

***DRAFT OF PROPOSED CHANGES TO THE JOINT VENTURE BYLAWS***

*April 30, 2007*

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**JOINT VENTURE BYLAWS**

**PREAMBLE**

This agreement constitutes the bylaws for the JOINT VENTURE CHURCHES OF ALMADEN, INC., a basic plan for the shared Christian ministry of the following member congregations:

- ✦ The ALMADEN VALLEY UNITED CHURCH OF CHRIST (or AVUCC), a member church of the Northern California Nevada Conference, United Church of Christ.
- ✦ The RECTOR, WARDENS. AND VESTRY OF THE PARISH OF THE EPISCOPAL CHURCH IN ALMADEN (or ECA) a member congregation of The Protestant Episcopal Church in the United States of America and part of the Episcopal Diocese of El Camino Real.
- ✦ and Those organizations who subsequently enter this membership.

**STATEMENT OF RATIONALE**

The member congregations desire:

- ✦ to be a paradigm of Christian love and co-operation, across denominational lines.
- ✦ to be a tangible demonstration of the oneness of the Church of Christ.
- ✦ to be good stewards of the of resources available to satisfy the needs for Christian Ministry in and to this community.

In recognition of their unique perspective, both congregations declare and affirm that essential to their individual existences and functioning as Christian congregations is the kind of tangible, ongoing, and unfolding cooperation provided by their membership in the Joint Venture Churches of Almaden, Inc. The essential nature of this understanding finds concrete expression in the manner in which the member congregations divest themselves of certain agreed to assets in favor of the Corporation without recovery upon withdrawal from the Corporation.

Now, therefore, the members of the Corporation, The ALMADEN VALLEY UNITED CHURCH OF CHRIST and the EPISCOPAL CHURCH IN ALMADEN, agree to sustain a cooperative venture to jointly develop, support, administer, and maintain the buildings, facilities and programs necessary to fulfill, grow, and sustain the Christian ministry in the Almaden Valley according to the following Articles.

**ARTICLE I. ECCLESIASTICAL RELATIONSHIPS**

The Member Churches shall relate ecumenically in their support of **buildings, facilities, and programs**, which individually honor their affiliation with the denomination which represents the Christian tradition, understanding, and practice of each congregation.

It is understood that the **clergy and membership of the Almaden Valley United Church of Christ (AVUCC)** have the right to retain their affiliations with the Northern California Nevada Conference of the UCC. The **Episcopal Church in Almaden (ECA)**, as constituted by its clergy and membership, will retain its affiliation with the **Protestant Episcopal Church in the U.S.A.** through its relationship to the Bishop of the Diocese of El Camino Real and its membership in the convention of the Diocese of El Camino Real.

It is recognized that due to the implications of the different policies represented, the decision making process and transaction of business will have different bases and take different forms in the two congregations. AVUCC is understood to be chiefly bound by its own constitution and bylaws, the actions of its Council, and those decisions made by its congregation as a whole. ECA is understood to be chiefly bound by the Constitution and Canons of the Episcopal Church in the U.S.A. and those of the Diocese of El Camino Real and the actions of its Vestry. No decisions or transactions **shall be made by the Joint Venture Board that are** in opposition or contradiction to these prior commitments of **AVUCC and ECA.**

The Rector of the ECA is bound by the doctrine, discipline, and worship of the Episcopal Church in the U.S.A., and in working toward a deepening cooperation with the AVUCC, looks to the Bishop of the Diocese of El Camino Real for the definition of increasing latitude in regard to allowable practice.

The Pastor of the AVUCC is committed to the position of the autonomy of the local church and therefore operates in cooperation within the constitution and bylaws of the AVUCC. S/He **He/She** holds his/her ministerial standing in the Northern California Nevada Conference of the UCC by virtue of his/her membership in the local church. S/He **He/She** is a representative of the AVUCC to his/her Conference and s/he **he/she** is responsible to the Conference for the actions of his/her church; in particular, the Joint Venture agreement in the spirit of ecumenism.

Other denominations **or non-profit organizations** may become participants in the Joint Venture **provided the admission of such denomination or organization will not jeopardize the standing of the Joint Venture Churches or either of its member churches as an IRS 501(c)(3) tax exempt organization.** In such **an** instance, it is understood that they **any new participants in the Joint Venture** will not be expected to relinquish their prior commitments to the tradition, understanding, and practice of their **respective** denominational affiliation. In matters of support of **the buildings, facilities, and joint programs** they **shall** bear their **fair** share of costs and expenses.

## **ARTICLE II. CORPORATE ORGANIZATION**

**1.** The Joint Venture Churches of Almaden, Inc. shall be organized and operated as a **religious** non-profit corporation under the laws of the State of California.

2. The principal office of the corporation for its transaction of business is located at 6581 Camden Avenue, San Jose, Santa Clara County, California, 95120.

3. The corporation consists of:

A. Board of Directors

- i. Chairperson
- ii. Vice-Chairperson
- iii. Directors

B. Officers of the Corporation :

- i. President
- ii. Vice President
- iii. Secretary
- iv. Treasurer

C. Member Churches:

- i. The Episcopal Church in Almaden
- ii. The Almaden Valley United Church of Christ
- iii. Any other Christian Body or organization included under the provisions of Article VII, hereafter known as the Member Churches.

## ARTICLE III. BOARD OF DIRECTORS

### 1. Board Membership *(Editor's Note: This was section 3)*

A. The Board of Directors shall be made up of a clergy and no less than four and no more than six lay members from each Member Church. Each Member Church shall have the same number of members on the Board.

B. Lay Directors are to be elected or appointed in accordance with the traditions or canons of the Member Churches. Their term of service shall be two calendar years. Lay directors may not serve for two consecutive two-year terms except as necessary to maintain a turnover of one-half of the board each year. Vacancies shall be filled according to the traditions, canons, and by-laws of each Member Church.

C. The Board may, by a two-thirds majority vote of all Board Directors, recall an officer of the Corporation, or of the Board, or a Director upon evidence of gross negligence, incompetence, or dishonesty in the discharge of his/her duties. Directors may also be recalled by their respective congregation in accordance with the rules, regulations, and traditions of their respective polities.

### 2. Responsibilities of the Joint Venture Board of Directors: *(Editor's Note: This was section 1)*

- A. Establish policies governing operation, administration, and maintenance of the assets of the Joint Venture **Corporation**.
- B. Establish and maintain the objectives of the Joint Venture **Corporation**.
- C. Review and approve requests for unbudgeted **corporate** expenditures.
- D. Establish those Committees required to develop and implement the policies and **maintenance** programs of the Joint Venture **Corporation**.
- E. Hold an Annual Meeting in January to fulfill the Corporation's legal requirement to do the following:
  - i. Review and approve the Corporation's final annual budget.
  - ii. Elect, from its membership, the President and Vice-President of the Corporation, who shall also serve as Chairperson and Vice-Chairperson of the Board, respectively. **Whenever** possible, the Vice-President shall succeed to the Presidency, and the Presidency shall alternate between the Member Churches each year.
  - iii. Appoint, from the members of the Member Churches, a Secretary of the Corporation and a Treasurer of the Corporation, who shall also act as Secretary and Treasurer of the Joint Venture Board, **respectively**.

### 3. Officers and Duties *(Editor's Note: This was section 2)*

- A. The Officers of the Corporation shall be chosen, as specified in Section 1 of this Article, at the Annual Meeting in January.
- B. The **President** shall:
  - i. Call and preside at all Board meetings.
  - ii. Execute all deeds, contracts, and other documents.
  - iii. **Review and approve all minutes prior to publication.**
  - iv. **Ensure that a quorum is present prior to any meeting commencing.**
  - v. Perform all other duties required as the legal representative of the Corporation.
- C. The **Vice-President** shall:
  - i. Perform the duties of the President in his/her absence, inability, or refusal to perform said duties. (In case both the President and Vice-President are absent, unable to, or refuse to perform these duties, the Board of Directors shall appoint a President protem.)
  - ii. **Be** responsible for liaison between the staff and the Executive Committee.
  - iii. and shall **Be** available to staff for counsel and advice.
  - iv. S/he shall also ensure that evaluations are made annually.
  - iv. **Sign with the President such legal documents requiring both signatures.**

**D. The Secretary shall:**

- i.** Keep a permanent, accurate, complete, and legible record of all transactions and correspondence of the Corporation.
- ii.** Act as Secretary for the Board of Directors.
- iii.** Send the minutes to the President for approval.
- iv.** Post minutes on JV bulletin board and bulletin boards of Member Churches.
- v.** Be a voting member only if he/she is also a Joint Venture Board Director.

**E. The Treasurer shall:**

- i.** Receive and be the custodian of all funds provided to the Corporation and disburse these funds in accordance with the approved Annual Budget. (Unbudgeted disbursements require Board approval.)
- ii.** Act as Treasurer for the Board of Directors.
- iii.** Maintain a current record of the property rights of each Member Church (ref. See Article VIII).
- iv.** Submit a written report of the current financial status of the Corporation at each Regular Meeting of the Board.
- v.** Make an annual report to the Board by the February meeting, accompanied by an auditor's certification of the correctness of accounts.
- vi.** Be bonded in such sum as the Board may require.
- vii.** Be a member of the Finance Committee.
- viii.** Be a voting member only if he/she is also a Joint Venture Board Director.

**F.** The Clergy Directors shall not be eligible to serve as officers of the Board or Corporation.

**4. Regular Meetings**

**A.** The Board shall meet at least bimonthly beginning with the January Annual Meeting at a time and place established at the January Board meeting.

**B.** Meetings shall be open to all members of the Member Churches and held in a facility large enough to accommodate all attendees.

**C.** At least seven days prior to meeting, the Chairperson shall have the following prepared and distributed to each Director for review prior to meeting:

- i.** Call/notice
- ii.** Agenda
- iii.** Minutes of last meeting
- iv.** Other data as appropriate

**D.** Agendas may be amended by a majority vote of the Board.

**E.** Fifty percent plus one of Board membership shall constitute a quorum.

**F.** A simple majority of all Board members present at a meeting shall prevail in all matters in which a vote is taken, except as noted elsewhere in these Bylaws. The simple majority must include at least one vote by a Director from each Member Church. **In the event of a tie vote, further deliberation will be required until a resolution is reached.**

**G.** The Board may call an Executive Session during a meeting, according to the law of the State of California, to discuss matters relating to Joint Venture personnel or litigation. During an Executive Session, only voting members may be present, and the discussion must be kept confidential among them. A record of the session must be kept and attached to the regular minutes, but it should be limited to a brief description of the subject matter and any action taken by the Board. Notice of the intent to call an Executive Session and its purpose shall be included in the regular meeting notice. If the need for an emergency Executive Session should arise, the presiding officer shall try to give at least 24 hours notice, and the Board shall proceed as described in Section 5 **below**.

## **5. Special Meetings**

**A.** Special Board meetings shall be called by **the President**, or **Vice-President** in his/her absence:

- i.** Of his/her own volition.
- ii.** When so requested by four (4) or more Directors.

**B.** Special meetings shall be presided over by **the President** or **Vice-President** in his/her absence.

**C.** Attendance at special meetings **shall** be limited to members of the Member Churches.

**D.** Before a special meeting, **the President** shall **have** prepared and distributed the call and purpose of the meeting **to each Director**, and no other business shall be conducted.

**E.** The rules of **for a** quorum and voting **for special meetings** shall be the same as for regular meetings.

**F.** Minutes of special meetings shall be recorded into the official record of the Board at its next regular meeting.

## **6. Operating Committees**

**A.** The Board shall organize the following standing committees to assist in formulating and implementing the **applicable** policies of **the** Joint Venture Churches, Inc. **With the exception of the Memorial Committee, the Chairpersons**

of these committees shall be Directors of the Joint Venture Board. The Board shall have the discretion to add or delete committees as required:

- i. Executive Committee
- ii. Finance Committee
- iii. Property Committee
- iv. Memorial Committee

**B.** The members of each committee (except the Executive and Memorial Committees) shall be drawn from the general membership of the Member Churches, selected by the Chairperson of the Committee, and approved by the Board. Each committee shall seek to balance the committee membership between the Member Churches.

**C.** The members of the **Executive Committee** shall be:

- i. the **President** of the Board, (who is also Chairperson of the Executive Committee).
- ii. the **Vice-President** of the Board.
- iii. **The** senior clergy of each congregation.

**D.** The **Executive Committee** shall be responsible for:

- i. Conducting the business of the Board of Directors between regular meetings on matters that, in the opinion of the **President**, do not require Board action or for business that may require future ratification by the Board. (Executive Committee actions taken between regular meetings shall be recorded into the official record of the Board at the next regular meeting.)
- ii. **Approving the final selection, hiring, and annual performance evaluations of custodial services.**

**E.** The **Finance Committee** shall be responsible for developing the financial policies of the **Joint Venture** Corporation, including:

- i. Preparing and submitting a **proposed Annual Budget of the Corporation for the coming year** to the Board of Directors for approval, and then reconciling a final budget dependent upon budget **inputs from** the Member Churches.
- ii. **Supervision of** the **Office of Treasurer of the Corporation.** (The Treasurer **shall** be a member of the Finance Committee.)

**E.** The **Property Committee** shall be responsible for maintenance of **the Joint Venture** properties to ensure optimum service to the **Member Churches.** **Areas of responsibility include but are not limited to the following:**

- i. **Kitchen**
- ii. **Inside facilities**
- iii. **Lighting**
- iv. **Office equipment**
- v. **Heating/Ventilation/Air Conditioning**

- vi. Outside maintenance
- vii. Outside facilities
- viii. Garden
- ix. Security
- x. Contracts/Warranties

**F.** The **Memorial Committee** shall be responsible for assisting prospective donors of memorial gifts. For that purpose, it shall, after consultation with appropriate groups from the Member Churches, maintain a list of possible gifts. The Joint Venture Corporation may receive memorials, donations, or gifts of property, cash, etc., which may be designated or undesignated. Upon receipt of memorials, donations or gifts of property, cash, etc., the Chairperson of the **Memorial Committee** shall inform the heads of the governing bodies of the Member Churches, who shall by consensus determine the use of these gifts.

The **Memorial Committee** shall be appointed by the Joint Venture Board and shall consist of **three members from each** of the Member Churches. **Memorial Committee members** shall serve three-year, renewable terms, two terms to be renewed each year. A member of the Board shall be appointed annually to act as liaison between the **Memorial Committee** and the Joint Venture Board. **A Chairperson of the Memorial Committee shall be chosen at the beginning of each year by consensus of all Memorial Committee members. The Chairperson of the Memorial Committee does not have to be a Joint Venture Board Director.**

## **ARTICLE IV. STAFF**

**1.** If it is determined that a permanent staff position is necessary to support the Joint Venture activities, the Joint Venture Board President shall make a formal request for such to each of the Member Church governing bodies. If all the Member Church governing bodies agree that a permanent staff position is required, the hiring of such staff shall be done by a joint committee appointed by the Member Church governing bodies. This staff may include, but not be limited to:

- A.** Secretary/**Administrative Assistant**
- B.** Organist
- C.** Youth Coordinator
- D.** Music Director
- E.** Christian Education Director
- F.** Treasurer

**2.** Custodial Services shall report to the Joint Venture Board Executive Committee. The Vice-President of the Board shall be the interface between the custodial staff and the Executive Committee.

**3.** In the case where a Member Church is funding its own employee for a particular position (e.g., secretary), that employee shall report to his/her respective clergy.



4. The clergy of Member Churches shall be responsible for the day to day supervision of all Joint Venture employees and shall ensure that annual performance evaluations of all staff are conducted.

5. In order to decrease administrative overhead for Member Churches, the Board shall be responsible for the issuance of salaries to all staff personnel. Increase in salaries shall be based on recommendations and approval by the governing bodies of Member Churches.

## ARTICLE V. ASSETS AND LIABILITIES

1. Formation of the Joint Venture Corporation included acquisition of the following:

A. **From the AVUCC:** Title to the property, improvements thereto, facilities, erected thereon and jointly used furnishings contained therein, located at 6581 Camden Avenue, San Jose, California as of January 1, 1972.

B. **From the ECA:** An amount of cash, title to property with actual cash investment value or combination thereof equal to the actual cash investment of the AVUCC in the above property, as agreed to by the AVUCC.

2. The Joint Venture Corporation shall be responsible for:

A. All financial obligations related to the assets of the Corporation.

B. All financial obligations associated with repairs, modifications, improvements, and additions to the current and future acquired properties and facilities of the Corporation.

C. The means for acquisition and/or development of additional properties, facilities, and furnishings to accommodate the growing needs of the congregations shall be determined by the Board of Directors Member Churches. (The need for acquisition and/or development of additional properties, facilities, and furnishings shall be determined by dialogue and consensus between/among the governing boards of Member Churches.)

3. Major property assets such as church facilities, buildings, and land shall not be sold, given away, or disposed of without the prior approval by both Member Churches. Approval shall be in accordance with the rules, regulations, and traditions of the separate polities.

## ARTICLE VI. BUDGETS AND FINANCES

1. Annual Operating Budget

A. An annual operating budget shall be prepared by the Finance Committee based on requests from the various committees of the Joint Venture Board.

**B.** The **Finance Committee** shall submit the proposed budget to the Joint Venture Board by the first week in September for review and revision.

**C.** The Joint Venture Board shall finalize, approve, and communicate the proposed budget to the Member Churches by the first week in October for their respective agreement or comments and ratification.

**D.** The Joint Venture Board shall ratify the proposed budget by the first week in December.

**E.** The proposed budget shall include, but not be limited to:

- i.** Principal and interest payments on all financial indebtedness of the Corporation.
- ii.** All expenses for maintenance, repair, and modification of properties held by the Corporation.
- iii.** All other expenses required for operation of the facilities and the programs of the Corporation.
- iv.** Salaries, benefits, and expenses of Joint Venture staff personnel.
- v.** Applicable allocations to Reserve Accounts.

**F.** Every effort shall be made to develop the annual budget in a manner to ensure that there will not be a shortfall in funds, but at the same time, no necessity for a significant refund to the Member Churches at the end of the fiscal year.

**G.** The budget shall include the forecasting of known or probable future expenses that may result in the need for a special assessment.

## **2. Budget Financing**

**A.** The Annual Operating Budget shall be a financial obligation shared equally between/among of the Member Churches.

**B.** By the end of each month each Member Church shall provide monthly an amount of cash equal to 1/12 of its allocated share of the Annual Operating Budget to the Treasurer of the Joint Venture Board.

**C.** In the event of additional participants in this Joint Venture, the financing of the budget shall be as determined in ARTICLE VII, Section 3C.

## **3. Reserve Accounts**

**A.** The **Financial Committee** of the Joint Venture Board shall ensure that on an ongoing basis the following Reserve Accounts are maintained:

- i.** Capital Reserve 15% of the current budget
- ii.** Savings 12% of the current budget

**iii. Checking 7% of the current budget**

**B.** In the event that any or all of the Reserve Accounts fall below the stipulated level, those accounts shall be reimbursed to their full reserve status within 4 years when the deficit amount is significant (\$10,000.00 or more).

**C.** In the event of surplus funds, refer to Article VI, 1F.

## **ARTICLE VII. ADDITIONAL PARTICIPANTS**

**1.** The **Joint Venture** Board may accept for consideration application for membership in the Corporation, review said application, and submit said application and the results of the review to the clergy and the governing lay councils of the then Member Churches for their review and evaluation before final acceptance.

**2.** The acceptance of an additional participant as a Member **in the Joint Venture Corporation** shall be based on approval by each Member Church and the Board of Directors of the Corporation. **Approval of each member church shall be in accordance with the rules, regulations and traditions of the separate polities.**

**3.** Acceptance of a candidate Member shall be contingent upon compliance with the following criteria as a minimum:

**A.** A religious **or non-profit** community mission complementary to those of the current Member Churches.

**B.** The determination of a schedule for facilities usage acceptable to all churches concerned.

**C.** Establishment of an acceptable arrangement for financial support of the Corporation by the candidate Member. The financial arrangement shall be established by the Board of Directors on the basis of the current and projected resources of the additional participant and the additional requirements imposed upon the facilities of the Corporation.

**4.** Additional Members shall be bound by these Bylaws and shall so state their agreement.

**5.** **Any** additional participant accepted as a Member shall have representation on the Board of Directors co-equal with that of the other Member Churches.

**6.** In the event a “trial” period of joint involvement of a candidate Member prior to acceptance as a member be deemed desirable by the **Member Churches**, the terms and conditions of said joint involvement shall be established and approved by **consensus of** the Board of Directors and the governing lay councils, or other appropriate authorities, of each of **the Member Churches**.

## **ARTICLE VIII. OWNERSHIP**

Each Member Church shall have property rights in the Joint Venture **Corporation** in proportion to the contribution of capital investment which each Member Church bears to the total capital investment of all Members. The Treasurer of the Joint Venture **Board** shall maintain a current record of said property rights.

## **ARTICLE IX. WITHDRAWAL**

1. As the withdrawal of a Member Church from the **Joint Venture Corporation** represents to some degree a denial of its original commitment to the rationale of the Joint Venture and to a very large degree a financial crisis to the remaining Member Churches, the conditions for withdrawal are severe.

2. The terms and conditions for withdrawal **of a Member Church from the Joint Venture Corporation** shall be:

A. 12 months notice of the intent to withdraw **shall be submitted** to the Board of Directors, **who shall then notify the governing boards of other Member Churches.**

B. Forfeiture of claims to all investments of property, cash, fixed assets, etc., in the Joint Venture **Corporation.**

C. Subsequent to the withdrawal date, elimination of any liability to the Joint Venture **Corporation.**

## **ARTICLE X. DISSOLUTION**

1. In the event of the dissolution of the Joint Venture **Corporation**, the assets of the Corporation remaining after paying or adequately providing for its debts and obligations shall be divided between or among the Member Churches in proportion to their property rights of record provided that if any such Member Church is not then qualified for the Welfare Exemption under present Section 214 of the Revenue and Taxation Code its share shall be paid and delivered to such fund, foundation or corporation organized and existing for religious purposes as shall be determined by the Superior Court in a proceeding under Section 9801 of the Corporations Code of the State of California, or the code sections currently applicable.

2. Property rights of the Member Churches will be adjusted to reflect accrued deficits or overages which a Member Church contributed to the Corporation relative to the other Member Churches. **See Article VI, 2.** (Budget Financing).

## **ARTICLE XI. AMENDMENTS**

1. Amendments to these Bylaws shall be approved by each Member Church in accordance with its

established procedures.

2. Amendments may be proposed by:

A. The Board of Directors.

B. The governing lay council of a Member Church.

**(Former Articles XI and XII deleted)**