

**Unitarian Society of New Haven (USNH)**  
**Governance Policy Book**

**Version 1.1**  
**May 12, 2016**

Unitarian Society of New Haven  
700 Hartford Turnpike, Hamden, CT 06517 [www.usnh.org](http://www.usnh.org)

## Table of Contents

<b>Definitions.....</b>	<b>4</b>
<b>Governance at USNH .....</b>	<b>5</b>
<b>Purpose of USNH.....</b>	<b>5</b>
A. Mission .....	5
B. USNH Values Held in Common.....	5
C. Ends Statements.....	5
1) Relationships Within.....	5
2) Relationships Among.....	6
3) Relationships Beyond.....	6
<b>1 Leadership Responsibilities and Limitations.....</b>	<b>6</b>
1.1 Treatment of Congregants, Friends, and Visitors.....	6
1.2 Emergency Management Team Succession .....	7
1.3 Treatment of Paid and Volunteer Staff.....	7
1.4 Compensation and Benefits .....	7
1.5 Financial Planning/Budgeting .....	8
1.5.1 Budgeting.....	8
1.5.2 Reserves.....	8
1.5.2.1 Operating Reserve .....	8
1.5.2.2 Capital Fund .....	9
1.5.2.3 Cash Management .....	9
1.6 Financial Condition and Activities .....	10
1.7 Asset Protection.....	10
1.7.1 Insurance.....	10
1.7.2 Other .....	10
1.8 Communication and Support to the Board .....	11
1.9 Grants or Contracts.....	12
1.9.1 Grants.....	12
1.9.2 Contracts .....	12
1.10 Safety .....	12
<b>2 Governance Process – Global Governance Commitment.....</b>	<b>12</b>
2.1 Moral Ownership.....	13
2.2 Governing Style .....	13
2.2.1 Excellence in Governing .....	13

USNH Governance Policy Book	V 1.1
2.2.2 One Voice .....	13
2.2.3 Distinguishing Ends from Means .....	14
2.2.4 Board Discipline .....	14
2.3 Board Job Description .....	14
2.4 Agenda Planning.....	15
2.5 Board Officers’ Roles .....	15
2.5.1 Role of the President.....	15
2.5.1.1 Meeting Leadership .....	15
2.5.1.2 Authority.....	16
2.5.2 Role of the Vice President .....	16
2.5.3 Role of the Secretary .....	16
2.5.4 Role of the Treasurer .....	17
2.6 Board of Trustees Code of Conduct .....	17
2.6.1 Unconflicted Loyalty .....	17
2.6.2 Conflicts of Interest .....	17
2.6.2.1 Financial Conflict of Interest.....	17
2.6.2.2 Annual Disclosure of Potential Conflicts .....	17
2.6.2.3 Unavoidable Conflicts .....	17
2.6.2.4 Employment Influence .....	17
2.6.3 Lack of Individual Trustee’s Authority .....	18
2.7 Board Committees .....	18
2.7.1 Speaking on Behalf of the Board.....	18
2.7.2 Purpose of Committees.....	18
2.7.3 Committees’ Authority Over Staff .....	18
2.8 Cost of Governance .....	18
2.8.1 Costs .....	19
2.9 Board Complaint and Inquiry Process .....	19
<b>3 Board-Management Team Relationship .....</b>	<b>20</b>
3.1 Management Team Membership .....	20
3.2 Unity of Control.....	20
3.3 Accountability of the Management Team .....	20
3.4 Delegation to the Management Team.....	21
3.4.1 Instruction Through Ends .....	21
3.4.2 Limitation of Means .....	21

USNH Governance Policy Book	V 1.1
3.4.3 Authorization for Action .....	21
3.5 Monitoring Management Team Performance.....	21
3.5.1 Purpose of Monitoring.....	22
3.5.2 Monitoring Methods .....	22
3.5.3 Standard for Compliance .....	22
3.5.4 Disciplinary Policy .....	22
3.5.4.1 Notifying the Management Team.....	22
3.5.4.2 Plan for Remediation .....	22
3.5.4.3 Continued Violations .....	23
3.5.4.4 Termination .....	23
3.5.4.4.1 Called Minister Termination.....	23
3.5.4.4.2 Lay Management Team Member Termination.....	23
3.5.4.5 Egregious Violations .....	23
3.5.5 Monitoring Schedule .....	23
3.6 Ministerial Compensation.....	24
3.6.1 Salary Components .....	24
3.6.2 Salary Review Process.....	24
3.6.3 Salary Records .....	25
<b>4 Change Log .....</b>	<b>25</b>

## Definitions

USNH’s Governing Policies use certain terms in a specific way. This section includes key definitions.

Committee	Committee in these policies refers to any group of any name (committee, task force, ad hoc group, and others) formed by the Board to help it do its work more effectively.
Ends	Ends answer the questions: <ul style="list-style-type: none"> <li>• What difference are we here to make?</li> <li>• In which people’s lives?</li> <li>• At what cost or priority?</li> </ul>
Management Team	A group of individuals, of which one is the minister, who are delegated authority by the Board of Trustees to run the day to day operations of the congregation and to ensure that the mission of the congregation is being fulfilled. The function and authority of the Management Team is shared equally by its members.

Moral Owners	Moral Owners are those people on whose behalf the Board of Trustees govern and to whom the Trustees are accountable. The term Moral Owners includes all owners, in both a legal and a moral sense, all those from whom they derive their authority and to whom they are ultimately accountable. The Board of Trustees' obligation is to govern on the moral owners' behalf.
--------------	---

*Approved by the Board: May 14, 2015*

## **Governance at USNH**

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

*Approved by the Board: October 9, 2014*

## **Purpose of USNH**

### **A. Mission**

We are a diverse multigenerational faith community that inspires lives of compassion and generosity, nurtures spiritual growth, cultivates transformative connections, and creates a more just world.

### **B. USNH Values Held in Common**

Justice, Connection, Generosity, Compassion, Spirituality

### **C. Ends Statements**

#### **1) Relationships Within**

Respecting different spiritual journeys, the people of USNH find inspiration and a safe place to:

- Develop our best selves

- Worship and explore opportunities for spiritual growth
- Live with more joy and open-heartedness
- Experience a connection to something larger than ourselves
- Find meaning and purpose in our lives
- Articulate our Unitarian Universalist identity

## 2) Relationships Among

USNH is a congregation of welcome and connection, where people of all ages:

- Treat one another with respect
- Give and receive support in times of joy, sorrow and transition
- Embrace diversity
- Engage in life-long learning
- Generously give of ourselves and our resources

## 3) Relationships 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
- Develop new understanding of ourselves and others through our justice work
- Contribute our resources to strengthen Unitarian Universalism

*Mission, Values and Ends Statements Affirmed by the Congregation on March 30, 2014*

# 1 Leadership Responsibilities and Limitations

The Management 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.

*Approved by the Board: October 9, 2014; revised February 12, 2015*

## 1.1 Treatment of Congregants, Friends, and Visitors

With respect to interactions with members, friends and visitors of the church, the Management 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.

*Approved by the Board: October 9, 2014; revised February 12, 2015*

## 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.

*Approved by the Board: March 12, 2015*

## 1.3 Treatment of Paid and Volunteer Staff

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

Furthermore, the Management Team shall not:

- a. 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.
- b. 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.
- c. Subject paid or volunteer staff to unsafe or unhealthy conditions.

*Approved by the Board: October 9, 2014; revised February 12, 2015*

## 1.4 Compensation and Benefits

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

Accordingly, the Management Team may not:

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

*Approved by the Board: October 9, 2014; revised February 12, 2015*

## 1.5 Financial Planning/Budgeting

With respect to financial planning, the Management Team may not jeopardize the programmatic or fiscal integrity of the Unitarian Society of New Haven. Accordingly, the Management Team may not cause or allow fiscal projections that:

- a. Contain too little detail to enable reasonably accurate projection of revenues and expenses, separation of capital and operational items, and disclosure of planning assumptions.
- b. Deviate materially from Board-stated priorities and requirements (see Ends policies) in its allocation among competing fiscal needs.

*Approved by the Board: May 14, 2015*

### 1.5.1 Budgeting

The Management Team shall not fail to:

- a. Use realistic assumptions of income and expenses when creating budgets.
- b. Create an annual operating budget for congregational approval at the Annual Spring Meeting of the Society.
- c. Create an annual capital budget with the means to pay for one to present for congregational approval at the Annual Spring Meeting.
- d. Consider multi-year financial projections and events that affect future operating income and expenditures and future capital expenditure requirements.

*Approved by the Board: May 14, 2015*

- e. Allocate all monetary gifts which are not designated for a specific fund or endowment to “unrestricted gift/donations”.

*Approved by the Board: February 11, 2016*

### up1.5.2 Reserves

#### 1.5.2.1 Operating Reserve

The Management Team shall not fail to establish an operating reserve to cover fluctuations in cash flow. The specifications for this reserve are:

- a. The reserve shall be equal to 25% of the annual operating budget.
- b. The approved amount must be deposited in a liquid, conservative, interest or dividend earning account.
- c. The operating reserve shall be secured annually as part of the budgeting process.

- 1) When in surplus, funds from the operating reserve can be shifted to other reserve funds, or to the operating budget, upon approval from the Board.
- 2) When in deficit, funds must be shifted from other reserve funds, or the operating budget.

*Approved by the Board: May 14, 2015*

### **1.5.2.2 Capital Fund**

The Management Team shall not fail to establish a capital fund for planned and unexpected facility and equipment expenses.

*Approved by the Board: May 14, 2015*

### **1.5.2.3 Cash Management**

The Management Team shall not fail to:

- a. At least yearly, assess the liquid funds.
- b. Assess the potential uses for any surplus that exists over the amounts needed for the operating budget plus operating reserve, taking into consideration capital needs and multi-year planning.
- c. Consider investing any surplus monies into the Investment Fund managed by the Endowment Committee on behalf of USNH.
  - i. This Investment Fund is not considered part of USNH's Endowment and is not subject to any endowment restrictions.
  - ii. Because the Investment Fund is designed as a longer-term investment instrument, the Management Team should consider those implications when deciding on investment.
  - iii. The Management Team shall maintain authority and accountability over these funds and may be allowed to withdraw from the Investment Fund at any time to cover unexpected emergency expenses with notification to the Board that such withdrawals are being made.
  - iv. Additionally, the Management Team may consider the monies in the Investment Account as potential sources of funding for future proposed operating or capital budgets.

*Approved by the Board: May 12, 2016*

## 1.6 Financial Condition and Activities

With respect to the actual, ongoing condition of USNH's financial health, the Management Team shall not cause or allow the development of fiscal jeopardy. Accordingly, the Management Team shall not allow:

- a. Financial expenditures to deviate materially from the Board's Ends priorities
- b. Discretionary expenditures to exceed the amounts budgeted in the current fiscal year without Management Team evaluation and approval.
- c. Unbudgeted discretionary expenditures to exceed \$2,500 in any one fiscal year without approval of the Board.
- d. Settlement of payroll, employee benefits, and bills to deviate from timely payment.
- e. Restricted funds to be used for purposes other than those specified by the donor.
- f. Non-contracted program and facility expenses projected to be more than \$2,500 to be paid without procurement and evaluation of two or more price proposals or by getting approval from the Board for a sole-source justification.
- g. Fundraising activities without approval of the Management Team.

*Approved by the Board: May 14, 2015*

## 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.
- b. The officers, Board, Management Team and staff have professional liability insurance.
- c. The Society has General Liability insurance, as well as insurance against theft and malfeasance.

*Approved by the Board: May 14, 2015*

### 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.
- b. Financial controls are in place to guard against loss and mismanagement of funds.
- c. Funds used for operations are kept in insured instruments.

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.

*Approved by the Board: May 14, 2015*

## **1.8 Communication and Support to the Board**

The Management Team shall not permit the Board to be uninformed, misinformed, or unsupported in its work.

Accordingly, the Management Team may not:

- a. Fail to inform the Board in a timely manner of relevant trends, public policy initiatives, public events of the organization, material external and internal changes.
- b. Fail to report to the Board, in a timely manner any significant information it requires including anticipated media coverage, threatened or impending legal issues, claims, or lawsuits.
- c. Fail to submit the monitoring data required by the Board policy "3.5 Monitoring Management Team Performance" in a timely, accurate, and understandable fashion, and which includes the Management Team's interpretations of the policy.
- d. Fail to advise the Board if, in the Management Team's opinion, the Board is not in compliance with its own policies on Governance Process and Board-Management Team Delegation.
- e. Fail to report in a timely manner, any actual or anticipated noncompliance with any Ends or Executive Limitations policies of the Board regardless of the Board's monitoring schedule.
- f. Fail to recommend changes in Board policies, when the need becomes known to them.
- g. Fail to gather and consider as many staff and external points of view, issues, and options as needed, for fully informed Board choices.
- h. Fail to provide a mechanism for official Board, officer, or committee communications.
- i. Fail to deal with the Board as a whole except when (a) fulfilling individual requests for information or (b) responding to officers or committees duly charged by the Board.

- j. Fail to limit public statements about the official position of the congregation or Board on controversial social, political, and/or congregational issues to what the congregation or Board has formally and explicitly adopted as positions of record. Nothing in this policy shall be construed to infringe upon the fundamental principle of freedom of the pulpit.

*Approved by the Board: March 12, 2015*

## **1.9 Grants or Contracts**

### **1.9.1 Grants**

The Management Team shall not fail to assure that it is aware of grants applied for and received by the Society.

*Approved by the Board: May 14, 2015*

### **1.9.2 Contracts**

- a. No one other than the Management Team, its express designees, or the Board President (or the Vice President in the President's absence) shall execute any contract on behalf of USNH.
- b. The Management Team shall not fail to assure that each contract for work or services in excess of \$2,500 is awarded only after
  - 1) preparation of specifications/requests for proposals, and
  - 2) procurement and evaluation of two or more price proposals, or approval from the Board for a sole-source justification.

*Approved by the Board: May 14, 2015*

### **1.10 Safety**

The Management Team shall not fail:

- a. To ensure that all appropriate activities and actions are performed to ensure that staff, visitors, and congregants are provided with a safe environment.
- b. To assess and report to the Board as appropriate regarding safety issues in order to give the Board information that should be addressed in the budget for the next year.

*Approved by the Board: March 12, 2015*

## **2 Governance Process – Global Governance Commitment**

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

The purpose of the Board of Trustees is to act on behalf of the moral owners of USNH to ensure that the Congregation fulfills its mission and ministry with an effective use of resources and within the boundaries of legal and ethical behavior.

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

*Approved by the Board: January 8, 2015*

## **2.1 Moral Ownership**

The moral owners of USNH are past, present and future members.

*Approved by the Board: January 8, 2015*

## **2.2 Governing Style**

The Board will govern lawfully and ethically, with an emphasis on (1) outward vision rather than internal preoccupation, (2) encouragement of diversity in viewpoints, (3) strategic leadership more than administrative detail, (4) clear distinction of Board and Management team roles, (5) collective rather than individual decisions, (6) the future rather than the past or present, and (7) proactivity rather than reactivity.

*Approved by the Board: January 8, 2015*

### **2.2.1 Excellence in Governing**

The Board will be responsible for excellence in governing. Accordingly:

- a. The Board will be the initiator of policy, not merely a reactor to staff and committee initiatives.
- b. The Board will monitor and regularly discuss the Board's process and performance as necessary and at least annually

*Approved by the Board: January 8, 2015*

### **2.2.2 One Voice**

The Board speaks with one voice. Accordingly:

- a. The Board will cultivate a sense of group responsibility. The Board will use the expertise of individual members to enhance the ability of the Board as a body rather than to substitute individual judgments for the Board's values.
- b. The Board will allow no officer, individual, or committee of the Board to hinder the fulfillment of Board commitments.
- c. The Board shall deliberate in many voices, but govern in one. After subjects have been discussed and voted upon, both majority and minority shall support the action taken and speak with one voice.

*Approved by the Board: January 8, 2015*

### **2.2.3 Distinguishing Ends from Means**

The Board will govern and inspire the congregation through the careful establishment of broad written policies reflecting the moral owners' values and perspectives about the desired ends to be achieved and means to be avoided. The Board's major policy focus will be on the intended long-term impacts or ends outside the staff organization, not on the administrative or programmatic means of attaining those Ends.

*Approved by the Board: January 8, 2015*

### **2.2.4 Board Discipline**

The Board will enforce upon itself whatever discipline is needed to govern with excellence. Discipline will apply to matters such as attendance, preparation, policymaking principles, respect of roles, and ensuring continuance of governance capability. In accordance with this discipline, the Board will address a topic or issue only after it has answered these questions:

- Whose issue is this, Management Team's or Board? Is the issue about Ends or Means? If it is about Means, does the issue affect Ends in a significant way? If so, then the Board will determine the broadest way to address the issue so that it is still under existing Board policy.
- Has the Board dealt with this subject in a policy? If so, what has the Board already said on this subject? How is this specific issue related? If the Board has already addressed the matter, does the Board wish to change what it has already said?

*Approved by the Board: January 8, 2015*

## **2.3 Board Job Description**

The job of the Board is to represent the moral owners of the Unitarian Society of New Haven in determining and monitoring appropriate organizational performance.

Accordingly, the Board will establish:

- a. Communication links between itself and its moral owners.
- b. Written governance policies, which at the broadest levels address:
  - (1) Ends: What organizational impacts, benefits or outcomes for which recipients, at what cost or relative priority.
  - (2) Management Team Limitations: Constraints on Management Team authority that establish the prudent and ethical boundaries within which all Management Team activity and decisions must take place.
  - (3) Governance Process: Specification of how the Board conceives, carries out, and monitors its own tasks.

- (4) Board-Management Team Linkage: Delegation of power and monitoring of its appropriate use; and the Management Team's role, authority, and accountability.
- c. The assurance of Management Team performance (as individual members and as a team) against policies 2.3.b (1) and 2.3.b (2)
  - d. The assurance of Board performance against policies 2.3.b (3) and 2.3.b (4).
  - e. Appropriate By-laws revisions for the congregation to approve.

*Approved by the Board: January 8, 2015*

## **2.4 Agenda Planning**

To accomplish its tasks with a governance style consistent with Board policies, the Board will develop and follow an annual agenda that:

- a. Re-explores Ends policies with its moral owners in regular dialogue;
- b. Systematically monitors and reviews Board policies;
- c. Continually improves Board performance through Board education and enriched input and deliberation;
- d. Provides education and communication to enhance the congregation's understanding of policy-based governance.

*Approved by the Board: January 8, 2015*

## **2.5 Board Officers' Roles**

A President, Vice President, Secretary, and Treasurer shall be elected by the Membership at the June Congregational Meeting. Terms shall run according to by-law.

*Approved by the Board: January 8, 2015*

### **2.5.1 Role of the President**

The President is a specifically empowered member of the Board who ensures the integrity of the Board's process and that governance proceeds in a way consistent with Board policies on governance; and represents the Board to the outside parties. Accordingly,

#### **2.5.1.1 Meeting Leadership**

The President shall preside at all meetings of the Congregation and the Board, or might delegate someone else for that task depending on the specific skills of the persons available. S/he shall call special meetings of the Board when, in her/his opinion, it is necessary to do so. Accordingly, the President ensures that:

- a. The Board acts consistently with its own rules and those legitimately imposed upon it from outside the organization.

- b. Meeting agendas are developed in consultation with Board members.
- c. Meeting discussion content will only be those issues that, according to Board policy, clearly belong to the Board to decide, not the Management Team members.
- d. Deliberation will be fair, open, and thorough but also timely, orderly, and kept to the point.

*Approved by the Board: January 8, 2015*

### **2.5.1.2 Authority**

The authority of the President consists of making decisions on behalf of the Board that fall within or are consistent with Policies on Governance Process and on Board Management Team Relationship. Presidential authority does not extend to making decisions within Ends and Management Team Limitations policy areas. Therefore, the President has no authority to supervise or direct the Management Team.

*Approved by the Board: January 8, 2015*

### **2.5.2 Role of the Vice President**

The Vice President shall perform the duties of the President and shall have the power of that office in the absence or incapacity of the President. The Vice President shall succeed the President, subject to a vote by the congregation. S/he shall accept additional tasks as assigned by the President.

*Approved by the Board: January 8, 2015*

### **2.5.3 Role of the Secretary**

The Board Secretary is an officer of the Board whose purpose is to ensure the integrity of the Board's documents. Accordingly, the Secretary shall be responsible for seeing that:

- a. All Board documents and filings are accurate and timely.
- b. All Members are notified of all congregational meetings and all matters to be acted upon at such meetings.
- c. The congregation is informed of the actions of the Board between congregational meetings.
- d. Policies will be current in their reflection of Board decisions. Decisions upon which no subsequent decisions are to be based, such as consent agenda decisions, motions to adjourn, and staff or Board member recognitions, need not be placed in policy.

*Approved by the Board: January 8, 2015*

### **2.5.4 Role of the Treasurer**

The role of the Treasurer is to advise the Board on monitoring of financial policies and on financial trends.

*Approved by the Board: January 8, 2015*

## **2.6 Board of Trustees Code of Conduct**

The Board of Trustees commits itself and its members to ethical, efficient, and lawful conduct, including proper use of authority and appropriate decorum when acting as Trustees.

*Approved by the Board: January 8, 2015*

### **2.6.1 Unconflicted Loyalty**

Trustees must demonstrate loyalty to the moral ownership of USNH, unconflicted by loyalties to staff, other organizations, or any personal interest as congregants.

*Approved by the Board: January 8, 2015*

### **2.6.2 Conflicts of Interest**

Trustees must avoid conflict of interest and perceived conflicts of interest with respect to their fiduciary responsibility. Accordingly:

#### **2.6.2.1 Financial Conflict of Interest**

There will be no self-dealing or conduct of private business or personal services between a Trustee and the organization.

*Approved by the Board: January 8, 2015*

#### **2.6.2.2 Annual Disclosure of Potential Conflicts**

Trustees will annually disclose to the Board their involvement with other organizations, with vendors, or any associations which might produce a conflict or a perceived conflict of interest.

*Approved by the Board: January 8, 2015*

#### **2.6.2.3 Unavoidable Conflicts**

When the Board is to decide upon an issue about which a Trustee has an unavoidable conflict of interest or perceived conflict of interest, that Trustee shall withdraw without comment not only from the vote but also from the deliberation.

*Approved by the Board: January 8, 2015*

#### **2.6.2.4 Employment Influence**

Trustees will not use their Board position to obtain employment in the organization for themselves, family members, or close associates.

*Approved by the Board: January 8, 2015*

### **2.6.3 Lack of Individual Trustee's Authority**

Trustees may not attempt to exercise individual authority over the organization except as explicitly set forth in Board policies. Accordingly:

- a. Trustee's interaction with the Management Team or with staff must recognize the lack of authority vested in individuals except when explicitly Board authorized. Trustees' interaction with the public, press, or other entities must recognize the same limitation except as outlined in Policy 2.5.1 on the Role of the President.
- b. Trustees will make no judgments of the Management Team or staff performance except as that performance is assessed against explicit Board policies by a formal evaluation process.
- c. Trustees will respect the confidentiality appropriate to issues of a sensitive nature.

*Approved by the Board: January 8, 2015*

## **2.7 Board Committees**

Board committees when used, will be assigned to reinforce the wholeness of the Board's job and so as to never interfere with delegation from Board to Management Team. Accordingly:

### **2.7.1 Speaking on Behalf of the Board**

Committees will not speak on behalf of the Board without prior authorization from the Board.

*Approved by the Board: January 8, 2015*

### **2.7.2 Purpose of Committees**

Board committees are to help the Board do its job, not to help or advise the staff, i.e., not to help the Management Team or staff to do its job.

*Approved by the Board: January 8, 2015*

### **2.7.3 Committees' Authority Over Staff**

Board committees cannot exercise authority over staff.

*Approved by the Board: January 8, 2015*

## **2.8 Cost of Governance**

The Board will invest in its governance capacity. Accordingly,

- a. Board skills, methods, and supports will be sufficient to assure governing with excellence. Accordingly:

- b. Training and retraining will be used to orient new Board members, as well as to maintain and increase existing Board members' skills and understandings.
- c. Outside monitoring assistance will be arranged so that the Board can exercise confident control over organizational performance. This includes, but is not limited to, fiscal audit.
- d. Outreach mechanisms will be used as needed to ensure the Board's ability to listen to moral owners' viewpoints and values.

*Approved by the Board: January 8, 2015*

### **2.8.1 Costs**

Costs will be prudently incurred.

*Approved by the Board: January 8, 2015*

## **2.9 Board Complaint and Inquiry Process**

The intent of this process is to provide a mechanism for any member of the congregation or larger community to raise concerns about the Board or Management Team.

All complaints must be written and include the name of the individual(s) lodging the complaint. The complaint must be addressed to a Board member.

The Board will address any complaints or concerns it receives solely in relationship to Board policies. Concerns unrelated to Board policy will be conveyed to the Management Team, which will develop its own resolution procedures.

Responsibilities of Board members:

- a. Individual Board members do not have the authority to make any representations that the complaint will be resolved in a certain way.
- b. All complaints raised to a Board member in written form must be distributed as soon as possible after receipt to all Board members, by no later than the next scheduled Board meeting.
- c. The Board will determine if the complaint violates any policies of the congregation.
- d. The Board will determine if complaints regarding the Management Team violate Board policies or the personnel policies of the congregation as listed in the personnel policy manual.
- e. If the Board determines there has been a violation, it will follow through with the appropriate actions as defined in the relevant policy and any other actions deemed appropriate and necessary to bring the complaint to resolution.
- f. Issues of a sensitive nature, or that would violate privacy, will be handled in a closed session of the Board.

- g. As a matter of courtesy, the Board will acknowledge all written complaints.

*Approved by the Board: March 12, 2015*

### **3 Board-Management Team Relationship**

The Board's sole official connection to the operational organization of USNH, and the duties, responsibilities and conduct of paid and volunteer staff will be through the Management Team.

*Approved by the Board: January 8, 2015*

#### **3.1 Management Team Membership**

The Management Team consists of the Minister and additional lay leaders. The function and authority of the Management Team is shared equally by its members. However, the Minister is Chief of Staff and has the authority to hire and terminate staff.

*Approved by the Board: January 8, 2015 and revised on March 12, 2015 and May 14, 2015*

- a. The Board will appoint the lay leaders for a minimum term of two years which can be renewed upon mutual agreement of the Board and the Management Team .
- b. The number of lay leaders appointed will be dependent on the anticipated work load and may fluctuate as needs determine.
- c. The terms of the Management Team will be rotated in a manner that ensures a continuity of lay leadership on the Team.

*Approved by the Board: May 14, 2015*

#### **3.2 Unity of Control**

Only decisions of the Board acting as a body, stated in officially passed motions, are binding on the Management Team.

Thus, decisions or instructions of individual Board members, officers, or congregation members are not binding on the Management Team except in rare instances when the Board has specifically delegated the exercise of such authority.

*Approved by the Board: January 8, 2015*

#### **3.3 Accountability of the Management Team**

The Management Team is the Board's link to operational achievement and conduct, so that all authority and accountability of paid and volunteer staff as far as the Board is concerned, is considered the authority and accountability of the Management Team. Accordingly:

- a. The Board will refrain from giving instructions to persons who report directly or indirectly to the Management Team.
- b. The Board will refrain from evaluating, either formally or informally, any paid or volunteer staff other than the Management Team.

- c. The Board will view Management Team performance as identical to organizational performance, so that organizational accomplishment of Board-stated Ends and avoidance of Board-proscribed Means will be viewed as successful Management Team performance.

*Approved by the Board: January 8, 2015*

### **3.4 Delegation to the Management Team**

The Board will instruct the Management Team through written policies that prescribe the organizational Ends to be achieved and describe organizational situations and actions to be avoided. The Management Team is responsible for implementation and may further delegate to staff and lay leaders.

*Approved by the Board: January 8, 2015*

#### **3.4.1 Instruction Through Ends**

The Board will develop policies instructing the Management Team to achieve designated results, for designated recipients, at a designated cost/priority. These policies will be developed systematically from the broadest, most general level to more defined levels and will be Ends policies. All issues that are not Ends issues as defined here are Means issues.

*Approved by the Board: January 8, 2015*

#### **3.4.2 Limitation of Means**

The Board will develop policies that limit the latitude the Management Team may exercise in choosing the organizational means. These limiting policies will describe those practices, activities, decisions, and circumstances that would be unacceptable to the Board even if they were to be effective. Policies will be developed systematically from the broadest, most general level to more defined levels, and they will be called Management Team Limitations policies. The Board will never prescribe organizational means delegated to the Management Team.

*Approved by the Board: January 8, 2015*

#### **3.4.3 Authorization for Action**

As long as the Management Team uses any reasonable interpretation of the Board's Ends and Management Team Limitations policies, the Management Team is authorized to establish further procedures, make decisions, take actions, establish practices, and pursue activities.

*Approved by the Board: January 8, 2015*

### **3.5 Monitoring Management Team Performance**

Performance will be assessed solely by (1) progress toward USNH Ends, (2) organizational operation within the boundaries established in Board policies on Management Team Limitations.

*Approved by the Board: January 8, 2015*

### **3.5.1 Purpose of Monitoring**

Monitoring is performed simply to determine the degree to which Board policies are being met.

*Approved by the Board: January 8, 2015*

### **3.5.2 Monitoring Methods**

The Board will acquire monitoring data by one or more of the following methods:

- a. By internal report, in which the Management Team discloses compliance information to the Board;
- b. By external report, in which an external, disinterested third party selected by the Board assesses compliance with Board policies;
- c. By direct Board inspection, in which a designated member or members of the Board assess compliance with the appropriate policy criteria.

*Approved by the Board: January 8, 2015*

### **3.5.3 Standard for Compliance**

The standard for compliance shall be any reasonable Management Team interpretation of the Board policy being monitored. The Board is final arbiter of reasonableness, but will always judge with a "reasonable person" test.

*Approved by the Board: January 8, 2015*

### **3.5.4 Disciplinary Policy**

The Board will take action in the event a policy violation occurs.

*Approved by the Board: January 8, 2015*

#### **3.5.4.1 Notifying the Management Team**

If the Board discovers a policy violation, it will notify the Management Team.

*Approved by the Board: January 8, 2015*

#### **3.5.4.2 Plan for Remediation**

The Board will give the Management Team a deadline to present a written plan to correct the policy violation that includes a timeframe for remediation.

*Approved by the Board: January 8, 2015*

**3.5.4.3 Continued Violations**

If the policy violation is not corrected after the remediation timeframe, the Board may consider suspending one or more of the Management Team members, and it will determine how to notify the congregation.

*Approved by the Board: January 8, 2015*

**3.5.4.4 Termination**

If the situation remains unresolved, the Board will initiate a termination process:

**3.5.4.4.1 Called Minister Termination**

The Board will recommend to the congregation that the called minister be terminated for continued policy violation, and call a meeting in compliance with the Bylaws.

*Approved by the Board: January 8, 2015*

**3.5.4.4.2 Lay Management Team Member Termination**

The Board will approve the termination of the lay Management Team member and notify the congregation of the its removal of the Management Team member.

*Approved by the Board: January 8, 2015*

**3.5.4.5 Egregious Violations**

If the Board determines that the policy violation is egregious, it will design an alternative process, commensurate with the severity of the violation.

*Approved by the Board: January 8, 2015*

**3.5.5 Monitoring Schedule**

All policies that instruct the Management Team will be monitored at a frequency and by a method chosen by the Board. The Board can monitor any policy at any time by any method, but will ordinarily depend on a routine schedule.

<b>Policy Number and Name</b>	<b>Method</b>	<b>Frequency</b>
Purpose of USNH, C. Ends Statements (Program Outcomes)	Internal report	Monthly
	Direct Inspection	Annually
1.0 General Management Team Constraints	Internal report	Annually
	Direct Inspection	Annually
1.1 Treatment of Congregants, Friends, Visitors	Internal report	Annually
1.2 Emergency Management Team Succession	Internal report	Annually
1.3 Staff/Volunteer Treatment	Internal report (staff changes)	Monthly
	Direct inspection	Annually (including grievance procedures)

1.4 Compensation and Benefits	Internal report	Annually
1.5 Financial Planning/Budgeting	Internal report (planning)	Annually
	Direct inspection	Annually
1.6 Financial Condition and Activities	Internal report	Monthly
	External report (CPA’s Compilation Statement)	Every year
1.7 Asset Protection	Internal report	Every 3 years (or more frequently as determined by the Board)
1.8 Communication and Support to the Board	Internal report	Annual
1.9 Grants or Contracts	Internal report	Annually
1.10 Safety	Internal report	Annually

*Approved by the Board: March 12, 2015*

### 3.6 Ministerial Compensation

The Unitarian Society of New Haven is committed to offering fair and competitive ministerial compensation to its called minister(s), based on applicable regional and national salary and benefit information, relevant experience and performance, and the Society’s ability to pay.

The Board is responsible for establishing the compensation of the called ministers of USNH. This includes approving the initial compensation package in the ministerial agreement and reviewing the status of compensation on a regular basis.

*Approved by the Board: January 8, 2015*

#### 3.6.1 Salary Components

Ministerial compensation consists of salary (including housing allowance) and benefits as outlined in the Letter(s) of Agreement.

*Approved by the Board: January 8, 2015*

#### 3.6.2 Salary Review Process

The Board will annually review each called minister’s salary and consider adjustments relative to current financial conditions. Annual adjustments for ordained ministers are in two separate categories:

- a. A cost of living adjustment will be considered annually, based on the Consumer Price Index (CPI) estimate for the current year.
- b. A merit increase above the adjustment for cost of living may be considered at the discretion of Board. The Board will compile the results of a called minister’s performance evaluation for the time period since the last merit increase and use these along with the salary and housing ranges to assist in determining such merit increase.

*Approved by the Board: January 8, 2015*

**3.6.3 Salary Records**

The Board will maintain records of ministerial compensation adjustments.

*Approved by the Board: January 8, 2015*

**4 Change Log**

<b>Change Number</b>	<b>Policy Number</b>	<b>Description</b>	<b>Date Change Approved</b>
2015-1	1 Leadership Responsibilities & Limitations	Changed “Executive” to “Management”	Feb. 12, 2015
2015-2	1.1 Treatment of Congregants, Friends, and Visitors	Changed “Executive” to “Management”	Feb. 12, 2015
2015-3	1.2 Treatment of Paid and Volunteer Staff	Changed “Executive” to “Management”	Feb. 12, 2015
2015-4	1.3 Compensation and Benefits	Changed “Executive” to “Management”	Feb. 12, 2015
2015-5	3.1 Management Team Membership	Added wording: “However, the Minister is Chief of Staff and has the authority to hire and terminate staff.”	Mar. 12, 2015
2015-6	3.1 Management Team Membership	Removed the word “two” from the first sentence, and added clauses a, b, and c.	May 14, 2015
2016-1	1.5.1 e Budgeting	Added policy section e	Feb. 11, 2016
2016-2	1.5.2.3 Cash Management	Added policy	May 12, 2016