

Unitarian Society of New Haven  
Minutes of the Board Meeting of the Board of Trustees  
October 9, 2014

*Accepted November 13, 2014*

Board Members Present: Merrily Kaplan, Holly Hawkins, Dan Gelperin, David Jones, Peggy Rae, Russell Heinrich, Rod Groff, Mary Losee

Board Members Absent: Mary Donohue, Suzanne Miller

Also Present: Fritz Hudson, Sandy Frawley

H. Hawkins called the meeting to order at 7:04 pm and P. Rae recorded the minutes. A quorum of Board Members was present, and the meeting proceeded with H. Hawkins presiding.

Consent Agenda

Approval of Minutes of 9/11/14 Board Meeting

Approval of Governance Policies agreed upon at 9/16/14 Board Governance Meeting (Policies are appended to these Minutes)

- Global Governance Commitment
- Executive Limitation Policy - Treatment of Congregants, Friends, and Visitors
- Executive Limitation Policy - Treatment of Paid and Volunteer Staff
- Executive Limitation Policy - Compensation and Benefits

**MOTION** D. Jones, to approve Consent Agenda; **SECONDED** M. Losee; **PASSED** unanimously, without dissent or abstention.

Report on Unrestricted Liquid Funds

Finance Committee chair S. Frawley presented information on funds held in USNH's non-endowment liquid accounts. Accounting complexities have made it difficult to glean what financial resources are actually available for use. This past year, the Finance Committee undertook a thorough analysis to clarify the situation, using nonprofit policy guidelines shared by former Finance chair Jeremy Hill. The analysis gave a much clearer picture of how funds are distributed among various restricted accounts; it also revealed that USNH has substantial non-restricted liquid funds.

At its Sept. 17 meeting, the Finance Committee began developing recommendations for how these unrestricted liquid funds might be allocated for use. Several ideas were

floated, and two broad recommendations emerged, which S. Frawley presented for Board consideration.

(1) Designate a portion of these funds to be an operating reserve equal in size to 25% of the average USNH operating budget for the past 5 years. The 25% figure is in keeping with the generally recommended standard for nonprofit organizations; averaging several years' budgets avoids year-to-year fluctuations. USNH's operating budget average from FY2010-11 through 2014-15 is \$650,848. Based on this, the recommended operating reserve would be \$162,712.

(2) Allocate at least \$130,000 to two restricted funds: the existing Board-designated Capital Fund (about \$100,000); and a new Mission-related Contingency Fund (about \$30,000). It has long been recognized that USNH should have a heftier Capital Fund to cover expected and unexpected capital expenses. The Finance Committee also noted that with the focus on USNH's new mission statement this year, it may be important to have additional resources for mission/programming.

These recommendations would leave about \$19,000 in unallocated liquid funds to act as a cushion for variations in cash flow from month to month.

Many details remain to be worked out, and the Finance Committee will offer more specific recommendations over the next few months. It will also confer with the Endowment Committee about investing operating reserve funds.

S. Frawley departed the meeting at 7:35 pm.

During discussion, Board members raised a number of concerns about the process to be used as the Board considers recommendations and decides how, or if, the unrestricted funds should be allocated and governed. All agreed that more discussion is needed before any recommendation is adopted. It was suggested that a subgroup of Board members be given the task of examining options in detail and organizing discussion around them at Board meetings during the next several months. Because Board President M. Donohue was absent, H. Hawkins deferred a decision on a subgroup to the November Board meeting.

### Treasurer's Report

M. Losee reported on the budget vs. actual figures for FY2013-14. Transfers totaling \$12,836 were made from the Wolff and Landscaping funds to reduce the deficit, which initially was about \$31,000. Additional FY13-14 pledge income of \$12,659 has come in since the close of the fiscal year; were this to be applied to the FY13-14 budget, the deficit would be about \$5,000.

M. Losee also presented budget vs. actual figures for the current fiscal year. She noted pledge income for the first quarter of FY2014-15 is on track for the budgeted amount.

## Minister's Report

F. Hudson presented his October 9 Executive Monitoring Report to the Board, which is attached to these Minutes and details the areas and activities he assessed this past month.

Among new initiatives this past month were the formation of a Membership Committee, chaired by David Cross, and the upgrade to the USNH website, being worked on by Tisha Ferguson and a software developer and set to launch on Nov. 1. Others in progress or under consideration include adult religious education programming, possible partnership with the Dixwell UCC congregation for social justice, and discussion of expansion of staff.

Progress was made in defining pastoral care services to be provided by volunteers other than the Lay Ministry team. Recruitment of volunteers, oversight, and devising a coordination structure has been a major draw on Fritz's time, a matter of concern to him as he balances obligations.

In accordance with our Global Executive Limitation policy, Fritz examined USNH Bylaws; the Monitoring Report notes areas of possible violations.

Fritz distributed a proposal for an experimental Executive Team, to operate from Dec. 1, 2014 through May 31, 2015, that would give the Board and congregation a chance to experience how such a team could function under Policy-based Governance. The proposal will be discussed at the Board's Governance Retreat and/or Meeting in November.

## Budget Cottage Meetings

H. Hawkins, D. Gelperin, and R. Heinrich discussed logistics for the upcoming cottage meetings on the budget, to be held Oct. 19 and Nov. 2 from 12:45 to 2 pm. The three of them will serve as facilitators at the meetings, with the support and assistance of all other Board members who are able to attend. The meetings will take place in the sanctuary, and, if needed, Room 209.

## Finalization of Board Goals for 2014-2015

The Board voted to adopt the following statement of Board Goals, proposed by M. Donohue 9/20/14, for presentation at the Oct. 26 Congregational Meeting.

1. To define the Executive Team Structure and to have all Policy Governance policies proposed by June 30, 2015.
2. To educate ourselves and the congregation about the budgeting process and to obtain congregational input as to how to go about right-sizing our budget.
3. To develop and establish Board-Congregation linkage processes that will provide new ways to communicate with each other about priorities and progress towards our mission, values, and ends.

## Congregational Meeting Agenda

Plans for the Oct. 26 Fall congregational meeting were reviewed. P. Rae will arrange an Eblast to send handout materials to members ahead of time, which may cut down on the number of printed copies needed at the meeting. F. Hudson is working with David Stagg to have a second microphone available.

## Other business

Special Congregational Meeting about the Budget is scheduled for 1 pm Dec. 7, 2014.

A thank you note will be sent to Jackie Shapiro, for her donation for the USNH sound system.

M. Losee recommended the Board develop committee charges for the major USNH committees this year. Board members concurred - before people sign up for a committee, they should know what they are agreeing to do.

## Adjournment

There being no further business before the Board, the meeting was adjourned at 9:20 pm.

## **Governance Policies Approved at the Oct. 9, 2014 Board of Trustees Meeting**

### **Global Governance Commitment**

Governance at USNH will support the ministry and work of this congregation, reflecting the commitment to the UU Seven Principles and encouraging creativity at all levels.

The elected, representative Board of Trustees will be accountable to the congregation and will foster mutual trust through ongoing discussions that focus on our shared values and mission.

The Board will govern in a manner that:

- Is guided by policy
- Establishes and maintains accountability, authority and responsibility among and between Board, staff, volunteers and the congregation
- Is adaptive and evolving
- Allows for visionary and creative leadership
- Is embedded in our values and mission
- Establishes and supports connections between congregation and leadership
- Values and nurtures the covenant among Board members and with the congregation

### **Executive Limitation Policy - Treatment of Congregants, Friends, and Visitors**

With respect to interactions with members, friends and visitors, the Executive Team shall not cause or allow conditions, procedures, or decisions that are unsafe, disrespectful, unnecessarily intrusive, or that fail to provide appropriate confidentiality and privacy.

### **Executive Limitation Policy - Treatment of Paid and Volunteer Staff**

With respect to treatment of staff/volunteers, the Executive Team may not act in a manner inconsistent with UU Principles or cause or allow conditions that are inhumane, unfair, or unprofessional.

Furthermore, the Executive Team shall not:

1. Discriminate against existing or potential paid or volunteer staff based on race, ethnicity, national origin, gender, physical disability, marital status, sexual orientation, or gender characteristics, identity, or expression.
2. Operate without or fail to comply with written personnel policies that clarify personnel rules for staff, provide for effective handling of grievances, and protect against wrongful conditions.
3. Subject paid or volunteer staff to unsafe or unhealthy conditions.

### **Executive Limitation Policy - Compensation and Benefits**

With respect to employment, compensation, and benefits to employees, consultants, contract workers, and volunteers, the Executive Team shall not cause or allow jeopardy to the fiscal or institutional integrity of the Society.

Accordingly, the Executive Team may not:

1. Change any minister's compensation, benefits, or allocated professional expenses previously established by the Board.
2. Promise or imply permanent or guaranteed employment.
3. Recommend compensation and benefits that create obligations over a term longer than revenues can be safely projected.
4. Establish current compensation and benefits that deviate materially from the non-profit, geographic, and professional market for the skills employed.

# UNITARIAN SOCIETY OF NEW HAVEN

## EXECUTIVE MONITORING REPORT TO TRUSTEES

Rev. Fritz Hudson –October 9, 2014

**We are a diverse, multi-generational faith community that**

- inspires lives of compassion and generosity**
- nurtures spiritual growth**
- cultivates transformative connections, and**
- creates a more just world**

[ "+" = new activity in this month

[ "~" = continuing activity from prior months

**ENDS** (*What specific, measurable differences will we make and for whom?*)

### **WITHIN**

***Respecting different spiritual journeys,  
the people of USNH find***

***- inspiration***

***and***

***- a safe place***

***to***

***\* Develop our best selves***

*- Right Relations support under assessment*

***\* Grow spiritually***

*+ Small Group Ministry fall sign-ups were concluded October 5.*

*+ Small Group Ministry facilitator in-service session is scheduled for October 28*

***\* Live with more joy and open-heartedness***

***\* Experience a connection to something larger than ourselves***

*~ Sunday Service music success under assessment*

***\* Find meaning and purpose in our lives***

***\* Articulate our Unitarian Universalist identity***

*+ Membership Committee in formation*

*+ Initial Pathways to Membership session is scheduled for November 2*

*+ Visitor follow-up process under assessment*

*+ Website upgrade in development*

*~ CYRE programs success under assessment*

# UNITARIAN SOCIETY OF NEW HAVEN

## EXECUTIVE MONITORING REPORT TO TRUSTEES

Rev. Fritz Hudson –October 9, 2014

### **AMONG**

***USNH is a congregation of***

***- welcome***

***and***

***- connection,***

***where people of all ages:***

***\* Treat one another with respect***

~ Right Relations support under assessment

***\* Give and receive support in times of joy, sorrow and transition***

+ Lay Ministry program mission and limitations clarified: long-term end-of-life support

+ Pastoral Care services defined: rides, meals, memorials

+ Pastoral Care service volunteer recruitment in process

+ Pastoral Services oversight and coordination structure in development

~ Music program support under assessment

***\* Embrace diversity***

~ Physical ability diversity support under assessment

~ Sanctuary Hearing assistance

***\* Engage in life-long learning***

+ Adult RE programs determined

[Cinema/Discussion: 1/mo; Classes: 2 @ 5 sessions each; UUA Common Read Discussions: 2]

+ Expanded staff support proposal under development

***\* Give generously of ourselves and our resources***

~ Financial Stewardship success under assessment

~ Time & Talent Stewardship success under assessment

~ Administrative support under assessment

### **BEYOND**

***The people of USNH, together and with our partners, act on our values in the larger world. We:***

***\* Advance justice in our community and beyond***

***\* Expand our understanding and awareness of social and environmental issues***

~ Green Sanctuary program under assessment

***\* Develop new understanding of ourselves and others through our justice work***

+ Anti-Racism<>Dixwell-UUC partnership discussion #2 held September 30 (Attn:40)

***\* Strengthen Unitarian Universalism's Mission***

~ Request: interpretation/clarification of this end:

? Does the UUA have a mission statement?

# UNITARIAN SOCIETY OF NEW HAVEN

## EXECUTIVE MONITORING REPORT TO TRUSTEES

Rev. Fritz Hudson –October 9, 2014

### **EXECUTIVE LIMITATIONS**

#### **GLOBAL EXECUTIVE RESTRAINT**

***The Executive Team shall not cause or allow any practice, activity, decision or organizational circumstance which is either***

- unlawful,***
- imprudent, or***
- in violation of USNH Bylaws,***  
***or commonly accepted business and professional ethics.***

#### **+ USNH Bylaw possible "violations" discovered**

1. Art.III,Sec.4. ... Membership may also be terminated by action of the Membership Committee in circumstances of non-participation. . .

Art.V,Sec.4. ... The clerk shall be responsible for insuring systematic maintenance of the register of official Members of the Society.

A Membership Committee does not currently exist. Discussions are underway toward its formation. As provided in Trustee policy, the Clerk & Minister are jointly determining membership terminations.

2. Art.V,Sec.4. ... The clerk shall be responsible for insuring systematic maintenance of the register of official Members of the Society, with dates of . . . marriages, unions, births and deaths.

In the only record known to the Society staff:

- \* 01-03-1994 is the last date recorded for a birth
- \* 02-??-1993 is the last date recorded for a marriage
- \* 4-12-14 is the last date recorded for a death.

3. Art.VIII,Sec.3. The Society's standing committees are:

Committees with unclear attributable entry in the 2014 Annual Report:

- \* Committee on Memorials (?Committee on Endowment & Legacies?)
- \* Fundraising (?Beyond Stewardship?)
- \* Membership
- \* Ministry (?Transition Team / Ministerial Search)
- \* Publicity
- \* Social Activities (?Sunday Morning Team)
- \* Unitarian Universalist Affairs



# UNITARIAN SOCIETY OF NEW HAVEN

## EXECUTIVE MONITORING REPORT TO TRUSTEES

Rev. Fritz Hudson –October 9, 2014

### **EXECUTIVE LIMITATIONS - GLOBAL EXECUTIVE RESTRAINT**

#### **+ USNH Bylaw possible "violations" discovered**

3. Art. VIII, Sec. 5. Each standing committee, with the exception of the Committee for the Ministry, shall include at least one member of the Board of Trustees in its membership.

Trustee committee memberships known & unknown:

* Building and Grounds .....	M.Kaplan
* Committee on Giving (Stewardship) .....	H.Hawkins
* Environmental Task Force (?Green Sanctuary?)...	_____
* Finance .....	M.Losee
* Music .....	_____
* Personnel .....	M.Kaplan
* Planned Giving (Endowment & Legacies) .....	_____
* Religious Education .....	_____
* Social Responsibility .....	D.Gelperin
* Sunday Services .....	H.Hawkins

### **TREATMENT OF CONGREGANTS, FRIENDS, AND VISITORS**

***With respect to interactions with members, friends and visitors of the church, the Executive Team shall not cause or allow conditions, procedures, or decisions that are***  
***- unsafe,***  
***- disrespectful,***  
***- unnecessarily intrusive, or***  
***- that fail to provide appropriate confidentiality and privacy.***

#### **\* Unsafe**

- + The Building & Grounds Committee is assessing the severity of and possible responses to
  - rain water in flow and
  - mold presencein Rooms 203, 205, & 207
- ~ Children's & Youth RE program safety policy & volunteer staff safety procedure is in place
- ~ An Emergency Evacuation Plan is in place
- ~ A Weather/Emergency Closing Procedure is in place
- ~ An Automated External Defibrillator (AED) has been installed. Use procedures are being formulated
- ~ A draft Lockdown Procedure has been proposed. Consultation with the Hamden police is in process.

#### **\* Disrespectful**

- ~ Right Relations support under assessment

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## EXECUTIVE MONITORING REPORT TO TRUSTEES

Rev. Fritz Hudson –October 9, 2014

### **EXECUTIVE LIMITATIONS**

#### **TREATMENT OF PAID AND VOLUNTEER STAFF**

*With respect to treatment of staff/volunteers, the Executive Team may not act in a manner inconsistent with UU Principles or cause or allow conditions that are inhumane, unfair, or unprofessional. Furthermore, the Executive Team shall not:*

- 1. Discriminate against existing or potential paid or volunteer staff based on race, ethnicity, national origin, gender, physical disability, marital status, sexual orientation, or gender characteristics, identity, or expression.*
- 2. Operate without or fail to comply with written personnel policies that clarify personnel rules for staff, provide for effective handling of grievances, and protect against wrongful conditions.*
- 3. Subject paid or volunteer staff to unsafe or unhealthy conditions.*

+ Grievance procedure effectiveness under assessment

#### **COMPENSATION AND BENEFITS**

*With respect to employment, compensation, and benefits to employees, consultants, contract workers, and volunteers, the Executive Team shall not cause or allow jeopardy to the fiscal or institutional integrity of the Society.*

*Accordingly, the Executive Team may not:*

- 1. Change any minister's compensation, benefits, or allocated professional expenses previously established by the Board.*
- 2. Promise or imply permanent or guaranteed employment.*
- 3. Recommend compensation and benefits that create obligations over a term longer than revenues can be safely projected.*
- 4. Establish current compensation and benefits that deviate materially from the non-profit, geographic, and professional market for the skills employed.*

+ Compensation & benefit deviation from market under assessment