

SUMMARY OF REVISIONS TO GOVERNING POLICIES
APPROVED BY THE VESTRY BOARD

- **Policy 2.5** Board Vice-Chair Role Added and approved by the Vestry Board, May 18, 2023.
- **Policy 4.4.1** Revision approved by Vestry Board, October 27, 2023.
- **Policies 4.4.6 & 4.4.7.** Revision of Policy 4.4.6 and addition of Policy 4.4.7 approved by Vestry Board, November 17, 2022.
- **Policy 4.5.7.** Revision approved by Vestry Board, May 19, 2022.

UNITARIAN CHURCH IN CHARLESTON GOVERNING POLICIES

1.0 Ends Policies

In order to fulfill its Mission and in congruence with its Values, the Unitarian Church in Charleston will be:

1. A community of love, integrity, and inspiration;
2. A spiritual home that accepts others and welcomes everyone of good will;
3. A church that supports its members in spiritual practices that nurture reverence, connection and joy;
4. A leader and partner in achieving social justice;
5. An attractive and vibrant spiritual home that retains current and new membership;
6. A community where people are actively engaged in church life;
7. A church that has the human and financial resources to fulfill our mission.

Approved by the Vestry Board, 12-23-2021.

2. Governance Process Policies

The Vestry Board (Board), as the elected delegates of the Unitarian Church in Charleston's (Church) members, and recognizing the Church's broader role in the world, governs to fulfill the Church's mission, through articulation of the Board's Ends, and ensuring the church avoids unacceptable actions and situations as defined in the Church Constitution and these policies.

2.1 Governing Style

The Board will govern with a style that emphasizes strategic leadership rather than administrative detail, clear distinction of Board and staff roles, and pro-activity rather than reactivity. Accordingly, the Board will:

- 2.1.1. Cultivate a sense of group responsibility. The Board, not the Minister, will be responsible for excellence in governing. The Board will be the initiator of policy, not merely a reactor to Minister and staff initiatives. The Board will use the expertise of its members to enhance the ability of the Board as a body rather than to substitute individual judgments for the Board's values. The Board will allow no officer, individual, or committee of the Board to hinder or be an excuse for not fulfilling Board commitments.
- 2.1.2. Govern and inspire the church through the careful establishment of broad written policies reflecting the Congregation's values and perspectives about the desired Ends to be achieved. The Board's major policy focus will be on the intended long-term impacts and desired Ends, not on the administrative or programmatic means of attaining those Ends.

- 2.1.3. Enforce upon itself whatever discipline is needed to govern with excellence. Discipline will apply to matters such as attendance, preparation, policy-making principles, respect of roles, and ensuring continuance of governance capability. Although the Board can change its governance process policies at any time, it will scrupulously observe those currently in force.
- 2.1.4. Develop and orient new and existing Board members in the Board's governance process.
- 2.1.5. Monitor and discuss the Board's process and performance as necessary and at least annually.
- 2.1.6. 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.

2.2 Board Job Description

The Board's job is to ensure effective Church performance in fulfilling its mission. Accordingly, the Board will:

- 2.2.1. Create written governing policies that realistically address at the broadest levels each category of organizational decision-making and action:
 - a. Ends: Organizational outcomes, effects, benefits, recipients, and their relative worth.
 - b. Minister Limitations: Constraints on Minister authority that establish the prudence and ethics boundaries within which Minister activity and decisions must take place.
 - c. Governance Process: Specification of how the Board conceives, carries out, and monitors its own task.
 - d. Board-Minister Relationship: The Minister role, authority, and accountability, and how the Board delegates authority and monitors its proper use.
- 2.2.2. Serve as the authoritative link between the Minister and the Congregation in establishing congregational values and Ends. To serve this linkage role, the Board will:
 - 2.2.2.1. Educate the Congregation about the Church's governance system.
 - 2.2.2.2. Develop, implement, and maintain a process of eliciting input from the Congregation in order to review and revise Ends policies in accord with the Congregation's priorities.
 - 2.2.2.3. Inform the Congregation on a regular basis about progress in meeting the Ends and compliance with the Minister Limitations.
 - 2.2.2.4. Monitor and evaluate on a regular basis the Minister's progress in meeting Ends and adherence to Limitations Policies.

2.3 Annual Work Plan

In order to fulfill the Board commitments with each other and the Congregation consistent with a policy governance style, the Board will follow an annual work plan which:

- 2.3.1. Determines whether a re-exploration of Ends policies with congregants and lay leaders is necessary.
- 2.3.2. Systematically monitors and reviews Board policies including those set forth in the Board-Minister Relationship and Governance Process policies.
- 2.3.3. Provides education and enrichment opportunities to enhance Board performance for thoughtful deliberation of issues coming before the body.
- 2.3.4. Continuously provides communication and education for the Congregation to enhance congregational understanding of policy-based governance and best implementation practices.

2.4 Chief Governance Officer's Role

The Chief Governance Officer of the Board is the Chair, a specially empowered member of the Board who ensures the integrity of the Board's process and occasionally may represent the Board to outside parties. The Board may delegate portions of this authority to others. Accordingly, the Chair:

- 2.4.1. Prepares the Board's agenda and facilitates Board and congregational meetings.
- 2.4.2. Ensures meeting discussion content will be only those issues that, according to Board policy, clearly belong to the Board to decide or to monitor, rather than those belonging to the Minister.
- 2.4.3. Ensures deliberation will be fair, orderly, thorough, and efficient within a limited amount of time.
- 2.4.4. Ensures the Board behaves in a manner consistent with its policies, its covenant, the Church Constitution, and outside legal requirements.

2.5. Board Vice-Chair's Role

The Board Vice-Chair is an officer of the Board whose purpose is to support the Chair in fulfilling the Chair's responsibilities. Accordingly, the Vice Chair will:

- 2.5.1. Perform the Board Chair's responsibilities when the Board Chair is unavailable.
- 2.5.2. Work closely with and support the Board Chair by performing any activities or assuming responsibilities as requested by the Chair.
- 2.5.4. Under usual circumstances, succeed to the Board Chair position for the next church year after election by the Board.

Approved by the Vestry Board, May 18, 2023

2.6 Board Secretary's Role

The Board's Secretary is an officer of the Board whose purpose is to ensure the integrity of the Board's official documents. Accordingly, the Secretary will ensure that:

2.6.1 All Board minutes are accurate, including official actions taken via electronic means, and submitted to the Board for review prior to its next meeting.

2.6.2 Approved minutes and associated documents are made available to congregants and properly retained.

2.6.3. An accurate master copy of the current policies is publicly maintained and updated in accordance with Board actions.

2.6.4. The Minister provides an accurate list of all congregants eligible to vote prior to each congregational meeting.

2.6.5 Accurate minutes of congregational meetings are recorded, distributed, and made available to congregants.

2.7 Board Member's Code of Conduct

The Board commits itself and its members to ethical, businesslike, and lawful conduct, including proper use of authority and appropriate decorum when acting as Board members and commits to agreeing annually to a Board Covenant. Accordingly, Board members will:

2.7.1 Disclose their involvement with other organizations, with vendors, or with any other associations that might produce a conflict of interest and recuse themselves when appropriate.

2.7.2. Keep the needs of the whole Church paramount when making decisions affecting the entire Congregation and will speak with one voice through its adopted policies.

2.7.3. Not attempt to exercise individual authority over the Church, except as explicitly set forth in the Board policies.

2.7.4. Respect the confidentiality appropriate to issues of a sensitive nature.

2.7.5. Be properly prepared for Board deliberation.

2.7.6. Continually self-monitor and seek to improve their individual performance as members.

2.8 Board Committee Principles

The Board may establish Board committees to help carry out its responsibilities. Committees will be used sparingly and ordinarily in an ad hoc capacity to preserve the Board functioning as a whole, and will not interfere with delegation from Board to the Minister or speak on behalf of the Board without prior Board authorization. Accordingly, Board committees:

2.8.1. Help the Board do its job. Committees chiefly will assist the Board by preparing policy alternatives and implications for Board deliberation. In keeping with the Board's broader focus, Board committees will normally not have dealings with current staff operations.

- 2.8.2. Cannot exercise authority over staff. Because the Minister works for the full Board, the Minister will not be required to obtain approval of a Board committee before an executive action.
- 2.8.3. Avoid over-identification with organizational parts rather than the whole. Therefore a Board committee that has helped the Board create policy on some topic will not be used to monitor organizational performance on that same topic.

2.9 Cost of Governance

The Board will have the skills, methods, and financial support it needs to assure governing with excellence. Accordingly:

2.9.1. The Board will determine whether expenditures are necessary and appropriate for training new Board members and refreshing and expanding the knowledge of continuing members, and will ensure that all costs will be incurred within Board budget limits.

Expenditures may be for such purposes as:

- Training, including attendance at conferences and workshops
- Engagement of outside experts
- Board outreach activities
- Board retreats

2.9.2. Such activities will occur at least annually.

2.10 Complaint Procedures

The Board will address complaints and inquiries that relate to Board policies. Other matters will be referred to the appropriate entity. The Board requires that complaints be submitted in written form. Written complaints on the Board's agenda will be distributed to Board members and Minister prior to the meeting. The Board may ask the Minister for their interpretation of the relevant policy/policies. At the Board meeting following the one in which the complaint is heard, the Board assesses whether there has been a policy violation and/or whether a policy update is necessary. The Board assesses whether interpretation / action is beyond “any reasonable interpretation of the policy”. The Board determines one of the following:

A) No violation, no policy update needed: Board explains to complainant its determination and rationale.

B) No violation (including reasonable interpretation), but policy update needed: Board updates policies, and initiates Complaint Resolution Procedure, taking into account the fact that no existing policy was breached. Board explains to complainant its determination and rationale.

C) Policy violation: Board initiates Complaint Resolution Procedure. Board explains to complainant its determination and rationale.

In all cases the determination of a complaint (A, B or C) is recorded in a Board motion that identifies the policy at issue. Unless confidentiality is requested and the Board decides to summarize the complaint, or unless the Board determines Executive Session is appropriate, the complete written complaint will be attached to the Board meeting minutes.

Complainants may be invited to a formal or informal reconciliation process.

Complaint Resolution Procedure

The Board initiates the Complaint Resolution Procedure when B) or C) above have occurred.

The Board judges the degree and seriousness of the situation, taking into account the following factors:

- The nature of the complaint
- Whether this was a violation of existing policy
- Whether there is a history or pattern of policy violation
- The Minister's or the Board's past efforts to address policy violations

While allowing for exceptional circumstances, the following series of escalating actions will be normally undertaken:

1. Asking the Minister to present to the Board at the next Board meeting a plan to adhere to the policy in question and a timeline to address the issues raised in the complaint. The plan will be attached to the Board meeting minutes.
2. Issuing a documented warning to the Minister.
3. Engaging in mediation, with an external mediator acceptable to both the Board and Minister.
4. Presenting to the Congregation the public record of policy violations, and the efforts to address them.
5. Requesting the Minister's resignation.
6. Calling a congregational meeting in compliance with the Constitution regarding removal of the Minister.

3. Board-Minister Relationship Policies

The Board's official connection to Church operations and achievements is solely through the Minister.

3.1 Unity of Control

Only decisions of the Board acting as a body, as stated in officially approved motions, are binding on the Minister. Accordingly:

- 3.1.1. Decisions or instructions of individual Board members, Board officers, or Board committees are not binding on the Minister.
- 3.1.2. The Minister may refuse requests for information or assistance that are without Board authorization and would require, in the Minister's opinion, an unreasonable amount of staff resources to fulfill.

3.2 Accountability of the Minister

The Board holds the Minister accountable for appropriately conducting organizational operations and achievement of Ends. Accordingly:

- 3.2.1. All authority and accountability of paid and volunteer staff is considered by the Board to be an extension of the authority and accountability of the Minister.
- 3.2.2. The Minister is head-of-staff, and therefore supervises, evaluates, and holds staff accountable to performance goals as established and agreed upon by the Minister and the staff. The Board will refrain from evaluating, either formally or informally, any staff other than the Minister.
- 3.2.3. The Board will refrain from giving instructions to persons who report directly or indirectly to the Minister.

3.3 Delegation to the Minister.

The Board will instruct the Minister through its written Ends and Minister Limitations policies. Accordingly:

- 3.3.1. As long as the Minister uses any reasonable interpretation of the Board's Ends and Minister Limitations policies, the Minister is authorized to establish any and all procedures, decisions, actions, practices, and activities.
- 3.3.2. Such decisions of the Minister will have full force and authority as if decided by the Board.
- 3.3.3. Minister authority does not extend to supervising or directing the Chair, individual Board members, or Board committees regarding Board policy

3.4 Monitoring Minister Performance

Monitoring Minister performance is synonymous with monitoring organizational performance against Board policies on Ends and Limitations and should be used primarily to create the future rather than review the past. Accordingly:

- 3.4.1. The Chair of the Board will be responsible for ensuring the Board conducts an annual overarching review of monitoring data. The outcome of this review will be one component of determining the Minister's compensation.

- 3.4.2. The Board will acquire monitoring data by one or more of the following methods:
 - 3.4.2.1. By internal report, in which the Minister discloses compliance information to the Board,
 - 3.4.2.2. By external report, in which an external, disinterested third party selected by the Board assesses compliance with Board policies,
 - 3.4.2.3. By direct Board inspection, in which one or more Board members designated by the Board assess compliance with the appropriate policy criteria.
- 3.4.3. In every case, the Board will judge (a) the reasonableness of the Minister's interpretation and (b) whether data demonstrate compliance with the Limitations and/or appropriate progress on the Ends.
- 3.4.4. All policies that instruct the Minister 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.

4. Minister Limitations

The Minister will not cause or allow any practice, activity, decision, or Congregational circumstance that is inconsistent with our Unitarian Universalist principles and our Constitution, or is unlawful, imprudent, or in violation of professional ethics, or commonly accepted business practices.

4.1 Treatment of Members, Friends & Visitors

With respect to interactions with and among members, friends, and visitors, the Minister will not cause or allow conditions or practices that are unsafe, unnecessarily intrusive, disrespectful, or that fail to provide appropriate confidentiality and privacy. Accordingly, the Minister will not:

- 4.1.1. Collect, review, transmit or store member, friend, and visitor information in ways that allow improper access to or use of the information
- 4.1.2. Operate inaccessible, unsafe, poorly maintained facilities.
- 4.1.3. Fail to maintain and enforce procedures to ensure the safety of members, friends, and visitors while at the Church or at Church functions.

4.2 Treatment of Staff and Volunteers

With respect to the treatment of paid and volunteer staff, the Minister will not cause or allow conditions that are unsafe, disrespectful, unfair, unprofessional, or unclear. Accordingly, the Minister will not:

- 4.2.1. Operate without written policies that clarify personnel policies for staff, and provide for effective handling of employee evaluation, disciplinary procedures, and grievances, and protect against wrongful conditions such as harassment, nepotism and inappropriate preferential treatment.
- 4.2.2. Prevent staff from grieving to the Board when:

- a) internal grievance procedures have been exhausted and
- b) the employee alleges either that:
 - i) Board policy has been violated to the employee's detriment, or
 - ii) Board policy does not adequately protect the employee's rights.
- 4.2.3. Fail to provide and acquaint staff with a written statement of this policy and interpretation of their protections under this policy.
- 4.2.4. Discriminate as defined by city, state, and federal laws among existing or potential staff/volunteers on other than clearly job-related criteria, individual performance, or individual qualifications.
- 4.2.5. Discriminate or retaliate against any staff member for non-disruptive expression of dissent.
- 4.2.6. Withhold from staff a due-process internal grievance procedure.
- 4.2.7. Allow staff to be unprepared to deal with emergency situations.
- 4.2.8. Fail to provide appropriate privacy/confidentiality.

4.3 Compensation and Benefits

With respect to employment, compensation and benefits to employees, consultants, and contract workers, the Minister will not cause or allow jeopardy to fiscal integrity or public image. Accordingly, the Minister will not:

- 4.3.1. Fail to strive for fair compensation and benefits for employees while considering the financial means of the congregation.
- 4.3.2. Change their own compensation, benefits and allocated professional expenses as established by the Board.
- 4.3.3. Promise or imply permanent or guaranteed employment.
- 4.3.4. Establish compensation and benefits that create contractual obligations over a term longer than revenues can be safely projected, in any event no longer than one year, and in all events subject to losses of revenue.
- 4.3.5. Establish compensation and benefits that would cause inequitable or unpredictable situations, including those that:
 - 4.3.5.1. Fail to provide less than some basic level of benefits to all employees,
 - 4.3.5.2. Allow any employee to lose benefits already accrued from any foregoing plan,
 - 4.3.5.3. Incur unfunded liabilities.

4.4 Asset Protection

The Minister will not allow the Congregation's assets and property to be unprotected, inadequately maintained, or unnecessarily risked. Accordingly, the Minister will not:

- 4.4.1. Inadequately insure against theft and casualty losses and congregational liability and personal liability of Board members and staff relating to congregational business unless such coverage results in fiscal jeopardy.
Revision approved by Vestry Board, 10/17/2023.
- 4.4.2. Allow unnecessarily broad or unvetted access to accounts or allow unbonded personnel access to material amounts of funds.
- 4.4.3. Subject facilities, premises, and equipment to improper wear and tear or insufficient maintenance, nor fail to provide for building security.
- 4.4.4. Unnecessarily expose the Church, its Board, or its staff to claims of liability or risk the non-profit or tax-exempt status.
- 4.4.5. Make any purchases not provided for in either the capital expenditure or operational projections.
- 4.4.6. Make any purchases over \$10,000.
 - 4.4.6.1 For approved purchases over \$10,000, spending in excess of the approved amount will be reported to the Board via the monthly operating report.
 - 4.4.6.2 For purchases expected to be under \$10,000, but later exceed the staff limit, the circumstances will be explained, and the amount reported to the Board in the monthly operating report.

4.4.7 Approved purchases over \$10,000 must have two competitive bids unless services are to be provided by a preferred vendor.

Revision of Policy 4.4.6 and addition of Policy 4.4.7 approved by Vestry Board, November 17, 2022.

4.4.8. Allow the intellectual property assets of the Church to be unprotected. These assets include liturgical materials, curricula, music and any other intellectual property developed during the tenure of staff and ministers unless otherwise specified in letters of agreement or employment contracts.

4.4.9. Allow physical and electronic assets and data to lack reasonable protection, including from cyber threats.

4.4.10. May not operate without implementation and oversight of strong and appropriate financial procedures.

4.4.11. Endanger the Church's public image or credibility, particularly in ways that would hinder its accomplishment of its mission, or its ability to accomplish its Ends.

4.4.12. Unreasonably dispose of any Church asset.

4.5 Financial Planning and Budgeting

The Minister will not allow financial planning and budgeting for any fiscal year or the remaining part of any fiscal year to:

- Risk financial jeopardy.
- Materially fail to support Ends set by the Board.
- Materially differ from the congregationally approved operational and capital budgets.

Accordingly, the Minister will not:

- 4.5.1. Budget revenue receipts that are unrealistic, poorly detailed, that ignore past performance, or that do not include a prudent allowance for uncollectable payments.
- 4.5.2. Budget expenses based on unsupported or unresearched costs.
- 4.5.3. Budget compensation levels above or below the UUA recommendations then applicable for churches of comparable size and similar location.
- 4.5.4. Budget for less than the amount needed for the Board to be in compliance with its Cost of Governance policy.
- 4.5.5. Use non-recurrent revenue sources to budget for ongoing operational expenses, such as staff compensation, taxes, or insurance.
- 4.5.6. Budget without a long-range plan.
- 4.5.7. The annual budget shall not allow the Operating Reserve to fall below the level needed to enable continuing essential operations for at least three months. Essential operations shall consist of payments of compensation (excluding professional expenses), taxes, insurance and utilities.

Revision approved by Vestry Board, May 19, 2022.

4.6 Financial Condition and Activities

The Minister will not cause or allow the development of financial jeopardy or material deviation of actual expenditures from board priorities established in Ends policies. Accordingly, the Minister will not:

- 4.6.1. Incur or authorize debt or any borrowing facility in the name of the Church.
- 4.6.2. Re-allocate funds from any reserve or restricted account.
- 4.6.3. Use funds from any restricted account except for the purpose designated.
- 4.6.4. Allow funds in the operating account to fall below the level needed for payments in the normal conduct of operations.
- 4.6.5. Allow untimely payments of obligations properly incurred by the Church in its normal operations.
- 4.6.6. Fail to make reasonable efforts to collect all receivables, including past-due pledges and other delinquent revenues.

4.7 Emergency Minister Succession or Absence

In order to protect the Board and the Church from sudden loss of Minister services, the Minister must have a plan that will immediately and effectively address a ministerial absence.

4.8 Communication and Counsel to the Board

With respect to providing information and counsel to the Board, the Minister will not cause or allow the Board to be uninformed or misinformed. Accordingly, the Minister will not:

- 4.8.1. Submit untimely, inaccurate, or confusing monitoring data, or data that does not directly address the provisions of the Board policies being monitored.
- 4.8.2. Submit untimely notification of an actual or an anticipated non-compliance with any Board policy.
- 4.8.3. Submit untimely notification to the Board of relevant trends, anticipated adverse media coverage, public policy initiatives, public events of the organization, and material external and internal changes, particularly changes in the assumptions upon which any Board policy has previously been established.
- 4.8.4. Provide insufficient points of view, issues, and options from staff and others to support fully-informed Board decisions.
- 4.8.5. Provide untimely notification of the Minister's opinion that the Board is not in compliance with its own policies on Governance Process and Board-Minister Relationship, particularly in the case of Board behavior that is detrimental to the work relationship between Board and the Minister.
- 4.8.6. Provide inefficient mechanisms for official Board, officer, or committee communications.