

Unitarian Society of New Haven  
Approved Minutes of the Meeting of the Board of Trustees  
February 10, 2022, Via Zoom

**Board Members Present:**

President - Emily McCave	Tina Santoni
Vice President - David Jones	Rich Stockton
Clerk - Aimee Cotton Bogush	Susan Trotta-Smith
Treasurer - Larry Copes (left 7:33 pm)	
Bernice Marie-Daly	

**Others Present:**

Rev. Lindasusan and David Stagg from Management Team (MT)

**1. Gather & Chalice Lighting**

The meeting was called to order at 6:35 p.m. and the chalice was lit. The covenant was read and check in took place.

**2. Quarterly Budget Report - Larry**

Larry C. noted that the financial work is done by the Management Team, Finance Committee, bookkeeper, and congregational administrator. The treasurer reports on how well the pieces are working and he reports things are going quite well. Any errors are being caught and corrected - the system is set up with checks and it is working. Any questions are answered expertly.

Larry reviewed with the board the summary balance sheet since the last quarter (ending 12/31/21).

The recommendation is that MT develop metrics to give an accurate snapshot of the financial situation. MT is still discussing that. Larry provided sample metrics that could be used, such as ratio of liquid assets to liabilities, unrestricted net cash, and excess over 15% operating reserve. Reverend Lindasusan also gave a list of metrics to the MT for consideration.

**3. Discussion of Financial Roles and Responsibilities Ad Hoc Committee's Recommendations – Emily**

The board took up discussion of questions about the recommendations:

*Should the Endowment and Legacy Committee be required to give annual reports?*

The board relies on our treasurer and other people's expertise. An oversight of checks and balances seems like a good practice as a process piece.

All present agree they would like the Endowment and Legacy Committee to provide a report to the board/or have a meeting with us when they are starting planning for the next fiscal year. It could take the form of a contribution toward the annual report if brought to the board before the

report is put together and it provides the background for the board's budgeting priorities discussion.

MT is asked to consider the language of a process piece for if/when MT wants to request money. Larry was asked to put together language to update Section 10 of the bylaws - a broad statement to articulate a line of accountability.

*Should congregational approval of the proposed budget be continued?*

After discussion about the importance of transparency and engagement, all present agree to keep congregational approval of the budget.

The board thanked Larry for his work.

Bylaws changes being considered for the spring congregational meeting include the size and composition of the board, Endowment and Legacy Committee reporting, the role of the treasurer, and voting procedures. Also to be considered is clearer language about non member participation on committees. Emily and David J. will note which sections need updating. Reverend Lindasusan and Rich S. also volunteered to help Emily and David J.

#### **4. Update on Retreat Planning - David J.**

March 5, 9:30-1:30 on zoom

Bernice, Becky, Emily, Tina, and David J. have been planning. The retreat will include work with the MELD folks, a review of processes and priorities through the lens of the 8th Principle, and a review of the ends statements.

#### **5. Spring Congregational Meeting Date Selection - Emily**

May 22, 2022 at 11:45 was selected. It will probably be hybrid and Robb Camm and Becky F. will be asked to assist again.

**(A short break was taken.)**

#### **6. Minister's Report –Rev. Lindasusan (attached)**

The number of members (308) was considered and a desire to explore long term membership data and trends was expressed. It is exciting to be adding new members during the pandemic. All are curious to see what happens next year with the pandemic and hybrid services. The search for a music director is underway. Best practice is to hire from outside the congregation - looking to have it be one person, not a shared position. Reverend Lindasusan asked those present to consider "What innovation in ministry means to you."

#### **7. Monitoring Policies Report - 1.2 Emergency Management Team Succession and 1.7 Asset Protection - David S. (attached)**

David S. reports that 1.2 is straightforward. He explained the rationale for 1.7 - it addresses both general and personal liabilities.

### **8. Update/Discussion on Screens for Sanctuary - David S.**

David S. reported the project is still alive - although the timing is set back by the return to online only services. Efforts are being made to obtain optimum feedback from the congregation before a final decision is made.

### **9. Closing**

The minutes from Jan. 13, 2022 Board Meeting were unanimously approved.

### **Process Observations – Tina**

Tina reported that everyone looked tapped out and she was impressed how everyone participated and took things seriously. We are all struggling to understand things (finance) that don't come easily to us. She appreciates those who put in the time and explain them to us. She is impressed with Emily's facilitation of meetings and it is evident that people are putting in time in between meetings. Tina noted how important it is to have joy and humor. It is good to be part of a group that is still committed despite everyone having so much going on.

### **Adjournment**

The meeting was adjourned at 8:31 p.m.

Respectfully submitted,

Aimee Cotton Bogush, Clerk

# Report to the Board from the Ad-Hoc Committee on Financial Roles and Responsibilities January, 2022

## Charge to the Ad-Hoc Committee

On 14 January 2021, the USNH Board passed the following motion:

*The Board appoints an ad-hoc committee to study, evaluate, and make recommendations to the Board to define:*

- *the specific and appropriate financial roles and responsibilities of the USNH Treasurer, Finance Committee, Management Team, Board of Trustees and other relevant participants in financial matters;*
- *the accountability relationships among the above entities regarding finances; and*
- *the appropriate financial reporting to the Board of Trustees.*

*The committee will be chaired by the Treasurer, Larry Copes. Other members will include Clerk Becky Friedkin, chair of Finance Terry Durham and Finance Committee member Kathy Garner, and David Stagg and Rev. Lindasusan Ulrich of the Management Team.*

*The Board affirms that, under Policy Governance, the Treasurer's role is primarily oversight rather than day-to-day operational activities. This should guide the committee's work.*

*If needed, the ad-hoc committee may extend its work beyond this congregational year. However, the Committee will report to the Board as appropriate and no later than its April 8 meeting, so that the Board can update the congregation at the 2021 spring annual meeting.*

## Work of the Committee

The Committee reviewed existing documents and consulted with staff to arrive at a comprehensive spreadsheet of financial roles and responsibilities. This list grew to include more than 70 items. The Inventory allowed us to verify that each crucial financial task is checked by at least two people.

Becky then led us in using this Inventory to bring the relevant Standard Operating Procedure (SOP-13, at <https://www.usnh.org/about-us/usnh-archives/operational-policies-and-procedures/>) in line with current practice. Section 4.0 of this record is a snapshot of the Inventory. The Finance Committee will coordinate an annual review of this “living document” to ensure its continued accuracy.

The Inventory is also available separately at [this link](#). Here it is in the form of a spreadsheet that can be organized by task as well as in other ways. We believe that this spreadsheet will be useful to orient those who, in the future, become engaged in the financial operations of USNH.

During our process, the Committee came up with a number of recommendations for the Board to consider.

# Report to the Board from the Ad-Hoc Committee on Financial Roles and Responsibilities January, 2022

## Recommended Reporting to the Board

**Monthly** reporting to the Board should primarily be limited to any areas of financial concern on the part of the Management Team or Treasurer. All Profit & Loss statements are regularly posted to the Board Google site (<https://sites.google.com/a/usnh.org/board/financial-reports>), which is available to all Board members.

The Treasurer should report more comprehensively to the Board when **quarterly** reports are available. These reports should be shared with the Finance Committee and the Management Team and should include:

- review of the Profit and Loss Statement;
- an analysis of cash flow; and
- analysis of the Balance Sheet

We also recommend that the Management Team develop a set of financial ratios to monitor the overall fiscal health of the organization. These should be part of the Treasurer's report semi-annually or annually. In fact, we recommend that the Management Team develop a "dashboard" of metrics, both financial and non-financial, to monitor the overall health of the congregation.

The Endowment and Legacies Committee should report to the Board annually. This report should include year-over-year data, over time, possibly including:

- total value of the Endowment and value by investment fund;
- remaining balance and pay off terms of any loans to the congregation;
- annual rates of change for the endowment;
- rates of annual change in the CPI and the S&P 500;
- five- and ten-year aggregate rates of change for the above;
- summary of Endowment and Legacy contributions since the previous report; and
- an explanation of investment strategies.

## Additional Recommendations

Other than for regular reporting or discussion of extenuating financial circumstances, the Treasurer need not attend meetings of officers or the Board, unless requested or out of personal interest. (We found no compelling reason, however, to change the Bylaws to remove the position of Treasurer from being an officer and a Board member.)

The Board should reconsider the practice of congregational approval of the operating and capital budgets. Perhaps final budgetary approval should rest with the Board, given its ultimate responsibility for "assets and business."

The Board should review the appropriate accountability of and charge to the Endowment & Legacies Committee. Accountability to the Congregation is weak to non-existent. The Board should also lead a congregational examination of the desired purpose(s) of the Endowment. The

**Report to the Board from the Ad-Hoc Committee on Financial Roles and Responsibilities  
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recommended reporting by the Endowment and Legacies Committee to the Board is one step in clarifying accountability of the Committee.

Respectfully submitted,

*Larry Copes, Treasurer and Committee Chair*

*Becky Friedkin, past Clerk*

*Terry Durham, Chair, Finance Committee*

*Kathy Garner, former Finance Committee member and former Treasurer*

*David Stagg, Management Team*

*Rev. Lindasusan Ulrich, Management Team*



# Minister's Report to the Board of Trustees

February 10, 2022

## What do you notice?

- We've added six new members following the most recent New to UU class. This brings our total membership to 308 (as reported in our recent recertification with the UUA), which takes into account other new members, deaths, resignations, and lapsed members. For comparison, we certified at 333 members last year.
- Assuming that COVID numbers continue to move in a good direction, we'll return to in-person worship on February 20 with the annual "One Wild and Precious Life" service. We've already started the process for checking vaccination cards for boosters, which BRAG added as a requirement for in-person attendance for those who are eligible. (You can upload an image of your vaccination card at <https://form.jotform.com/220306616184046>.)
- The Music Director search is well underway. The job description is now on the USNH website ([www.usnh.org/employment-opportunities/](http://www.usnh.org/employment-opportunities/)), has been posted at the Association of UU Music Ministries (AUUMM) and UUA, and is being distributed in a variety of other ways (for example, Bill Braun spoke with someone at the Institute of Sacred Music at Yale). If you know anyone who might be a good fit for this position, please point them to our website for details.
- I'm grateful for the opportunity to attend the UUMA Institute last week. It was a great opportunity to reconnect with colleagues, hear brilliant keynote speakers, attend meaningful worship services, and engage with our collective grief over climate change (which was the particular learning track I did).
- On January 14, I took part in an interfaith service at Mishkan Israel in honor of MLK Day. I was honored to be included in this gathering, which included clergy I'd met before as well as those I was meeting for the first time. I look forward to more opportunities to deepen those connections (when COVID allows).

## Do you have questions?

- January 24 was the first session of the two-year leadership program I'm in, called the Pastoral Innovation Network of New England (PINNE). What does innovation in ministry mean to you?

## What do you need?

- I'm looking forward to our conversation about the Ends statements at the Board retreat. This will give the Management Team the most current vision to interpret and operationalize.

## **Anything else?**

- Upcoming conferences:
  - \* April 4-7 (in person) — Finding Our Way Home, for UU religious professionals of color
  - \* May 10-15 (virtual) — SDI Engage conference, for spiritual directors
  - \* May 16-20 (virtual) — Festival of Homiletics, for preachers

NOTE: I expect I'll still have some availability to USNH — especially for pastoral needs — during the conferences in May, which happen to fall back-to-back.



## **Management Team monitoring of Policy Governance Sections 1.2 and 1.7**

The last report to the Board was 2/11/2021

Current Governance Policy sections are in black; MT interpretations in blue; MT report is in red

### **1.2 Emergency Management Team Succession**

In order to protect the congregation and Board from sudden loss of Management Team services, each Management Team member must not fail to designate and keep informed at least one other Management Team member of their activities as they relate to Board and Management Team issues and processes.

#### **MT Interpretation:**

The Management Team shall ensure that there are at least two people informed of Board and Management Team issues and processes. Key leadership requirements include familiarity with the board's role and functions, with the day-to-day operations of USNH.

*Policy approved by the Board: March 12, 2015*

**MT Interpretation Approved by the Board: October 12, 2017**

Members of the Management Team are appointed by the Board. The management team presently has 3 members plus the Minister. (Gwen Heuss-Severance resigned from the Management Team on 6/30/2021 having served since January 2019) We work collaboratively. All of the members are involved in decision making and aware of financial and operations situations. We are informed of what other members are working on at our bi-weekly Zoom meetings and keep track of tasks assigned through carefully recorded minutes. Between meetings we keep in touch by email and phone. Should one member of the team become, for some reason, unable to serve, we are equipped to reassign their duties and tasks to other members of the team.

We report compliance with section 1.2

### **1.7 Asset Protection**

The Management Team shall not allow the assets of the Society to be unprotected, inadequately maintained, inappropriately used, or unnecessarily risked.

#### **1.7.1 Insurance**

The Management Team shall not fail to assure that:

- a. The building and its contents are insured against losses from fire, wind, flood, theft and vandalism.

#### **MT Interpretation:**

Property Liability Insurance on the USNH buildings and contents shall be purchased and renewed on an annual basis. Timely payment of insurance premiums shall be made to prevent gaps in coverage.

We have maintained an Insurance Policy with the Church Mutual Insurance Company for many years. The current policy was renewed on 10/17/2020 and provides a blanket liability of \$4,489,200 for the building and personal property with a \$1,000 deductible. Our two outbuildings are also covered for the cost of replacement.

- b. The officers, Board, Management Team and staff have professional liability insurance.

**MT Interpretation:**

Professional liability coverage protects against lawsuits which claim that people as individuals or collectively have used bad judgment, have a conflict of interest in decision making, or have used funds improperly. (It does not protect against illegal actions.)

Our Insurance Policy includes an umbrella of \$1,000,000 per claim and an aggregate limit of \$3,000,000. The policy insurance review document states; "The General Liability insures your organization, members, clergy, board members, employees, volunteers, and most organizations you control for claims for negligence involving your premises, sponsored activities (on-or-off premises) operations, products (including food preparation), construction, athletics, and the use of non-owned watercraft".

- c. The Society has General Liability insurance.

**MT Interpretation:**

General Liability insurance shall be purchased and renewed on an annual basis. Insurance against theft of property and cash is part of the Property Liability coverage. The cash theft limit is \$2,000, based on the underwriter's assessment of the maximum amount of cash that would ever be on the property at one time.

Our Insurance Policy takes the form of General Liability Insurance with an Umbrella policy addition. The policy covers loss of cash up to \$2,000 with a \$250 deductible.

The renewed policy now includes specific coverage for the 2 Rembert Paintings in the Library at \$10,000 each.

*Policy approved by the Board: May 14, 2015; revised February 14, 2019*

**MT Interpretation Approved by the Board: June 9, 2016; revised February 14, 2019**

## **1.7.2 Other**

The Management Team shall not fail to assure that:

- a. The buildings and grounds and equipment are maintained to allow continued value and use.

**MT Interpretation:**

Through its oversight of staff and committees and through preparation of the annual capital and operating budgets, the MT will assure that the building, grounds, and equipment are maintained, repaired, and replaced as necessary, within the financial capabilities of the Society.

The Covid 19 pandemic initially required us to keep our building closed except for the activities of the daycare and essential visits by our staff to keep the building and its programs running. In September 2021 we installed equipment that enabled live streaming of services from the Sanctuary. Our Sexton has continued to work his normal schedule throughout the pandemic to maintain the building and grounds and to make minor repairs when necessary.

Much of the regular volunteer led work on our grounds has continued, coordinated by our Building and Grounds Committee. This has included spring and fall cleanups, plantings and maintenance of trees and shrubs. In December 2021 we received a detailed report from a roofing consultant with suggestions for work to be carried out over the next 1, 2, 5 and 10 years on our roof and walls. MT will be seeking leadership for a Capital Campaign to raise the necessary funds.

- b. Financial controls are in place to guard against loss and mismanagement of funds.

**MT Interpretation:**

The treasurers and Finance Committee have implemented procedures for counting, handling, and securing cash and checks, making weekly bank deposits, timely recording of financial information in USNH databases, monthly reconciliations of bank accounts, and oversight of these financial tasks as they are carried out by staff and volunteers.

The “Committee on Financial Roles and Responsibilities” created by the Board and chaired by the Treasurer completed its work in January 2022. As part of their work, a new version of SOP-0013 was created that describes the roles and responsibilities of all entities involved with financial management at USNH. The document also identifies 71 separate responsibilities with a brief description and “who is responsible”. The Treasurer, Management Team and Finance Committee all monitor these responsibilities periodically to be aware and if necessary investigate any anomalies.

- c. Funds used for operations are kept in insured instruments.

**MT Interpretation:**

Operating cash (currently set at an average of 15% of the annual operating budget) is held in FDIC insured checking accounts, money market accounts, and/or CDs.

Liquid funds are kept in Citizen’s Bank accounts and are FDIC insured. CD’s have been purchased from TIAA (presently 7 x \$25,000 CDs) and are also FDIC insured.

In addition, the Management Team shall not:

- d. Unnecessarily expose the organization, its Board, or staff to claims of liability or risk the nonprofit status of the Society.

**MT Interpretation:**

Through its oversight of staff and volunteer operational activities, the MT will endeavor to prevent activities and behaviors that are a) illegal; b) inconsistent with the mission, values, and ends of the Society, or c) inconsistent with the Society’s Covenant of Right Relations.

Many of the programs and activities of the society have continued and even expanded in spite of the pandemic. Face to face meetings have largely been replaced by “Zoom” sessions. Though many changes have happened, the MT has not become aware of any activities that are illegal.

Following the adoption of the 8<sup>th</sup> principle by the Congregation at the December 12<sup>th</sup> 2021 meeting, MT has begun to work with the Council of Chairs to endeavor to prevent activities that are inconsistent with the mission, values, and ends of the Society, or inconsistent with the Society’s Covenant of Right Relations.

We report compliance with Section 1.7

*Policy approved by the Board: May 14, 2015*

**MT Interpretation Approved by the Board: June 9, 2016; revised February 14, 2019**

MT 2/10/2022