

POLICIES OF THE BOARD OF TRUSTEE
OF UNIVERSITY UNITARIAN CHURCH
Originally Adopted: June 18, 2020
Adoption of Current Revision: October 21, 2021

I. BOARD GOVERNANCE

- A. Role of the Board. The Board will govern primarily by discerning and articulating mission; planning for the future; partnering with the Senior Minister; ensuring that resources are cared for and directed to the mission; and holding leaders of the Church, including its own members, accountable for their performance.

The Board, in all its activities, has a duty of care to the organization, such that each board member has a legal responsibility to participate actively in making decisions on behalf of the organization and to exercise their best judgment while doing so. The Board has a duty of loyalty, such that each member must put the interests of the organization before their personal and professional interests when acting on behalf of the organization in a decision-making capacity. Further, the Board has a duty of obedience, in which Board members bear the legal responsibility of ensuring that the organization complies with all applicable laws and adheres to its mission.

- B. Board Officers. Officers of the Board are listed in the Bylaws.

C. Expectations of Board Members

1. Church Engagement. Board members will be visible in the worshipping life of the congregation and active participants in other aspects of church life and ministry.
2. Board Covenant. The Board works in a relationship of covenant that is reviewed annually.
3. Conflicts of Interest. Each board member has a duty of loyalty to the organization first and must put the interests of the organization before their personal and professional interests when acting on behalf of the organization in a decision-making capacity. The Board expects all of its members to carry out their duties with undivided loyalty to the Church and its mission. All Board members must comply with the Church's Conflict of Interest Policy.

- D. Board Member Performance Issues. If an officer or board member consistently acts in a way that is outside the Board covenant, the President will share feedback about the behavior. If the behavior continues, the Board may request the member's resignation. Other aspects of Board member performance are set forth in the Bylaws.

- E. Board Work Products. Together with the Senior Minister, the Board will produce:

- An annual short list of Open Questions about the Church's future, as the basis for ongoing planning conversation in the Board, with the Senior Minister and with the congregation at large. "Open Questions" derive from discernment about the church's mission in relation to our current environment. They form the foundation for the work of the Board, in concert with the staff and congregation, in shaping how UUC will fully live into the mission.
- An annual short list of Top Priority Areas where the Church will advance its work in the coming year, aligned with budgeting and staff planning. The "Top Priority Areas" represent a condensed summary of the church's goals and objectives for the coming year. The staff will carry primary responsibility for pursuing the annual goals and objectives.
- An annual assessment of the Church's success or difficulties in achieving the prior year's Top Priority Areas and the Board's effectiveness in pursuing its goals relating to the Open Questions and its work with the Senior Minister in support of their pursuit of the Top Priority Areas.
- A Strategic Plan, to be updated as needed and not less than every five to ten years, consisting of a short list of the most important results the Board intends to achieve through the Church's work and the strategic choices (regarding program, membership, capital and operating budgets, and staffing) the Board has made about how to achieve those results.
- A Mission Statement, to be updated as needed, that articulates the Church's purpose and related statements (vision, values, and a tagline) to communicate the reasons for the Church's work.

II. STAFF DELEGATION AND EXPECTATIONS

A. The Board expects that the staff will share its commitment to the intention that the Church be a fair, respectful, inclusive, supportive, antiracist and open space that provides a safe, positive and productive worship, ministry and working environment where everyone feels that they are valued. This value extends to all without regard to race, color, age, ability, disability, religion-of-origin, sex, sexual orientation, gender, gender identity, gender expression or national origin.

B. Global Delegation to the Senior Minister.

The Board delegates authority to manage the work and resources of the Church, except as expressly limited by the policies, to the Senior Minister as the head of staff.

C. Expectations.

The Senior Minister manages the work of the Church in collaboration with an Executive Team. The Executive Team includes the Senior Minister and other leaders so designated by the Senior Minister. The Board expects the Senior Minister:

- To lead and unify the paid and volunteer staff in directing their efforts toward the fulfillment of the Church's mission, vision and goals.
- To ensure compliance with the bylaws, Board policies, and applicable laws and regulations.
- To uphold a high standard of ethical and professional conduct.
- To accomplish the goals contained in the Top Priority Areas by developing annual goals for the staff's work.
- To communicate with the Board about the work of committees or workgroups that support the Senior Minister and staff.
- To communicate with the Board about any significant emerging issues, problems, concerns or challenges that they are aware of within the church.

D. Staff Accountability

All staff members are ultimately accountable to the Senior Minister, who is accountable to the Board for their performance.

III. PERSONNEL MATTERS

The Church intends to be a fair, respectful, inclusive, supportive, antiracist and attractive employer, that provides a safe, positive and productive working environment where all staff feel that they and their work are valued.

- A. The HR Committee collaborates with the Senior Minister to develop key HR policies. The staff is expected to adopt and follow these policies in their work. The Senior Minister shall appoint a staff member to serve as the director of human resources.
- B. Before extending an offer for any staff leadership position, the Senior Minister will provide the Board with an explanation for the hiring recommendation. The Senior Minister will work with the President to determine the appropriate role for the Board in the hiring process.
- C. The Senior Minister may create and fill temporary positions that are expected to extend no longer than 3 months in duration, provided they can be funded within the established budget. Otherwise, new positions will be discussed/approved by the Board during the annual budget process.
- D. All employees shall be paid a fair wage. One significant factor that shall be considered when establishing what constitutes a fair wage is the living wage schedules available regionally. In years when a full compensation analysis is not completed for any particular position, consideration should be given to providing employees a cost of living increase reflecting Seattle's cost of living increases.

- E. Except in emergency circumstances, no staff member shall be terminated until the HR Committee has been briefed on the circumstances that led to the termination decision and the Senior Minister has discussed the matter with the President of the Board.

IV. FINANCE MATTERS

The Church intends to manage its funds and financial matters with prudence, working to ensure the sustained financial stability of the Church and its operations.

- A. Finance Policies. The Finance Committee collaborates with the Senior Minister to develop key finance policies. The staff is expected to adopt and follow these policies in their work. Finance policies must address:
 - 1. The prudent management of and use of operating funds.
 - 2. The prudent investment of any capital funds, and the use of any unrestricted principal and earnings from such funds.
 - 3. The prudent investment of any endowment or quasi-endowment funds, and the use of any unrestricted principal and earnings from such funds.
 - 4. Whether and how to encumber any church real property.
 - 5. Church accounting and financial controls consistent with accepted best practices for churches of comparable size.
 - 6. Whether and under what circumstances to accept gifts.
 - 7. Any other topics that the Finance Committee identifies as fiscally prudent.
- B. Budget. Each year the staff will present a one-year operating budget and a five-year operating expense projection and capital replacement plan.
 - 1. Proposed budgets will be based on the Top Priority Areas and any strategic plan currently in effect.
 - 2. Absent Board approval, cash operating reserves will be targeted at or above 25 percent of the annual budgeted expenditures.
 - 3. The staff will provide the Finance Committee with the proposed budget in sufficient time for the Committee to review and recommend the proposed budget by March 31 of each year.
 - 4. When presenting a budget to the Board the Senior Minister will express an opinion whether it is adequate to fulfill the Top Priority Areas.

- C. Care for Material Resources. The staff will use reasonable care to prevent harm to the Church's financial assets, property, credit, and tax exemptions; develop practices and procedures designed to prevent such harm; and report promptly to the Board on any significant shortcomings in their implementation.
- D. Spending Authority. The Senior Minister is responsible for all spending out of Church accounts, subject to the following limitations:
1. Donor-restricted funds will be used in accordance with donor restrictions and Board-designated funds will be used in accordance with Board-imposed designations.
 2. If the staff foresees any material deviation from budgeted spending, the staff will promptly inform the Board and recommend options for adjusting the budget.
 3. The Senior Minister may approve overspending by up to 15 percent over the budgeted amount in any major budget category, provided overall spending remains within budget and the adjustment is promptly reported to the Board.
- E. Board Approval. The following financial activities require Board approval:
- Changing compensation for any staff position, or material changes to the benefits package.
 - Lending or borrowing funds, or purchasing, selling or encumbering real estate.
 - Appropriation of endowment or quasi-endowment funds
 - Opening or closing bank and investment accounts
- F. Asset Protection. The staff will take reasonable care to ensure that Church assets are protected from waste, loss or theft, including:
1. Maintaining adequate insurance to protect against property losses, liability for injuries to others, corporate liability, and Directors & Officers insurance.
 2. Maintaining Church property and equipment to keep it in working order, subject to reasonable wear and tear.
 3. Reasonably protecting Church intangible property, including intellectual property, electronic data, and paper files from significant damage or loss.
 4. Maintaining written procedures governing the backup, retention, and destruction of Church records, with appropriate retention periods for classes of records in both paper and electronic forms.

- G. Financial Audit. At least every three years, or as required by a financial institution, the Board will engage a qualified professional to conduct an audit of the Church's financial records and report in writing to the Board.

V. CARE FOR MEMBERS AND GUESTS

The Church intends to be a respectful, inclusive, supportive, antiracist and welcoming religious organization that affirms and promotes the UU principles.

- A. Responsibility. The staff is responsible for creating and maintaining conditions and practices to ensure members, guests, program participants, and Church partners/collaborators are treated respectfully in a safe, dignified, non-intrusive manner with appropriate confidentiality.
- B. Physical Conditions. The staff is responsible for maintaining Church facilities in a safe, sanitary, accessible and secure condition, including promptly responding to any known hazards; for maintaining appropriate plans for responding to reasonably foreseeable emergencies; for obtaining appropriate property, accident and other forms of insurance.
- C. Disruptive Behavior. In order to sustain an atmosphere that is truly open to a wide variety of individuals, the Church must firmly and promptly address behavior that compromises the physical or emotional safety of any adult or child or discourages the free exchange of opinions and beliefs. Complaints or concerns about conduct that may violate the requirement shall be directed to the Senior Minister. The Senior Minister shall evaluate the situation and can take any immediate action the Senior Minister believes is necessary, including termination of Church employment or membership. The Senior Minister shall report any such situation to the Board no later than its next, regularly scheduled Board meeting, including any plans for non-urgent follow up actions that are planned.
- D. Child Protection. Because of the Church's special responsibility for children and youth in its care, the staff must maintain and enforce clear procedures for the selection, training, and supervision of anyone who works with persons age eighteen and younger.
- E. Firearms. Firearms are not permitted on Church property except those of on-duty law enforcement officers.

VI. COMMITTEES/TEAMS

The following groups will exist at UUC and have connections to the Board as described below. (These groups may also have connections to the staff, and there may be other groups that have connections to the staff and do not have connections to the Board.) Each of these groups will periodically (and at least annually) update the Board on their work, as requested by the Board President or at the request of the group. The Board and the Senior Minister shall collaborate on a process for regularly identifying members for each committee and, if applicable, in the selection

of the committee chair. The groups will establish their own processes and cadence for completing their assigned responsibilities.

- A. Equity: assists the Board and the Executive Team in fostering a supportive environment at UUC for learning, conversation and institutional change on issues of multicultural competence, diversity, inclusion and equity, serving as a resource and consultant in these areas, organize congregational learning and faith formation opportunities in these areas, and develop and work to achieve specific goals in these areas. A Board Member shall serve as liaison to this committee.
- B. Finance: assists the Board and the staff in developing all appropriate finance policies; ensures compliance with existing policies; advises and reviews short and long term investment strategies; assesses short and long term financial operations and coordinates the audit process. Serves as a resource for finance matters for the staff leadership. Collaborates with other Committees, such as the Facilities Committee and the Stewardship Committee to ensure appropriate financial resources for the Church. The Treasurer shall serve as liaison to this committee.
- C. Governance: assists the Board by focusing on core governance and Board composition issues, ensuring that the Board can fulfill its fiduciary responsibilities through adequate skills, training and knowledge. The governance committee should be composed of board members and, as needed, non-board members with a variety of backgrounds, including legal experience. In general, the committee is responsible for:
 - Supporting the Board with processes and best practices relating to Board and minister evaluation, succession planning, and minister compensation.
 - Providing Board education and training.
 - Monitoring conflict of interest matters.
- D. Human Resources assists the Board and the staff in developing personnel policies appropriate for an employer of our type and size; consults with the staff regarding current best practices, and ensures compliance with applicable laws. Serves as a resource for leadership staff in HR matters. Consults with the Director of Operations regarding compensation and benefits. Committee members may participate in hiring or termination processes at the request of the Senior Minister. When it is necessary to hold a hearing on a staff grievance, the Board will appoint an ad hoc committee to do so. A Board Member shall serve as liaison to this committee.
- E. Leadership Development is established pursuant to the Bylaws. [Assuming the Bylaws Changes are adopted, “The Board member who chairs the Nominating Committee shall seek input from this Committee when seeking candidates for elected positions.
- F. Stewardship: assists the Board and the staff in cultivating and deepening a culture of giving and abundance, encouraging the present and future generosity of congregants and friends, assisting in the development of and successful accomplishment of tactical and

strategic goals in these areas. Partner with the Facility and Finance Committees to ensure sufficient funds for church operations and building-related needs. Lead the annual fund drive. A Board Member shall serve as liaison to this committee.

VII. MUTUAL ACCOUNTABILITY

- A. Annual Process: On an annual basis, the Board and Senior Minister engage in the following:
1. The Board prepares an assessment of the Senior Minister, addressing the following questions:
 - What is the status of UUC's progress on the key priorities?
 - What are the Senior Minister's strongest contributions as relates to UUC's pursuit of its mission?
 - Where/how could the Senior Minister's contributions to the mission be strengthened?
 - Where do the strengths of the Board and Senior Minister complement each other, where are the gaps?
 2. The Board and Senior Minister assess the Board's performance, addressing the following questions:
 - What is the status of UUC's progress on goals relating to the Open Questions?
 - What are the Board's strongest contributions as relates to UUC's pursuit of its mission?
 - Where/how could the Board's contributions to the mission be strengthened?
 - Where do the strengths of the Board and Senior Minister complement each other, and where are the gaps?
- B. Continuous Monitoring: Throughout the year, the Board and Senior Minister will assess the health of UUC through tracking and reporting progress. The monitoring process will be organic and respond to the current issues facing the church. Initially we anticipate monitoring in the following areas:
- Membership and Outreach Health
 - Annual reporting of UUC's members & friends as defined in our UUA Certification reporting
 - Monthly reporting of weekly Service Attendance
 - Monthly reporting of church program attendance in large and small groups (excluding Sunday worship services which are included above). Where possible, delineate members and non-members.
 - Engagement Data

- To be determined

- Equity and inclusion metrics
 - Partnerships/Relationships/Resource Sharing across lines of difference within the wider community
 - Relationships fostered with organizations and leaders of Equity work outside of UUC
 - Involvement of youth and young adults in leadership and decision making
 - Relationships built between Equity and other areas of UUC
 - Policies, Practices, and Programs developed that include an Equity and Anti-Racism lens

- Financial Health
 - Quarterly Review of Income and Expenses with written narrative
 - Annual Review of prior year's Actuals-to-Budget
 - Quarterly Review of Investment Performance
 - Quarterly Review of Pledges and Revenues
 - Annual Review of updated 5 Year Financial Outlook which includes 2 years back and 3-5-year projections
 - Commission and Review of Audit per Finance Policies

- Staff Health
 - To be determined

- Board Health
 - To be determined

- Priority Areas
 - To be determined