

**Unitarian Church of Baton Rouge
Governance Board Policy Manual**

(Approved by UCBR Board on July 15, 2014)

- I. Introduction**
- II. Definitions**.....
- III. Governance**
- A. Philosophy of Governance.....
- B. Board Covenant.....
- C. Board Self-Government
- 1. Roles and Responsibilities of the Board of Trustees.....
- 2. Board and Officers’ Roles.....
- 3. Conflicts of Interest
- 4. Board Committees
- D. Powers reserved to The Board
- E. Actions Requiring Congregational Approval
- IV. Management**
- A. Global Delegation to the Staff
- 1. Board – Ministry Team Linkage
- 2. Decision-Making Authority.....
- 3. Delegation to Executive Director
- B. Delegation to Others
- C. Care for People.....
- 1. Non-Discrimination Policy.....
- 2. Universal Access Policy
- 3. Right Relations Policy
- 4. Sexual Harassment Policy
- 5. Protection of Children Policy
- 6. Whistleblower Policy
- 7. Health and Safety Policies.....
- a. Facility Maintenance
- b. Emergency Planning
- c. Firearms Policy.....
- d. No Smoking/Alcohol/Drug Use Policy.....
- D. Care for Staff
- 1. Filling Positions/Hiring
- 2. Dismissal of Staff
- 3. Grievances and Appeals
- 4. Personnel Manual
- 5. Annual Performance Reviews
- E. Care for Resources
- 1. Financial Management
- 2. Asset Protection.....
- a. Financial Controls
- b. Accounting

- c. Document Retention
- d. Insurance
- e. Tangible Property
- f. Intangible Property.....
- 3. Endowment Committee

- V. Oversight**
- A. Board Monitoring
- B. Staff and Board Evaluation
- 1. Evaluation of Board and Ministry Team Leader Relationship.....
- 2. Evaluation of the Executive Director
- 3. Evaluation of Staff and Contractors
- 4. Triennial Evaluation of Called Ministers
- C. Committee Charters
- 1. Finance Committee.....
- 2. Governance Committee Charter
- 3. Personnel Committee Charter.....
- 4. Special Funds Committee Charter

VI. Appendices

I. Introduction

The leadership of the Church is a shared responsibility of the Congregation, the Board of Trustees and the Ministry Team. Members of the Congregation share responsibility for discerning the Church's mission and organizing to fulfill it. Members do not "own" the Church for individual or collective benefit. Rather, members hold the Church in trust for those who benefit from its work now and in the future.

Except for the duties reserved to the Congregation, as set forth in the Articles of Incorporation, By-Laws and these policies, the members delegate leadership responsibility to the Board of Trustees and the Ministry Team Leader (MTL). This policy manual distinguishes between two kinds of activity, Governance and Ministry, and it sets forth the Board's policies that have been created to help perform both in a spirit of partnership.

These Board Policies are subordinate to and do not supersede the provisions of the Church's Articles of Incorporation and By-Laws. Those to whom these Board Policies delegate authority and accountability may establish their own administrative practices and procedures to regulate the delegated responsibilities, provided that they conform to these Board Policies.

These Board Policies were adopted at the Board's regular meeting held July 15, 2014. They replace all prior Board Policies and/or guidelines. The Board of Trustees may change these Board Policies. Any Church member may suggest changes to these Board Policies or report any violation of these Board Policies to the President or any Board member.

II. Definitions

Church: The Unitarian Church of Baton Rouge (“UCBR”) is a non-profit, church corporation founded in 1951 and located at 8470 Goodwood Boulevard, Baton Rouge, LA 70806. The Church is operated according to the terms of its Articles of Incorporation, its By-Laws, this Policy Manual, and the laws of the State of Louisiana.

Ends/Means Distinction: In this Policy Manual, an “ends/outcomes” policy statement sets forth the desired outcomes, the intended beneficiaries of the results, and the acceptable costs. Defining ends/outcomes is a function of Governance. “Means” are the methods that are employed to accomplish the desired ends/outcomes. Determining the appropriate means is a function of Ministry, except in those situations where the Board of Trustees has implemented policies that either limit or require certain means.

Annual Vision of Ministry: The annual vision of ministry is the Board’s short list of priorities to be accomplished in the forthcoming one to three years. It is the short-term product of the Board’s strategic-plan process which determines the “ends”. The Ministry Team then translates the Annual Vision of Ministry into “means” for the year.

Congregation: The Congregation of UCBR is the highest governing authority in the Church, and consists of those members who are eligible to vote. Voting eligibility is set forth in the Church’s Articles of Incorporation and By-Laws.

Core Values: Core values are those values and behaviors that the Church intends to honor in all of its endeavors. The Unitarian Universalist Principles serve as the core values for Unitarian Church of Baton Rouge.

Governance: Governance is the collective, democratic process that produces lasting policies designed to direct many individual decisions. It is best accomplished through democratic or representative bodies, including Congregational Meetings, the Board of Trustees, Board Committees, and Board working groups. The Board of Trustees, under the leadership of the President, is responsible for leading the governing of the Church.

Ministry: Ministry is the practical work of the Church, and consists of continually choosing means and methods, allocating resources, hiring staff, recruiting volunteers, and giving them leadership and support that will enable them to serve the mission of the Church effectively. Ministry is best accomplished through empowered ministry teams of people who share a sense of calling to particular forms of service. UCBR’s Senior Minister, as the called spiritual leader and designated Ministry Team Leader, is responsible for directing the Church’s ministry in accordance with Board policies.

Open Questions: Open questions are questions that are significant to the Church’s strategic planning but do not, as yet, have answers. Open questions call for a wider, longer conversation than an annual goal-setting process can accommodate and invite congregational conversation before a decision is made.

Board Agenda: The Board agenda shall close on the 5th of the month and consist of a two parts - a consent agenda and a discussion agenda. The consent agenda shall appear as a single item near

the beginning of the Board agenda, and shall include items requiring board action that the agenda team believes do not require discussion or debate. The discussion agenda for each meeting shall include not more than three major items, all of which relate directly to the board's discernment, strategy and oversight roles. Any board member may request that a consent agenda item be moved to the discussion portion of the agenda after which a motion to "adopt" the remaining items on the consent agenda will be requested. There is never a discussion about the consent agenda. Once the Agenda and Board packet are disseminated to Board Members, the Agenda will then be posted on the Board of Trustees Bulletin Board located in a Church common area as well as on the Church website.

Agenda Team: The Board empowers an agenda team, consisting of the Board Chair, Senior Minister and a GTF member. The agenda team is responsible for the Board packet, which shall contain all reports, the Board agenda, and supporting materials. The packet as a whole may not exceed 25 pages. The Board Secretary shall email the packet to each member of the board no later than 5 days in advance of the Board meetings.

The agenda team shall defer any request for the Board to act on a management item to the appropriate ministry leader for decision. The agenda team may place a related policy item on the consent or discussion agenda if appropriate.

Board Reports: All reports must be emailed to the Board Secretary by the 5th of each month for inclusion in the Board packet. All reports including those of the Senior Minister, Ministry Team Leader and Board Committees must be in writing and fewer than 4 pages in length. Late reports shall be held over for the following month's packet. The Board shall not hear oral reports except when they are directly related to major items of Board business. If a report contains a proposed Board action, it must be stated in the form of a motion and placed at the top of the report.

III. Governance

A. Philosophy of Governance

The Congregation elects a Board to function as our governing body. The Elected Board appoints a Ministry Team Leader, who serves as our programmatic and administrative leader. Our intended style of leadership shall be consultative, collegial, and inclusive. We expect all leaders to practice open decision making, healthy conflict management and mutual support in their respective roles.

The Board's focus shall be on the long-term mission and well being of the congregation. As much as possible, the Board shall delegate management decision making and devote its own attention to:

- Discerning and articulating our Congregation's mission and vision of ministry;
- Creating a plan with clear goals that fulfill the mission;
- Evaluating progress toward the achievement of those goals;
- Creating and monitoring adherence to written policies to guide our Congregation's ministry;
- Delegating authority to leaders in proportion to their responsibilities and providing support to those leaders; and
- Monitoring and evaluating its own work.

B. Board Covenant

Each year, the Board will create a written covenant that sets forth what is expected of its members and the practice and spiritual disciplines it means to follow as a body. It should include expectations about preparation, attendance, participation, and conflict management, and an agreement on the basic fiduciary duties of care, loyalty and obedience. The covenant, once written, forms a part of the Board policy manual, and it is expected it will be reviewed regularly and changed as needed.

C. Board Self-Government

C.1. Roles and Responsibilities of the Board of Trustees

Except as otherwise restricted in the Bylaws, the Board shall:

- a. Have the responsibility of appointing a Ministry Team Leader;
- b. Act on behalf of the Church in a manner consistent with its Purpose and Mission Statement;
- c. Discern and articulate the Church's annual vision of ministry, create a clear plan with clear goals that fulfill the vision, and evaluate progress toward the achievement of those goals;
- d. Establish governance policies, monitor adherence, and appoint such persons and committees as necessary to achieve these functions, permitting, at its discretion, the referral of major policy decisions for determination at a membership meeting;
- e. Oversee and evaluate the work of the Ministry Team Leader;
- f. Recommend a budget for congregational approval, oversee finances during the fiscal year

in order that a balanced budget is maintained, and approve any increase not to exceed 5% of the total budget during any fiscal year;

- g. Authorize the incurrence of debt or raise the capacity to incur debt on behalf of the church, changes to church policy on compensation and benefits, and to add, purchase or dispose of church property or assets valued at \$10,000 or greater;
- h. Execute contracts on behalf of the Church that involve a term longer than three years or a financial obligation greater than \$10,000;
- i. Accept grants and any restricted gifts not represented in the designated fund or wish list;
- j. Affiliate the congregation with other organizations and to take related actions such as setting contribution levels, appointing delegates, and voting in elections of affiliated bodies;
- k. Establish, modify and dissolve committees and task forces of the Board; and
- l. Monitor and evaluate its own work and otherwise to take all action necessary for the governance of the church.

C.2. Officers' Roles

C.2.a. The President shall:

- i. Preside at meetings of the Board and the membership;
- ii. Appoint members to, and designate chairs of, board committees;
- iii. Be a non-voting member of all board committees;
- iv. Appoint members to fill Board vacancies;
- v. Serve on the Board's Governance Committee;
- vi. Maintain and adhere to the Governance Board Policy Manual; and
- vii. Delegate other responsibilities as he/she sees fit.

C.2.b. The Vice President shall:

- i. Discharge the duties of the President in his/her absence;
- ii. Annually review staff policies and procedures to assess compliance with the Bylaws, Governance Board Policy Manual, UUA recommendations, certifications, and applicable local, state and federal law; and
- iii. Succeed to the Presidency if the office becomes vacant within the President's term of office.

C.2.c. The Secretary shall:

- i. Provide for the recording of all proceedings of the Board and meetings of the Church;
- ii. Issue notices of the meetings;
- iii. Conduct the correspondence for the Board; and
- iv. Determine the voting membership list prior to each membership meeting, the proper quorum requirement, and the proper numerical vote required for all issues.

C.3. Conflicts of Interest

Because Board members must carry out their duties with undivided loyalty to the Church and its mission, the Board has adopted this policy regarding conflicts of interest.

C.3.a. *Existence of a Conflict of Interest.* A conflict of interest exists whenever a Board member or a close relative of a Board member has interests or duties that interfere with the

Board member's duty of loyalty. The conflicting interest may be financial, moral, political, theological, or otherwise.

A Board member who is an employee or close relative of an employee of UCBR always has a conflict of interest with respect to any action affecting such employment. In addition, conflicts of interest arise when a Board member:

- i. stands to gain or lose because of a Board action;
- ii. has a fiduciary duty or close personal or business relationship, employment or otherwise, to any person or organization that stands to gain or lose because of a Board action;
- iii. holds a substantial property interest in a corporation or business, or serves as an Officer or Board member of another nonprofit organization that stands to gain or lose because of a Board action;
- iv. cannot set aside his or her personal preferences as an individual consumer of the Congregation to vote on behalf of the whole Congregation and its mission; or
- v. faces any other situation that creates or appears to create divided or conflicting loyalties or reasonably appears to impair the independent judgment of that person.

C.3.b. Annual Disclosure. The Board shall annually require its members to disclose in writing all existing or foreseeable conflicts of interest. Disclosure forms shall be kept by the Church Administrator and made available to any member of the Congregation who requests to see them.

C.3.c. Handling Conflicts of Interest. Throughout the year, if an item of business arises in which any Board member suggests that a conflict of interest may exist, the affected Board member shall either withdraw or ask the Board for guidance. In the latter case, the Board (outside the presence of the affected party) shall determine whether a conflict exists and, if so, how to handle the situation. Depending on the seriousness of the conflict, possible responses include: (i) *Disclosure* – the Board member shall file a supplemental disclosure form, but then may continue to participate and vote as usual; (ii) *Recusal* – the Board member shall disclose the conflict and withdraw from the meeting while the item is under discussion or voted on; or (iii) *Resignation* – the Board member shall resign from the Board.

C.4. Board Committees

Board of Trustee standing committees include Finance, Personnel, Governance and Special Funds Committees as described in current Bylaws and with Committee Charters included in *Section V. Oversight* in this Board Policy Book. Other Committees, task forces and work groups can be established as needed with charters created and added to this Board Policy Book.

D. Powers Reserved to the Board

The following powers are reserved to the Board:

1. Power to affiliate the congregation with other organizations, and to take related actions such as setting contribution levels, appointing delegates, and voting in elections of affiliated bodies.
2. Approval of an increase in the total budgeted spending for the year of less than 5% of total budget.
3. Incurring debt or raise the capacity to incur debt on behalf of the Church.
4. Acceptance of restricted gifts not represented in the designated fund or wish list.

5. Authorization of changes to Church policy on compensation and benefits.
6. Authorization to add, purchase or dispose of Church property or assets valued at \$10,000 or greater.
7. Execution of contracts involving a term longer than three years or financial obligation greater than \$10,000.
8. Acceptance of grants.
9. Dissolution and liquidation of the Church as a corporation, as described in Article XXI of the bylaws.

E. Actions Requiring Congregational Approval

The Board recognizes that the bylaws reserve the following authority solely for the Congregation:

1. Approval of the annual operating budget.
2. Approval of increases in total budgeted spending for the year when greater than 5% of total budget.
3. Approval of Capital Campaign initiation and commitment of funds.
4. Buying and selling of Church real property.
5. Major changes in the structure or layout of Church real property, either building or grounds.
6. Election of Church Officers.
7. Recall of a member of the Board of Trustees.
8. Approval of amendment and revisions of the constitution and bylaws.
9. Any public endorsement or stand on a social, economic, or religious issue taken in the name of the Church.
10. Call a minister or dismiss a called minister.

IV. Management

A. Global Delegation to the Staff

The Board sets forth in these policies those Ministry functions that it reserves for itself and those Ministry functions that it delegates to specific entities. All other Ministry functions shall be the responsibility of the Ministry Team, led by the Ministry Team Leader, while all governance issues are the responsibility of the President of the Board.

The Ministry Team Leader shall be appointed by The Board. The Ministry Team Leader shall lead and direct the programmatic and administrative work of the Church, and is hereby delegated authority and responsibility to make all operational decisions, adopt administrative policies, and allocate Congregational resources except as specifically limited by Board policies.

The Ministry Team Leader shall be responsible for maintaining a productive and effective staff team, for ensuring that its efforts are directed toward fulfilling the Congregation's mission and vision of ministry, and for staff compliance with all Board policies.

The Board, led by the President, shall lead the governance of the Church and has the authority and responsibility to make all decisions relative to the effective functioning of the Board and its committees, except as specifically limited by these policies.

A.1. Board – Ministry Team Linkage

The relationship between the Board of Trustees, which defines ends and sets policy, and the Ministry Team, which determines means and manages Church operations, is defined here. The Board's official connection to the Ministry Team, its achievements, and conduct is through the Ministry Team Leader.

- a. Only decisions of the Board acting as a body are binding on the Ministry Team Leader.
- b. All Board authority delegated to the Ministry Team is delegated through the Ministry Team Leader. All of the authority and accountability of the Ministry Team is considered to be the authority and accountability of the Ministry Team Leader.
- c. The Board will instruct the Ministry Team Leader through written policies that prescribe the end to be achieved and that limit the means to be employed, allowing the Ministry Team Leader to use any reasonable interpretation of these policies.
- d. At least annually, the Board shall evaluate the Ministry Team Leader's performance. The performance evaluation for all other members of the Ministry Team shall be conducted by the Ministry Team Leader or a supervisor designated by the Ministry Team Leader.
- e. The Board is responsible for monitoring Ministry Team performance in a systematic and rigorous manner. Performance will be measured to determine the extent to which: (i) the Church's desired ends are being accomplished; and (ii) the Ministry Team operates within the boundaries set by established limitations.

A.2. Decision-Making Authority

Any decision not addressed by a Board policy is hereby delegated to the Ministry Team Leader (if in the area of Ministry) or to the President (if in the area of Governance). In the area of Ministry, the Ministry Team Leader is empowered to make decisions that are a reasonable interpretation of existing policies. In the area of Governance, the President is empowered to make decisions that are a reasonable interpretation of Board policy.

When the Board wishes to delegate power to other entities, it shall do so by adopting clear policies to that effect and incorporating them into this policy manual.

A.3. Delegation to Executive Director

The Ministry Team Leader may serve as or appoint a person to be the Executive Director. If appointed, he/she will serve in this role as long as they retain the confidence and trust of the Ministry Team Leader, to whom this person will directly report. The Executive Director will oversee the administrative work of the Church as delegated by the Ministry Team Leader and as limited by policy.

B. Delegation to Others

The Endowment and Nominating Committees function without Board supervision and report to the Board according to the Unitarian Church of Baton Rouge bylaws.

C. Care for People

The Ministry Team Leader shall be responsible for taking care to prevent harm to the members and guests who take part in Church activities or use Church property and the Church staff, and shall have the power to take all necessary steps to deal with situations where such persons are at risk.

C.1. Non-Discrimination

No one acting for the Church shall discriminate because of race, color, age, sex, marital status, sexual orientation, gender identity and expression, disability, national origin or ancestry, economic status, union membership, or political affiliation. Religious opinion and affiliation shall be considered only to the extent that it may: (i) be a bona fide occupational requirement, or (ii) prevent an individual from being fully supportive of the Church's mission and values. To this end, the Church will engage in continual examination of our properties, practices and attitudes.

C.2. Universal Access

The Church intends to make its premises and activities reasonably accessible to persons with disabilities. To this end, our goal is to meet or exceed all legal requirements, and to engage in continual examination of our properties, practices and attitudes.

C.3. Right Relations

The well being, strength, and reputation of our Church depend on a sense of fellowship among the members, guests and staff that thrives in an atmosphere of trust, respect and cooperation. To clarify our expectations and processes that will be taken in response to members' concerns, the Board will create prior to the end of 2014: (i) a Statement of Values and Expectations; and (ii) a Policy Regarding Disruptive Behavior, (iii) a Grievance Procedure.

C.4. Sexual Harassment

Employees, volunteers, and agents of the Church are prohibited from acts of sexual harassment against any member or participant in Church activities or any employee or applicant for employment. In response to violations of this policy, the Ministry Team Leader or Board, as necessary, shall contact appropriate authorities and take disciplinary action, which may include termination of employment or membership or exclusion from Church property and programs.

C.5. Protection of Children

The Ministry Team Leader shall take all reasonable steps to ensure compliance with the "Safe Church" policy of the Church, which addresses affirmative steps and safeguards for the protection of children under the age of 18 who are present on Church property and/or participants in Church activities. Efforts will also be made to review the "Safe Church" policy periodically and to change it, as needed, so that it will remain current and achieve its intended purpose.

C.6. Whistleblower Policy

To protect whistleblowers, it is the policy of this Church to prohibit adverse action being taken against employees, volunteers, or any Church member or participant in Church activities in retaliation for any lawful disclosure of information made in good faith that relates to: (i) a violation of any law or local, state or federal rule or regulation; (ii) mismanagement, gross waste or misappropriation of Church funds or assets; (iii) a substantial and specific danger to public health and safety; or (iv) other alleged wrongful conduct. Any person found to have violated this policy will be disciplined up to and including termination from employment or expulsion from Church membership. Any alleged violation of this policy shall be referred to the President, the Senior Minister, the Ministry Team Leader, or any member of the Board, and handled under the established policy and procedure.

C.7. Health & Safety

C.7.a. Facility Maintenance. The Ministry Team Leader shall ensure that all facilities are maintained in a safe, sanitary, and secure condition, that required licenses and inspections are kept up to date, and that problems are corrected promptly.

C.7.b. Emergency Planning. The Ministry Team Leader shall maintain a written plan for responding to emergencies and other situations, such as medical emergencies, fire, toxic conditions, weather problems, threatening communications, unauthorized individuals on site, power outages, natural disasters, and other circumstances that create or threaten dangerous conditions.

C.7.c. Firearms Policy. Church policy prohibits anyone other than on-duty law enforcement officials to carry a firearm on the Church grounds. The Ministry Team Leader shall take all reasonable steps to ensure compliance with this policy.

C.7.d. No Smoking/Alcohol/Drug Use Policy. Church policies prohibit smoking and illicit or illegal drug use on the Church grounds, and limits alcohol use on the Church grounds except in specified, pre-approved circumstances. The Ministry Team Leader shall take all reasonable steps to ensure compliance with these policies.

D. Care for Staff

The Ministry Team Leader is responsible for maintaining a productive and effective staff team that works to fulfill the congregation's mission and vision and for compliance with all Board policies. The Ministry Team Leader shall ensure that staff working conditions are humane, fair, caring and professional.

Nothing in these guidelines is intended to alter the at-will employment relationship between the Church and its employees.

D.1. Filling Positions/Hiring

The Ministry Team Leader is authorized to create or fill any staff position, within budget limitations and Board policy. Positions that cannot be filled under the current budget require Board approval. This authority does not extend to called ministers.

The Ministry Team Leader shall create and publish practices for hiring that: (i) establish a high degree of fairness in the hiring process; (ii) consider religious opinion and affiliation only to the

extent that it may be a bona fide occupational requirement or prevent an individual from being fully supportive of the Church's mission and values (iii) strive to develop a reasonable pool of candidates for each open position; (iv) inform and engage stakeholders who will interact with the position; (v) evaluate candidates effectively and ensure appropriate background investigations and testing; and (vi) include notifying the Board when a new employee is hired.

The Ministry Team Leader will comply with guidelines for fair compensation and appropriate benefits to the fullest extent possible.

D.2. Dismissal of Staff

The Ministry Team Leader has the authority to dismiss a hired or volunteer staff member. Prior to discharging a staff member, the Ministry Team Leader may consult with the Personnel Committee to ensure that the proper decision complies with applicable laws and Board policies. The Ministry Team Leader shall notify the Board when an employee is dismissed.

D.3. Grievances and Appeals

The Ministry Team Leader shall develop an internal due-process grievance and appeal procedure for staff. In addition to the internal procedures, the staff member may present his/her appeal or grievance to the Board if and only if the staff member alleges that the law or Board policy has been violated to their detriment and all other grievance procedures have been exhausted. While any such presentation to the Board is pending, the decision of the Ministry Team Leader shall stand unless and until the Board decides otherwise.

D.4. Personnel Manual

The Ministry Team Leader shall be responsible for maintaining an up-to-date personnel manual covering matters not specifically addressed in these Board policies, as required to ensure that the Church complies with legal requirements and denominational norms for employment practices.

D.5. Annual Performance Reviews

The Ministry Team Leader shall ensure that a performance review of all staff is conducted annually.

E. Care for Resources

The Board has ultimate fiduciary responsibility for the assets of the Church. However, the Ministry Team Leader, together with senior staff members as designated by the Ministry Team Leader, shall be responsible for the day to day fiscal decisions, Church's assets and financial resources in their respective areas of responsibility.

E.1. Financial Management

The Ministry Team Leader in order to safeguard the operations and fiscal integrity of the Church:

E.1.a. Shall keep the Board fully informed on a regular basis of the Church's ongoing financial status, and shall inform the Board in a timely manner of any projected material deviation from the current approved budget.

E.1.b. Shall not exceed the total budgeted spending for the year without obtaining Board

approval.

E.1.c. May transfer budget amounts between budget categories provided that total expenditures will not exceed the total budget, other limitations have not been exceeded, and the transferred amount is clearly noted in the financial reports.

E.1.d. Shall not cause or allow expenditures to deviate materially from Board priorities as laid out in the Annual Vision of Ministry document.

E.1.e. Shall not incur ongoing debt or raise the capacity to incur debt on behalf of the Church. Only the Board may approve increases to the total borrowing capacity of staff credit cards, changes to lines of credit or other borrowing in advance. This restriction does not preclude taking out temporary debt (90 days or less) using already approved sources such as credit lines and credit cards. All revolving credit lines are to be paid in full upon receipt of statement.

E.1.f. Shall not buy or sell real estate, or invest in securities other than bank deposits.

E.1.g. Shall not accept any gift that is restricted by the donor as to use or purpose when such use or purpose has not previously been approved by the Board through the creation of a designated fund or wish list.

E.1.h. Shall not use donor restricted funds in violation of donor restrictions or trust provisions.

E.1.i. Shall not jeopardize the congregation's tax exempt status under local, state or federal law.

E.1.j. Shall not change the compensation of any staff position, or the Church policy on compensation and benefits.

E.1.k. Shall not handle or allow others to handle funds without sufficient and prudent controls in place or fail to follow the Church's financial procedures and protections manual.

E.1.l. Shall not agree to any contractual relationship with another entity involving a term longer than three years or financial obligation greater than \$10,000, without approval from the Board.

E.1.m. Shall not make any purchase of over Five Thousand (\$5000) Dollars without at least two competitive bids, when there are multiple vendor possibilities.

E.1.n. Shall follow up on any pledge in arrears by more than 6 months.

E.2. Asset Protection

The Ministry Team Leader shall be responsible for preventing harm to the Church's reputation and assets, for stewardship and for maintaining the fiscal integrity of the Church and shall develop administrative practices and procedures designed to prevent such harm. This includes use of facilities, Church name, banner, logo, and social media, consistent with the mission and

values of the Church. The Ministry Team Leader shall report promptly to the Board any significant shortcomings in their implementation.

E.2.a. *Financial Controls.* Written procedures shall be created and maintained to govern the handling of receipts, access to cash and bank balances, approval of expenditures, payment of invoices and other obligations, and management of invested funds.

- (1) The Ministry Team Leader and his/her designees are authorized to approve disbursements.
- (2) At least one authorized individual shall approve all cash/check disbursements.
- (2) Two unrelated authorized individuals shall approve all disbursements of \$5,000 or more that are not part of an existing contract or related to normal payroll expenses.
- (4) The functions of Accounts Receivable, Accounts Payable and Bank Reconciliation shall be under the control of or subject to review by three unrelated persons or entities.
- (5) Unbonded personnel shall not be allowed access to material amounts of funds.
- (6) Church accounting records shall be reconciled with financial institution statements as often as those statements are issued and copies of such reconciliations shall be provided to the finance committee.
- (7) The Board shall not cause or allow financial policies that are incomplete, unclear or inconsistent with generally accepted accounting principles, or that lack clear implementation guidelines. The Ministry Team Leader shall have clear policies for all UCBR employees, members and volunteers regarding reimbursement of expenses, including travel.
- (8) Donation of stocks, investment funds and mutual funds are to be sold on the day of transfer or as soon as possible.
- (9) The Ministry Team Leader shall take all reasonable steps to ensure compliance with the Contracts and Contractor policy. All deviations must receive prior Board approval. All contracts reasonably expected to exceed a cost of \$5,000 must conform to the requirements of this policy, regardless of the entity (Board, Ministry Team, or other) initiating the contract.
- (10) The Ministry Team Leader may apply for external grants, provided the grants are consistent with the goals of UCBR, and do not obligate the Church to expenditures that would jeopardize fiscal integrity. The Board must formally accept all grants on behalf of the Church and shall be notified of grant activity and progress towards deliverables on a regular basis.
- (11) The Ministry Team Leader may transfer budget amounts between budget categories provided that total expenditures will not exceed the total budget, other limitations have not been exceeded, and the transferred amount is clearly noted in the financial reports.

- (12) The Ministry Team Leader shall submit a balanced budget to the Board for approval on a mutually agreed upon date prior to congregational vote that shall include any capital expenditures in the budget as well as means to pay for them.

E.2.b. *Accounting.* The Church's financial accounts shall follow generally accepted accounting practices to the extent that those practices are usually followed by congregations of our size. Particular care shall be taken to document and distinguish donor-restricted, temporarily restricted, voluntarily restricted, and unrestricted funds.

E.2.c. *Document Retention.* Written procedures shall govern the retention and destruction of documents, giving definite retention periods for classes of financial, business, pastoral, historical, personnel, and corporate records in both paper and electronic forms.

E.2.d. *Insurance.* The Church shall maintain adequate insurance to protect against property losses at replacement value and liability for injuries to others, less reasonable deductible and/or coinsurance limits. Insurance coverage shall include both corporate liability and personal liability of Board members and staff, taking into account pertinent statutory provisions and exemptions applicable to Louisiana non-profit organizations. The Board shall annually review and approve the insurance coverage.

E.2.e. *Tangible Property.* The Church shall maintain its property and equipment in good working order, subject to reasonable wear and tear. An inventory of all Church property exceeding purchase value of \$500, all electronics with purchase value more than \$100, and other movables as designated by staff will be maintained and updated annually. No asset valued at \$10,000 or greater may be added, purchased or disposed of without Board approval.

E.2.f. *Intangible property.* The Church owns and shall protect its intellectual property, information, files, reputation and other intangible property from significant damage or loss and have procedures in place in the event a breach or loss of information occurs. To the extent provided in their employment agreement, Ministers and professional staff of the Church are the sole owners of their intellectual property, unless otherwise agreed.

E.3. Endowment Committee

The Endowment Committee of Unitarian Church of Baton Rouge shall operate in accordance with the Endowment Committee Charter as established in the UCBR Bylaws. The Endowment Committee shall provide an annual written summary of the status of their finances and activity for the past year.

V. Oversight

A. Board Monitoring

The Ministry Team (staff, committees, volunteers) and Board shall engage in a continual process of monitoring and evaluation. The purposes to be accomplished through monitoring and evaluation are to foster excellence in ministry work by encouraging open communication and regular feedback among all whose work contributes to achieving the Church's mission, to help the Church to focus on its goals as adopted by the Board, and to ensure that all Church leaders adhere closely to Board policies.

1. The Ministry Team Leader, with the help of the Executive Director, shall be responsible for regular written reports from the Ministry Team to the Board. Reports shall focus on progress on priorities, as set by the Board, and on compliance with Board policy.

2. Financial statements shall be provided by the Executive Director, and shall show overall financial performance compared to budget and highlight significant financial or operational issues. Financial statements shall be filed and made available to any Congregation member who wishes to examine them.

3. The Board shall call upon Ministry Team staff and lay leaders on a planned basis through the year to report more fully on the Church's work in a given area, and to contribute expertise, information, and leadership. The purpose of these reports is to support the Board's learning and reflection on major areas of the Church's mission, such as worship, religious education, social justice, membership development, and stewardship of Congregational property and wealth.

4. From time to time, the Board may inquire into specific questions of policy compliance, organizational concerns, or other serious issues by appointing a committee or outside consultant to assess some aspect of Church program or organizational functioning.

5. At least once every five years (or more often if required by lenders or other needs of the Church), the Executive Director shall engage a qualified professional to conduct an audit of the Church's financial records and processes. The auditor's report will be presented in writing to the Board upon completion. In the years where no external audit is performed, the Finance Committee will oversee a general accounting review of annual expenditures.

In order to facilitate the Board monitoring responsibilities, the Board will establish the following committees: Finance, Governance, Personnel and Special Funds. The charters of these committees and their duties are included in these policies.

B. Evaluation

The Board believes that it is important to the ongoing success of UCBR to conduct annual evaluations of all Ministers, contractors, staff and the Board itself. The Board also strongly encourages ongoing conversations between all parties about the reasonableness of goals, resource limitations, and other issues as part of maintaining a culture of openness, respect, and fairness. Evaluations are simply a periodic and formalized aspect of this relationship, and should strive to emphasize both the positive and negative aspects of performance.

B.1. Evaluation of Board and Ministry Team Leader Relationship

In addition to the Board's self evaluation, the Board shall annually evaluate the Ministry Team Leader's performance and the Ministry Team Leader shall evaluate the Board's performance.

The Board's focus during this evaluation is to be on the effectiveness of the Ministry Team Leader's managerial responsibilities in relationships to the paid staff, with particular focus on the Ministry Team Leader's oversight of the Executive Director. A second focus should be the general state of the working relationship between the Board and Ministry Team Leader as it relates to the achievement of the goals of UCBR and compliance with Board Policies. The evaluation shall not extend into a review of the ministerial duties of the Ministry Team Leader, should the Ministry Team Leader also serve as a minister of the Church.

The Ministry Team Leader's focus during this evaluation should be on the effectiveness of the Board in fulfilling its role, the overall working relationship that exists between the Ministry Team Leader and the Board, and the effectiveness of how policies and feedback are communicated between the Board and the Ministry Team Leader.

Every three years, the Ministry Team Leader shall also receive an evaluation that is broader in scope as outlined by the policy below.

B.2. Evaluation of the Executive Director

An annual performance evaluation for Executive Director shall be conducted by the Ministry Team Leader, and provided to the Board. This evaluation should focus on the overall working relationship between the Ministry Team Leader and Executive Director and the overall managerial effectiveness of the Executive Director as it relates to the accomplishment of the goals of UCBR compliance with policy, and general morale of the paid staff. The evaluation of the Executive Director must include input gathered from the paid staff as well as volunteers that have been working closely with the Executive Director to provide a more comprehensive picture of the Executive Director's effectiveness.

B.3. Evaluation of Staff and Contractors

Each year, the Ministry Team Leader and Executive Director shall together conduct an evaluation of all called ministers and contractors. This evaluation will focus on how these team members have performed in relation to the goals for UCBR set by the Board and their compliance with policies.

All paid staff members of the Ministry Team (other than contractors or called ministers) shall be evaluated by either the Ministry Team Leader, the Executive Director, or a supervisor designated by the Ministry Team Leader or the Executive Director. The evaluation will focus on how each staff member has performed in relation to their job description and annual goals that were shared with them at the time of their previous evaluation (or at the time of their initial employment) and the evaluator will produce a written report for the Board.

B.4. Triennial Evaluation of Called Ministers

Once every three years, the Board and Senior Minister shall together appoint an evaluation committee of three persons held in high esteem by the congregation and mutually acceptable to the Board and the Ministers being evaluated. The committee shall facilitate an evaluation of the

Ministers' performance, gathering data from the congregation and other sources, and producing a written report for the Board.

This process is designed to achieve the following goals: (i) to call the congregation's attention to the mutual, relational nature of ministry and the respective responsibilities of all who contribute to its success; (ii) to help the ministers remain motivated, creative, and flexible; and (iii) to provide the ministers and Board with information needed to correct any existing problems and maintain an effective partnership in the future.

C. Committee Charters

C.1. Finance Committee

C.1.a. *Mission or Purpose.* Assist the Board by helping to provide watchful and careful monitoring of, review/propose policies for, and facilitate communication related to financial matters.

C.1.b. *Responsibilities.* (i) review UCBR policies with regard to financial policy and propose changes as necessary; (ii) coordinate an audit at least every five years, in accordance with the policy on Board Monitoring, of UCBR internal financial procedures on behalf of the Board; (iii) hold an educational session at least bi-annually to insure that Board members have an adequate understanding of the congregation's financial status and goals; and (iv) ensure that routine financial reports are clear and helpful.

C.1.c. *Composition and Appointment.* Membership of this committee shall be 3-5 people, comprised of: (i) the Executive Director; (ii) at least one Board member; and (iii) additional members shall be appointed by the President of the Board. The Board President shall designate the Committee Chair.

Membership of the committee should provide a balance of skills, experiences, and gifts that include: (i) knowledge and experience, either general or specific, in finance and financial management; and (ii) knowledge of the mission and goals of UCBR.

C.1.d. *Term.* Appointments made by the President shall be for two years, staggered to provide continuity of leadership, except as follows: (i) in the appointment made for the initial establishment of this committee, one of the appointments shall be for a three year term; and (ii) if a member resigns a position before the end of the term, the appointed replacement shall serve the remainder of the resigning member's term.

C.1.e. *Term Limits.* Appointed members shall serve a maximum of two terms.

C.1.f. *Reporting Relationships.* The committee chair reports to the Board.

C.2. Governance Committee Charter

C.2.a. *Mission or Purpose.* Assist the Board by helping to provide watchful and careful monitoring of, review/propose policies for, and facilitate communication related to governance matters.

C.2.b. *Responsibilities.* (i) review all UCBR policies and bylaws to insure they are internally consistent; (ii) hold an educational session for lay leaders at least annually to insure that they have an adequate understanding of the congregation's governance structure; (iii) serve as an in-house resource to clarify roles and responsibilities to staff and lay leaders; and (iv) coordinate the governance transition (that is, serve as the successor to the GTF.)

C.2.c. *Composition and Appointment.* Membership of this committee shall be 3-5 people, comprised of: (i) the President of the Board; (ii) the Ministry Team Leader; and (iii) additional members shall be appointed by the President of the Board. The Board President shall designate the Committee Chair.

Membership of the committee should provide a balance of skills, experiences, and gifts that include: (i) knowledge and experience with the history and specific governance policies that define how UCBR will operate, including the reasoning underlying our structure; and (ii) knowledge of the mission and goals of UCBR.

C.2.d. *Term.* Appointments made by the President shall be for two year terms, staggered to provide for continuity of leadership, except as follows: (i) in the appointment made for the initial establishment of this committee, one of the appointments shall be for a three year term; and (ii) if a member resigns a position before the end of the term, the appointed replacement shall serve the remainder of the resigning member's term.

C.2.e. *Term Limits.* Appointed members shall serve a maximum of two terms.

C.2.f. *Reporting Relationships.* The committee chair reports to the Board.

C.3. Personnel Committee Charter

C.3.a. *Mission or Purpose.* Assist the Board by helping to provide watchful and careful monitoring of, review/propose policies for, and facilitate communication related to personnel policy and general practices.

C.3.b. *Responsibilities.* (i) review new UCBR policies with regard to existing personnel policy and propose changes as necessary; (ii) coordinate a periodic audit of UCBR Human Resource procedures on behalf of the Board; (iii) coordinate a periodic compensation study and make recommendations to the Board regarding adjustments in UCBR compensation scales; and (iv) hold an educational session at least bi-annually to insure that Board members have an adequate understanding of the congregation's personnel policies and goals.

C.3.c. *Composition and Appointment.* Membership of this committee shall be 4 - 5 people, comprised of: (i) the Executive Director; (ii) the Ministry Team Leader; (iii) at least one Board member; and (iv) the Board President shall appoint additional members from the congregation. The Board President shall designate the Committee Chair.

Membership of the committee should provide a balance of skills, experiences, and gifts that include: (i) knowledge and experience, either general or specific, in human resources and/or personnel management; and (ii) knowledge of the mission and goals of UCBR.

C.3.d. *Term.* Appointments made by the Board President shall be for two year terms, staggered to provide for continuity of leadership, except as follows: (i) in the appointments made for the initial establishment of this committee, one of the appointments shall be for a three-year term; and (ii) if a member resigns a position before the end of the term, the appointed replacement shall serve the remainder of the resigning member's term.

C.3.e. *Term Limits.* Appointed members shall serve a maximum of two terms.

C.3.f. *Reporting Relationships.* The committee chair reports to the Board.

C.4. Special Funds Committee

C.4.a. *Mission or Purpose.* Assist the Board by providing careful monitoring of any and all non-recurring funds including but not limited to unrestricted gifts, memorial funds, capital funds, savings accounts and deposits from the sale of stock or Church assets in order to ensure that any expenditures are in the best interest of the Church and are aligned with the intended purpose of the donation.

C.4.b. *Responsibilities.* (i) Maintain accurate records and accounting of all nonrecurring funds; (ii) perform an annual review of all fund balances and propose usage, changes and/or consultation with donors as needed; (iii) provide an annual report to the Board with all fund balances and expenditures for the year; (iv) review and process any and all requests for disbursement of nonrecurring funds.

C.4.c. *Composition and Appointment.* Membership of this committee shall be 3-5 people, comprised of: (i) the Senior Minister; (ii) at least one Board member; and (iii) additional members shall be appointed by the President of the Board. The Board President shall designate the Committee Chair.

Membership of the committee should provide a balance of skills, experiences, and gifts that include: (i) knowledge of and experience with organizing and monitoring; and (ii) knowledge of the mission and goals of UCBR.

C.4.d. *Term.* Appointments made by the President shall be for three years, staggered to provide continuity of leadership, except as follows: (i) in the appointment made for the initial establishment of this committee, one of the appointments shall be for a two year term; and (ii) if a member resigns a position before the end of the term, the appointed replacement shall serve the remainder of the resigning member's term.

C.4.e. *Term Limits.* Appointed members shall serve a maximum of two terms.

C.4.f. *Reporting Relationships.* The committee chair reports to the Board.

VI. Appendices