

*Adopted November 2013*

## **UCH Policy on Board—Minister Relationship**

Approved by the Board of Trustees March 24, 2015

### General Statement

The Board and the Minister will link governance and management functions through the Board meetings. Between meetings, linkage shall be maintained through dialogue between the Minister and the Board President, or their designees.

### Unity of Control

Only decisions of the Board acting as a body are binding on the Minister. Accordingly:

1. Decisions or instructions of individual Board members, officers, or committees are not binding on the Minister except in rare instances when the Board has specifically authorized such exercise of authority.
2. In the case of Board members or committees requesting information or assistance without Board authorization, the Minister can refuse such requests that require, in the Minister's opinion, a material amount of staff time or funds, or that are disruptive.

### Accountability of Minister

The Minister is the Board's principal link to Church operations. Accordingly, all authority and accountability of volunteer and paid staff (including nonemployee consultants) are considered by the Board to be the authority and accountability of the Minister.

1. The Board will not give instructions to persons who report, directly or indirectly, to the Minister.
2. The Board will refrain from evaluating, either formally or informally, any staff other than the Minister.
3. Organizational accomplishment of Board-stated Ends [Priorities] and avoidance of Board-proscribed Means will be viewed as successful ministerial performance.

## Delegation to Minister

The Board's job is generally confined to establishing top-level policies consistent with the Church's mission, leaving implementation and procedure development to the Minister. Accordingly, the Board will collaborate with the Minister to create written policies that prescribe the organizational Ends [Priorities] to be achieved and proscribe Means to be avoided, allowing the Minister to use any reasonable interpretation of these policies.

## Monitoring Minister Performance

Monitoring ministerial performance is synonymous with monitoring organizational performance against Board policies on Ends [Priorities] and on Executive (Ministerial) 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.

## **UCH Policy on Executive (Ministerial) Limitations**

Approved by the Board of Trustees April 8, 2014

## General Constraint Statement

The Minister shall not cause or allow any practice, activity, decision, or organizational circumstance that is in violation of our Unitarian Universalist principles, in violation of our Bylaws, in violation of our Ends [Priorities], in violation of commonly accepted business and professional ethics, imprudent, or in violation of any laws. In case of conflict among the above limitations, the Minister shall abide by them in the order listed and inform the Board.

## Treatment of Members, Friends, and Visitors

With respect to interactions with members, friends, and visitors of the congregation, the Minister shall not allow conditions, procedures, or decisions that are unsafe, undignified, unnecessarily intrusive, or that fail to provide appropriate care and support, confidentiality, and privacy.

## Treatment of Staff

With respect to the treatment of paid staff and volunteers, the Minister may not cause or allow conditions that are unfair or undignified or that fail to apply the standards of the Church's Mission and Ends [Priorities] and Unitarian Universalist principles.

The Minister shall not:

1. Discriminate against existing or potential staff on the basis of race, creed, ethnicity, national origin, gender, physical disability, marital status, sexual orientation, or gender characteristics, identity, or expression.
2. Subject staff or volunteers to unsafe or unhealthy conditions.
3. Fail to establish commonly accepted safe-congregation policies and a disruptive-persons policy.
4. Fail to post in a prominent place current, established, internal complaint procedures or prevent staff from using them.
5. Operate without written personnel policies that clarify personnel rules for paid and volunteer staff, and provide for effective handling of grievances.
6. Fail to ensure that paid staff receive written reviews annually.

### Compensation and Benefits

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

Accordingly, the Minister may not:

1. Change his or her compensation and benefits.
2. Promise or imply permanent or guaranteed employment.
3. Establish compensation and benefits that provide less than the minimum dollar amount for the position (or closest comparable position) specified in the UUA's most recent salary recommendations in effect for a congregation of the Church's size.

4. Establish or change pension benefits so as to cause unpredictable or inequitable situations, including those that

(a) Incur unfounded liabilities.

(b) Provide less than some basic level of benefits to all full-time employees, although differential benefits to encourage longevity are not prohibited.

(c) Allow any employee to lose benefits already accrued from any foregoing plan.

### Financial Planning/Budgeting

Financial planning for any fiscal year or the remaining part of any fiscal year shall not deviate materially from the Board's Ends [Priorities] or risk fiscal jeopardy.

Accordingly, the Minister shall not allow budgeting that:

1. Contains too little information to enable credible projection of revenues and expenses, separation of capital and operational items, tracking of cash flow, and disclosure of planning assumptions.

2. Plans the expenditure in any fiscal year of more funds than are conservatively projected to be received in that period, absent legitimate articulated reasons.

### Financial Conditions and Activities

With respect to the actual, ongoing financial condition and activities, the Minister shall not cause or allow the development of fiscal jeopardy or a material deviation of actual expenditures from Board priorities.

Accordingly, the Minister shall not:

1. Enter into a contract that involves the expenditure of more than \$10,000 in any single transaction.

2. Use any long-term reserve without approval of the Board of Trustees, except in emergencies involving amounts up to \$5,000.

3. Conduct interfund shifting in amounts that deviate materially from the Board's Ends [Priorities].
4. Fail to settle payroll and debts in a timely manner.
5. Allow tax payments or other government-ordered payments or filings to be overdue or inaccurately filed.
6. Acquire, encumber, or dispose of real property.
7. Fail to pursue unpaid pledges after a reasonable amount of time.
8. Fail to pursue unpaid non-pledge receivables after a reasonable amount of time.
9. Authorize a line of credit or other loan without the approval of the Board.
10. Expend or invest any funds restricted by the donor, the Board, or the membership in a manner inconsistent with the restriction.

#### Asset Protection

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

Accordingly, the Minister may not:

1. Fail to insure against theft and casualty losses at replacement value less reasonable deductible and/or co-insurance limits.
2. Fail to insure against corporate liability and personal liability of Board members and staff, taking into account pertinent statutory provisions for indemnification and exemptions applicable to Illinois nonprofit organizations.
3. Allow unbonded personnel access to material amounts of funds.
4. Subject plant and equipment to improper wear and tear or insufficient maintenance.
5. Unnecessarily expose the organization, its Board, or staff to claims of liability or risk the nonprofit status.
6. Make any purchases not provided for in either the capital expenditure or operational projections.

7. Make any purchase of goods or services of over \$2,500 without at least three competitive price quotes. .

8. Receive, process, or disburse funds under controls insufficient to meet the Board appointed auditor's standards or other government standards.

9. Invest operating capital in insecure instruments, including uninsured checking accounts and bonds or CDs of less than A rating.

10. Fail to protect intellectual property, information, and files from theft, misuse, or significant damage, excluding the work of called ministers of the church, who are the sole owners of their intellectual property.

Ends [Priorities] Focus of Grants and Contracts

Grants: No one other than the Minister or express designees shall award any grant on behalf of the Church. The Minister and express designees shall not award any grant that fails to serve the Church's Ends [Priorities].

The Minister or express designees shall not:

1. Fail to oversee the grant approval process.
2. Fail to collect, review, and retain a written grant application.
3. Fail to collect, review, and retain quarterly follow-up reports on grant activities.
4. Fail to consider the budgetary, staff, and facility impacts of the grant award.

No one other than the Minister or express designees shall apply for any grant on behalf of the Church from outside funding agencies. The Executive and express designees shall not apply for any grant that fails to serve the Church's Ends [Priorities].

The Minister or express designees shall not:

1. Fail to oversee the grant application process.
2. Fail to collect, review, and retain information about the grant application.
3. Fail to collect, review, and retain quarterly follow-up reports on grant activities.

4. Fail to consider the budgetary, staff, and facility impacts of the grant application.

Spending Contracts: No one other than the Minister or express designee, or the Board President (or Vice President, in the President's absence), shall execute any contract on behalf of the Church. The Minister and express designees shall not enter into any contractual arrangements that fail to serve the Church's Ends [Priorities]. The Minister or express designees shall not fail to seek legal advice, when necessary, to interpret and assess contractual terms. The Minister and express designees shall not cause or allow any conflict of interest in awarding purchases or other contracts.

#### Communications and Support of Board

The Minister shall not permit the Board to be uninformed or unsupported in its work.

Accordingly, Minister shall not:

1. Neglect to submit monitoring information required by the Board in a timely, accurate, and understandable fashion, directly addressing provisions of Board policies being monitored.
2. Let the Board be unaware of relevant trends, anticipated adverse media coverage, or material external and internal changes, particularly changes in the assumptions upon which any Board policy has previously been established.
3. Fail to advise the Board if, in the Minister's opinion, the Board is not in compliance with its own policies on Board Limitations and Board-Minister Linkage, particularly in the case of Board behavior that is detrimental to the working relationship between the Board and the Minister.
4. Fail to marshal for the Board as many staff and external points of view, issues, and options as needed for fully informed Board choices.
5. Fail to provide a mechanism for official Board, officer, or committee communications.
6. Fail to report in a timely manner any actual or anticipated noncompliance with any policy of the Board.
7. Fail to limit public statements about the official position of the congregation or Board on controversial social, political, or congregational issues to 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.