

All Souls Policy Governance Framework

(Revised May 2004, May 2006, October 2006, November 2010, December 2010)

Table of Contents:

Part I. Governance Process	2
<i>Section A. Global Governance Commitment</i>	<i>2</i>
<i>Section B. Governing Style.....</i>	<i>2</i>
<i>Section C. Board Job Description (revised 10/29/06)</i>	<i>4</i>
<i>Section D. Agenda Planning.....</i>	<i>5</i>
<i>Section E. Board Officers & Their Responsibilities.....</i>	<i>6</i>
<i>Section F. Board Members' Code of Conduct.....</i>	<i>9</i>
<i>Section G. Board Covenant</i>	<i>10</i>
<i>Section H. Complaints to the Board.....</i>	<i>12</i>
<i>Section I. Board Committee Principles.....</i>	<i>12</i>
<i>Section J. Cost of Governance.....</i>	<i>14</i>
Part II. Board-Executive Linkage – Revised 5/26/04 and 5/30/2006.....	15
<i>Section A. Global Board-Executive Linkage.....</i>	<i>15</i>
<i>Section B. The Executive Team</i>	<i>15</i>
<i>Section C. Unity of Control</i>	<i>15</i>
<i>Section D. Accountability of and within the Executive Team.....</i>	<i>16</i>
<i>Section E. Delegation to the Executive Team</i>	<i>17</i>
<i>Section F. Ministerial Compensation.....</i>	<i>18</i>
<i>Monitoring Executive Team Performance (bottom page. 19-20 in present document)</i>	<i>18</i>
<i>Overall Executive Constraint.....</i>	<i>20</i>
3. <i>Hiring, Retention and Treatment of Staff.....</i>	<i>21</i>
4. <i>Treatment of Volunteers.....</i>	<i>22</i>
2. <i>Financial Condition & Activities (page 26).....</i>	<i>23</i>
3. <i>Execution of Contracts (page 28)</i>	<i>24</i>
5. <i>Management of the Church's Grant Making Programs (page 29).....</i>	<i>25</i>
6. <i>Raising financial resources for the Church (page 29).....</i>	<i>25</i>
D. <i>Communications to the Board of Trustees and Congregation.....</i>	<i>26</i>
Appendix - Organizational Chart.....	1

Part I. Governance Process

Section A. Global Governance Commitment

- (1). The Board of Trustees will assure, on behalf of the congregation, that All Souls Church will make the best use of its resources to accomplish its mission and further the Church's ministry.
- (2). Our commitment to Policy Governance is motivated by our overriding commitment to free staff and congregational volunteer time and energy to pursue directly our Unitarian Universalist ministry.
- (3). We place particular importance on ensuring that:
 - a) Policy and congregationally approved long-term goals drive All Souls' ministry, and
 - b) Collaboration among all parts of the Church is essential to the Church's success in meeting its long-term goals.
- (4). The Board contemplates that its Goals, like all of the policies in this policy framework, will always be a "work in progress." Although the policies are and must be those of the Board, the back and forth exchange between the Board and the Executive Team, the Church Council and the congregation has and will continue to impact the Board's thinking, and therefore could lead to revisions of policies.
- (5). The Board will make an annual report to the congregation, at the Annual Meeting, with its evaluation of the Church's progress toward meeting its Goals and in carrying out all of the policies in this Policy Framework.

Section B. Governing Style

- (1). The All Souls' Board of Trustees will approach its task with a style which emphasizes responsiveness to its congregation, organizational vision rather than extraneous political or interpersonal issues, strategic leadership rather than administrative detail, clear distinction between Board and staff roles, encouragement of diversity in viewpoints, future rather than past or present, and proactivity rather than reactivity.
- (2). In this spirit, the Board will:
 - a) Focus chiefly on the long-term goals for the congregation's future, not on the administrative or programmatic means of achieving these goals. Implementation of policies to meet those Goals is the responsibility of the paid and volunteer staff, not the Board.
 - b) Direct, control and inspire the organization through the careful establishment of the broadest organizational values and perspectives (policies). Policies will address a) current goals, b) Executive Team limitations: boundaries of prudence and ethics to be observed by the Executive Team, c) Governance

Process: Board roles and responsibilities and d) Board/Executive Team Relationship: linkage between the Board and Executive Team.

c) Enforce upon itself whatever rules and discipline are needed to govern with excellence. Discipline will apply to policy-making principles, respect for defined roles and to attendance. After subjects have been discussed and voted upon as official motions, both the majority and minority will support the action taken and speak with one voice. The “one voice” principle makes it possible to ensure that the Board’s decision is clear and unambiguous. “One voice” requires all Board members, even those in the minority on a vote, to respect and fairly represent the decision that was made.

d) Be accountable to the congregation and other stakeholders for competent, conscientious and effective accomplishment of its obligations as a body. For example, on a quarterly basis, the Board will monitor and regularly discuss its own process and performance, and the Board will establish a procedure for disclosing and addressing Board violations of Church bylaws and other governance policies.

e) Encourage the elected Nominating Committee to recruit candidates from the congregation who reflect the diversity of our congregation, who are committed to serve the Goals of the Church, and who will seek to faithfully represent all of the interests of the Church.

f) Ensure the continuity of Board improvements through systematic treatment of its own institutional memory, including orientation of new Board members.

g) Cultivate a sense of group responsibility. The Board, not the staff, will be responsible for excellence in governing. The Board will be the initiator of policy, not merely a reactor to staff initiatives. The Board will use the expertise of individual members to enhance the ability of the Board as a body rather than to substitute individual judgments for the Board's values. The entire Board will take responsibility for Board commitments, regardless of the failure of any officer, individual member, or committee of the Board to meet a commitment.

h) Make a financial contribution according to one’s individual circumstances.

Section C. Board Job Description (revised 10/29/06)

(1). The job of the Board is to represent the congregation in determining and demanding appropriate organization performance.

Accordingly,

(2). The Board is the most formal governance-related link between the Church administration (Executive Team) and the congregation's membership.

(3). Based on substantial consultation with the All Souls membership, the Board will produce and update, as appropriate, written governing policies that, at the broadest levels, address each category of organizational decision. The policies are divided into four sections:

a) The first section contains Goals that deal with the mission, and vision of All Souls Church. They describe our current priorities, defining what needs are to be met and for whom. (What good are we doing for which people?) The Goals drive all Church work.

b) The second section presents "Governance Process" policies that describe how the Board itself will operate. They establish, in policy, a culture of performance to which the entire Board agrees.

c) The third section provides "Board-Executive Linkage" policies that define how the Board will monitor the accountability and performance of the Executive Team.

d) The last section outlines "Executive Limitations" to establish the limits and boundaries within which all executive activity and decisions must take place.

(4). Through regular monitoring, the Board will assess Executive Team performance against policies in 2(a) and 2(d).

(5). As part of its monitoring responsibility and following the overall delegation outlined under Financial Planning & Budgeting, the Board will review and then recommend an annual budget to All Souls membership. The Board will recommend to the membership a budget dividing anticipated expenditures among a small number of general categories, based on All Souls approved policies and priorities. The Board may, for the information of the membership, describe the anticipated expenditures in greater detail; but, in order not to interfere with the discretion of the Executive Team, the Board will recommend that the budget approved by the membership not include this additional detail.

(6). In addition to reviewing and then recommending the annual budget to the full congregation, the Board's fiduciary responsibility under policy governance will also include careful monitoring of the Executive Team's adherence to financial and asset management policies. The Board's Audit Committee will assist the full Board in this responsibility. Moreover, in consultation with the Audit Committee, the Board will

ensure that the Church undergoes an independent audit at least every three years, and more often if the Board and Audit Committee feel it necessary to do so.

(7). The Board will also consciously play a leadership role in supporting the Church's fundraising program and in overseeing the management of the Church's endowments.

Section D. Agenda Planning

(1). To accomplish its job with a governance style consistent with Board policies, the Board will follow a work plan that:

- a) Includes an annual review and report to the full congregation on the Church's performance in adhering to Board policies in the light of current operational issues,
- b) Includes an annual reassessment and report to the full congregation on the Church's performance in pursuing the Goals, and
- c) Focuses on how the Board is going to improve its own performance through Board education and enriched input and deliberation.

(2). Agendas and related documents for Board meetings, which will be sent to all Board members in advance of the meeting, will include the following components:

- a) **MINUTES:** Approval of the minutes of the previous meeting.
- b) **AFFIRMATION:** Board members affirm that they have received and read all reports since the last meeting. This is something that should not consume meeting time but that is important to assure that the Board members are carrying out their out-of-meeting responsibility to read information.
- c) **CONSENT AGENDA:** Approval of a particular item based on an attached (monitoring) report that was sent out since the last meeting. The consent agenda allows the Board to approve less complex items without discussion so that it can concentrate on larger and/or more difficult issues requiring its attention. Any item on the consent agenda, however, may be removed by a Board member for further discussion and/or action. Board action required by a donor's stipulation, e.g. recommendations for funding from the Beckner Fund or the A. Powell Davies Fund, may also be consent agenda items.
- d) **GOVERNANCE PROCESS:** Discussion and decisions on questions that were sent to Board members in advance of a scheduled meeting.
- e) **GOALS:** This agenda item involves the Goal where the Board is being educated about issues relevant to its ongoing cycle of reviewing and revising GOALS. This part of the agenda will take up the majority of the Board's time at [the pertinent] meetings.

- f) OTHER MONITORING: The Board will also periodically monitor its own and the Executive Team's compliance with the entire policy framework. At the beginning of each year, it will establish a schedule for all of its monitoring.
- g) NEXT MEETING: Review agenda and requirements. Here the Board reviews where it is in the annual cycle of Board leadership (monitoring), with emphasis on what preparation is necessary for the next meeting.
- h) SELF-EVALUATION: A Board member will compare this meeting with Governance Process Policy "Governing Style" with an eye towards confirming whether the Board is following its policies. The Board can rotate responsibility for doing this assessment at each meeting, addressing a different Board policy each time.
- i) ADJOURNMENT

Section E. Board Officers & Their Responsibilities

(1). The following Board officers are part of the shared ministry of the Church. As such, each officer has a special leadership role to play.

President

(2). The President of the All Souls Board of Trustees, selected each year by the Board itself, assures the integrity of the Board's process, chairs Board meetings, and represents the Board during new member ceremonies, ordinations and installations, and at occasional outside gatherings and meetings.

Accordingly

- (3). The Board President will assure that the Board behaves consistently with its own rules and those legitimately imposed upon it from outside the organization. **In particular:**
- a) Meeting discussion content will be only those issues which, according to Board policy, clearly belong to the Board to decide, not the Executive Team.
 - b) Deliberation will be fair, open, and thorough but also timely, orderly, and kept to the point.
 - c) Work is delegated, as appropriate, to different Board members and/or working groups.

- (4). The President is authorized to use any reasonable interpretation of the provisions in Board policies on Governance Process and Board-Executive Team Relationship, except where the Board specifically delegates portions of this authority to others.
- (5). The President is empowered to chair Board meetings, with all the commonly accepted power of that position (for example, ruling, recognizing). Roberts' Rules are observed except where the Board has suspended them.
- (6). Concerning the convening of meetings, the President shall give ample notice of meetings and may convene a meeting even if there is no formal quorum. However, no motion can be passed nor binding action taken unless approved by a number of trustees that represents a majority of the authorized Board. (Currently, that number is five.)
- (7). The President may choose to use email and/or telephone or fax communication to vote and make decisions on issues, but only in circumstances where the s/he has determined that the decision involved is virtually pro forma and non-controversial but of a time-sensitive nature, or that the Board cannot be convened before the decision must be made.
- (8). The President has no authority to make decisions about policies created by the Board within the Goals and Executive Limitations policy areas. Therefore, the President has no authority to supervise or direct the Chief of Staff or others on the Executive Team.
- (9). The President may represent the Board to outside parties in announcing Board-stated positions and in stating chair decisions and interpretations within the area delegated to her or him.
- (10). The President may delegate this authority but remains accountable for its use.

Vice President

- (11). Also selected by the Board, the Vice President shall act in the place of the President when the President is absent and shall take on special projects and assume other responsibilities consistent with the Board's goals, as agreed with the President..

Other Officers, Elected Directly by the Congregation

Moderator

- (12). In addition to the responsibility to help plan and to preside at annual and special meetings of the congregation, the Moderator chairs the Church Council, prepares the agenda for such meetings, and ensures that the Board and/or Executive Team is informed of any important issue raised in that forum.

Secretary

- (13). The Secretary shall take minutes at Board meetings and annual congregational meetings, compile and update policies and practices adopted by the Board, maintain lists of the membership of Board committees and notify Board committee appointees of their

appointment, and see that required meeting notices are duly given. The Secretary shall also convene the first meeting of the newly elected Board of Trustees, and preside over the election of President and Vice-President; convene the first meeting of the Nominating Committee; and receive and post the report of the Nominating Committee and the report of the Church Council on nominations to the Nominating Committee. The Secretary will be expected to attend all Board meetings and will be encouraged to participate in Board discussions.

Assistant Secretary

(14). The Assistant Secretary takes minutes at the monthly meetings of the Church Council, maintains and circulates list of Church Council members, serves as a registrar for all congregational meetings, and fulfills other tasks normally handled by the Secretary when s/he is unavailable.

Treasurer

(15). The Treasurer is responsible for advising the Board of Trustees about any emerging financial needs, concerns or policy issues meriting the Board's attention or action. S/he will report at Board meetings on whether the Church is spending within the limits set forth in the annual budget and receiving income at the levels expected, and alert the Board to any noteworthy changes in fund balances and investments. S/he leads the Board's efforts to monitor the Church's implementation of policies whenever financial resources are involved. The Treasurer may also assist the Board and the Executive Team in developing an annual budget, advising them on the financial aspects and implications of the proposed budget, and presiding over all budget hearings. The Treasurer will be expected to attend all Board meetings and will be encouraged to participate in Board discussions.

Assistant Treasurer

(16). The Assistant Treasurer is responsible for ensuring that Sunday receipts are properly counted, monitoring the security of valuables in the Church's possession, signing checks and fulfilling other tasks normally handled by the Treasurer when s/he is unavailable. The Assistant Treasurer will also work to ensure the integrity and proper retention of Church records.

Membership Secretary

(17). The Membership Secretary, per the Bylaws, ensures an accurate count of members and members eligible to vote whenever such a count is necessary, typically for all-congregation meeting; determines Church membership status; and maintains the official roll of the Church's membership.

(18). All Officers are welcome to attend and participate in Board meetings.

Section F. Board Members' Code of Conduct

(1). The Board commits itself and its members to ethical, businesslike, and lawful conduct, including proper use of authority and appropriate decorum when acting as Board members.

Accordingly:

(2). Members must represent un-conflicted loyalty to the interests of the membership. This accountability supersedes any conflicting loyalty such as that to advocacy or interest groups and membership on other Boards or staffs. It also supersedes the personal interest of any Board member acting as a consumer of the Church's services.

(3). Members must avoid conflict of interest with respect to their fiduciary responsibility. **In particular:**

a) There must be no self-dealing or any conduct of private business or personal services between any Board member and the Church administration except procedurally controlled to assure openness, competitive opportunity, and equal access to inside information.

b) When the Board is to decide upon an issue about which a member has an unavoidable conflict of interest, that member shall absent herself or himself without comment from not only the vote but also from the deliberation by leaving the meeting.

c) Board members must not use their positions to obtain Church employment for themselves, family members, or close associates. Should a member desire employment, he or she must first resign from the Board.

d) Members will annually disclose their involvement with other organizations, with vendors, or any other associations that might produce a conflict.

(4). Board members may not attempt to exercise individual authority over the organization except as explicitly set forth in Board policies. **In particular:**

a) Members' interaction with the Executive Team or with staff must recognize the lack of authority vested in individuals except when explicitly Board-authorized.

- b) Members' interactions with public, press, or other entities must recognize the same limitation and the inability of any Board member to speak for the Board except to represent explicitly stated Board decisions.
 - c) Members will make no judgments of the Executive Team or staff performance except as their performance is assessed against explicit Board policies by a formal evaluation process.
- (5). Members will respect the confidentiality appropriate to issues of a sensitive nature.
- (6). Members will make every effort to attend monthly meetings and other meetings where all Board members are expected to attend. In the event that a member misses three consecutive meetings for reasons that a Board majority feels are not justifiable, the member will be asked to resign from the Board. A member will be promptly notified any time the Board has deemed an absence unjustified.
- (7). Members will take the initiative to ensure that they are adequately briefed and informed, particularly by use of electronic mail and attentiveness to the Church mailbox system.

Section G. Board Covenant

- (1). In working together to serve All Souls Church the Board of Trustees covenants to:
- a) Greet one another whenever we meet and work to build personal bonds to enrich ourselves and the Board process.
 - b) Set aside personal agendas for the best interests of the Church, expressing our views fully and honestly. Although our decisions may not be unanimous, we will speak with one voice once a decision has been made, moving on in spite of our differences.
 - c) Follow an intentional process of decision-making that includes preparation, engagement and discussion, resulting in a meaningful vote.
 - d) Communicate decisions to the congregation in a way that reflects the process and considerations that went into the decision.
 - e) Accept our responsibility to seek and provide information necessary to make well-informed decisions, finding ways to discuss issues between meetings in order to be prepared.
 - f) Treat unfolding discussions with confidentiality while committing to regular communication with the congregation.
 - g) Recognize that disagreement is a part of Board life, pledging to respect our differences, not letting conflicts fester.

- h) Listen deeply to each other and assume that others have the best interests of the Church at heart.
- i) Handle complaints brought to the Board with respect, but handle them at the appropriate level, gathering accurate and complete information as necessary.
- j) Engage in direct, face-to-face conversation with one another and with our minister, giving constructive feedback to each other.
- k) Respond to emails and other communications in a timely manner.
- l) Be clear about the assignments and responsibilities of each Board member.
- m) Encourage and support each other in “self care” and support a “family comes first” approach
- n) Focus on the big picture!

(2). The Code of Conduct and Covenant shall apply, as appropriate, to Church officers who are elected directly by the congregation.

Section H. Complaints to the Board

(1). It is the intent of the Board to be accessible and responsible to the congregation and other stakeholders, but it is not a function of the Board to resolve complaints or grievances that are not directly related to the Board's policy making and policy monitoring functions. When individual Board members receive complaints from members of the congregation, the following process will be followed:

(2). First and foremost, the member will encourage the complainant to contact the appropriate person or institution, not a third party. However, it should be recognized that sometimes a member of the congregation will, for whatever reason, feel uncomfortable approaching that person. Also, there may be instances where the member doesn't know who is responsible for a particular decision, action, or policy. In some instances, the Committee on Ministry should be helpful in advising the complainant where to turn.

(3). The Board will only get involved in resolving a complaint about an issue if there is a violation of Church policy, or there is no relevant policy, or there is reason to question the appropriateness or adequacy of existing policy.

(4). In such situations, the Board will analyze and then resolve the problem, including making or adjusting whatever the deficiency is in existing policy. The Board will not involve itself in the staff or a committee's carrying out of the policy in a way that fits their authorities under the Executive Limitations section of the Church's policy framework. The Board will, however, review how well the policies are being carried out by paid and volunteer staff, but only as part of a broad monitoring process, not decision by decision.

(5). For issues that are the province of an implementer within the Church, either staff or committee, the issue will normally be resolved between the complainant and that implementer, with no Board involvement unless the dispute seriously affects the harmony of the Church family. If the disagreeing implementers cannot reach agreement or consensus, the Chief of Staff is responsible for reaching closure. In the event of a continuing complaint concerning the Chief of Staff/Senior Minister, the Committee on Ministry (whose members are appointed by the Board) should be asked to intervene. Other ways to deal with complaints and expressions of concern, and related recommendations include: (a) empowering the Church Council to be a forum where such issues could be raised and suggestions made for their resolution, and (b) holding frequent town meetings open to all to ensure effective communication among all parties in the All Souls community, since effective communication within the entire Church family is usually the best way to prevent conflict.

Section I. Board Committee Principles

(1). Board Committees, when used, will reinforce the wholeness of the Board's job and never alter or interfere with communication and delegation from the Board to the

Executive Team. They will be used solely to assist the Board in carrying out its responsibilities.

Accordingly,

(2). Board committees are to help the Board do its job, never to help or advise the staff. Committees ordinarily will assist the Board by preparing policy alternatives and implications for Board deliberation. In keeping with the Board's broader focus, Board committees will normally not have dealings with current staff operations.

(3). Board committees may not speak or act for the Board except when formally given such authority by Board action or controlling documents of the Church for specific and time-limited purposes. Expectations and authority will be carefully stated in terms of reference (TOR) in order not to conflict with authority delegated to the Executive Team as well as to ensure clarity in the Board's expectations.

(4). Board committees cannot exercise authority over staff.

(5). Board committees are to avoid over-identification with organizational parts rather than the whole. Therefore a Board committee that has helped the Board create policy on some topic will not be used to monitor organizational performance on that same topic.

(6). Board committees will be used sparingly and ordinarily in an ad hoc capacity.

(7). Board members assigned to Board committees can participate as equal members of the committee.

(8). The Board and its committees will meet periodically to discuss progress based on timelines established for the committees.

Board Committee Structure

(9). A committee is a Board committee only if its existence and charge come from the Board, regardless of whether Board members sit on the committee. The only current standing Board Committee is the Audit Committee. A Bylaws Committee will also be necessary on occasion, though not as a standing Board committee. Also, because of the particular nature of their work, the terms of reference of the Investment Committee and of the Committee on Ministry will be approved by the Board, their membership will be selected by the Board in consultation with the Executive Team, and their reports will be made available to the Board for information.

Note: The Beckner and Davies Committees are special cases, currently requiring Board involvement.

Section J. Cost of Governance

(1). Because poor governance costs more in the long run than learning to govern well, the Board will invest in its governance capacity so that members can attend training sessions and tap other necessary expertise relevant to the Board's responsibilities.

Accordingly,

(2). Board skills, methods and support will be sufficient to assure governing with excellence.

(3). Training and retraining will be used liberally to orient new members and candidates for membership, as well as to maintain and increase existing member skills and understandings.

(4). Outside monitoring assistance will be arranged so that the Board can exercise confident control over organizational performance. This includes, but is not limited to, a fiscal audit.

(5). Costs will be prudently incurred for such things as training, conferences, surveys, audits and other third party expertise, and costs for governance expenses will be outlined in the annual budget.

Part II. Board-Executive Linkage – Revised 5/26/04 and 5/30/2006

Section A. Global Board-Executive Linkage

(6). The Board will hold the Executive Team accountable for the Church's operations, its achievements, and conduct.

Section K. The Executive Team

(1). The Executive Team consists of the Senior Minister/Chief of Staff, Associate Minister and Church Administrator. The Executive Team works collaboratively with one another and the rest of the paid staff, with the Board, and with committees, volunteers and the congregation in the spirit of shared ministry. While each member of the Executive Team focuses on a particular area of responsibility, the team as a whole is responsible for making day-to-day decisions at the operations (program) level, and for ensuring adequate coordination of all implementation of the Church's policies and programs with regard to worship, membership, pastoral care, religious education, community outreach and social justice, as well as financial, administrative and building programs.

(2). When the Chief of Staff is on vacation or otherwise unavailable for an extended period of time, s/he will ensure the availability of an Acting Chief of Staff.

(3). Should a member of the Executive Team be unable to serve due to an emergency, the team will continue to operate. The Chief of Staff will name a replacement member, unless s/he is the one unable to serve, in which case the Board will designate an Acting Chief of Staff.

Section L. Unity of Control

(1). Only decisions of the Board acting as a body are binding on the Executive Team.

Accordingly,

(2). Decisions or instructions of individual Board members, officers, or committee members are not binding on the Executive Team, except in rare instances when the Board has specifically authorized such an exercise of authority.

(3). Unless directed by the full Board, the Executive Team can decline requests for information from individual Board members or committees that require, in the Executive Team's opinion, a significant amount of staff time or resources.

(4). Informal meetings may occur between Board members, the Senior Minister and the staff for the purpose of exchanging information and seeking advice but not for Board members to give instruction or direction.

Section M. Accountability of and within the Executive Team

(1). The Executive Team is the Board's link to operational achievement and conduct and reports to the Board through the Senior Minister in his capacity as the Chief of Staff. Although other members of the Executive Team make reports to and communicate with the Board, for formal direction and guidance the Board deals directly and only with the Senior Minister and evaluates the performance of only the Senior Minister. (See below.) All authority and accountability of volunteer and paid staff (including non-employee consultants) is considered by the Board to be vested in the Executive Team and, ultimately, the Senior Minister.

Accordingly,

(2). The Board will never give instructions to persons who report directly or indirectly to the Chief of Staff/Senior Minister.

(3). The Board will not evaluate, either formally or informally, any individual staff member other than the Senior Minister, and s/he only as the person ultimately responsible for implementing the Church's policies and Goals. The purpose of the evaluation is not to serve as a report card but to give us a sense of how well the Church is doing in accomplishing the Mission and Goals within the executive limitations established by the Board. (See below.).

(4). The Board will view Executive Team performance as directly linked to organizational performance, so that organizational accomplishment of Board policies will be viewed as successful executive performance. The standard of compliance shall be whether the Executive Team has reasonably interpreted the Board policy being monitored and has made reasonable progress toward achieving the long-term goals as expressed by the congregation. The Board will make the final determination as to whether the Executive Team's interpretation is reasonable and whether reasonable progress is being made.

(5). Neither individual trustees nor the Board will be formally involved with decisions or actions involving the hiring, evaluating, disciplining or dismissal of any Church employee other than the Senior Minister/Chief of Staff.

Section N. Delegation to the Executive Team

(1). The Board sets top level policies that reflect the priorities of the congregation and leaves the work of implementing the policies to the Executive Team – which is responsible for the day-to-day operations of the Church and for guiding the paid staff and volunteers. The Board will communicate its policies and the long-term goals to be achieved to the Executive Team in writing and will establish boundaries within which the Executive Team may operate *as set out in Part _* (Executive Limitations) below.

(2). The Board will develop policies instructing the Executive Team to meet its goals within a specified budget.

(3). The Executive Team will operate within a set of guidelines called “Executive Limitations” policies that define the boundaries within which the Executive Team can carry out its responsibilities of managing and leading the Church. These policies are worded in the negative (i.e. “shall not fail to..”) and give the Chief of Staff and the Executive Team a concrete statement of what the Board will not tolerate. While such a negative tone may appear distrustful, the opposite is actually the case. The limitations policies provide the framework for articulating, clearly and in one voice, the degree of flexibility in operational decision-making that the Board wishes to give the Executive Team. These policies will give the Executive Team sufficient leeway to implement the Board's policies. The Board will not micromanage the Executive Team. In assigning tasks to committees, staff and other “implementer” volunteers, it is the Executive Team that will ensure that the Board's policies are followed.

(4). As long as it uses a reasonable interpretation of the Board's guidelines, the Executive Team is authorized to establish additional policies, make decisions, take actions, and develop activities. In the event that the Executive Team chooses not to follow Board-established policy, it must notify the Board in writing at least by the next Board meeting. In such instances, the Board's operating assumption will be that the Executive Team's decisions deserve the Board's respect and consideration, even when the decisions do not follow Board policy.

(5). These policies are intended to be useful and dynamic. **The Board may change its Ends** (*this different with new Goals which were voted on by the congregation*) and Executive Limitations policies at any time, in writing. However, as long as any Board-specified delegation of authority is in place, the Board will respect and support any reasonable interpretation of its policies, even though Executive Team choices may not be the choices the Board or its members might have made.

Section O. Ministerial Compensation

(1). With regard to ordained ministerial compensation, All Souls Church Unitarian recognizes and supports the Compensation Recommendations as ratified by the UUA General Assembly in June of 1995.

(2). Ministerial compensation is comprised of two areas: salary, sometimes including housing allowance, and benefits. While not part of compensation, professional expenses as a cost of doing business are included in the Total Cost of Ministry.

(3). The Board will annually approve an amount of increase in each ordained minister's salary. Annual increases for ordained ministers are in two separate categories: cost of living and merit. The cost of living increase will occur annually and will be based on the CPI estimate for the current year. A merit increase above the adjustments for cost of living is appropriate every two to three years.

(4). The Board will compile the results of the ministers' annual performance evaluation for the time period since the last merit increase, and will use these to assist in determining the current merit increase. The Board will maintain records of ministerial salary increases and review this policy annually.

(5). All other staff compensation, benefit and personnel issues are part of the Executive Team's responsibility, particularly the Senior Minister/Chief of Staff. The Board does not get involved except that on an annual basis the Executive Team will provide a report to the Board regarding its compliance with the Limitations policy on staff compensation and benefits, as part of the annual budget presentation.

Monitoring Executive Team Performance

Monitoring Executive Team performance is directly linked to monitoring organizational performance against Board policies on the Church goals and on Executive Team Limitations. 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. The purpose

of monitoring is simply to determine the degree to which Board policies are being fulfilled.

Monitoring of Executive Limitations

Upon the choice of the Board, any policy may be monitored by any method at any time. In fact, both the Executive Limitations and the Goals are continuously monitored throughout the year through reports and discussions of the Board at its monthly meetings. For example, financial reports are given monthly. Also the Board at its discretion can monitor any church policy in one of three ways: internal reports (see table below), external reports (e.g. third party inspection), or direct inspection by the Board. Executive Team Limitations will be formally monitored according to the schedule in the Table below.

Table 1 – Monitoring of Executive Limitations

Executive Limitation	Method of Monitoring	Frequency
Protection of Assets	Internal Report	February
Staff/Volunteer Treatment	Internal Report	May
Communication	Internal Report	September
Financial Management	Internal Report	November

Monitoring of Goals

Each of the three Goals will be formally monitored annually. Goal One will be monitored during the first quarter (Jan, February, March) and results presented at the March Board Meeting. Goal Two will be monitored during the second quarter (April, May, June) and results presented at the June Board Meeting. Goal Three will be monitored during the fourth quarter (September, October, November) and results presented at the November Board Meeting.

The Executive Team is charged with assuring compliance with the Goal monitoring process during the quarter.

It is the responsibility of the Board to discuss the report, to react to it with suggestions and critiques and to request clarifications when necessary.

It is the responsibility of the Board to disseminate the report to those who can use its findings and to present a summary report on the progress of goal implementation to the congregation at the church annual meeting. All the reports are open to the congregation at any time and will be housed permanently in the archives

Disciplinary Policy

The Board recognizes that it may become necessary to discipline the Chief of Staff for any policy violation by the Executive Team that has occurred. In circumstances where discipline may become necessary, the following three-step procedure should be followed.

- After consultation with the full Board, the Board President shall discuss the violation or improper conduct with the Chief of Staff with a view to resolving the problem.
- If the verbal consultation does not resolve the problem, the Executive Team shall be given a written warning from the Board. This step will be taken if there is no noticeable improvement in the Executive Team's willingness to refrain from policy violations. The written warning should outline the problem, suggest expected courses of corrective action, set a specific trial period and advise of possible consequences.

If the written warning does not resolve the problem, the Board would confer with the Committee on Ministry concerning whether and how to involve the full congregation in any formal disciplinary action, such as suspension (with or without pay), withholding salary increases or dismissal. The chief of staff is responsible for disciplining other members of the Executive Team as well as all staff members, as necessary.

Evaluation of the Senior Minister

The Committee on Ministry, whose members are appointed by the Board of Trustees, is responsible for providing the formal evaluation of the Senior Minister's overall performance, as distinct from the Board role of monitoring the Senior Minister in his role as Chief of Staff and leader of the Executive Team as it carries out its functions in pursuit of the Church's Goals.

Executive Limitations

Overall Executive Constraint

The Executive Team (as defined on pg.----) shall not cause or allow any practice, activity, decision, or organizational circumstance that is unlawful or in violation of commonly accepted business and professional ethics.

The policies that follow are addressed primarily to the Executive Team, which coordinates all implementation of the Church's policies. However, they also extend to all staff and volunteers in their shared ministry relationship to the Church and its mission. Overall, the Executive Team shall not fail to demonstrate leadership that is caring and nurturing, open and responsive, and visionary and empowering.

A. Staff and Volunteer Treatment

1. Executive Teamwork

The Executive Team shall be in a covenantal relationship with one another and shall speak as one voice to all parties to whom the Executive Team is responsible or over whom it has authority.

Accordingly, Executive Team members shall not:

- Make decisions on material issues without seeking consensus
- Fail to support the recommendation of the Senior Minister/Chief of Staff when the Executive Team cannot reach consensus.
- Dishonor or disrespect each other's views and positions

In order to protect the Church from sudden loss of Chief of Staff services, the Chief of Staff must not fail to designate and empower/train at least one other executive familiar with Board and Chief of Staff issues and processes.

2. Treatment of Members, Friends and Visitors

Based on the guiding principle of welcoming all souls – with respect to interactions with members, friends and visitors of the Church (the Congregation) – the Executive Team shall not:

- Treat anyone with discourtesy or disrespect, nor fail to welcome those who are seeking to find a spiritual home in this church and participate in its mission.
- Maintain facilities that fail to provide a reasonable level of safety, sanitation, comfort, access, welcome and functionality.
- Violate appropriate standards of confidentiality or privacy nor use methods of collecting or handling personal information that fail to protect against improper access to the material elicited.

3. Hiring, Retention and Treatment of Staff

Staff at All Souls, within all levels and with a particular emphasis on the professional level, shall reflect the multiracial and multicultural commitment of the church.

With respect to the hiring, retention and treatment of paid and volunteer staff, the Executive Team must operate in ways that fulfill the Unitarian Universalist principles and the Church's mission, values, and goals.

Accordingly, the Executive Team shall not:

- Make, or allow to be made, any hire that does not further the above mentioned policy unless it has received explicit authorization from the Board to make that particular hire, after consultation with the Board and a description of steps it has taken make a hire that would further this policy

- Cause or allow conditions that are unfair, unsafe, unhealthy, unprofessional, undignified, or inhumane.
- Operate without written personnel policies that clarify procedures for staff and volunteers and provide for effective handling of grievances, conflicts, and disciplinary action. The personnel policies must comply with all laws, protect the Church's "at will" status, and inform staff that employment is neither permanent nor guaranteed.
- Fail to establish open communications with employees so that job related issues and concerns can be discussed and addressed in a prompt and effective manner.
- Fail to provide an environment where staff feel safe in expressing concerns in a professional manner, and where no repercussions take place for such expressions.
- Spare any effort to ensure that individuals of all diverse groups in our society can participate to the fullest degree in employment and advancement of positions at the Church.
- Fail to consider a contractor's past performance or ignore facts and information relevant to a contractor's treatment of employees when making decisions for current or future work at the Church. (All contractors who provide workers at All Souls Church should develop healthy relationships with their employees and treat them with respect, dignity and courtesy.)
- Fail to make every effort to ensure that ASC employees enjoy salaries and benefits competitive with other churches and similar size, local nonprofit organizations.

4. Treatment of Volunteers

Much of the substantive work of ASC and the setting of priorities for that work is accomplished through Church committees or more informal groupings of volunteers, working in a "shared ministry", collaborative relationship with staff. The Executive Team shall not fail to use the Mission and Goals statements developed by the congregation in monitoring and making decisions about committee growth, committee leadership and committee activities. Therefore, where they fit the Church's Goals statements and goals, the Executive Team is responsible for encouraging and often establishing such committees and other groupings, ensuring that they have a clear understanding of their roles and responsibilities, access to information by which to make their decisions, and prompt responses to their requests for information or financial support. Acknowledging that the Executive Team has ultimate responsibility for implementing the Church's policies, including ensuring appropriate coordination with committees, shared ministry must be All Souls' watchword. To this end the Executive Team shall not:

- Allow committee activities and staff responsibilities to overlap in ways that are disadvantageous to either.

- Fail to ensure that committees understand the process by which conflicts with the staff, Executive Team or Board should be addressed. (See P.--.)
- Interact with volunteers in ways that disrespect or discourage the work of committees and their opportunities to bond with the Church and with each other; undercut committees or the esteem in which they are held by the congregation
- Fail to assure that the work done by volunteers is covered by insurance, as necessary and appropriate.

B. Financial Management

The Executive Team shall be responsible for the management of the Church's assets and financial resources. (An exception to this delegation is the lead role of the Investment Committee in managing the Church's endowments.) These responsibilities shall be carried out in a professional and prudent manner and in ways consistent with the achievement of our Mission and Goals statements. The Executive Team will work to safeguard the principal assets, operations, and fiscal integrity of the Church.

1. Financial Planning & Budgeting

The Executive Team, in collaboration with the Treasurer and Assistant Treasurer, shall not allow budgeting that:

- Reaches the Board less than a week before its November meeting in order to allow time for adequate consideration prior to the congregational vote on the budget at the annual meeting or contains insufficient information to permit reasonable Board evaluation in light of the Church's policies, priorities and resources.
- Fails to consider contingencies such as legal fees or long-range planning, including reserves for such items as sabbaticals for clergy and staff who qualify and building needs.

2. Financial Condition & Activities

In administering the budgeted funds the Executive Team shall not:

- Expend funds in a manner inconsistent with the broad expenditure categories in the approved budget, except to the extent that specific procedures for transfers between categories are authorized by the Bylaws, the membership, or the Board.
- Authorize a line of credit or any loan contract without Board approval.
- Use any long-term reserve or expend any endowment or designated funds other than for the purposes determined at time of receipt or designation, unless the Board of Trustees approves an exception.

- Make transfers or “loans” between funds (e.g. Beckner and Operating) without Board approval.
- Fail to provide cash reconciliations or to inform the Board in writing concerning actual revenues and expenditures and appropriate comparisons and projections, at a frequency specified in the Policy on Monitoring Executive Team Performance.
- Deny reasonable access to financial records by the Audit Committee and authorized outside auditors.
- Handle funds without sufficient and prudent controls or fail to prepare, in collaboration with the Treasurer, a clearly written financial procedures and protections manual.
- Fail to aggressively pursue receivables after a reasonable grace period.

3. Execution of Contracts

No one, other than the Executive Team and its express designees, shall execute any contract on behalf of the Church. The Executive Team and its express designees shall not enter into any contractual arrangements that fail to serve the Church’s policies or involve unacceptable Means.

Accordingly, the Executive Team or their express designees shall not for any contract of \$10,000 or more, other than regular personnel contracts:

- Enter such a contract without the authorization of the Board.
- Terminate or breach such a contract without the approval of the Board.
- Enter into such a contract unless it includes a mediation clause.
- Fail to seek legal advice, when necessary, to interpret and assess contractual terms.

4. Endowment and Memorial Gift

The Investment Committee (including the Treasurer), with the active support of the Executive Team, shall not fail to develop appropriate policies and procedures for seeking, accepting and managing gifts of cash, securities and other tangible resources for the Church. Such gifts must support the mission of the Church and Unitarian Universalist principles, and not unreasonably constrain All Souls’ flexibility in managing the gift.

Specifically for the management of endowments, the policy will include at least the following: the need for professional management of the Church’s endowments; the primacy of following the donor’s written wishes; the circumstances under which the

Church can spend from or borrow from the principal of these endowments; and the terms of reference for the Investment Committee.

In no case may the Executive Team spend Endowment and Gift funds in violation of the directives and restrictions set forth in the Bylaws or in Board policy, or without consultation with the Investment Committee.

5. Management of the Church's Grant Making Programs

With resources available to the Church to make grants, the Executive Team shall support programs and activities consistent with the Church's Mission Statement and Goals.

The Executive Team or their express designees shall not use grant funds in ways that fail to carry out the letter and spirit of the donor's wishes and the other specific policies that have been developed for the individual funds.

6. Raising financial resources for the Church

No one other than the Executive Team or its express designees shall apply for any grant from an outside funding agency on behalf of the Church. . The Executive Team and its express designees shall not apply for any grant that fails to serve the Church's Goals and policies or to avoid unacceptable Means.

The Executive Team shall not allow fundraising activities sponsored by staff, committees, or other members without close coordination and adherence to consistent and accessible guidelines that encourage and appropriately channel such efforts.

C. Asset Protection

The Executive Team (and the Investment Committee) shall not allow the assets of the Church -- including cash, investment and endowment funds, the Church building and furnishings -- to be unprotected, inadequately maintained, inappropriately used, or unnecessarily risked. Nor shall the Executive Team fail to develop policies/procedures regarding the use of the Church building/facilities.

Accordingly, the Executive Team shall not:

- Fail to provide reasonable and prudent insurance coverage for the Church, its staff, officers, directors, and volunteers.
- Unnecessarily expose the organization, its Board, and staff to claims of liability or risk the nonprofit status of the Church.
- Allow the use of Church facilities by individuals or groups that implicitly or explicitly discriminate against persons on the basis of race, national origin or sexual orientation, or that use the Church in other ways inconsistent with Unitarian Universalist principles.

- Purchase, encumber, or dispose of titled or real property without advance authorization from the Board.
- Fail to take reasonable steps to protect historic assets, intellectual property, information, or files from loss or significant damage.
- Fail to develop policies on the use of All Souls' facilities, as well as policies regarding the use of All Souls' name and banner, that are consistent with the Church's Mission and Goal statements.

D. Communications to the Board of Trustees and Congregation

The Executive Team shall ensure that the Board, and in some cases the congregation, is fully informed concerning relevant implementation issues, and that the Board is supported in its work.

Accordingly, the Executive Team shall not:

- Fail to submit monitoring information required by the Board in a timely, accurate, and understandable fashion, directly addressing provisions of Board policies being monitored.
- Fail to report in a timely manner an actual or anticipated non-compliance with any policy of the Church, or to recommend changes in such policies whenever the need for changes comes to the Executive Team's attention.
- Fail to advise the Board if, in the Executive Team's opinion, the Board is not in compliance with the Church's bylaws or its own policies.
- Make public statements about the official position of the Congregation or Board on controversial social, political, and/or congregational issues beyond what the Congregation or Board has formally and explicitly adopted as positions of record. (Nothing in this policy shall be construed to infringe upon the fundamental principle of freedom of the pulpit.)
- Fail to present an Annual Plan in collaboration with the Goal Implementation Teams to the Board by September 1. .
- Fail to develop and maintain a calendar for the Church year.
- Fail to supply for the consent agenda all items delegated to the Executive Team that are to be Board-approved, along with the minimum amount of supporting data necessary to keep the Board informed.
- Fail to inform the Board of all significant changes in, deletions of, or additions to administrative policies and regulations.

- Fail to advise the Board of significant transfers of money within budget categories or endowment funds, or other changes substantially affecting the Church's financial condition.
- Fail to ensure that a complete and current set of all Church policies, including all those formulated by the Board, Executive Team or Congregation, are readily accessible to all Church members at all times.
- Fail to assure that the congregation receives semiannual reports about the status of major revenue and expense elements in the Church budget. Such reports will include sufficient information to describe where the Church stands.
- Fail to communicate with the full congregation about other implementation issues of likely interest to the congregation as a whole, e.g. the Beckner Fund, major building repairs or improvements.

Appendix - Organizational Chart

The chart is included to clarify the relationships among the Board, Officers, Executive Team, and other bodies in the Church.

