

POLICY GOVERNANCE FRAMEWORK

ALL SOULS CHURCH, UNITARIAN

WASHINGTON, D.C.

**Approved by the
Board of Trustees
on
December 14, 2011**

All Souls Church Policy Governance Framework
(Revised May 2004, May 2006, October 2006, November 2009, March 2010,
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Subject to the By-Laws approved by the congregation of All Souls Church, the Board of Trustees adopts and periodically amends the following framework of provisions to implement a version of Policy Governance.

Preamble: The Values, Vision and Goals of All Souls Church

Section A. The Seven Principles of Unitarian Universalist Congregations

1. The inherent worth and dignity of every person
2. Justice, equity and compassion in human relations
3. Acceptance of one another and encouragement to spiritual growth in our congregations
4. A free and responsible search for truth and meaning
5. The right of conscience and the use of the democratic process within our congregations and in society at large
6. The goal of world community with peace, liberty, and justice for all
7. Respect for the interdependent web of all existence of which we are a part

Section B. All Souls Mission Statement

We are a Unitarian Universalist congregation, diverse in many ways, but united in our belief in the inherent worth and dignity of every person, and the obligation to express our faith through acts of justice and compassion.

Section C. Covenant of Right Relations

To covenant with one another is to engage in the spiritual and everyday practice of loving better. Although this covenant expresses our written promise to each other, our true covenant lives and breathes in our actions. In times of growth we will use it to deepen our bonds with one another; during times when we are loving well, it will inspire us to love better; and in times of conflict, we will use it to guide us. We expect this covenant to be challenging, but we also expect it to inspire us to strengthen our relationships and deepen our sense of community.

The spirit of the covenant and the specific examples of behavior come directly from contributions of the All Souls community. We commit to living and working with this covenant, adjusting the ideals, and expanding the examples to make it truly our own.

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We practice hospitality, welcoming all those who enter. *Greet people warmly; get acquainted with others; treat visitors as fellow worshipers; welcome newcomers into conversations; treat one another kindly outside of church as well as inside.*

We work to foster a multicultural and multigenerational community that sees diversity in all its manifestations as a sign of our strength. *Engage with those who are different from us; challenge bigotry in all its forms; work to empower those who are disempowered; actively confront our assumptions through critical and studied examination of the forces that disadvantage some and privilege others.*

We listen with respect and attention and speak with care. *Assume that people have good intentions; listen intentionally and compassionately; encourage people to speak without blaming or judging them when they do.*

We serve our church community with generosity and good humor, and we will acknowledge the service of others. *Honor all levels of service to the church; solicit the input of others; encourage people to make choices that balance their needs with the needs of others; invite others to join us in our activities; honor the right of others to say no.*

We resolve conflicts directly, using openness and compassion. *Make every effort to settle differences directly and openly; stay engaged with each other through difficult conversations; hold ourselves responsible for hearing all sides.*

We acknowledge our mistakes and shortcomings and are willing to forgive those of others. *Acknowledge our own and others' imperfections; forgive ourselves and others; be accountable for keeping our promises; lovingly call each other to account for behavior that is hurtful to others.*

We support each other in times of joy and need. *Help each other in times of crisis; recognize each other's talents; remind others of the spark of divinity within them; embrace our different cultural and faith traditions; challenge each other to grow.*

Section D. All Souls Vision and Goals

VISION: To build the Beloved Community, All Souls Church cultivates and celebrates....

...Spiritual growth and transformation as we question, learn from others, and seek lives of meaning and reverence.

...A welcoming, diverse, and vibrant community where we love, respect, and care for one another.

...Service and prophetic action to move the world toward justice, healing, and sustainability.

GOAL 1: All Souls is a wellspring of spiritual growth grounded in love and inquiry; it is a creative environment where spiritual practice is part of daily life, where diverse opportunities for transformation and integration are abundant, and where we both lead and learn from one another.

GOAL 2: All Souls feel welcomed, engaged, valued and supported in a congregation that reflects the diversity of the city in which we worship.

GOAL 3: ASC is a community committed to service, is broadly known as a prophetic leader, and has had a major impact on issues that move the world towards justice, healing and sustainability.

GOAL 4: All Souls has a welcoming and accessible building that provides nurturing spaces for nurturing growth, serves the community within and outside the walls of All Souls Church, and embodies our commitment to sustainability.

Part I: Governance Principles

Section A. Policy 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 ministries of the Church.

2. The Board's commitment to Policy Governance should be motivated by a determination to provide a governance framework that encourages the Staff and congregational volunteers to devote their time and energies to ministries that reflect the principles of Unitarian Universalism and All Souls Goals.

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3. The Board will place particular importance on ensuring that:
 - a) Congregationally approved long-term Goals drive All Souls' ministries and that collaboration among all parts of the Church in a spirit of shared ministry is an essential feature of the Church's success in meeting those Goals.
 - b) Through financial oversight and budgeting, the assets of the Church are protected and applied in support of the Goals and ministries.
4. The Board expects that its policies and decisions in seeking to implement this Policy Governance Framework will always be a "work in progress." Although these policies must be set by the Board, exchanges between the Board and the Executive Team, the Church Council and the congregation will continue to impact the Board's deliberations and lead to revisions of these policies from time to time.
5. The Board will report to the congregation each year at the Annual Meeting on the progress of the Church in meeting its Goals and in carrying out the policies in this Policy Governance Framework.

Section B. Governing Style

1. The All Souls' Board of Trustees shall approach its task with a style which emphasizes responsiveness to the congregation, organizational vision rather than individual agendas or interpersonal differences, and strategic leadership rather than administrative detail.
2. The Board shall maintain a clear distinction between the roles of the Board and the Staff, encourage diversity in viewpoints, focus on the future rather than the past, and be proactive rather than reactive.
3. In this spirit, the Board shall:
 - 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 Staff, not the Board.
 - b) Direct, control and inspire the organization through the careful establishment of the broadest organizational values and perspectives (policies).
 - c) Enforce upon its members a set of rules and discipline needed to govern with excellence, including the Board and Officers Covenant and Code of Conduct. Such discipline will apply to policy-making principles, respect for defined roles, interpersonal relations, fiduciary obligations and attendance. After subjects have been discussed and voted upon as official motions, all Trustees will support the action taken and communicate with a unified position that is as clear and unambiguous as possible.
 - d) Through self-monitoring, be accountable to the congregation and other stakeholders for competent, conscientious and effective accomplishment of its obligations as a Board.

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e) Support the elected Nominating Committee in its mandate to recruit candidates from the congregation who reflect the diversity of our congregation, who are committed to achieving 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 actions and decisions through systematic recording of its proceedings and timely orientation of new Board members.

g) Cultivate a sense of group responsibility. 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) Regularly discuss the Board's process and performance. Ensure the continuity of its governance capability by strengthening its knowledge of governance basics and best practices. Costs for Board operations will be prudently incurred for such things as training, conferences, surveys, audits and other third-party expertise, and costs for these governance expenses will be outlined in the annual budget.

i) Lead in fiduciary responsibilities by making generous financial contributions to All Souls Church.

Part II: Board of Trustees and Church Officers Responsibilities

Section A. Board of Trustees' Responsibilities

1. The Board is the fiduciary agent as defined by our Bylaws. It also provides the formal governance link between the Staff (led by the Executive Team) and the congregation (members).

2. Based on substantial consultation with the All Souls congregation, the Board will produce and update, as appropriate, written governing policies that address each category of organizational decision-making. The policies are divided into four parts:

a) Goals, which implement the mission and vision of All Souls Church. The Goals describe our current priorities, defining what needs are to be met and for whom.

b) Executive Limitations, which establish the limits and boundaries within which all executive activity and decisions must take place.

c) Governance Process, which consists of policies that describe how the Board itself will operate and promote a culture of performance to which the entire Board is committed.

d) Board-Executive Team Linkage, which include policies that define how the Board will monitor the accountability and performance of the Executive Team.

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

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4. As part of its monitoring responsibility and following the overall delegation outlined under Financial Management (Part IV., Section B. (4.)), the Board will review a budget developed by the Executive Team and then recommend an annual budget to the All Souls membership. The Board will recommend to the membership a budget dividing anticipated expenditures among a set 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 level of detail.

5. 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 every three years, and more often if the Board and Audit Committee consider it necessary to do so, in addition to internal reviews conducted annually.

6. The Board will also consciously play a leadership role in supporting the Church's fundraising programs and in overseeing the management of the Church's endowments, in conjunction with the Investment Committee.

7. The President and Vice President of the Board of Trustees are elected by the Board itself.

8. The President 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. The Board President will assure that the Board behaves consistent with its own rules and values and those legitimately imposed upon it from outside the organization. In particular, that:

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) Deliberations 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.

9. The President is:

a) empowered to chair Board meetings, with all the commonly accepted power of that position, including both ruling and recognizing, in accordance with **Roberts' Rules of Order**, except where the Board has suspended them.

b) authorized to use any reasonable interpretation of the provisions of this Policy Governance Framework document in preparation for said meetings.

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c) required to give ample notice of meetings and may convene a meeting even if there is no quorum as defined by **Robert's Rules of Order**. However, no motion can be passed or binding action taken unless approved by a number of trustees that represents a majority of the authorized Board.

d) free to encourage the attendance at Board meetings of members of the congregation and, at her/his discretion, permits comments by such members that are of reasonable relevance and length on matters before the Board at that meeting.

e) permitted to use electronic messaging and/or telephone or fax communication to vote and make decisions on issues, but only in circumstances where s/he has determined that the decision involved is non-controversial but of a time-sensitive nature, or that the Board cannot be convened before the decision must be made.

f) not authorized to make decisions about policies created by the Board within the Goals and Executive Limitations policy areas. Therefore, the President has no authority independent of the Board to supervise or direct the Senior Minister or others on the Executive Team.

g) authorized to represent the Board to outside parties in announcing Board-stated positions and in stating chair decisions and interpretations within the areas delegated to her or him.

h) authorized to delegate this authority but remains accountable for its use.

i) encouraged to work with the Trustees to put in place a process to address disruptive or destructive behavior within the Board and its proceedings.

10. The Vice President shall act in the place of the President when the President is absent or otherwise temporarily unable to perform her/his duties. The Vice President shall take on special projects and assume other responsibilities as delegated by the President.

Section B. Church Officers Responsibilities

In addition to their roles as defined by the Bylaws, the specific duties of Church Officers with regard to the Board of Trustees are delineated below.

1. **The Moderator** shall preside at annual and special meetings of the Church and shall be responsible to assure that the proceedings are conducted fairly and in accordance with the Bylaws and **Robert's Rules of Order**, giving reasonable opportunity for all members to express their opinions, except for matters relating to the determination of the ballot process for elections which shall be the Nominating Committee's responsibility. In the event that the Moderator is unable to do so at a particular meeting, a presiding officer shall be elected from the members present at the meeting. The Moderator shall also chair the Church Council, which shall be composed of the chairs of all standing committees and *Ad hoc* committees, leaders of Church organizations and activities, and the officers of the Church.

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2. 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 take responsibility to obtain and archive the minutes and all official documents used at Board meetings and to make them available to the congregation and shall also convene the first meeting of the newly elected Board of Trustees, and preside over the election of the 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.
3. The **Assistant Secretary** takes minutes at the meetings of the Church Council, maintains and circulates a 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.
4. 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 will also assist the Board and the Executive Team in developing an annual budget, advise them on the financial aspects and implications of the proposed budget, and preside over all budget hearings. The Treasurer is expected to attend all Board meetings and is encouraged to participate in Board discussions.
5. 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 financial Church records.
6. The **Membership Secretary** ensures an accurate count of members and members eligible to vote whenever such a count is necessary, which is typically for all-congregation meeting; determines Church membership status; and maintains the official roll of the Church's membership.
7. The **Secretary, Assistant Secretary, Treasurer, Assistant Treasurer, Moderator, and Membership Secretary** shall be notified of and have the right to participate in all meetings of the Board of Trustees (including those held in executive session), but without the right to vote.

Section C. Trustees and Officers Covenant

In working together to serve All Souls Church, the Trustees and Church Officers covenant to:

1. Work to build personal bonds with each other to enrich themselves and enhance the Board process.
2. Set aside personal agendas for the best interests of the Church, expressing views fully and honestly during Board deliberations.
3. Speak with a unified voice once a Board decision has been made in spite of any continuing differences on the issues, and with recognition that decisions will not always be unanimous.
4. Follow an intentional process of decision-making that includes preparation, engagement and discussion, resulting in meaningful votes.
5. Communicate decisions to the congregation in a way that reflects the process and considerations that went into the decision.
6. Accept responsibility to seek and provide the information necessary to make well-informed decisions, finding ways to discuss issues between meetings in order to be prepared.
7. Treat unfolding discussions with confidentiality while committing to regular communication with the congregation.
8. Recognize that disagreement is a part of Board life, and pledge to respect differences and not let conflicts fester.
9. Listen deeply to each other and assume that others have the best interests of the Church at heart.
10. Handle complaints brought to the Board with respect but handle them at the appropriate level, gathering accurate and complete information as necessary.
11. Engage in direct, face-to-face conversation with one another and with the Executive Team and other Staff, giving constructive feedback to each other.
12. Respond to electronic messages and other communications in a timely manner.
13. Be clear about the assignments and responsibilities of each Trustee and Officer.

14. Encourage and support each other in “self-care” and support a “family-comes-first” approach.

Section D. Trustees and Officers Code of Conduct

1. The Board and Officers commit themselves to ethical, professional, respectful, and lawful conduct, including proper use of authority and appropriate decorum.

2. Trustees and Officers 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 Trustee or Officer acting as a consumer of the Church's services.

3. Trustees and Officers 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 Trustee or Officer and the Church administration, except as 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 Trustee or Officer has an unavoidable conflict of interest, that person shall absent herself or himself without comment from not only the vote but also from the deliberations by leaving the meeting in advance.

c) Trustees and Officers must not use their positions to obtain Church employment for themselves, family members, or close associates. Should a Trustee or Officer desire employment, he or she must first resign from his/her position.

d) Trustees and Officers will annually disclose any involvement with other organizations or vendors, or any other association, that might result in a conflict.

4. Trustees and Officers may not attempt to exercise individual authority over the organization, except as explicitly set forth in Board policies. In particular:

a) Trustees' or Officers' interaction with the Executive Team or with Staff must recognize the lack of authority vested in individuals, except when explicitly authorized by the Board.

b) Trustees' or Officers' interactions with the public, media, or other entities must recognize the same limitation and the inability of any Trustee or Officer to speak for the Board or the Church, except when authorized to represent Board decisions.

c) Trustees and Officers 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.

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5. While seeking to operate as a Board in an open and transparent manner, Trustees and Officers will also respect the confidentiality appropriate to issues of a sensitive nature, and will seek the advice of the President of the Board or Executive Team if they are uncertain about the appropriate balance to be maintained between openness and confidentiality.
6. Trustees and Officers will make every effort to attend monthly meetings and other meetings where all Board members and Officers are expected to attend. In the event that a Trustee misses three consecutive meetings for reasons that a majority of the Board judge to be unjustified, the Trustee will be asked to resign from the Board. A Trustee will be promptly notified any time the Board has deemed an absence to be unjustified.
7. Trustees and Officers will take the initiative to ensure that they are adequately briefed and informed, particularly by checking e-mails and the mailboxes in the Church office.
8. Trustees and Officers will conduct themselves at all times with the discipline and decorum appropriate to a leader of the Church.
9. Board members will not treat anyone in a discourteous, undignified or unfair manner, whether in person or in electronic communication.
10. Board members give each other permission to give honest feedback on the Board's adherence to this governance policy.

Section E. Board Committees

1. 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. Board Committees should be created sparingly and only to assist the Board in carrying out its responsibilities. For Board Committee appointment procedures, see Bylaws Article X., Section 3.
2. Expectations and authority should be carefully stated in the Committee's Terms of Reference (TOR) in order to ensure clarity in the Board's expectations and not conflict with the authority delegated to the Executive Team.
3. Board Committees assist the Board by preparing policy alternatives and suggesting their implications for Board deliberations. The Board and its Committees will meet periodically to discuss progress based on timelines established for the Committees.
4. Board Committees cannot exercise authority over Staff and will not normally deal with current Staff operations. Board Committees should not alter or impede communication and delegation from the Board to the Executive Team.

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5. Board Committees may not speak or act for the Board, except when formally given such authority by Board action or by controlling documents of the Church for specific and time-limited purposes.
6. Trustees or Officers assigned to Board Committees can participate as equal members of the committee.
7. Board Committees may be Standing (indefinite) or *Ad hoc* (temporary). The three Board Standing Committees are those on Audit, Investment and Ministry. A Governance Review Committee may be necessary periodically, but it should be formed as an *Ad hoc* Committee, not a Standing Committee.
8. The Beckner and Davies Committees, though not Board Committees, require Board oversight according to the terms of the bequest.

Section F. Board Meeting Agenda

1. Agendas for Board meetings will include the following components:
 - a) MINUTES: Approval of the minutes of the previous meeting.
 - b) CONSENT AGENDA ITEMS: Approval of a particular item based on a 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.
 - c) GOVERNANCE PROCESS: Discussion and decisions on questions that were sent to Board members in advance of a scheduled meeting.
 - d) GOALS: Education of the Board on issues relevant to its ongoing cycle of monitoring progress in achieving the Church's Goals.
 - e) OTHER MONITORING: The Board will also periodically monitor its own and the Executive Team's compliance with the entire policy governance framework. At the beginning of each year, it will establish a schedule for all of its monitoring activities.
 - f) NEXT MEETING DATE AND AGENDA
 - g) SELF EVALUATION
 - h) ADJOURNMENT

2. Related documents will be sent to all Board members in advance of the meeting and will include:

- a) Meeting agenda
- b) Minutes
- c) Consent agenda items
- d) Governance, goals and other monitoring documents related to the meeting agenda.

Section G. 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:

a) First and foremost, the member will encourage the complainant to contact the appropriate person, 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 does not know who is responsible for a particular decision, action, or policy. In such instances, the Committee on Ministry should be helpful in advising the complainant where to turn.

b) 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. In such situations, the Board will analyze and then resolve the problem, including making or adjusting whatever the deficiency is in existing policy.

c) For complaints regarding issues that are the province of Staff or a 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 those involved cannot reach agreement or consensus, the Senior Minister is responsible for reaching closure.

2. In the event of an unresolved complaint concerning the Senior Minister, the Committee on Ministry (whose members are appointed by the Board) should be asked to intervene. [As of November 2011, an *Ad hoc* committee of the Board has been appointed to recommend a new policy regarding conflict resolution.]

3. Other ways to deal with ongoing complaints, expressions of concern, or related recommendations may include:
- empowering the Church Council to be a forum where such issues could be raised and suggestions made for their resolution, and
 - holding frequent Town Hall meetings open to all to ensure effective communication among all parties in the All Souls community.

Part III: Board of Trustees Relationship to Executive Team and Staff

Section A. Executive Team

1. The Executive Team consists of the Senior Minister, who acts as Chief of Staff, and other senior Staff and/or lay leaders designated by the Board of Trustees. Currently the Executive Team is made up of the Senior Minister, the Associate Minister and the Executive Director.
2. The Executive Team is responsible for the day-to-day operations of the Church and for guiding the Staff and volunteers. The Executive Team works collaboratively with one another and the rest of the Staff, with the Board, committees, lay leader volunteers and the congregation as a whole 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.
3. The Executive Team shall ensure adequate coordination and 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.
4. When the Senior Minister is on vacation or otherwise unavailable for an extended period of time, s/he will ensure the availability of an Acting Chief of Staff and make that delegation clear to the President and Vice President of the Board of Trustees.
5. Should a member of the Executive Team be unable to serve due to an emergency, the team will continue to operate. The Senior Minister will name a replacement person, unless s/he is the one unable to serve, in which case the Board will designate an Acting Chief of Staff.

Section B. Unity of Control

1. Only decisions of the Board acting as a body are binding on the Executive Team. Directives from 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 by a Trustee or Officer.
2. 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.
3. 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 C. Board 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. The Church's long-term Goals should only be changed through a process of consultations with the congregation. 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 IV., Section B. (Monitoring of Executive Limitations). The Executive Limitations provide the framework for articulating, clearly and in a unified manner, the degree of flexibility in operational decision-making that the Board wishes to give the Executive Team.
2. The Board will develop policies instructing the Executive Team to operate within specified budget guidelines.
3. The Executive Team, in turn, will ensure that the Board's policies are followed whenever it assigns tasks to committees, Staff and volunteers.
4. The Board shall authorize the Executive Team to establish additional policies, make decisions, take actions, and develop activities in accordance with the policies and decisions established by the Board.
5. In the event that the Executive Team is not in compliance with Board-established policy, it must notify the Board in writing before 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, until they have had the opportunity to review them as a Board in consultation with the Executive Team.

6. Even though the Executive Team's choices may not be the choices that the Board or its members might have made, the Board will respect and support any reasonable interpretation of its policies.
7. The Board may change the Executive Limitations policies at any time.

Section D. Executive Team Accountability to the Board

1. The Board will hold the Executive Team accountable via the Senior Minister for the Church's operations, achievements, and conduct. The Executive Team is the Board's link to operational achievement and conduct and reports to the Board through the Senior Minister in his/her capacity as the Chief of Staff.
2. The Board shall consider all authority over and accountability for volunteers and Staff (including non-employee consultants) to be vested in the Executive Team and, ultimately, the Senior Minister. Although other members of the Executive Team will communicate regularly with the Board, the Board should deal principally with the Senior Minister.
3. The Board will not give instructions to persons who report directly to the Senior Minister.
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 Board policy and has made reasonable progress toward achieving the long-term Goals as expressed by the congregation.
5. The Board will not evaluate, either formally or informally, any individual Staff member other than the Senior Minister, and s/he is the person ultimately responsible for implementing the Church's policies.
6. 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.

Section E. Performance Evaluation and Ministerial Compensation

1. 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. This is distinct from the Board's role in monitoring the Senior Minister in his/her role as Chief of Staff and leader of the Executive Team as it carries out its functions in pursuit of the Church's Goals within Executive Limitations. The Committee on Ministry will present the evaluation to the Board and confer with the Board on the evaluation and its follow-up.
2. With regard to ordained ministerial compensation, All Souls recognizes and supports the Compensation Recommendations as ratified by the UUA General Assembly.
3. 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.
4. 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.
5. 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 results to assist in determining the current merit increases. The Board will maintain records of ministerial salary increases and review these records annually.
6. 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 Executive Limitations on Staff compensation and benefits.

Section F. Disciplinary Action

1. The Board recognizes that it may become necessary to discipline the Senior Minister for a serious policy violation by the Executive Team. In circumstances where discipline may become necessary, the following three-step procedure should be followed.
 - a) After consultation with the full Board, the Board President shall discuss the violation or improper conduct with the Senior Minister with a view to resolving the problem.

b) If the verbal consultation does not resolve the problem, the Senior Minister shall be given a written warning from the Board. This step will be taken if there is no noticeable improvement in the Senior Minister'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.

c) If the written warning does not resolve the problem, the Board will 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.

2. The Senior Minister is responsible for disciplining other members of the Executive Team and Staff, as necessary.

Part IV: Board Monitoring of Executive Team Performance

By decision of the Board, any policy may be monitored at any time through monitoring reports, direct inspection, and/or independent or third-party evaluations. However, the Goals and the Executive Limitations are monitored by the Board throughout the year according to a set schedule and process. Monitoring Executive Team performance is directly linked to monitoring organizational performance against Board policies concerning Church Goals and Executive Team Limitations. The purpose of monitoring is to determine the degree to which Board policies are being fulfilled.

Section A. Monitoring of Goals

1. The Board is charged with monitoring the implementation of the four Church Goals annually through an established process. A Goal Implementation Team, made up of Ministers/Staff, a Board liaison, and lay leaders, provides leadership for the implementation of each goal. (See "The Monitoring of the Church Goals" document for the details of the process.)

2. The Executive Team is charged with coordinating and facilitating the Goal monitoring process during each quarter. The Executive Team assures that the process runs smoothly, provides information needed for the required quarterly reports to the Board of Trustees, and makes sure the reports are produced in a timely fashion.

3. It is the responsibility of the Board to receive and discuss the Goal Implementation Team reports, to react to them with suggestions and critiques, and to request clarifications when necessary.

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

Section B. Monitoring of Executive Limitations

The Executive Limitations are addressed primarily to the Executive Team, which is in charge of implementing Church policy. However, they also extend to all Staff and volunteers in their shared ministry relationship to the Church and its mission. In general, the Executive Limitations require that the Executive Team will not fail to demonstrate leadership that is caring and nurturing, open and responsive, visionary and empowering. The Executive Team will not cause or allow any practice, activity, decision, or organizational circumstance that is unlawful, in violation of commonly accepted business and professional ethics, or inconsistent with the Church's Mission, Vision and Goals.

The Executive Limitations are used as one tool to monitor Board-Executive Team relations, including Executive Team performance. There are four Executive Limitations to be monitored according to the following schedule:

1. Protection of Assets:	February
2. Staff/Volunteer Treatment:	May
3. Communication:	September
4. Financial Management:	November

1. Protection of Assets

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

- a) Fail to provide reasonable and prudent insurance coverage for the Church, its Staff, Officers, directors, and volunteers.
- b) Unnecessarily expose the organization, its Board and Staff to claims of liability or risk the nonprofit status of the Church.
- c) 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.
- d) Purchase, encumber, or dispose of titled or real property without advance authorization from the Board.

- e) Fail to take reasonable steps to protect historic assets, intellectual property, information, or files from loss or significant damage.
- f) 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.

2. Staff and Volunteer Treatment

a) *Executive Teamwork.* The Executive Team shall be in a covenant relationship with one another and shall speak as one voice to all parties to whom the Executive Team are 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 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.

b) *Hiring, Retention and Treatment of Staff.* With respect to the hiring, retention and treatment of Staff, the Executive Team must operate in ways that fulfill Unitarian Universalist principles and the Church's Mission, Values, and Goals. Staff at All Souls, with a particular emphasis on the professional level, shall reflect the multiracial and multicultural commitment of the Church. 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 authorization from the Board and only after consultation with the Board describing the steps taken to make a hire that would further this policy.
- 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.
- Cause or allow working conditions that are unfair, unsafe, unhealthy, unprofessional, undignified, or inhumane.
- Operate without written personnel policies that cover all personnel matters for Staff and volunteers, 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.

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- 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.
- 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 All Souls employees enjoy salaries and benefits competitive with other churches and local nonprofits of similar size and budget.

c) *Treatment of Volunteers.* Much of the substantive work of All Souls is accomplished through Church committees or informal volunteer groups, working in a "shared ministry" and 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. Within this context, the Executive Team is responsible for encouraging and establishing such committees and groups. Acknowledging that the Executive Team has ultimate responsibility for implementing the Church's policies, including ensuring appropriate coordination with committees, shared ministry must be the All Souls watchword. To this end the Executive Team shall not:

- Fail to ensure that committees and groups have a clear understanding of their roles and responsibilities via Terms of Reference specifying appropriate communications to the congregation.
- Fail to provide access to information necessary for committee/group decision-making.
- Fail to respond promptly to their requests for information or financial support.
- 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.
- Undercut committees or the esteem in which they are held by the congregation.
- 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.
- Fail to assure that the work done by volunteers is covered by insurance, as necessary and appropriate.

d) *Treatment of Members, Friends and Visitors.* Based on the guiding principle of welcoming all souls – with respect to interactions with members, friends and visitors to the Church – the Executive Team shall not:

- Treat anyone with discourtesy or disrespect, or 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, hospitality and functionality.
- Violate appropriate standards of confidentiality or privacy or use methods of collecting or handling personal information that fail to protect against improper access to the material elicited.
- Fail to provide standards and procedures that are widely understood and applied to promote a safe and welcoming environment to members and non-members alike. [As of November 2011, an *Ad hoc* committee of Staff and lay leaders is working on a Safe Congregation policy].

3. Communication

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, for the Board the Executive Team shall not:

- Fail to submit monitoring information required by the Board in a timely, accurate, and understandable fashion.
- 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 the Board is not in compliance with the Church's Bylaws or its own policies.
- Fail to present to the Board an annual plan of priorities and strategies in collaboration with the Goal Implementation Teams.
- 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.

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Accordingly, for the Church the Executive Team shall not:

- 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 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 and major building repairs or improvements.

4. Financial Management

The Board has ultimate fiduciary responsibility for the assets of the Church. However, the Executive Team shall be responsible for the management of the Church's assets and financial resources in order to safeguard the operations and fiscal integrity of the Church.

a) *Financial Planning and Budgeting.* The Executive Team, in collaboration with the Treasurer and Assistant Treasurer, shall not allow budgeting that is not aligned with the Vision and Goals of the congregation. In addition, the proposed annual budget must not fail to:

- Reach the Board more 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.
- Contain sufficient information to permit reasonable Board evaluation in light of the Church's policies, priorities and resources.
- Consider contingencies such as legal fees and long-range planning, including reserves for such items as building needs and sabbaticals for clergy and staff who qualify.

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b) *Financial Condition and 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 section of this document on Board Monitoring of Executive Team Performance (Part IV).
- Deny reasonable access to financial records by the Audit Committee and authorized outside auditors.
- Handle funds without sufficient and prudent controls or fail to follow the Church’s financial procedures and protections manual.
- Fail to aggressively pursue receivables after a reasonable grace period.

c) *Execution of Contracts.* No one other than the Executive Team and its authorized designees shall execute any contract on behalf of the Church. The Executive Team and its authorized 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 its authorized designees shall not for any contract of \$25,000 or more (other than regular personnel contracts):

- Enter into 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 wherever possible.
- Fail to seek legal advice, when necessary, to interpret and assess contractual terms.

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d) *Endowment, Memorial, and Other Gifts.* The Investment Committee, 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, comply with local and federal laws, 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.
- 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.

e) *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 authorized 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.

f) *Raising financial resources for the Church*

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

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All Souls Church, Unitarian, Washington, DC | Organizational Chart, 2011

