

Unitarian Universalist Church of Charlotte

Governing Policies

Revised June 2020

I. Ends Statements

#1 We are a sanctuary for those on a liberal religious path and a beacon of progressive thought and action in the larger Charlotte community.

#2 We are a joyful, dynamic community of people who care about and are connected to each other. Here people are welcomed, heard, included and respected.

#3 We cultivate lives of generosity and responsibility, sharing our personal abundance.

#4 We are intentionally growing in our diversity as a congregation, each of us working with others to overcome the barriers that divide the human family.

#5 We strive for peace, justice and equity in our hearts, our interpersonal relationships, our community and our world.

II. Coordinating Team Limitations

1. General Coordinating Team Constraints

The Coordinating Team shall not cause or allow any practice, activity, decision or organizational circumstance that is imprudent or in violation of: our Unitarian Universalist principles, the Bylaws of the Unitarian Universalist Church of Charlotte (UUCC), the UUCC's mission statement, commonly accepted business and professional ethics or any laws.

B. Staff Treatment

Dealings with staff and volunteers shall not be inhumane, unfair or disrespectful. Accordingly, the coordinating team may not:

1. Discriminate against staff or differentiate on other than clearly job-related, individual performance or qualifications.
2. Subject staff to unsafe or unhealthy conditions.
3. Withhold from staff a due-process grievance procedure, able to be used without recrimination.
4. Prevent staff from expressing a grievance to the Board when: a) internal grievance procedures have been exhausted and b) the staff member alleges either that (i) Board policy has been violated to his/her detriment or (ii) Board policy does not adequately protect his/her human rights.

C. Compensation and Benefits

With respect to employment, compensation and benefits to employees, consultants, contract workers and volunteers, the Coordinating Team may not cause or allow jeopardy to fiscal integrity or public image. Accordingly, the coordinating team may not:

1. Change their own compensation and benefits as established by the Board.
2. Promise or imply permanent or guaranteed employment.
3. Establish current compensation and benefits that:

1. Deviate materially below the Unitarian Universalist Fair Compensation Guidelines and/or the geographic or professional market for the skills employed;
2. Create obligations over a term longer than revenues can be safely projected. In any event, compensation and benefits are always subject to adjustment based on budget shortfall.
4. Establish deferred or long term compensation and benefits that:
 - b. Cause unfunded liabilities to occur or in any way commit the organization to benefits which incur unpredictable future costs.
 - c. Provide less than some basic level of benefits to all full time employees, though differential benefits to encourage longevity in key employees are not prohibited.
 - d. Cause any employee to lose benefits already accrued.

D. Financial Planning

With respect to financial planning (budgeting for all or any remaining part of a fiscal period), the Coordinating Team may not jeopardize either programmatic or fiscal integrity of the organization. Accordingly, absent prior approval of the Board, it may not allow budgeting that:

1. Fails to provide to the Board a balanced budget proposal by a date specified by the Board.
2. Contains 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. Plans the expenditure in any fiscal year of more funds than are conservatively projected to be available in that period.
4. Results in a projected cash balance of less than \$50,000 at any time.
5. Deviates materially from Board-stated priorities (see *Ends* policies) in its allocation among competing budgetary needs.

E. Financial Condition

With respect to the actual, ongoing condition of the organization's financial health, the Coordinating Team may not cause or allow the development of fiscal jeopardy or material deviation from Board-stated priorities. Accordingly, without prior approval of the Board, it may not:

1. Expend more funds than have been received in the fiscal year to date unless receipt of additional funds to cover the year-to-date shortfall is highly likely.
2. Indebt the organization in an amount greater than can be repaid within 90 days by certain, otherwise unencumbered, revenues.
3. Make expenditures outside of the current fiscal year budget.
4. Fail to support the Board's goal of accumulating Long Term Reserves of at least \$250,000.
5. Borrow from restricted funds.
6. Allow cash to drop below the amount needed to settle payroll and debts.

F. Asset Protection

With respect to proper stewardship of the UUCC's assets, the Coordinating Team may not risk losses beyond those necessary in the normal course of business. Accordingly, it may not:

1. Fail to insure against theft, casualty losses to at least 80 percent replacement value and against liability losses to Board members, staff or the organization itself to at least the minimally acceptable prudent level.
2. Allow unbonded staff access to material amounts of funds.
3. Subject plant and equipment to improper wear and tear or insufficient maintenance.
4. Unnecessarily expose the organization, its Board or staff to claims of liability or risk the non-profit status.
5. Make on their own authority any purchases not provided for in either the capital or operating budgets. Make any purchase or enter into any contract of over \$1,000 without at least two competitive bids.
6. Receive, process, or disburse funds under controls insufficient to meet generally accepted accounting principles, or without segregation of duties that adequately protect against theft, fraud and other potential losses.
7. Invest UUCC funds in insecure instruments, including uninsured checking accounts and bonds of less than AA rating.
8. Fail to protect intellectual property, information, and files from significant damage or breach of confidentiality, excluding the work of ministers of the church who are the sole owners of their intellectual property.

G. Communication and Counsel to the Board

With respect to providing information and counsel to the Board, the Coordinating Team may not cause the Board to be uninformed or misinformed. Accordingly, it may not:

1. Fail to inform the Board of relevant trends, anticipated adverse media coverage, public events of the organization, or material external and internal changes, particularly where relevant to existing Board policy.
2. Fail to submit the data required by the Board policy "Monitoring Coordinating Team Performance" (Section IV.C).
3. Fail to present relevant information to the Board in a manner that is timely, accurate, complete, concise, and understandable and that facilitates decision making.
4. Fail to recommend changes in Board policies when believed to be needed.
5. Make public statements implying an official position of the congregation which have not been formally adopted by the congregation or the Board. Nothing in this policy shall be construed to infringe upon the freedom of the pulpit.
6. Communicate with individual Board members on matters that should be considered by the Board as a whole, except when responding to members duly charged by the Board.
7. Fail to report in a timely manner any actual or anticipated non-compliance with any policy of the Board.

H. Awarding Purchases or Other Contracts

1. There shall be no conflict of interest in awarding purchases or other contra

III. Governing Process

1. Governing Style

The Board will approach its task with a style that emphasizes strategic leadership more than administrative detail, clear distinction of Board and staff roles, future rather than past or present, and proactivity rather than reactivity. In this spirit, the Board will:

1. Focus chiefly on intended long term impacts (*Ends*), not on the administrative or programmatic means of attaining those effects.
2. Direct, control and inspire the organization through the careful establishment of the broadest organizational values and perspectives (policies). Policies will address:
 1. *Ends*: What benefits for which needs at what cost,
 2. *Coordinating Team Limitations*: Boundaries of prudence and ethics to be observed by Coordinating Team,
 3. *Governance Process*: Board role and responsibilities, and
 4. *Board-Coordinating Team Relationship*: Linkage between Board and Coordinating Team.
3. Enforce upon itself whatever discipline is needed to govern with excellence. Discipline will apply to attendance, policy making principles, respect of clarified roles, speaking with one voice and self-policing of any tendency to stray from governance adopted in Board policies.
4. Be accountable to the congregation for competent, conscientious and effective accomplishment of its obligations as a body. It will allow no officer, individual or committee of the Board to usurp this role or hinder this discipline.
5. Monitor, record, and regularly discuss the Board's process and performance to support the Board's competence.
6. Be an initiator of policy, not merely a reactor to staff initiatives. The Board, not the staff, is responsible for Board performance.

B. Board Job Contributions

The job of the Board is to make certain contributions that lead the congregation toward the desired *Ends*. Consequently, the Board serves the congregation by:

1. Representing and acting on behalf of the congregation in governing the UUC.
2. Writing and monitoring governance policies that, at the broadest levels, address:
 1. *Ends*: Objectives that will guide all activities of the UUC (what benefits, for whom, at what cost).
 2. *Coordinating Team Limitations*: Boundaries of prudence and ethics to be observed by the Coordinating Team.
 3. *Governance Process*: Specification of how the Board conceives, carries out, and monitors its own tasks.
 4. *Coordinating Team-Board Relationship*: How power is delegated and its proper use monitored.
3. Reviewing the structure and member composition of the Coordinating Team with the Minister(s) and making recommendations as appropriate and consistent with the Bylaws, including the approval of new Coordinating Team members.
4. The assurance of Coordinating Team performance (compliance with policies 2a, 2b and 2d above).

C. Role of the Chair

The Chair serves the Board by ensuring the integrity of its process. The Chair is the only person authorized to speak for the Board other than in specifically authorized instances.

1. The Chair ensures that the Board behaves consistently with its own rules and with those legitimately imposed upon it from outside the organization.
2. The Chair is empowered to chair Board and congregational meetings with all the commonly accepted power of that position (e.g. ruling, recognizing).
3. Board meeting discussion content will be only those issues that, according to Board policy, clearly belong to the Board, not the Coordinating Team.
4. Deliberation will be timely, fair, orderly and thorough, but also efficient and kept to the point.
5. The Chair's authority does not extend to supervising, interpreting Board policies to, or otherwise directing the Coordinating Team.

D. Board Members Code of Conduct

The Board expects of itself and its members ethical and businesslike conduct. This commitment includes proper use of authority and appropriate decorum in group and individual behavior when acting as Board members.

1. Board members must represent unconflicted loyalty to the interests of the congregation. This accountability supersedes any conflicting loyalty such as that to advocacy or interest groups and membership on other boards or staffs. This accountability supersedes the personal interest of any Board member acting as an individual member of the UUC.
2. Board members must avoid any conflict of interest with respect to their fiduciary responsibility.
 1. There must be no self-dealing or any conduct of private business or personal services between any Board member and the UUC except as procedurally controlled to assure openness, competitive opportunity and equal access to "inside" information.
 2. Board members must not use their positions to obtain for themselves, family members or close associates employment within the UUC.
 3. Should a Board member be considered for employment by the UUC, she or he must temporarily withdraw from Board deliberation, voting and access to applicable Board information.
 4. Should a Board member become employed by the UUC or act as a paid consultant, he or she must resign from Board service.
3. Board members may not attempt to exercise individual authority over UUC business except as explicitly set forth in Board policies.
 1. Board members' interaction with the Coordinating Team or with other staff must recognize the lack of authority in any individual or group of Board members.
 2. Board members, except for the Chair, must not attempt to speak for the Board in their interaction with the public, press or other entities.
 3. Board members will make no judgments of the Coordinating Team or staff performance except as that performance is assessed against explicit Board policies by the official process.

E. 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 Coordinating Team.

1. Board committees may not speak or act for the Board except when formally given such authority for specific and time-limited purposes. Such authority will be carefully stated so as not to conflict with authority delegated to the Coordinating Team.
2. Board committees are to help the Board do its job, not to help the staff do its jobs.
3. If a Board committee is used to monitor organizational performance in a given area, the same committee will not have helped the Board create policy in that area. This is to prevent committee over-identification with an organizational part rather than the whole.
4. Board committees cannot exercise authority over staff and will not ordinarily have direct dealings with current staff operations. Further, the Board will not impede its direct delegation to the Coordinating Team by requiring approval by a Board committee before any staff action. The Coordinating Team works for the Board, never for a Board committee or officer.
5. This policy applies only to committees which are formed by Board action, whether or not the committees include non-Board members. It does not apply to committees formed under the authority of the Coordinating Team.

IV. Board – Coordinating Team Relationship

1. Delegation to the Coordinating Team

The Board's responsibility is generally confined to establishing topmost policies, leaving implementation and subsidiary policy development to the Coordinating Team. *Ends policies* direct the Coordinating Team to achieve certain results. *Coordinating Team Limitations* policies constrain the Coordinating Team to act within acceptable boundaries of prudence and ethics. All Board authority delegated to staff is delegated through the Coordinating Team so that all authority and accountability of staff can be understood as authority and accountability of the Coordinating Team.

1. The Coordinating Team is authorized to establish all further policies, make all decisions, take all actions and develop all activities that are true to the Board's policies. The Board may, by extending its policies, rescind areas of the Coordinating Team's authority. Otherwise the Board will respect the Coordinating Team's choices. This does not prevent the Board from obtaining information about activities in the delegated areas.
2. No individual Board member, officer, or committee has authority over the Coordinating Team. Information may be requested by an individual Board member or committee, but if such request, in the Coordinating Team's judgment, requires a material amount of staff time, or is in violation of Coordinating Team Limitation Policy II.G.7, it may be refused.
3. The Coordinating Team may not perform, allow or cause to be performed any act which is contrary to explicit Board constraints (see *Coordinating Team Limitations* policies).
4. Should the Coordinating Team deem it necessary to violate Board policy, they shall inform an officer of the Board. Informing is simply to guarantee no violation may be intentionally kept from the Board, not to request approval. Officer response, either approving or disapproving, does not exempt the Coordinating Team from subsequent Board judgment of the action nor does it impede any Coordinating Team decision.

2. Coordinating Team Contribution.

As the Board's single official link to the operating organization, the Coordinating Team is accountable for all organizational performance and exercises all authority transmitted into the organization by the Board. Coordinating Team performance will be considered to be synonymous with organizational performance as a total. Consequently, the Coordinating Team's contributions can be stated as performance in only two areas:

1. Accomplishment of congregational *Ends* as stated in Board policies choices. This does not prevent the Board from obtaining information about activities in the delegated areas.
2. Organizational operation within the boundaries of prudence and ethics established in Board policies on Coordinating Team Limitations.

3. Monitoring Coordinating Team's Performance

Monitoring Coordinating Team performance is synonymous with monitoring organizational performance against Board policies on *Ends* and on Coordinating Team Limitations. Monitoring will be systematic and efficient, using a minimum of Board time so that meetings can be used to create the future rather than review the past.

1. The purpose of monitoring is simply to determine the degree to which Board policies are being fulfilled.
2. A given policy may be monitored in one or more of the following ways:
 1. INTERNAL REPORT: Disclosure of compliance information to the Board from the Coordinating Team. Minimally required report content is described in the "UUCU Monitoring Schedule" section of this policy but content requirements may be expanded at the Board's discretion to properly monitor the Coordinating Team's effectiveness in achieving Board policies on *Ends Statements* and adherence to the *Coordinating Team Limitations* policy.
 2. EXTERNAL REPORT: Discovery of compliance information by a disinterested, external auditor, inspector or judge who is selected by and reports directly to the Board. Such reports must assess Coordinating Team performance only against policies of the Board, not the external party, unless the Board has previously indicated that party's opinion to be the standard.
 3. DIRECT BOARD INSPECTION: Discovery of compliance information by a designated Board member or committee or the Board as a whole. This inspection of documents, activities, or circumstances directed by the Board allows a "prudent person" test of policy compliance.
 4. SURVEYS: The Board may also survey membership and staff to assess the Coordinating Team's effectiveness in achieving Board policies on *Ends* and adherence to the *Coordinating Team Limitations* policy.
3. All policies that instruct the Coordinating Team 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.

4. Monitoring Schedule

Below is the listing of reports currently required to monitor the effectiveness of the Coordinating Team.

At least 3 days prior to the monthly Board meeting, Board members will receive all internal reports due that month from the Coordinating Team. The Board Chair and/or Board Secretary is

responsible for providing the Board with the monthly agenda and minutes of the prior Board meeting.

Policy	Method	Description	Frequency	Month Due
Ends	Internal Report	Written report as agreed upon by the Board and the Coordinating Team	Monthly	Monthly
	Direct Inspection	As observed by the Board with concerns presented to the Coordinating Team at monthly Board Meetings	Ongoing	Ongoing
	Survey	Annual survey performed as part of the Stewardship campaign	Annual	May
Staff Treatment	Internal Report	Written report describing any grievances which could potentially require Board involvement	Annual	October
	Direct Inspection	Ongoing observations by Board members of staff satisfactions with questions or concerns brought by the Board to the Coordinating Team.	Ongoing	Ongoing
	Survey	Staff satisfaction survey led by the Board.	Annual	February
Compensation & Benefits	Internal Report	Written report of staff positions correlated to UUA job titles and fair compensation standards.	Annual	May
Financial Planning	Internal Report	Proposed budget compared with current fiscal year's budget and either current YTD results or current full year forecast, presented for Board approval	Annual	April & May
	Internal Report	Proposed expenditures utilizing funds held in reserve for Board approval	Annual	May
Financial Condition	Internal Report	Year-end income and expense report compared with congregation-approved budget	Annual	August
	Internal Report	Year-end cash position including balance of funds held in reserve	Annual	August
	Internal Report	Stewardship campaign summary	Annual	July
Asset Protection	Internal Report	Summary of insurance coverage	Annual	January
Communication & Counsel	Internal Report	Written report to Board on matters requiring Board attention	As Needed	As Needed

