

Jefferson Unitarian Church

Governing Policies

1 GOVERNANCE PROCESS

The Board of Trustees is responsible to the moral owners of Jefferson Unitarian Church to ensure that the Congregation fulfills its mission and furthers its ministry with an efficient and effective use of resources and within the boundaries of legal and ethical behavior.

1.1 MORAL OWNERS

The moral owners of Jefferson Unitarian Church are:

1. Current and future members of the church and their children
2. The mission of the church
3. Our Unitarian Universalist history and tradition
4. Our founding members' legacy
5. The community we serve

1.2 GOVERNING STYLE

The Board will govern lawfully and faithfully in accordance with JUC's Bylaws, as well as JUC's Covenant of Respectful Relationships. The Board will govern with an emphasis on unified strategic leadership, within the discipline of its process and the guidance of its policies.

Accordingly:

- 1.2.1 The Board will govern the congregation by means of the careful establishment of broad written policies reflecting the moral owners' values.
- 1.2.2 The Board will distinguish between strategic outcomes and the means of achieving them and focus its work on defining strategic outcomes, not the administrative or programmatic means of achieving them.
- 1.2.3 The Board will hold itself to a standard of excellence, being disciplined about such matters as attendance, preparation, policy-making principles, respect of roles, and ensuring continuance of governance capability.

1.3 BOARD JOB DESCRIPTION

The Board articulates, in conversation with the moral owners, what difference the church makes in people's lives, and empowers and monitors the ministry to ensure that vision is made real. The Board:

- 1.3.1 Engages in systematic, intentional conversation with its moral owners to inform its work.
- 1.3.2 Establishes and maintains governing policies that address each category of organizational decision-making:
 - 1.3.2.1 *Strategic Outcomes: Statements that answer the following questions:*
 1. What difference do we make?
 2. For which people?
 3. At what cost or priority?
 - 1.3.2.2 *Governance Process: Specification of how the Board conceives, carries out, and monitors its own task.*
 - 1.3.2.3 *Board-Senior Minister Relationship: How authority is delegated and its use is monitored.*
 - 1.3.2.4 *Senior Minister Limitations: Constraints on Senior Minister authority that establish the prudent and ethical boundaries within which all decisions and activities must take place.*
- 1.3.3 Establishes procedures and processes to monitor compliance with policies.
- 1.3.4 Reviews and approves the annual Church budget.
- 1.3.5 Establishes procedures and processes regarding the adoption of stands on moral and ethical issues on behalf of the Church.
- 1.3.6 Serves as legal and fiduciary representative of the Church under relevant law and Bylaws.

1.4 PROCESS PLANNING/BOARD PRACTICE

The Board will follow a practice that:

1. Annually reviews and monitors Board policies
2. Regularly re-explores Strategic Outcomes policies in conversation with its moral owners.
3. Continually improves the Board performance through education
4. Allows adequate time for consideration of issues brought to its attention

1.5 ROLES OF BOARD OFFICERS

The bylaws establish President, Vice-President, Secretary, and Financial Officer as the officers of the Board of Trustees and describe their roles.

1.5.1 Role of the President

In addition to the duties and responsibilities listed in the by-laws the president is responsible for ensuring the integrity of the board's processes.

Accordingly, the President:

- 1.5.1.1 *Has authority to make decisions that fall within the Governance Process and Board-Senior Minister Relationship policies. The President is authorized to use any reasonable interpretation of these policies.*
- 1.5.1.2 *Has no authority to make decisions within the board's Strategic Outcomes or Executive Limitations policies. Therefore the President has no authority to supervise or direct the Senior Minister.*
- 1.5.1.3 *Manages the board meeting agenda and process so that the board only spends time on those issues that, according to board policy, clearly belong to the board to monitor or decide.*
- 1.5.1.4 *Manages board process so that deliberation is fair, open and thorough and also timely, orderly, and to the point.*

1.5.2 Role of the Vice-President

The Vice-President supports the President as described in the by-laws.

1.5.3 Role of the Secretary

In addition to the duties and responsibilities listed in the by-laws, the secretary will ensure that policy changes are recorded in a timely manner and will rigorously follow Policy Governance principles. The secretary ensures the integrity of the board's records including official decisions.

- 1.5.3.1 *If requested by the Board, the Senior Minister will appoint a recording secretary (non-Board member) to support the Secretary.*

1.6 BOARD MEMBERS CODE OF CONDUCT

Board members commit themselves to lawful, ethical conduct, including proper use of authority. In addition to duties and responsibilities in the by-laws they must:

- 1.6.1 Not exercise individual authority over the organization or in their interactions with the Senior Minister, staff, and the public
- 1.6.2 Speak and act with one voice in support of Board decisions, regardless of individual Board Members' positions.
- 1.6.3 Maintain 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.
- 1.6.4 Avoid conflict of interest

- 1.6.4.1 *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.*
- 1.6.4.2 *Members will annually disclose their involvements with other organizations, with vendors, or any associations that might be or might reasonably be seen as being a conflict.*
- 1.6.4.3 *Members must not use their positions to obtain church employment for themselves, family members, or close associates.*
- 1.6.4.4 *A board member who applies for employment must first resign from the Board.*
- 1.6.5 Be committed to Board duties. Board members shall:
 - 1.6.5.1 *Come prepared to all board meetings, including special meetings called by the President and board retreats.*
 - 1.6.5.2 *Attend church services and functions on a regular basis.*
 - 1.6.5.3 *Support the spiritual growth of the congregation.*
 - 1.6.5.4 *Serve as the designated Board Representative for worship services at all campuses.*

1.7 BOARD COMMITTEE PRINCIPLES

The Board may establish committees to help carry out its responsibilities. Committees will be used so as to minimally interfere with the wholeness of the Board's job, and so as never to interfere with delegation from Board to Senior Minister.

1.8 COST OF GOVERNANCE

As the change in governance will require new skills in board members, the Board will plan accordingly. Therefore costs will be incurred as necessary for such items as:

- a. Training, including attendance at conferences and workshops,
- b. Consultations with outside experts,
- c. Board outreach activities.

1.9 HANDLING ISSUES OF CONCERN

The members of the JUC Board have an ongoing duty to listen to and be in conversation with the congregation. The JUC Board will seek to understand issues of concern to the congregation and to bring such perspectives to Board deliberations, but will be autonomous in its decision-making process. 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. See figure 1 for a flow chart of the Board's issue resolution process.

1.9.1 Initial Responses to Issues of Concern

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. Individual Board members do not have the authority to make any representations that any specific 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.

1.9.2 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 Senior Minister 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.

The Board may refer people with issues of concern to the Committee on Ministry (COM) or to other resources. .

1.9.3 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.

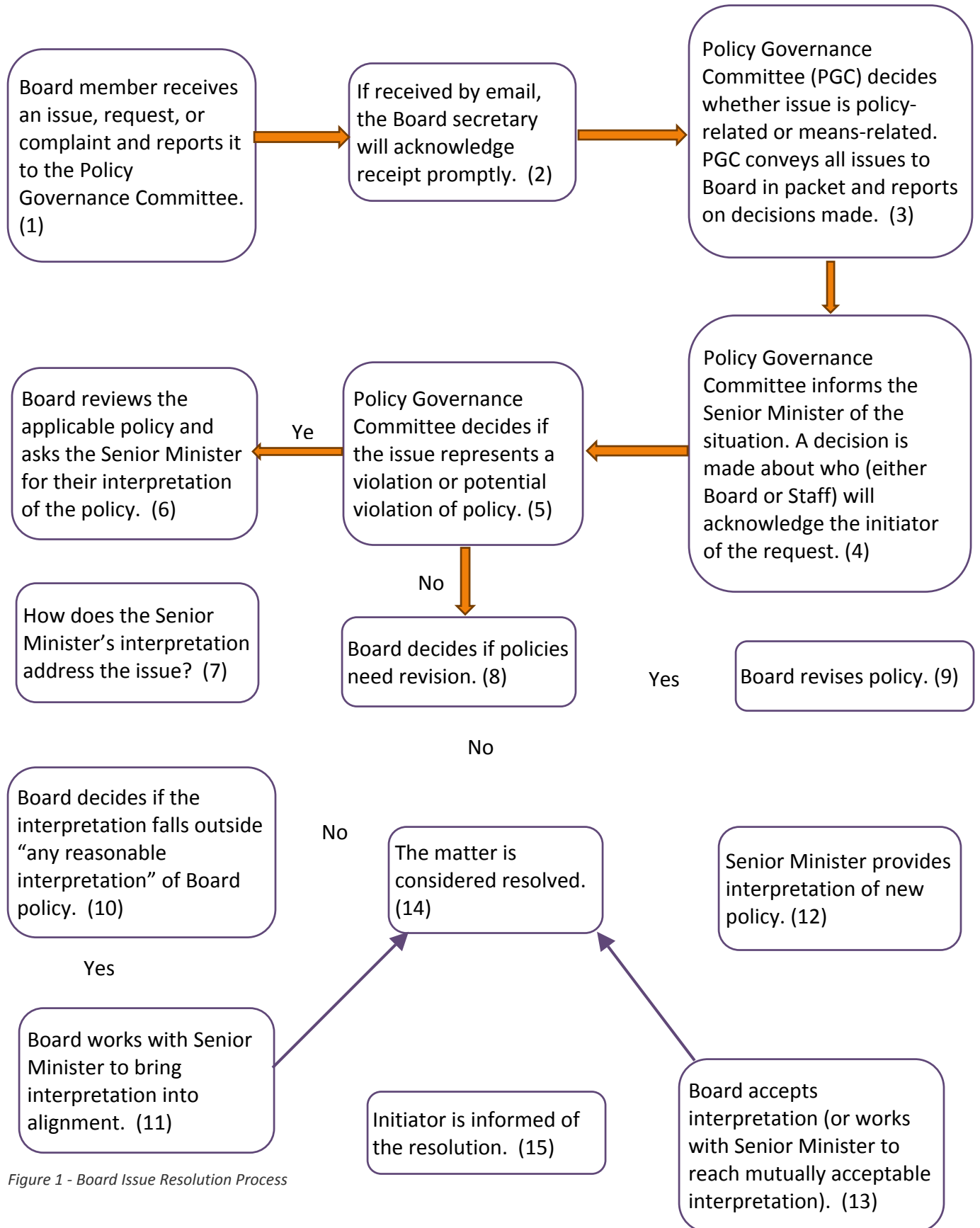


Figure 1 - Board Issue Resolution Process

(Numbers solely for linkage to text on following pages)

Issue Resolution Process

1. Board member receives an issue, request, or complaint and reports it to the Policy Governance Committee.
When in conversation with congregation members Board members use discretion or direct questioning to identify when issues are significant enough to be put through the issue resolution process. All emails are put through this process.
2. If received by email, the Board secretary will acknowledge receipt promptly.
By acknowledging receipt of emails promptly, all submitters are aware that their issue has been received and that the process has begun.
3. Policy Governance Committee decides whether issue is policy-related or means-related. PGC conveys all issues to Board in packet and reports on decisions made.
Means-related issues are referred to staff. Policy-related issues continue through the Board process. All issues are reported to the Board. This decision affects further steps in this process.
4. Policy Governance Committee informs the Senior Minister of the situation. A decision is made about who (either Board or Staff) will acknowledge the initiator of the request.
In general, Staff will communicate about means issues and Board members will communicate about policy issues. However, in the overlap (that “area of discernment”) either might be more appropriate. This acknowledgement would be the first for non-email received issues and would be second and descriptive of next steps for those who have already received an initial acknowledgement.
5. Policy Governance Committee decides if the issue represents a violation or potential violation of policy.
If the issue is policy-related, the issue is examined to determine next steps for issue resolution. (Yes to 6; No to 8)
6. Board reviews the applicable policy and asks the Senior Minister for their interpretation of the policy.
If the PGC considers this a possible violation of policy, the Board asks the Senior Minister for an interpretation of the policy.
7. How does the Senior Minister’s interpretation address the issue?
The Board reviews the Senior Minister’s interpretation and how it applies to the issue submitted. (To 10)
8. Board decides if policies need revision.
(From 5) If the issue is not a violation of existing policies, the Board considers whether it identifies a missing or incomplete policy. (Yes to 9; No to 14)

9. Board revises policy

If the issue has identified the need for a new policy or a change to an existing one, the Board acts, possibly through the Policy Governance Committee, to generate the new or revised policy.

10. Board decides if the interpretation falls outside “any reasonable interpretation” of Board policy.

Under Policy Governance the Senior Minister is empowered to enact any reasonable interpretation of Board Policy. The Board reviews the provided interpretation. If it is considered reasonable, then there is no further Board involvement required (go to 14); if not, step 11.

11. Board works with Senior Minister to bring interpretation into alignment.

If the Board feels the interpretation is not reasonable, discussions with the Senior Minister will clarify the Board’s intent and help the Senior Minister better understand the policy and bring the interpretation into alignment with the Board’s intent.

12. Senior Minister provides interpretation of new policy.

(From 9) If the Board has revised or written a new policy in response to the issue, the Senior Minister then provides an interpretation of that policy.

13. Board accepts interpretation (or works with Senior Minister to reach mutually acceptable interpretation).

The Board reviews the Senior Minister’s interpretation of the new policy, and they work together to ensure that the interpretation is aligned with the Board’s intent.

14. The matter is considered resolved.

If it is determined that the policy has been properly interpreted and that no action is needed, or once policies and interpretations are aligned and a resolution is identified, the matter is closed.

15. Initiator is informed of the resolution.

The initiator is informed of the resolution, whether a policy has been changed, or if the issue is determined to have been within policy.

2 BOARD-SENIOR MINISTER RELATIONSHIP

The Board's official connection to Church operations, achievements, and conduct is through the Senior Minister. This clear distinction between the Board's function and the Senior Minister function is essential for effective governance of the Church. This clarifies who makes decisions, leads to transparency in decision-making, and builds trust among members and between members and staff.

2.1 UNITY OF CONTROL

Only official policy decisions of the board are binding on the Senior Minister.

- 2.1.1 Decisions or instructions of individual Board members, officers, committees or congregation members are not binding on the Senior Minister except in instances when the Board has specifically delegated the exercise of such authority.
- 2.1.2 The board will give instructions only to the Senior Minister or designee, so as not to interfere with instructions to persons who report directly or indirectly to the Senior Minister.
- 2.1.3 The Board will only evaluate the Senior Minister, so as not to interfere with evaluations of other staff.

2.2 ACCOUNTABILITY OF THE SENIOR MINISTER

As the Board's sole official connection to church operations, the Board holds the Senior Minister accountable for organizational operations, achievement and conduct. Accordingly, any authority or accountability delegated to paid staff and volunteers is considered by the Board to be derived from the authority and accountability of the Senior Minister, and ultimately a responsibility of the Senior Minister.

Accordingly,

- 2.2.1 The Board will view Senior Minister performance as identical to organizational performance, achievement and conduct.
- 2.2.2 The Senior Minister's performance will be evaluated in the following areas:
 - a. Accomplishment of organizational outcomes and conduct as stated in Board policies.
 - b. Organization operation and conduct within the boundaries of prudence, ethics and values established in Board policies on Senior Minister Limitations.

- c. Appropriate delegation of power.

2.3 DELEGATION TO THE SENIOR MINISTER

The Board directs the Senior Minister through written policies that identify the Strategic Outcomes the organization should achieve and provides Limitations on how those Strategic Outcomes can be achieved. The Senior Minister is allowed to use any reasonable interpretation of these policies. However, the Board may change its policies when it sees the need.

Accordingly:

- 2.3.1** As long as the Senior Minister uses any reasonable interpretation of the Board's Strategic Outcomes and Senior Minister Limitations, the Senior Minister is authorized to establish further policies, make decisions, take actions, establish practices, and develop activities. The Board will respect and support such decisions of the Senior Minister.
- 2.3.2** Senior Minister authority does not extend to supervising, interpreting Board policies to, or otherwise directing the president, individual trustees, or Board subgroups regarding Board policy.
- 2.3.3** A single limitation at any given level does not limit the scope of any previous level.
- 2.3.4** The aggregate of limitations on any given level does not comprise the entirety of the previous level unless so determined by the Board.
- 2.3.5** The Board will avoid involvement in routine administrative matters and will develop and maintain a clear distinction between the roles of the Board and the Senior Minister.

2.4 MONITORING SENIOR MINISTER PERFORMANCE

Senior Minister performance monitoring is solely measured through the execution of Strategic Outcomes subject to the Limitations established by the Board.

- 2.4.1** The Board will acquire monitoring data by one or more of the following methods:
 - a) By internal report, in which the Senior Minister discloses compliance information to the Board;
 - b) By external report, in which an external, disinterested third party selected by the Board assesses compliance with Strategic Outcomes and Limitations;
 - c) By direct Board inspection, in which a designated member or members of the Board or designees assess compliance with the appropriate Board policy.
- 2.4.2** In every case, the standard for compliance shall be any reasonable interpretation by the Senior Minister of the policy being monitored.
 - 2.4.2.1** *An interpretation is deemed reasonable if it does not violate any Limitation as determined by the Board.*
- 2.4.3** All policies that instruct the Senior Minister will be monitored at a frequency and by a method chosen by the Board. The Board can monitor any

policy at any time by any method, but will ordinarily depend on a routine schedule.

- 2.4.4 The JUC Board will strive to solicit opinions and factual information from sources within the congregation and the JUC staff to support monitoring of the Senior Minister.

3 SENIOR MINISTER LIMITATIONS

The Senior Minister shall be guided by Unitarian Universalist Principles and Practices and will:

- Lead a team of ministers, staff and volunteers,
- be limited to pursuit of goals that lead toward fulfillment of the congregation's stated mission,
- exercise freedom of the pulpit, and
- be expected to honor and fulfill our Covenant of Respectful Relations in interactions with individuals and groups.

The Senior Minister shall not cause or allow any organizational practice, activity, decision or circumstance that is unlawful, imprudent, or in violation of commonly accepted business and professional ethics and practices. The preceding clause does not prohibit participation in acts of conscience.

3.1 TREATMENT OF MEMBERS, FRIENDS, AND VISITORS

With respect to interactions with and among congregants, the Senior Minister shall not deliberately cause or allow conditions, procedures, or decisions that are unsafe, undignified, unjust unnecessarily intrusive, or that fail to provide the appropriate confidentiality or privacy.

Accordingly, the Senior Minister shall not:

- 3.1.1 Fail to provide appropriate, reasonable, and meaningful ways to inform congregants about programs and affairs of the Church
- 3.1.2 Fail to enable congregants to express their ideas and concerns, and
- 3.1.3 Fail to involve congregants in organizing activities, and in developing and operating programs;
- 3.1.4 Elicit information for which there is no clear purpose.
- 3.1.5 Allow for the violation of appropriate confidentiality in matters of personal concern of congregants and staff.

- 3.1.6 Fail to provide a reasonable level of safety, upkeep, accessibility, and functionality for the facilities.
- 3.1.7 Operate without safety procedures.
- 3.1.8 Operate without an accessible process for congregant grievances and suggestions.
- 3.1.9 Allow use of the membership directory for commercial purposes.

3.2 TREATMENT OF STAFF

With respect to the treatment of paid and volunteer staff, the Senior Minister shall not cause or allow conditions that are unsafe, unhealthy, unprofessional or disrespectful. UUMA policies (<https://uuma.site-ym.com/?guidelines#SoPPIII>.) shall guide the Senior Minister's actions or decisions.

Accordingly, the Senior Minister shall not:

- 3.2.1 Operate without written personnel policies for staff that provide for clear definition of responsibilities, effective handling of employee evaluation and grievances, and protect against wrongful conditions such as harassment, nepotism and preferential treatment for personal reasons.
- 3.2.2 Prevent staff from grieving to the Board when:
 - a. internal grievance procedures have been exhausted or;
 - b. the employee alleges either that:
 - i. Board policy has been violated to the employee's detriment, or;
 - ii. Board policy does not adequately protect the employee's rights.
- 3.2.3 Allow staff to be uninformed as to their protections under this policy.
- 3.2.4 Discriminate among existing or potential staff/volunteers on a basis other than clearly job-related criteria, individual performance, or individual qualifications.
- 3.2.5 Violate JUC's values in staff interactions.

3.3 COMPENSATION AND BENEFITS

With respect to employment, compensation, and benefits to employees, consultants, and contract workers, the Senior Minister may not cause or allow jeopardy to fiscal integrity or public image. Accordingly, the Senior Minister may not:

- 3.3.1 Change the Senior Minister's compensation, benefits, or allocated professional expenses as established by the board.
- 3.3.2 Promise or imply permanent or guaranteed employment.
- 3.3.3 Establish current compensation and benefits that:

- a. Deviate negatively in a material way from applicable nonprofit or geographic market for the skills employed and from living wage guidelines.
 - b. Create obligations over a term longer than revenues can be safely projected, in no event longer than one year and in all events subject to losses of revenue.
- 3.3.4 Establish deferred or long term compensation and benefits that:
- a. Cause unfunded liabilities to occur or in any way commit the organization to benefits that incur unpredictable future costs.
 - b. Provide less than the UUA recommended level of benefits under the Fair Compensation Guidelines to all employees without justification.

3.4 FINANCIAL PLANNING /BUDGETING

The Senior Minister may not jeopardize either programmatic or fiscal integrity of the organization. Accordingly, the Senior Minister may not allow fiscal projections that:

- 3.4.1 Contain too little detail to enable reasonably accurate projection of revenues and expenses, separation of capital and operational items, cash flow and subsequent trails, and disclosure of planning assumptions.
- 3.4.2 Plan the expenditure in any fiscal year of more funds than are conservatively projected to be received in that period, absent legitimate articulated reasons and Board approval.
- 3.4.3 Do not separately present a plan for capital expenditures and the means to pay for them. Capital expenditures are all repayments of debt and any building additions or equipment purchases over \$2,500.00 each.
- 3.4.4 Deviate materially from board-stated priorities and requirements (see Strategic Outcome policies) in its allocation among competing fiscal needs.
- 3.4.5 Inadequately fund maintenance and repair of Church facilities in accord with prudent practice.
- 3.4.6 Impede JUC from being a UUA full fair share congregation.
- 3.4.7 Fails to maintain an operating reserve of 2 months operating costs by the year 2021.

3.5 FINANCIAL CONDITIONS AND ACTIVITIES:

The Senior Minister shall not cause or allow the development of fiscal jeopardy or allow material deviation of actual expenditures from Board priorities established in the Strategic Outcomes.

Accordingly, the Senior Minister shall not:

- 3.5.1 Operate without written policies guiding the prudent investment of Church reserves and restricted funds.

- 3.5.2 Operate without adequate accounting controls (including periodic audits) and procedures that are maintained and documented.
- 3.5.3 Operate without procedures that authorize and coordinate fundraising that is done on behalf of JUC or on JUC property or by any JUC group for any other purpose.
- 3.5.4 Allow annual operating expenses to exceed 105% of the budget.
- 3.5.5 Allow actual allocation to deviate materially from congregationally approved budget priorities.
- 3.5.6 Assume any long-term indebtedness.
- 3.5.7 Undertake transactions exceeding \$10,000 without seeking multiple bids or cost comparisons.
- 3.5.8 Enter into any purchase or service contract exceeding \$25,000.
- 3.5.9 Expend any restricted or designated funds for purposes other than those established when received without the donor's permission.
- 3.5.10 Acquire, encumber, or dispose of real property.
- 3.5.11 Accept or disburse gift income that is contrary to JUC's Mission, Values, Strategic Outcomes or Unitarian Universalist principles.
- 3.5.12 Operate without adequate funding for the costs incurred during the change to Policy Governance specifically:
 - a. Training, including attendance at conferences and workshops.
 - b. Consultations with outside experts.
 - c. Board outreach activities.

3.6 EMERGENCY SENIOR MINISTER SUCCESSION

Because of the risk of the sudden loss of the Senior Minister's services, the Senior Minister shall not allow there to be fewer than two other ministers or key leaders sufficiently capable to take over with reasonable proficiency as an interim successor to the Senior Minister at any time.

3.7 ASSET PROTECTION

With respect to proper stewardship of the corporation's assets, the Senior Minister may not risk losses beyond those necessary in the normal course of business. Accordingly, the Senior Minister may not:

- 3.7.1 Allow appropriate plans and policies for risk management, safety and security to fall out of date.
- 3.7.2 Subject facilities, premises, and equipment to improper wear and tear or insufficient maintenance, nor fail to provide for appropriate building security.
- 3.7.3 Unnecessarily expose the organization, its board, or staff to claims of liability, or risk its non-profit status.
- 3.7.4 Fail to protect intellectual property, information, and files from loss or significant damage, or the lack of application of appropriate documentation and retention standards.

- 3.7.5 Receive, process, or disburse funds under controls that are insufficient to meet reasonable accounting standards.
- 3.7.6 Invest or hold operating capital in insecure instruments, including uninsured checking accounts and bonds of less than AA rating, or in non-interest-bearing accounts except where necessary to facilitate ease in operational transactions.
- 3.7.7 Endanger the organization's public image or credibility, particularly in ways that would hinder its accomplishment of mission or its ability to accomplish its Strategic Outcomes.
- 3.7.8 Endanger the organization's tax-exempt, not-for-profit status under federal and state laws.

3.8 COMMUNICATION AND COUNSEL TO THE BOARD

The Senior Minister shall not cause or allow the Board to be uninformed or unsupported in its work. Accordingly, the Senior Minister shall not:

- 3.8.1 Submit inaccurate, misleading, and delinquent Board policy monitoring reports as requested and scheduled by Board.
- 3.8.2 Disregard relevant trends, significant concerns, material external and internal changes of the congregation, facility, or faith tradition, particularly changes in the assumptions upon which any board policy has previously been established.
- 3.8.3 Allow the Board to be uninformed of any actual or anticipated noncompliance with any Strategic Outcomes or Senior Minister Limitations policy of the Board;
- 3.8.4 Withhold advice if, in the Senior Minister's opinion, the Board is not in compliance with the Bylaws or its own policies or if the Senior Minister considers the Board to be acting to the detriment of the relationship between Board and Senior Minister;
- 3.8.5 Allow a complete and current set of all Board and Senior Minister policies to be inaccessible to all Church members;
- 3.8.6 Make public statements about the official position of the congregation or board on controversial social, political, and/or congregational issues unless the congregation or board has formally and explicitly adopted a position of record. Nothing in this policy shall be construed to infringe upon the fundamental principle of freedom of the pulpit.