

# Unitarian Universalist Church of Arlington, Virginia Board of Trustees

## Policy Manual

**Policy Manual  
June 21, 2016**

Under Article V, Section 1 of the Bylaws of UUCA, the “Board may adopt policies and procedures for the governance of the congregation consistent with these Bylaws, including but not limited to, the creation of an Executive to perform duties as it may delegate. It shall maintain a policy manual that is available to the Congregation.”

The following is the full text of the Policy Manual. The Board wants to hear from UUCA members about this important governance document. No Board policy is permanent, and the Board may revise any part of this Manual at any time. If you find something that is not working well, let the Board know about your concern.

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## 1 Purpose

### 1.1 Mission

The Unitarian Universalist Church of Arlington is a religious community with a mission to Connect, Grow and Serve.

### 1.2 Values

The Unitarian Universalist Church of Arlington seeks to incorporate the following values into the life of the Church in all ministries and activities:

Gratitude

Trust

Commitment

Diversity

Compassion

### 1.3 Moral Owners

The Board is accountable to the moral owners of the Church, a broader group of people than current members alone. The moral owners in descending order of influence are:

1. The current Members of the Church and their children,
2. The future Members of the Church and their children,
3. Current and future Friends of the Church,
4. All who self identify as Unitarian Universalists,
5. Our ancestors and forbearers of the Church and the larger Unitarian and Universalist movement,
6. All others who share our religious values, and
7. Our neighbors in our local community.

### 1.4 Ends

1. People feel they belong and are cared for.
2. People of all ages experience a spiritually vital faith community and have opportunities for personal and spiritual growth.
3. The Church is a force for service, social justice, and environmental justice.

## 2 Governance Process

The Board of Trustees acts on behalf of both the present and future moral owners of the Church to ensure that the Congregation fulfills its mission and furthers its ministry with an efficient use of resources and within the boundaries of legal and ethical behavior.

### 2.1 Governing Style

The Board will govern as a body with a visionary future orientation within the discipline of its process and the guidance of its policies.

#### 2.1.1 Direction Through Policy

The Board will inspire the Congregation and the staff through the establishment of broad written policies reflecting the Board's values and perspectives about ends to be achieved and means to be avoided. Those policies will direct and control the staff, but the administrative and programmatic means of attaining the ends to be achieved are staff responsibilities.

#### 2.1.2 Governance Focus and Emphasis

The Board will govern with a focus and emphasis on:

- Future vision rather than the past or present practice,
- Outward orientation rather than internal preoccupation,
- Proactive strategic leadership rather than reactive administrative tactics,
- Collective consensus rather than individual decisions,
- The encouragement of diversity in viewpoints,
- A clear distinction between Board and Executive roles, and
- Communication and linkage with the Congregation and other moral owners of the Church.

#### 2.1.3 Collective Accountability

The elected Board as a whole will be responsible for the governance of the Church.

##### 2.1.3.1 *Speak with One Voice*

The Board will act as a single entrusted corporate entity by speaking with one voice. While the separate abilities, judgments, and perspectives of its members will inform the determination of collective Board values and policies, individual Board members will respect and support Board decisions.

## **2.1.3.2 Individual Board Member Limitation**

The Board will allow no officer, Board member, or committee of the Board to usurp or counter the Board's collective authority.

## **2.1.3.3 Board Self Monitoring**

The Board will self-monitor all of its activities in accordance with its policies and enforce upon itself whatever discipline and improvements as may be needed to govern with excellence.

## **2.1.4 Board Development**

The Board will orient and train new Board members and officers, and retrain experienced members in their roles in the Policy Governance process.

## **2.2 Board Job Description**

The job of the Board is to represent the moral owners of the Church in determining, inspiring, demanding, and overseeing appropriate and optimal organizational performance of the Executive and of the Board itself in accordance with Article V of the Bylaws.

Accordingly:

### **2.2.1 Policy Making**

The written policies of the Board will be produced, periodically reviewed, and set at the broadest levels, addressing each category of organizational decision-making process:

- **Ends:** Statement of desired organizational results.
- **Governance Process:** Specification of how the Board conceives, carries out, and monitors its own task.
- **Board-Executive-Minister Relationship:** How authority is delegated and its use is monitored.
- **Executive Limitations:** Constraints on executive authority that establish the prudent and ethical boundaries within which all executive decisions and activities must take place.

### **2.2.2 Performance Monitoring**

The Board will monitor and evaluate Executive performance in following the Ends and Executive Limitations policies.

## 2.2.3 Annual Budget

The Board will review an annual budget prepared by the Executive, and once it has approved the budget, the Board will advocate its approval by the Congregation.

## 2.3 Cost of Excellence in Governance

The Board will invest in improving its ability to govern competently and wisely, understanding that poor governance costs more in the long run than learning to govern well. The Board may retain outside consultants for assistance and may direct the Executive to allocate funds for expenses related to governance training and assistance.

## 2.4 Annual Governance Agenda

The Board will develop an annual governance agenda and calendar in the first quarter of each Church year. At a minimum, the agenda will address performance monitoring, congregational linkage, and re-exploration of policies identified in 2.2.1 Policy Making above.

## 2.5 Officer Roles

### 2.5.1 Role of Board Chair

The Chair will function as the Chief Governance Officer (CGO), a specially empowered member of the Board who ensures the integrity of the governing process. The assigned outcome of the Chair's job is that the Board acts consistently with its own policies, with Article V of the Bylaws, and with requirements imposed legitimately from outside the Church. The Board Chair is also the President of the Congregation in accordance with Article VI of the Bylaws.

#### 2.5.1.1 *Presiding Over Meetings*

The Chair, or his or her designee, will preside at meetings of the Board and meetings of the Congregation.

##### 2.5.1.1.1 Meeting Agendas

The Chair will inform the Congregation by posting a draft agenda on the Church's website about a week in advance of Board meetings.

##### 2.5.1.1.2 Discussion at Board Meetings

The Chair will remind the Board that meeting discussion will generally be limited to issues over which the Board has

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decision-making power, leaving to the Executive his or her own areas of authority. The Chair will also ensure that discussion is fair, open, orderly, thorough, efficient and timely. The Chair may in his or her discretion invite others attending Board meetings to speak. Robert's Rules of Order will be observed unless suspended or altered by the Board.

## **2.5.1.2 Authority of the Chair**

The Chair may make decisions on behalf of the Board that are consistent with or fall within the scope of the Board's policies and the Bylaws. The Chair does not have unilateral authority to change policies or make new policy.

### **2.5.1.2.1 Speaking on Behalf of the Board**

The Chair, or his or her designee, is the only person authorized to speak for the Board.

### **2.5.1.2.2 Transparency**

The Chair will not withhold any relevant information from the Board.

### **2.5.1.2.3 Relationship with the Executive**

The Chair, or his or her designee, will be the primary point of contact between the Board and the Executive between meetings, but the Executive's relationship shall be with the Board as a whole, and the Executive shall be free at any time to bring a matter to the Board as a body.

### **2.5.1.2.4 Delegation by the Chair**

The Chair remains accountable for tasks s/he may delegate to others.

## **2.5.2 Role of the Board Secretary**

The Secretary will assist the Board in maintaining the official records of the Church.

### **2.5.2.1 Official Records**

The official records of the Church comprise: Articles of Incorporation, Bylaws, Board Policies (referred to as the Policy Manual), minutes of Board and Congregational meetings, annual reports, meeting agendas

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and backup material and handouts, and reports of Board-appointed committees.

## **2.5.2.2 Minutes of Meetings**

The Secretary will make sure that the minutes of Board and Congregational meetings, together with the approved agendas and any materials reviewed at the meetings, are made a part of the official records of the Board.

### **2.5.2.2.1 Board Meetings**

The Secretary will take notes of the proceedings of Board meetings and provide the Chair draft minutes within ten days after the meeting. Minutes are not a Board record until formally approved by the Board.

### **2.5.2.2.2 Congregational Meetings**

The Secretary will take notes of the proceedings of Congregational meetings and provide the Chair draft Minutes within ten days after the meeting. The Board will approve the minutes as a Board Approved Draft pending final approval by the Congregation at its next meeting. The Secretary will post Board Approved Draft Minutes for Congregational access once approved by the Board. Minutes are not an official Church record until formally approved by the Congregation.

### **2.5.2.2.3 Participation in Meetings**

The Secretary is not a voting member of the Board. S/he will generally not voice personal opinions at meetings, but may do so with the Chair's permission. S/he may request clarification of discussion details as necessary to take notes.

## **2.5.2.3 Certifications**

The Secretary will certify a list of members eligible to vote at each meeting of the Congregation and certify that notices of official meetings have been properly distributed in accordance with Article VI of the Bylaws. The Secretary will make such other certifications of Board actions and of other matters as needed.

## **2.5.3 Role of the Treasurer**

The Treasurer will assist the Board in overseeing and monitoring Church funds. The Treasurer will advise the Board about emerging financial trends, needs,

concerns, and policy issues. The Treasurer will report to the Board each month about the financial condition of the Church, maintain records of his or her activities and reports, and carry out all other responsibilities and duties assigned to the Treasurer in the Bylaws. The Treasurer works under the direction of the Board as is provided in the Bylaws and has no independent authority.

## **2.6 Succession and Transition of Board Members and Officers**

The Board is responsible and accountable for the orderly and businesslike succession of Board members and Church officers.

### **2.6.1 New Board Members**

The Board will work with the Nominating Committee to identify and recruit potential Board members, and it will assist new members in acclimating to Board culture and governance.

### **2.6.2 Number of Board Members**

Article V, Section 2 of the Bylaws states that "the Board shall consist of at least three but generally nine members." The Board will inform the Nominating Committee if there will be any change in the number of Board members for the following year.

### **2.6.3 Election and Term of Board Chair**

The Chair is elected by the Board from its membership to serve a one-year term, and may stand for re-election as Board Chair in subsequent years.

### **2.6.4 Chair-Designee**

The Board may in its discretion elect a Chair-Designee at any time during the Church year and ideally prior to the year-end Congregational meeting. The incumbent Chair will help prepare the Chair-Designee to assume the duties and responsibilities of the Board Chair.

## **2.7 Code of Conduct for All Elected Church Leaders**

All Elected Church Leaders will commit to ethical, businesslike, and lawful conduct involving their use of authority, their interactions with people inside and outside the Church, and their representation of the Church and the Congregation. An elected Church leader is someone holding a position that is subject to election by the Congregation including members of the Board, Officers, members of the Nominating Committee, and members of special Congregational committees.

## 2.7.1 Conflict of Interest

Elected Church Leaders must mitigate conflicts of interest with respect to their responsibilities.

A conflict of interest occurs when circumstances create a risk whereby other interests will unduly and inappropriately influence the Leader's judgment about the interests of the Church. The mitigation of a conflict of interest will depend on the circumstances, and may include removal of the conflict, disclosure of the conflict, and/or recusal of the Elected Church Leader. The Board of Trustees will resolve any questions or controversies concerning conflicts of interest.

### 2.7.1.1 *No Employment or Other Personal Benefits*

Elected Church Leaders will not use their positions to obtain Church employment or other benefits for themselves, family members, or close associates. An Elected Church Leader will resign from his or her elected office or position before applying for Church employment.

### 2.7.1.2 *Personal Business with Church*

Elected Church Leaders will not engage in self-dealing, private business or personal services with the Church. The Board, under special circumstances, may make exceptions provided full disclosure is made and procedures are followed that assure openness, competitive opportunity, and equal access to inside information.

### 2.7.1.3 *Disclosure of Conflicting Involvement*

Elected Church Leaders will disclose any involvement with other organizations, vendors or any other relationships that might result in a conflict of interest or appearance of a conflict of interest.

### 2.7.1.4 *Unavoidable Conflict of Interest*

Elected Church Leaders will refrain from participation in deliberations or voting related to any matter about which they have a conflict of interest.

## 2.7.2 Removal for Cause

Elected Church Leaders may be removed from office for good cause by a majority plus one vote of the Board members then serving in office.

## **2.8 Code of Conduct for Board Members**

In addition to the obligations of all Elected Church Leaders set forth in Policy 2.7, members of the Board will be subject to the following:

### **2.8.1 Un-conflicted Loyalty to Church**

As Trustees, Board members must act in good faith in the best interests of the moral owners of the Church. This obligation supersedes any other loyalty (such as that to advocacy or interest groups) and membership on other boards or staffs, as well as the personal interest of any Board member acting as a recipient of Church services.

### **2.8.2 Lack of Individual Authority**

A Board member may not exercise (or attempt to exercise) individual authority over the Church or its staff.

### **2.8.3 Confidentiality**

Since Board members may be privy to information that is not public, they will respect the confidentiality appropriate to issues of a sensitive nature.

### **2.8.4 Commitment to Board Duties**

Board members will make every effort to attend all regularly scheduled and special Board meetings and Board events, and all Congregational meetings and events where substantive issues are addressed.

#### ***2.8.4.1 Member Responsibility***

Board members will take responsibility for (a) attending Church worship services and other Church events as a means of maintaining linkage with the Congregation, (b) responding to e-mails, telephone calls and other types of contact from fellow Board members and others; and (c) follow through on commitments made to the Chair and other Board members.

#### ***2.8.4.2 Resignation for Non-performance of Duties***

A Board member who misses three consecutive monthly meetings shall be deemed to have resigned unless the Board votes for a waiver. A Board member will be promptly notified that s/he has been deemed to have resigned.

## 2.9 Religious Leadership and Covenant

Serving on the Board is a calling to religious leadership, and doing the work of the Board is a spiritual practice. The responsibilities of Board members include continuous discernment of their calling and how they can enhance their Board service and become better leaders.

The Trustees will serve together in a covenantal relationship. All Board members will mutually promise:

- To abide by and act in accordance with the congregational covenant;
- To work collaboratively and build bonds of mutual trust;
- To act in good faith and to presume others are acting in good faith;
- To encourage and empower each other, and treat each other with genuine respect and honesty;
- To speak openly, directly, and authentically, and to listen to each other with open minds and hearts even in times of conflict;
- To respect and honor individual and cultural differences;
- To be mindful of any unearned privilege and its effect on themselves and others;
- Take care of each other personally and spiritually;
- To follow the written policies and procedures of the Board, but to also remain open to changing them; and
- To keep in mind the best interests of the moral owners of the Church.

## 2.10 Board Committees

The Chair may establish committees to help the Board carry out its responsibilities.

### 2.10.1 Assigned Purpose of a Committee

Each committee will be established for explicit purposes with a timeframe for conducting its work that includes regular reports to the Board. It is anticipated that most committees will be short term. Committees ordinarily prepare policy alternatives and implications for Board deliberation. They will not be involved in Executive or Staff operations or exercise authority over them. Committees will not speak for the Board. The only permanent standing committee will be the Audit Committee.

### 2.10.2 Committee Membership

Committees may be composed of Board members and others within the congregation. A Board member assigned to a committee will participate as a

member of the committee on the same basis as other members, unless the Chair acts to assign roles differently.

## 2.10.3 Applicability

This policy applies to any group that is formed by the Board Chair or otherwise by the Board, whether it is called a committee and regardless of whether the group includes non-board members. It does not apply to committees formed under the authority of the Executive or the Nominating Committee.

## 2.11 Linkage with Congregation

Governance at UUCA is in the form of a covenantal representative democracy, based on commonly held religious values, and held together by a unified mission. The Board will forge and maintain strong and trusting linkages with the current congregation that elected its members. However, as the Board listens to voices from the current Congregation, it is also called to take into account all of the moral owners of the Church (Policy 1.3). The relationships that the Board must establish, maintain, clarify, and protect include not only its relationship with the current congregation, but also its relationships with all of the remaining moral owners of the Church. With this in mind, the Board will plan two-way communications activities with the congregation as part of its annual governance agenda. Such linkage plans will build upon the following example elements:

Board Reports to the Congregation:

- Open Board meetings
- Policy Manual
- Minutes of meetings and draft agendas
- Periodic informational postings, newsletter articles, blogs and mailings
- Responses to inquiries, concerns, criticisms, and other feedback

Feedback from the Congregation:

- Open Board meetings
- Board member presence and participation at Church events
- Listening and feedback sessions
- Governance education sessions
- Leadership training sessions

## 2.12 Complaints to the Board

The Board and its members have an ongoing duty to listen to and be in conversation with the Congregation. Members and friends will be encouraged to share ideas and to engage in

constructive dialogue with Board members. This may include bringing complaints and grievances to the attention of Board members.

## **2.12.1 Initial Responses to Complaints**

It is the role of Board members to make sure they hear and understand the concern that a congregant is raising with them. Anyone making a complaint should be encouraged to contact directly someone who can resolve the concern rather than involving a Board member as a third party. Board members may assist complainants in identifying the person to whom the concern should be directed. Any further action will depend on the circumstances, taking into account that the Board does not resolve complaints not directly related to the Board's policy making and policy monitoring functions. Individual Board members do not have the authority to make any representations that any action will be taken, that the complaint will be resolved in a certain way, or that the problem will be taken up by the Board as a body.

## **2.12.2 Board Discretionary Responses**

The Board as a body has the discretion to decide whether to take up, and how to respond to, complaints, criticisms or grievances addressed to the Board. If the Board decides to review or act on a concern, the Board will limit itself to matters involving Board policy, governance, and other general affairs of the Church. Complaints or grievances involving matters delegated to the Executive will be referred to him or her; and complaints or grievances involving religious activities will be referred to the Senior Minister. The Board will acknowledge all written complaints as a matter of courtesy.

## **2.12.3 Other Voices**

In considering complaints and criticisms, the Board will keep in mind that its constituency is the moral owners of the Church. When voices within the congregation become audible, the Board owes those voices its ear, but it also should take into consideration those who are not speaking or cannot speak.

## **2.13 Governance Evaluation**

The Board is responsible for formally evaluating the governance of the Church and by extension itself. The Board will, therefore, routinely and consistently evaluate the Board's process (conduct and behavior) and products (policies).

### **2.13.1 Collective and Individual Evaluation**

On a consistent and routine basis, the Board will evaluate the Board's collective conduct and behavior by comparing the Board's actions with its governance policies. On a consistent and routine basis, the Board will monitor the behavior

of individual Board members by comparing individual actions with its governance policies.

## **2.13.2 Evaluation of Board Policies**

The Board will routinely and consistently evaluate and update all of the Board's policies (including Ends, Governance, Linkage, and Executive Limitations) to ensure they state what the current Board wants each policy to state.

## **3 Board-Executive-Minister Relationship**

Article V, Section 1 of the Bylaws, states: “The Board of Trustees shall have general supervision and direction of the affairs of the Church,” including the authority to name “an Executive to perform duties as it may delegate.” Article VII, Section 1 states: “The Ministers shall have charge over religious activities of the Congregation. The Ministers shall provide leadership in keeping with the purpose of the Congregation.”

Accordingly,

### **3.1 Delegation of Executive Authority**

The Board supervises and directs the affairs of the Church by delegating to the Senior Minister as the Executive the authority to manage day-to-day operations under a policy-based governance model as described in Policy 2, Governance Process. It is understood that this delegation is to the Senior Minister and not to the other ministers who are under the supervision of the Senior Minister and do not have a direct relationship with the Board hereunder.

#### **3.1.1 Executive Operating Policies and Practices**

The Board authorizes the Executive to establish all further policies, make all decisions, take all actions, and develop programs and activities that are consistent with a reasonable interpretation of Board policies.

#### **3.1.2 Board’s Retained Authority to Change its Policies**

The Board may change its policies at any time. However, the Board will not use its policies to “micromanage” the Executive, and the Board will generally respect and support a reasonable interpretation of its policies by the Executive.

#### **3.1.3 Executive Does Not Direct the Board Regarding its Policies**

The authority of the Executive does not extend to supervising or otherwise directing the Board as a body, its Chair, individual Board members, or Board committees. Nothing in this policy is intended to interfere with mutual dialogue about the understanding of and need for Board policies.

#### **3.1.4 Unity of Control**

Only decisions of the Board acting as a body are binding on the Executive. Decisions or instructions of individual Trustees, officers, or committee members are not binding on the Executive or any other staff member, except when the Board has specifically authorized the exercise of such authority. Informal meetings may occur between Board members and the Executive or other staff

members for the purpose of exchanging information and seeking advice, but not for Board members to give instruction or direction to the Executive.

## **3.2 Ministerial Service to the Board**

As the Senior Minister, the Executive serves the Board in three respects: First, the charge in the Bylaws over the religious program activities of the Church is treated as a means to serve the Board's Ends within the boundaries of its Executive Limitations. Second, religious guidance will be provided to the Board in its formulation of End statement policies to serve the purpose of the Congregation. Third, the Senior Minister will make sure the pastoral care needs of the members of the Board are tended to.

## **3.3 Covenantal Relationships**

Because the Church is a religious organization, the relationship between the Board, and the Executive will be covenantal, based in mutual trust, support and kindness. They will work collaboratively together discerning their respective roles and shared values, and engage each other in deep dialogue with open minds and hearts.

The Board and the Senior Minister will abide by a covenant of mutuality in a spirit of openness and deep respect:

- Gratitude – in appreciation of our togetherness, we actively seek reasons for gratitude and we express our thanks fully, freely and frequently.
- Trust - assuming good intentions, we extend trust freely and hold it reverently, and when the going gets tough we turn to wonder.
- Commitment - authentically present, we bring our whole selves, we honor our commitments, and do not give up on one another
- Diversity – listening deeply, we seek out diversity, celebrate our differences, and practice empathy.
- Compassion - practicing kindness, we communicate honestly and compassionately, making room for one another's feelings.

## **3.4 Monitoring Executive Performance**

Monitoring the performance of the Executive involves reviewing organizational accomplishment of Board policies on Ends and organizational operation within the boundaries established in Board policies on Executive Limitations. Simply stated, monitoring determines the degree to which Board policies are being met.

### **3.4.1 Monitoring Methods**

A given policy may be monitored in one or more of three possible ways:

- Internal Report: Disclosure of compliance information by the Executive to the Board
- External Report: Disclosure of compliance information by an external disinterested party (for example, auditor, consultant, or counsel) who is selected by the Board and reports to the Board
- Direct Board Inspection: Compliance assessment by a designated Board member or Board Committee

## **3.4.2 Compliance Standard**

The standard of compliance shall be "any reasonable interpretation" of the Board policy being monitored.

## **3.4.3 Monitoring Senior Minister Performance**

The Board will monitor the performance of the Senior Minister in both his or her executive and ministerial roles. Any performance reviews of the other ministers will be the responsibility of the Senior Minister who may consult with the Board.

## **3.4.4 Frequency of Monitoring**

The Board may monitor any policy by any method at any time. Every Ends policy and Executive Limitations policy will be formally and regularly monitored during each Church year under a schedule adopted by the Board. The schedule will set the frequency and method of the monitoring. The Board will follow the monitoring schedule used in the prior year, unless it acts to change the schedule. Monitoring will be as automatic as possible, using a minimum of Board time, so that meetings can be used to create the future rather than review the past.

## **3.5 Compensation**

The Board in its discretion sets the compensation and benefits of the Executive. UUCA supports the recommendations of the UUA regarding compensation for ordained ministers, and those recommendations will be part of what the Board will consider in setting the Executive's total compensation and benefits. The Board will also consider adjustments based on merit and on the cost of living as measured by the Consumer Price Index (CPI). The compensation and benefits of the other ordained ministers will be set by the Executive, subject to final approval by the Board. Compensation and benefits for all other staff shall be set the Executive.

## **3.6 Disciplinary Policy**

### **3.6.1 Informing the Board About Policy Violations**

If the Executive deems it necessary to violate a Board policy, or if the Executive otherwise becomes aware of a violation of Board policy, the Executive shall inform the Board as soon as reasonably possible. In such instances, the Board's operating assumption shall be that good faith decisions of the Executive deserve the Board's respect and consideration.

### **3.6.2 Persistent or Blatant Violation of Board Policies**

The Board will pursue the following process in the event that it determines that the Executive has violated a Board policy or the Board-Executive covenant:

- After consultation with the full Board, the Board Chair will discuss the violation or improper conduct with the Executive to find a way to resolve the problem.
- If this consultation does not resolve the problem, the Board may give a written warning to the Executive. The written warning should outline the problem, suggest expected courses of corrective action, and advise of possible consequences.
- If the problem is not resolved by the written warning, the Board may take further action it deems appropriate, including but not limited to withholding salary increases, reduction in salary, terminating the employment of a direct-hire Executive, rescinding its executive appointment of a called Senior Minister, or recommending to the Congregation the dissolution of the called relationship of a Senior Minister serving as Executive.

The Executive is responsible for disciplining other staff members, except that called ministers may be terminated only by action of the Congregation.

## 4 Executive Limitations

The Executive shall not cause or allow any practice, activity or circumstance that is unlawful, is in violation of common business practices, is contrary to the Congregational covenant or Bylaws, or does not serve the Church's mission.

### 4.1 Treatment of People

In interacting with members, friends, and visitors, as well as the children of each, the Executive shall not cause or accept conditions, create procedures, or make decisions that are illegal, unsafe, unwelcoming, unaccepting, intolerant, racist, or oppressive.

Accordingly, but not limiting the foregoing, the Executive shall not

1. Fail to welcome and promote the participation in Church activities of everyone without regard to age, race, color, sex, disability, affectional or sexual orientation, gender identity, national origin, economic status, or political affiliation;
2. Fail to allow individuals from groups that have been historically oppressed or marginalized to be invited into full participation and leadership;
3. Fail to provide for appropriate confidentiality in matters of personal concern of congregants and staff;
4. Fail to provide for reasonably adequate personal safety (both physical and emotional) during Church activities;
5. Permit anyone to teach, supervise, or provide care for children without adequate screening, procedures, and guidance;
6. Permit the condition of Church facilities to be unsanitary, unsafe, or inaccessible;
7. Fail to provide appropriate, reasonable, and meaningful ways to inform congregants about programs and affairs of the Church, to enable congregants to express their ideas and concerns to the Executive, and to involve congregants in organizing activities, and in developing and operating programs; or
8. Fail to provide for the encouragement, development, training, and mentoring of lay leaders.

### 4.2 Membership

The Executive shall not allow members' relationship to the Church to become unclear or unarticulated.

Accordingly, the Executive shall not:

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1. Fail to articulate to the membership the Church's religious identity and mission as to who we are, what we believe, and what we do.
2. Fail to articulate and promote the meaning and expectations of membership in serving "the purpose of the Church" (Bylaws Article III.);
3. Consider a person a member unless they have stated a commitment to support the mission of the Church, agreed to abide by the Congregation's covenant, made a pledge of financial support, and signed the membership book;
4. Allow persons to retain membership status if they fail to make a financial contribution to the Church for two consecutive years; or
5. Fail to provide pathways to motivate people to become Members.

## 4.3 Church Groups

The Executive shall not allow groups to operate as Church groups (committees, task forces, and other groups not authorized by the Board or Congregation) without his or her authorization and oversight .

Accordingly, the Executive shall not:

1. Permit Church groups to operate in ways that are not faithful to the Church's mission, values, policies, and Congregational covenant;
2. Permit Church groups to operate in a manner that is not consistent with the Church's legal and contractual obligations; or
3. Allow lay leadership positions in Church groups to be held by nonmembers except in unusual circumstances.

## 4.4 Treatment of Staff

With respect to the treatment of paid and volunteer staff, the Executive shall not cause or allow conditions that are unsafe, unhealthy, unprofessional, disrespectful, or inconsiderate .

Accordingly, the Executive shall not:

1. Operate without written personnel policies for paid staff or written guidelines and procedures for volunteer staff;
2. Grant at-will employees benefits or rights inconsistent with their at-will status; or
3. Prevent paid or volunteer staff from grieving to the Board when they allege that a Board policy has been violated to their detriment after internal procedures have been exhausted.

## 4.5 Protection of Assets

The Executive shall not allow the assets of the Church to be unprotected, inadequately maintained, inappropriately used, or unnecessarily risked.

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Accordingly, the Executive shall not:

1. Fail to insure reasonably against theft and casualty losses, corporate liability, and personal liability of Board members, Officers, and staff;
2. Expose the Church, Board of Trustees, Officers, staff or volunteers unnecessarily to claims of liability;
3. Risk the nonprofit status of the Church;
4. Risk the reputation of the Church as an ethical organization of high moral standards within the community and the wider UU movement;
5. Allow historic assets, intellectual property, and Church records to be exposed to potential loss or significant damage;
6. Allow Church facilities to be used by groups and individuals in ways not sanctioned by written policies;
7. Allow groups and individuals to use the name of the Church, its banner, logo, or its website in ways not sanctioned by written policies;
8. Receive, process, or disperse funds without documented controls sufficient to meet the Board appointed auditor's standards, other governmental standards, or regular business standards and practices; or
9. Purchase goods or services without reasonable protections against conflict of interest.

## 4.6 Financial and Strategic Planning

In preparing financial and strategic plans to best accomplish the Board's Ends (Policy 1), the Executive shall not risk financial jeopardy or organizational integrity.

Accordingly, the Executive shall not:

1. Allow the Church to operate without the guidance of an annual operating budget that conforms to the Board's Ends and has been reviewed and approved in accordance with the Bylaws;
2. Operate without a liquid operating reserve of two months of operating expenses to cover unanticipated expenses unless otherwise approved by the Board;
3. Deviate from the following strictures on operating reserve when preparing the annual budget:
  - a) If the operating reserve at the end of the current fiscal year is projected to be less than 2 months of operating expenses (1/6 annual budget), the following year's budget must be balanced;
  - b) If the operating reserve at the end of the current fiscal year is projected to be less than 1 month of operating expenses (1/12 annual budget), the following

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year's budget must provide for a replenishment of operating reserves by at least 1 week of operating expenses (1/52 annual budget);

4. Operate without a 20-year facilities maintenance/replacement plan and restricted replacement reserve fund;
5. Operate without a long-term fiscal plan;
6. Fail to budget for an audit by an outside accounting firm every other year;
7. Fail to provide the Church's fair share of financial support to the Unitarian Universalist Association and the local District/region; or
8. Operate without a long-term strategic plan.

## 4.7 Financial Condition and Management

The Executive shall not cause or allow the development of financial mismanagement or uncontrolled spending.

Accordingly, the Executive shall not:

1. Operate without written policies guiding the prudent investment of Church reserves and restricted funds;
2. Operate without adequate accounting controls and procedures that are maintained and documented;
3. Allow annual operating expenses to exceed 105% of the budget without the agreement of the Board in accordance with Church Bylaws;
4. Assume any long-term indebtedness without Board approval;
5. Undertake transactions exceeding \$10,000 without seeking multiple bids or cost comparisons;
6. Enter into any purchase or service contract exceeding \$25,000 without prior Board approval;
7. Expend any restricted or designated funds for purposes other than those established when received without the donor's permission; or
8. Acquire, encumber, or dispose of real property without prior Board approval.

## 4.8 Endowment

The Executive shall not fail to reserve the corpus of the endowment fund for the long-term financial security of the Church.

Accordingly, the Executive shall not:

1. Use endowment funds for purposes other than for non-annual, new initiatives that align with the Board's Ends (Policy 1), or for large unanticipated emergency financial needs;

2. Spend or borrow endowment funds without Board approval;
3. Plan for annual endowment outlays of more than 4% of the endowment fund balance. As an exception, the Executive may exceed this amount to refinance the mortgage in the year 2017; or
4. Allow the endowment balance to be less than 100% of the annual operating budget. As an exception, the Executive may plan a balance of not less than 50% to refinance the mortgage in the year 2017.

## **4.9 Fundraising**

The Executive shall not allow unauthorized fundraising activities on behalf of the Church. Accordingly, the Executive shall not:

1. Allow unauthorized individuals and groups to apply for grants on behalf of the Church from outside funding agencies; or
2. Allow fundraising activities by individuals and groups that do not adhere to consistent and accessible fundraising guidelines.

## **4.10 Communication and Support of the Board**

The Executive shall not cause or allow the Board to be uninformed or unsupported in its work.

Accordingly, the Executive shall not:

1. Fail to submit timely, accurate, and comprehensible Board policy monitoring reports as requested and scheduled by Board;
2. Allow the Board to be uninformed of any actual or anticipated noncompliance with any Ends or Executive Limitations policy of the Board regardless of the Board's monitoring schedule;
3. Fail to advise the Board if, in the Executive's opinion, the Board is not in compliance with the Bylaws or its own policies or if the Executive considers the Board to be acting to the detriment to the relationship between the Board and the Executive;
4. Fail to supply for the Board's consent agenda all items delegated to the Executive that are to be Board-approved, along with the minimum amount of supporting data necessary to keep the Board informed;
5. Fail to insure that a complete and current set of all Board and Executive policies are readily accessible to all Church members at all times; or
6. Allow the Board to remain uninformed of Congregational concerns brought to the attention of the Executive.