presentation, and this was followed by a Board continuing education piece that was led by Ms. Ann Kent.

REPORT OF THE FINANCE AND BUDGET COMMITTEE

Mr. Bolden called on Mr. Frieberg to report on behalf of the Finance and Budget Committee.

Mr. Frieberg thanked his excellent and engaged committee and the outstanding staff and brought forth a number of items that required the Board's action.

The Finance and Budget Committee recommends that the United Church of Christ Board of Directors approve the Clergy Housing Allowance under Section 107 of the Internal Revenue Code and the regulations promulgated thereunder ("Section 107") during calendar year 2017 for each ordained minister in good standing with his or her respective denomination and any other "Minister of the gospel" within the meaning of Section 107, who is in the employ of a Covenanted Ministry of the United Church of Christ), shall be a sum equal to such employee's good faith estimate of the amount which will be excludible under Section 107 with respect to the providing of a home by such employee for such year; however, unless and until such employee shall provide in writing the estimate described above, the amount of said Clergy Housing Allowance for such employee shall be a sum equal to one third of such employee's gross salary compensation.

[Each eligible employee will be instructed to submit a signed statement of his or her designated Housing Allowance for calendar year 2017, which shall conform to the requirements of the above resolution to Human Resources by a date determined by that department.]

CLERGY HOUSING ALLOWANCE

**It was VOTED
16-10-UCCB-13**

to approve the Clergy Housing Allowance under Section 107 of the Internal Revenue Code and the regulations promulgated thereunder ("Section 107") during calendar year 2017 for each ordained minister in good standing with his or her respective denomination and any other "Minister of the gospel" within the meaning of Section 107, who is in the employ of a Covenanted Ministry of the United Church of Christ), shall be a sum equal to such employee's good faith estimate of the amount which will be excludible under Section 107 with respect to the providing of a home by such employee for such year; however, unless and until such employee

shall provide in writing the estimate described above, the amount of said Clergy Housing Allowance for such employee shall be a sum equal to one third of such employee's gross salary compensation.

The Finance and Budget Committee recommends that the United Church of Christ Board of Directors authorize the Pension Boards-United Church of Christ to provide supplementation of small annuities, effective January 1, 2017 based on an income level of \$30,192 with three-fourths of that amount as the level applicable in determining supplementation for a deceased member's surviving spouse/partner.

SUPPLEMENTATION OF SMALL ANNUITIES

It was VOTED

16-10-UCCB-14

to authorize the Pension Boards-United Church of Christ to provide supplementation of small annuities, effective January 1, 2017 based on an income level of \$30,192 with three-fourths of that amount as the level applicable in determining supplementation for a deceased member's surviving spouse/partner.

The Finance and Budget Committee recommends that the United Church of Christ Board of Directors approve the National Basic Support allocation base of \$5.3 million for 2017 and the funding of the Office of the General Minister & President, the Covenanted Ministries and the Pension Boards allocation as follows: OGMP \$3,416,078 (64.47%), JWM \$928,966 (17.53%), LCM \$194,052 (3.66%), WCM \$462,141 (8.72%) and PB \$298,763 (5.64%).

NATIONAL BASIC SUPPORT BASE AND ALLOCATION

It was VOTED

16-10-UCCB-15

to approve the National Basic Support allocation base of \$5.3 million for 2017 and the funding of the Office of the General Minister & President, the Covenanted Ministries and the Pension Boards allocation as follows: OGMP \$3,416,078 (64.47%), JWM \$928,966 (17.53%), LCM \$194,052 (3.66%), WCM \$462,141 (8.72%) and PB \$298,763 (5.64%).

The Finance and Budget Committee recommends that the United Church of Christ Board of Directors approve the proposed 2017 budgets totaling \$20,918,851.

2017 BUDGET

It was VOTED

16-10-UCCB-16

to approve the proposed 2017 budgets totaling \$20,918,851.

The Finance and Budget Committee recommends that the United Church of Christ Board of Directors approve the request of Outdoor Ministries Association (OMA) and send the 1/3 of the Deering Fund income formerly included in the LCM budget under Faith Formation to OMA for their operations and initiatives effective with the 2016 budget.

Earlier this year the OMA asked that all of it could be directed to the OMA and not to LCM.

DEERING FUND

**It was VOTED
16-10-UCCB-17**

to approve the request of Outdoor Ministries Association (OMA) and send the 1/3 of the Deering Fund income formerly included in the LCM budget under Faith Formation to OMA for their operations and initiatives effective with the 2016 budget.

Mr. Kevin Peterson provided a prayer and blessing of dinner, and Mr. Bolden called the fourth business session to close, the time being 4:45 PM Eastern Time.

FIFTH BUSINESS SESSION

Mr. Bolden called the fifth business session of the United Church of Christ Board of Directors to order, the time being 6:15 PM Eastern Time.

Mr. Bolden called on Mr. Frieberg of the Finance and Budget Committee to continue with his presentation from the Fourth Business Session.

The Finance and Budget Committee recommends that the United Church of Christ Board of Directors forgive the indebtedness of Franklinton Center at Bricks secured by the deeds of trust held by Justice & Witness Ministries (JWM) (A Covenanted Ministry of the United Church of Christ) on the Franklinton Center property, to deem said deeds of trust satisfied, and to direct the Office of General Counsel to prepare and file satisfactions of the deeds of trust with the Registers of Deeds in Edgecombe County and Nash County.

A discussion ensued. This money was never going to and will never come back. The only way JWM can survive is to be released from the bondage of this debt. They would be considered a partner in ministry and not a liability. The current appraisal for the Franklinton Center is \$1.275 Million.

In total as of October 21, 2016 Franklinton Center at Bricks owes JWM the following:

2015 Operative Expense Paid by JWM	\$185,560
Line of Credit Usage	\$326,865
Swimming Pool Repairs	\$ 53,247

FRANKLINTON CENTER AT BRICKS PROPOSAL

**It was VOTED
16-10-UCCB-18**

to close the line of credit for Franklinton Center at Bricks, forgive the unsecured indebtedness and the indebtedness of Franklinton Center at Bricks secured by the deeds of trust held by Justice & Witness Ministries (A Covenanted Ministry of the United Church of Christ) on the Franklinton Center property, to deem said deeds of trust satisfied, and to

direct the Office of General Counsel to prepare and file satisfactions of the deeds of trust with the Registers of Deeds in Edgecombe County and Nash County.

Mr. Bolden called on Mr. Geoff Brace to report on behalf of the Governance Committee.

Mr. Brace stated that since the Board last met, work had been done with Ms. Tina Villa and her team to create the collateral documents that specifically included links to background documents and constitutional documents.

With the digital materials in hand, CARD provided a survey. The Governance Committee reviewed the information and the survey was disseminated to the Wider Church and to the Conference Ministers. The survey ran through July and generated approximately 2,000 responses per questions. This tells us that there is interest and attention to this topic as we seek to proceed.

The Governance Committee met by conference call to do much of its work and has five recommendations to bring before the Board. It is important for the Board to discuss each of the five, and the Governance Committee will ask for everyone on the Board to stand behind the Amendments.

The Governance Committee recommends that the United Church of Christ Board of Directors pause on the proposed amendments to the Preamble of the UCC Constitution.

CONSTITUTION AND BYLAW AMENDMENTS

It was VOTED

16-10-UCCB-19

to strike number of officers and add structure and a process for calling a special General Synod.

It was VOTED

16-10-UCCB-20

to advance the proposed amendments considered at General Synod in 2015 related to UCC Board structure and a process for calling a special General Synod.

It was VOTED

16-10-UCCB-21

to direct the Office of General Counsel to complete proposed UCC Bylaws amendment language regarding the United Church of Christ and United Church of Canada full communion agreement.

It was VOTED

16-10-UCCB-22

to authorize General Counsel to begin drafting proposed amendments regarding ministerial changes in the Constitution and Bylaws except related to ordination pending call.

The Governance Committee recommends that the United Church of Christ Board of Directors holds additional conversations as a Board about amendments related to officer discharge, call and portfolio, changes from the Collegium model and changes to call to specific ministry. The feedback demonstrated a need for the Board to determine whether or not it wishes to proceed with this vision for leadership.

Do we want to change the number of officers?

Do we want to detach the officers from the covenantal ministries?

Do we want to give responsibility for determining officer portfolios to the General Minister and President (GMP)?

Do we want the GMP to have direct report supervision of the other officers?

Do we want the GMP to have authority to end the call of officers in consultation with the Board?

Mr. Dorhauer came forward to offer a prayer for clarity, discernment, wisdom and grace.

A discussion ensued and several suggestions arose.

- Change the titles to Associate General Ministers
- Remove the title covenantal ministries and call them partners
- Change title of officers to ministers
- Avoid language that polarizes and be more inclusive
- Put a process in place that communicates why the changes are important
- Give the sense of alignment for the sake of the mission of the Church
- There is a need to be nimble and flexible

Mr. Brace stated that he would bring a motion in the morning.

There were prayers for discernment and Mr. Bolden called the order of the day.

SATURDAY, OCTOBER 22, 2016

SIXTH BUSINESS SESSION

Mr. Bolden called the sixth business session of the United Church of Christ Board of Directors to order, the time being 9:31 AM Eastern Time.

Ms. Angulo de Gonzalez reported that the Collegium Relations Committee met and were very happy with their findings.

The Governance Committee brought additional votes before the Board of Directors.

BOARD OF TRUSTEES OF THE PENSION BOARDS

**It was VOTED
16-10-UCCB-23**

to make eligible for election to the Board of Trustees of The Pension Boards – United Church of Christ, Inc.: Mr. William MacKay Heckles,

Rev. David Jadlocki, Rev. Dr. Carol E. Lytch, Mr. Mark R. Parthemer,
Rev. Dr. Bernard R. Wilson, and Ms. Yvette-Michelle Wynn.

GROUP EXEMPTION RESOLUTION REPORT

It was VOTED
16-10-UCCB-24 to receive the Group Exemption Resolution Report.

UNITED CHURCH OF CHRIST OF GRAND FORKS

It was VOTED
16-10-UCCB-25 to approve the United Church of Christ of Grand Forks remain a member of the Northern Plains Conference, at the request of United Church of Christ of Grand Forks, the Northern Plains Conference, and the Minnesota Conference, that the United Church of Christ Board of Directors.

SPECIAL COMMITTEE ON MARKETING

It was VOTED
16-10-UCCB-26 to amend the Standing Rules of the United Church of Christ Board of Directors, creating a new Rule 19 establishing a Special Committee on Marketing, and the renumbering of all subsequent rules.

RELEASE OF EXECUTIVE SESSION MINUTES

It was VOTED
16-10-UCCB-27 to release, as no longer confidential, the Executive Session Minutes from the January 22, 2014, March 6, 2014, March 14, 2014, and July 29, 2014 meetings.

AMENDMENT TO THE CONSTITUTION AND BYLAWS RELATED TO THE ELECTION OF THE GENERAL MINISTER AND PRESIDENT AND ASSOCIATE GENERAL MINISTERS

It was VOTED
16-10-UCCB-28 to direct the Governance Committee to draft amendments to the Constitution and Bylaws reflecting the election of the General Minister and President by General Synod. Associate General Ministers will also be elected by General Synod. The responsibilities of the Associate General Ministers will be affirmed by the Board of Directors.

When General Counsel pulls all of the amendments together there will be a phone meeting in early December to review and vote on the amendments.

When asked how the number of Associate General Ministers would be selected, it was made clear that the proposed amendments will be silent to the number and the determination will be up to the Board.

Based on the actions taken, it will be up to the Board to initiate conversations with the Conferences and local church congregations.

The Board will receive the new language in November to review and vote in December so that it can be presented and voted on at General Synod. Communication will be extremely important. Bylaw changes will be the norm at General Synod for some time.

Member of the Board were asked to pray for Ms. Kimmel and Mr. Hilbrich, and all the ministries and leadership of the United Church of Christ.

Ms. Artt was called upon to provide the report of the General Synod Program and Planning Committee.

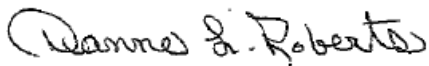
REPORT OF THE GENERAL SYNOD PROGRAM AND PLANNING COMMITTEE

Ms. Artt asked the Board to take a few minutes to reflect on the life of Mr. John Deckenback and then provided a brief prayer.

Ms. Artt provided a full overview of General Synod with great detail, reminding the Board that youth will be fully integrated into General Synod for the first time.

Mr. Bolden thanked the staff and reminded member of the Board of the spring meeting dates (Thursday, March 9 – Saturday, March 11, 2017) in Cleveland, Ohio. He then adjourned the fall meeting of the United Church of Christ Board of Directors, the time being 10:17 AM Eastern Time. Mr. Moos provided a closing prayer.

Respectfully submitted,



Dianne Roberts
Recorder

Office of the Secretary
United Church of Christ Board of Directors