

Unitarian Society of New Haven
Minutes of the Meeting of the Board of Trustees
February 8, 2018

Accepted March 8, 2018

Board Members Present: Jeannette Faber, Kathy Garner, Dan Gelperin, Megan Lloyd Joiner, Pamela Miller, Peggy Myers, Bobbi Pace

Board Member Absent: Liz Demsky, Bernice Marie-Daly, Pat Trotta

Also Present: Gwen Heuss-Severance, David Stagg

D, Gelperin called the meeting to order at 6:32pm and P. Miller recorded the minutes. K. Garner called into the meeting. A quorum of Board members was present and the meeting proceeded with D. Gelperin presiding.

Gather:

J. Faber lit the chalice and read a poem by Ellen Bass, "The Thing Is". The covenant was read and was followed by a check in with each person answering the question, "What is important to you today?"

Meeting objectives were confirmed. The financial update was moved to the top of the agenda, followed by Interface between MT and committee, and monitoring Policy 1.9 was next.

Assess the Past (Monitoring):

Financial report

K. Garner presented the financial report which is attached at the end of the minutes.

In QuickBooks, pledge income will be recognized based on the date it was received, regardless of the pledge year to which it was to be applied. Prepaid pledges will continue to be tracked in Churchdb. This is a bookkeeping matter, based on a CPA recommendation. Pledge income is not restricted. We have around \$30,000 in prepaid pledges. They are being spent as they are received. Budgeting is independent of cash flow.

There is still no way to track special collection plates. The financial team wants to know of them in advance. This occurred with the CONECT collection and another collection two weeks ago.

The brokerage account caused a problem when trying to change authorized users. This is a significant problem. It needs to be handled by the finance committee. Responsibilities and roles must be established.

The roof loans have been repaid.

CT sales tax has presented a problem. We previously filed a return saying that it was the final return. As a result, on 12/31/16 our tax id was closed. We filed a return using our closed tax id and registered for a new tax id.

The mortgage is due on June 30, 2018. We are requesting proposals from three banks.

We need to do an annual review of authorizations to work with accounts. This should be done by the finance committee/management team. We may want to include it in a policy.

K. Garner will not be able to be treasurer after June 30, 2018. The treasurer should monitor financial activities. If the treasurer cannot participate as a board member, another board member should be added. Operational activities should be separated from board activities. We need a finance committee chair and members who will take responsibilities for operational activities. The finance committee is ready to be the next committee to meet with the board.

Interface between MT and committees

A draft document has been created for proposed roles and responsibilities for finance. S. Godshall is working on this document. G. Seaman will review it. Policies and bylaws will have to be changed if this is adopted.

We need to recruit people. We need a treasurer, finance committee chair, and 4 portfolios of work that need to be assigned to an individual. G. Seaman is doing payroll review. Is a financial background needed? We need experienced investments and insurance people, but they may not be allowed access to brokerage accounts. Weekly offertory does not need a CPA. Check signing does not need a CPA. There should be 6 people on the committee. We may want to have two people authorized to sign checks. Term limits and other details have not been designated.

What are the pain points of the finance committee? When can we have this discussion? Discussion of the proposal is likely to be the meat of the meeting, since K. Garner and the committee have already done a lot of work on the topic. Can we arrange a schedule via email? D. Gelperin will initiate the scheduling process. The nominating committee will need to know what roles to recruit.

K. Garner is on board for a board chat. She wants to get together with J. Faber and P. Miller to discuss options. She may try google docs on the phone.

K. Garner left the meeting at 7:35pm.

Monitoring Policy 1.9 Grants or Contracts

The monitoring report is attached at the end of the minutes.

The Social Justice Council should be told to alert the MT if they are applying for grants. A new policy on applying for grants will be added to a manual that is being created. MT rather than the minister should be responsible for grants requests. Approval and criteria need to be established.

Contract renewals should not need the same level of preparation that is required for initial contracts.

An interpretation will be prepared for this policy.

Minister's report

The Minister's report is attached at the end of the minutes.

The Sunday Morning team is in favor of hiring a kitchen coordinator. They suggest that a job description be prepared.

Rev. Green might do a humanist service one Sunday afternoon per month. This is under discussion. Does the board believe relationships with other ministers should be pursued? These arrangements would be supportive of the minister. There is a standard covenant for this type of relationship.

Create the Future & Learning:

Sign up for board members to be recognized at the second service:

February 18: **D. Gelperin**

February 25: **J. Faber**

March 4: **B. Pace**

Board retreat

MT has been invited to the retreat.

The org chart has not changed since the last retreat in the fall. Will a review be helpful? Can we come up with ideas for the Council of Chairs? What is needed from them? Who gets to decide what they should do? Can we produce a vision for them or give them guidance to create a vision?

Can we meet with B&G and Finance before the retreat? This would help us work on next steps. There will be a Council of Chairs meeting prior to the retreat. What does the CoC know about policy governance? The Board discerns goals from the congregation. The goals are handed to MT for implementation, which is done primarily through committees. The CoC can be a bridge from MT to committees. Can the next several months be used to educate CoC on policy governance? Members must be asked to be involved in the functioning of the organization. How does a congregation wanting to make meaningful change in the world pull itself together to do this? It only seems to happen at congregational meetings. The CoC could be part of implementing goals of the congregation. MT is thinking of asking CoC what is and isn't working today. This is to keep the lines of communication open. What part do our committees have in creating change? When do we feel we are connected? We seem to be in a new phase. What is exciting is what this may be allowed to happen. B. Pace and D. Gelperin may be asked to talk to the CoC to explain relationships between groups. This fits in with the first board chat as described in a draft document that is being shared. How do we tie together structure and vision?

There is a need to listen to what the CoC wants. What are their goals? Education is hard to do without the vision. We need an effective org chart showing how we want things to be. Goal setting and strategic planning hasn't been done. Perhaps the board should engage with the congregation next year to establish another, smaller list of ends. We could have a session with CoC answering the why questions sometime in the future. The committees could be asked to do the same thing. We must come up with the right question(s).

Monthly board chats

We need to prepare for the board chat on February 25. What do must be prepared?
Can this be organized via email? P. Miller will take notes at the chat.

Consent Agenda:

MOTION – D. Gelperin, to approve the January 11, 2018 Board of Trustees meeting minutes and the January 28, 2018 Congregational Meeting minutes; **SECONDED – B. Pace**;

PASSED, 4 in favor, 0 opposed, 1 abstention

Adjournment:

MOTION – D. Gelperin, to adjourn; **SECONDED – B. Pace**;

PASSED unanimously, 5 in favor, 0 opposed, 0 abstentions

The meeting was adjourned at 8:40pm.

Attachments:

Finance Report
Monitoring Policy 1.9 Grants or Contracts
Minister's Report

Finance Report

2/4/2018

Submitted by Kathy Garner

Operating P&L notes

Overall, Income and Expenses are overall in line with expectations for 7 months into the fiscal year. Total Income is at 60% and Expenses are at 55%. When compared to last year at this time, those percentages are consistent.

At 2/4/2018, USNH shows \$41,529.66 for net operating income. See below for items of note.

Income

- After 6/30/17 was finalized, the accountant directed the USNH bookkeeper to change how pledge income is recognized. Going forward, in Quickbooks (USNH general ledger system), pledge income will be recognized in the fiscal year that it is received. For this fiscal year, prepaid pledges (received prior to June 30, 2017) were removed, but the late pledges (received after June 30, 2017) were added back. Every year, the accountant has made the adjustment for the financial statements. Aligning the practice in Quickbooks alleviates the need for that adjustment. There will be a transition period when comparing this year's income to last year's income because of the change in practice; however, the financial statements that will be provided to potential lenders is consistent. Please note, in the pledge database, it will continue to be tracked based on the pledge year.
- The Special Collection plate practice continues to be a source of confusion for the counters, the Congregational Administrator, and the bookkeeper. The schedule and recipients for these special collections must be communicated in advance to the team responsible for counting and recording the donations. The amounts can be corrected; however, it creates additional work which could easily be avoided.
- Account 4620 Gain/loss on Sale of Securities. This amount (loss of \$793.74) is the result of a lack of quick transition of the responsibilities for processing stock donations. USNH uses a Merrill Edge brokerage account for this and the process of transferring from Sandy Frawley to current Finance Committee members took too many resource hours and spanned weeks. Susan Godshall was key in getting this resolved as her name was still on the account from her time when she was treasurer. We had to recognize a loss as the day the stocks were received to when we could sell the stock, the stock had declined in value. Susan Godshall and Mary Losee are currently authorized to process these transactions. My recommendation is to establish a new account (perhaps a Charles Schwab which Endowment uses) that is easier to transition and maintain as we have history of difficult transitions with the Merrill Edge account.

Expenses

- EFT fees (aka Vanco fees which supports e-Giving) are at \$236 against a budgeted expense of \$270. Fees have risen for this form of payment, and when compared to Citizens initial proposal, Vanco is still the most affordable option.

- Account 5550 Roof loan interest was not budgeted; however, we recently paid off the \$40,000 in roof loans to the members who had originally lent the money. We saved a small amount of interest by paying the loans only 6 months into the fiscal year.
- Account 5570 CT sales tax of \$285 against a budget of \$250. This expense may not be finalized yet. The sales tax id used by USNH (we are responsible to pay sales tax for some of our fundraising such as book cart, tag sale, chocolate auction) was inadvertently closed when the 2016 tax return was filed. This was not discovered until the 2017 tax return was prepared, but unable to be filed. Susan Godshall is working on this issue along with the bookkeeper and treasurer. There is a risk that USNH may incur penalties; however, every measure is being taken to insure this does not happen. Once a new id is issued, USNH must have a clear process in place for how this sales tax id is used. A letter was received from Best Buy with 2 individuals listed as associated with USNH Tax Exempt status who are not USNH members. When the USNH tax id is provided, the individual and purpose must be recorded and monitored to remove when applicable.
- The above 3 items are all in the Financial Affairs class – upon review, it is apparent that the likelihood of going over budget for that class is very likely. The Management Team must be aware of this as there is little that can be done to restrict spending in this class.

Finance Committee notes

1. A meeting was held on January 30, 2018 with Citizens Bank representatives. This meeting was held in conjunction with the Management Team. Jorge Luis Jimenez and Vicki Valenti are new to the USNH relationship and asked a number of questions. They will prepare a formal proposal detailing our cash management and lending needs, along with pricing. One risk they highlighted to the team was the risk of fraud. USNH insurance policy must be reviewed to judge if we have coverage in place and the cost of that coverage. Vicki stated in some cases engaging one of the fraud protection services may reduce insurance rates.
2. After the meeting with Citizens, Greg Seaman, Susan Godshall, Kathy Garner, David Stagg and Jeremy Hill discussed the first draft created describing the Treasurer and Finance Committee Chair roles, along with a proposal as to how to organize the work for the Finance Committee members. There was general agreement in the approach with the understanding that some of the roles may change in details. The Finance Committee may provide some edits to the proposal; however, the next step of meeting with the Board is ready to be taken. Highlighted above in the expenses and income sections are items that indicate the consequences of not having clear roles and responsibilities. Currently, there are more tasks than we have resources. This must be addressed quickly.
3. Greg Seaman is working with David Stagg to create a first draft of the budget.
4. There is a gift i/a/o \$20,000 from an estate. It has not yet been received; however, it is understood that it will be put in the Gifts and Donations temporary restricted fund. This will allow the Management Team time to discuss how the proceeds will be used.
5. Beginning in January, a switch to the payroll schedule was implemented to ease the work involved in pay periods crossing calendar and fiscal year ends. In the past, this has created

additional work for those administering payroll in addition to the accountant who compiles the fiscal year end statements. Employees are now paid twice a month rather than every 2 weeks.

6. In the past, our deposit accounts for operations have been held at Citizens Bank. It is a requirement of the loan to maintain a checking account. \$100,000 of \$240,000 savings account was moved into a 1 yr CD at Guilford Savings Bank to generate more interest income. This move was recommended by the Finance Committee and reviewed by the Management Team.
7. An annual review of signers on depository, credit, brokerage accounts must be instituted to confirm that the authorized users on those accounts are still accurate. USNH was the beneficiary of Merrill Edge still having Susan on the account; however, it does call to question why her name was still on the account.
8. My employer instituted a new practice where I had to apply to have my volunteer role on the board approved. There are a number of stipulations that I had to agree to in order to maintain the role. UBS does not want me to have access to any accounts in addition to brokerage accounts (which I knew before so cannot get involved with the Merrill Edge account). They do not want me to influence any direct financial decisions with regards to cash management or investments. I am not permitted to use my ubs email account and I am not allowed to conduct any USNH business during the work day nor on UBS premises. I received an exception for being a signer on the checking and savings accounts; however, the additional restrictions are making my ability to perform the Treasurer duties as they currently stand extremely difficult since I work Monday through Friday 9-5. I will not be able to continue as treasurer after June 30, 2018.
9. Mary Losee was approached by Rob Camm to see if there is a possibility of engaging his 4th grade class to volunteer as counters. There was no objection from myself, Greg Seamann or Mary, so she will reach out to Rob to consider the logistics.

Monitoring of Policy 1.9 Grants or Contracts

Submitted by the Management Team

Rev Megan Lloyd Joiner, David Stagg, Gwen Heuss-Severance and Jeremy Hill

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.

The MT is not notified directly of any grant that is applied for or received. We believe that it is understood by the community that the Minister must be notified and/or involved in any grant application or receipt. The Minister will then inform the other members of the MT. For example, we became aware of the grant application for partial support of CONECT and of interest in seeking grant support for renovation of the kitchen from Rev Megan. We report semi-compliance and seek advice about the need for a policy in this area.

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.*

All contracts since 7/1/2017 have been renewed by a member of the MT (e.g. our Comcast TV, phone and internet contract) or by the President of the Board (e.g. our Cuddletime lease). We report compliance.

- 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.*

All new contracts for work or service since 7/1/2017 exceeding \$2,500 have met requirements 1) and 2) above. Contracts that have been simply renewed in excess of \$2,500 have only been subjected to approval by appropriate committees or staff before being signed by a member of MT. For example, our snow removal contract was renewed after determining that their service was satisfactory. We report non-compliance and ask for clarification.

Minister's Report
February 8, 2018
Rev. Megan Lloyd Joiner

State of the Congregation (*recent successes, challenges, observations about the congregation's functioning in relationship to the mission, ministries, members, staff, or other Board concerns*)

The Management Team has begun collaborations with the Finance Committee and Personnel Committee as well as the Stewardship Committee to prepare the 2018-2019 budget. Our main concern is staffing our congregation for our current membership and potential growth. Discussions have included the pros and cons of an assistant minister or a business manager (executive director), expanding the membership coordinator position and possibly hiring a kitchen helper on Sunday morning. This budget will include fully funding our DLRE without relying on savings (RE restricted funds) as we have in years past. We will present a deficit-free budget.

The congregation voted on 1/28 to join CONECT. I commend the Board for their leadership and willingness to experiment with this membership. 12 USNH members will attend the 2/12 CONECT Delegates Assembly where we will be welcomed into membership.

The Stewardship Team: Tam Granucci, Claire Bien, Cindy Chelcun, Sue Trotta-Smith, and Anne Levison are hard at work planning this year's campaign. They will hold a reception for top-tier donors on 2/24. The official kick off will be 3/4 in the Sunday service and a wrap up service will be held on 3/25. The theme for the campaign is "Rising Together."

We have the opportunity to affiliate with two retired and/or community ministers, Rev. Claudia Elferdink and Rev. Kathleen Green. Rev. Claudia is now a member of USNH and a retired minister. Rev. Kathleen is the Executive Director of the Yale Humanist Community. Affiliation would entail negotiating a covenant between the ministers and myself that included what the congregation would offer them (space, affiliation, etc) and what they would offer (classes, pastoral care, worship services).

Major Accomplishments (*Large, new, or not regular-duty projects*)

- Congregational vote to join CONECT. Both the outcome and the conduction of the congregational meeting were major accomplishments.

Primary Ministry Focus (*Areas of intellectual, mental, or spiritual study*)

- Our themes for February: Perseverance and March: Balance.
- I am exploring perseverance in our work for social justice and around grief.

Upcoming Time Away (*vacation, study leave, UUMA or UUA gatherings*)

- My Sunday off for February will be 2/25.
- Currently, my Sunday off for March is scheduled for 3/25 and we are planning a weekend get-away. This may change given the stewardship schedule.

Activity Report for Areas of Ministry for Preliminary Fellowship Evaluation

(not exhaustive)

Counseling and Pastoral Care

- I recently had lunch at Evergreen Woods with two of our members and friend. This kind of visit is an effective way to connect with our members in retirement communities. I am planning a lunch at Whitney Center.
- A number of members of the congregation are fighting cancer and currently in treatment. Most of these folks have been directly connected with lay ministers. I have been following people's treatment as closely as I am able.

- I continue to hold office hours on Tuesday and Thursday and other times by appointment.

Practical Arts (*administration, organizational development in and out of congregation, management of staff, attention to detail, support and leadership development, recognition and appreciation of others, delegation of responsibility and authority, follow through and completion of tasks, time management, attention to finances, fundraising, funding ministry, public relations and publicity skills, ability to work with boards and committees, clarity of roles, attention to long range plans, etc.*)

- The Safety and Security work to determine and implement lock down procedures is still in process.
- Stewardship 2018 is in process (see above).
- I am planning to arrange a meeting of stakeholders to discuss and brainstorm our Sunday service times. Please let me know if any Board members would like to attend. This will be a meeting after Sunday services.
- MT and Personnel Committee are still in the process of finalizing our revised employee handbook which includes our personnel policies. A final copy will be available shortly.
- MT has a format for Standard Operating Procedures and is in the process of writing a number of procedures and policies to facilitated smooth operations.

Organizational Ministry (*integration of new members and clients, creates a welcoming environment, encourages a sense of community, encourages growth, supports broad variety of programs, involvement of others in planning and conducting programs, nurtures lay leadership, professional presentation of self, pastors to various age groups, etc.*)

- Jesse Greist and I will lead a monthly small group ministry for new members starting 2/25.
- Joe Brummer presented to a small group on restorative practices for living our covenant. We will plan to have Joe present to the Council of Chairs in Fall 2018 at the beginning of the congregational year.

Personal and Professional Growth

- I continue my meetings with my professional resources (mentor, spiritual director, coach).
- On February 10, I will attend a spiritual reflection program at Wisdom House.

Teaching

- The January 21 Community Circle on the theme of Intention was held in my office which will be the new venue for these circles. The location led to a deeper intimacy which was appreciated by the leaders and myself.
- I will co-lead the New Member Small Group Ministry with Jesse Greist.

Worship

- Led and preached 1/14 service
- Led and preached 1/21 service
- 1/28 service was planned by the UU-UNO envoys and Bruce Knotts (Megan off)
- Planned and led 2/4 service with members John Pearson and Caroline Bridgman Rees and guest Royce James.
- Led Worship Team meeting each week
- Attended Worship Committee meeting

Attendance

1/14 9am 8; 10:30am 192, 46 children and youth, 12 teachers
 1/21 9am 13; 10:30am 190, 35 children and youth, 10 teachers
 1/28 9am 10; 10:30am 184, 49 children and youth, 9 teachers
 2/4 9am 16; 10:30am 190, 50 children and youth, 10 teachers

Denominational Activities

- Provided letter of recommendation for a candidate to the Ministerial Fellowship Committee
- Provided letter of blessing to Rev. Randall Spaulding's new congregation for the occasion of his installation on 2/4

Prophetic Outreach

- Supporting the congregation's commitment to CONECT
- Attended Save Joel Colindres rally in Hartford
- Attended anniversary gathering commemorating Sujitno Sajuti's 100 days in sanctuary at the UU Church in Meriden
- Attending dinners during our USNH Abraham's Tent week

Respectfully Submitted by Rev. Megan Lloyd Joiner