

FUS Policy Manual

**Approved on 10/19/2016
by the FUS Board of Trustees**

Last Revised by Board on 10/1/2016

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Definition of Key Terms

First Unitarian Society of Madison (FUS) : The First Unitarian Society of Madison is a non-profit, church corporation founded in 1866. FUS is operated according to the terms of its Articles of Incorporation, its bylaws, and the laws of the State of Wisconsin.

Affirmation: The process by which the Board, after an initial review of a policy drafted by the Governance Task Force (GTF) , approves the release of the draft policy for wider discussion and review.

Congregation: The Congregation, which is the highest governing authority in the Society, is composed of members who are eligible to vote when gathered and voting at a duly called congregational meeting. Rules for membership, voting, and official meetings are set forth in the Church's Articles of Incorporation and bylaws.

Committee: A group that does its work primarily for the Board. A committee takes assignments from the Board and reports directly to the Board.

Core Values: Core Values are those values and behaviors that the Church intends to honor in all of its endeavors. The Unitarian Universalist Principles are an example of Core Values. The question, "*What principles do we intend to observe, no matter what?*" helps lead to the discovery of Core Values.

Discernment: According to the American Heritage Dictionary, one definition of the word *discernment* is "to act with insight and keen judgment." Most simply put, discernment is the practice of asking the question: "What should we do, and why?" It is an intentional process of seeking the deeper meaning that guides our decisions. *Given what we believe about our place in the world, how should we use our resources, and what should we be doing?* "Discernment includes all that a congregation does to discover and articulate its mission...A core part of the Board's responsibility is to discern and articulate just what the mission is."

Governance: Governance is a collective, democratic process that produces lasting policies designed to direct many individual decisions. It is best accomplished through democratic or representative bodies, including Congregational meetings, the Board of Trustees, and Board Committees. The Board of Trustees, under the leadership of the President, is responsible for leading the governance of the Church.

Ministry: Ministry is the practical work of the Church, and consists of continually choosing means and methods, allocating resources, hiring staff, recruiting volunteers, and giving them leadership and support that will enable them to serve the mission of the Church effectively. Ministry is best accomplished through empowered teams of people who share a sense of calling to particular forms of service. The Senior Minister, as the called spiritual leader and designated leader of the ministry teams, is responsible for directing the Church's ministry in accordance with Board policies.

Ministry Teams: The ministry teams include all people, both paid and volunteer , who carry out the work of the Church on a day-to-day basis. The ministry teams will include the vast majority of the members of the current committees and paid staff. If a group's work produces or supports a program or activity, especially if it works primarily with a staff member, it is called a ministry team.

Mission: The Church's mission is the good that the Congregation means to do, whom it hopes to serve, and how. It answers the question, "Whose lives do we intend to impact and in what way?"

Open Questions: Open questions are questions that are significant to the Church's strategic plan but do not, as yet, have answers. Open questions call for a wider, longer conversation than the process used to create the annual vision of ministry can accommodate, and invite congregational conversation before a decision is made.

Policy-based Governance: Our proposed structure is designed to clarify that the Board’s role is to define the mission and priorities of FUS, while the staff’s role is to fulfill the mission through executing programs with the help of our members. The primary way the Board will oversee the staff’s work in executing our mission is through the creation of policies that provide limits and expectations to the staff. That is what is referred to as “policy-based governance.”

Strategic Plan: The strategic plan contains the Church’s longest-range plans. A strategic plan answers the question, “What major choices have we made about how we will fulfill our mission?”

Vision of Ministry: A vision of ministry is a statement about what the Church wants to become. It is a star to guide by, an imagined future state of the Church as it becomes a better vehicle to serve our mission. It answers the question, “What will our Church look like if we serve our mission well?”

Section 1 – FUS Board Related Policies

1a. Philosophy of Governance

The FUS Board’s focus should be to serve the long-term mission of FUS. The Board intends to govern primarily by:

- Discerning and articulating the mission and vision of ministry,
- Creating a plan with clear goals that fulfill the mission,
- Creating written policies to guide the work of staff, leaders and members who carry out that vision,
- Evaluating progress toward the achievement of these goals, and
- Monitoring its own work.

The goal of this approach is to have the Board, staff and other lay leaders carry out their work collaboratively and openly, within a framework of clearly articulated roles, accountability, and decision- making authority.

1b. Board Covenant

We, the Board of Trustees of the First Unitarian Society of Madison, Wisconsin, enter into this covenant to honor our common intention to serve the mission of this congregation for the benefit of both our members and the wider world. We also want our working relationship with one another to help sustain each other’s well-being as well as our own. Through this covenant and our service, we intend to create genuine community and encourage lives of integrity, joy and service.

We promise to each other we will:

- **Be considerate toward one another.** We will do this by:
 - Following through on our individual tasks,
 - Asking for help when we need it,
 - Being on time for meetings,
 - Arriving prepared for meetings by having thoughtfully read materials in advance
 - Being fully present for each meeting,
 - Staying on schedule during the meetings so that they end on time.
- **Be open, honest and respectful.** We will do this by:
 - Truly listening to one another,
 - Considering ideas not our own,
 - Being tolerant of other ideas so we all feel free to contribute,
 - Admitting our own mistakes,
 - Granting ourselves permission to state the obvious and ask questions whose answers might be apparent to others,
 - Bringing disagreements or concerns directly to the people involved so that we can maintain a healthy working environment.

- **Serve our role to the best of our ability.** We will do this by:
 - Remembering that we are working to fulfill the mission, not our personal desires,
 - Maintaining focus on the priorities and goals of the Board,
 - Working only on issues that belong to the Board,
 - Pushing the bounds of creativity,
 - Being familiar with the church's bylaws, policies, tradition and finances.

- **Foster a spirit of patience and courage.** We will do this by:
 - Acknowledging that we each bring unique skills and styles to the work of the Board,
 - Being willing to disagree with respect.

- **Speak with one voice.** We will do this by:
 - Remembering that only the Board as a whole, and not its individual members as such, has any power or authority.
 - Representing and supporting the decisions of the Board regardless of our personal opinions or the vote that we cast on the decision.

- **Develop and promote genuine relationships.** We will do this by:
 - Getting to know each other well enough to build trust,
 - Taking time to have fun, relax and laugh with one another.

- **Honor our Faith by**
 - Taking time periodically to engage in shared spiritual study and reflection,
 - Always remembering that as leaders we hold a special commission to live out our Unitarian Universalist principles and bring them to bear on our work and decisions.

1c. Board Agenda Setting Policy

In order to create the monthly agenda for FUS Board meetings, the Board empowers an agenda team consisting of the Board President, the Senior Minister and the Executive Director.

The Board agenda will differentiate between agenda items for consent, information, and those for discussion. The information agenda is comprised of any item(s) brought to the Board meeting purely as information for the Board, and not presented for action or discussion. The consent agenda will be placed at the beginning of the Board agenda, and will include those items that the agenda team believes do not require discussion or debate (such as accepting reports, approving minutes, and other informational items appropriate to the Board's role). The discussion agenda will include major items needing discussion and debate, and will directly relate to the Board's discernment, strategy, and oversight roles. Upon request of any Board member, an item will be moved from the consent agenda to the discussion agenda.

The agenda team (Board President, Senior Minister and Executive Director) is responsible for setting the Board agenda as well as for assembling the Board packet, which shall contain all reports, the Board agenda and supporting and informational materials. This packet will be emailed to each member of the Board, and pastoral and senior staff no later than three days in advance of the Board meeting.

All reports to be presented to the Board must be emailed to the Senior Minister, Executive Director or Board President (material from staff to Senior Minister or Executive Director; material from Board committees to President) at least a full week before the upcoming Board meeting. If a report contains a proposed Board action, it must be stated in the form of a motion and be placed at the top of the report. The agenda team shall refuse any request for the Board to act on a management item and refer such items to the appropriate staff person for a decision.

1d. Board Committees

The Board may establish Committees to help carry out its responsibilities for discernment, strategy, developing policies, and oversight. At the Board's directions, Committees may operate as standing or time-limited bodies.

- The Board, as a whole, commits to clearly direct all Committees by outlining specific written objectives and restrictions.
- In order to be eligible to serve on one of the three standing committees, a person must be an FUS member in good standing.
- Initially, the Board shall establish Committees as follows:
 - A standing **Governance Committee** that will help the Board focus on its role. Its duties include maintaining accurate job descriptions for the Board, leading an annual training session for new Trustees, organizing the Board's annual evaluation of itself, and other appropriate process monitoring and improvement. Membership of this committee shall be 4-7 people, with a current Board member and the Senior Minister serving as members.
 - A standing **Finance Committee** that will assist the Board in its oversight of the congregation's finances. Its purpose is to ensure that routine financial reports are clear and helpful. The Finance Committee should hold an educational session at least bi-annually to insure that Board members have an adequate understanding of the congregation's financial status and goals. Membership of this committee shall be 4-7 people, with at least one Board member and the Executive Director serving as members.
 - A standing **Personnel Committee** that will assist the Board in its oversight of the congregation's personnel matters. Its purpose is to help the Board with the oversight of FUS as it relates to personnel matters. This includes insuring that the FUS Personnel Manual is adequate, and that all FUS staff are operating consistent with all Board policies related to personnel matters. Membership of this committee shall be 4 - 7 people with at least one Board member and the Executive Director and Senior Minister serving as members.
- From time to time, the Board shall appoint ad hoc committees and task forces to assist the Board in its work of discernment, strategy, developing policies, and oversight. Such committees and task forces shall receive a clear written charge that specifies the Board's objectives, desired work products, and a time frame for completion of the task.
- Whether standing or ad hoc, such committees and task forces do not speak for the Board.

1e. Board Conflicts of Interest

Trustees shall carry out their duties with undivided loyalty to the Congregation and its mission. A conflict of interest exists whenever a Trustee or a Relation of a Trustee has interests or duties that interfere with the Trustee's duty of loyalty to the Society and its principles.

A Relation is defined as any individual to whom the Trustee is related or with whom the Trustee has a close personal, business or political relationship with a person. A Relation can also be with a corporation or other legal entity, whether for profit or not for profit, that employs the Trustee or in which the Trustee has a substantial ownership interest, or for which the Trustee is an officer or director.

Conflicts of interest arise when:

1. A Trustee or Relation of a Trustee stands to gain or lose financially because of a proposed action of the Board.
2. A Trustee cannot set aside his or her personal preferences as a beneficiary of the Congregation's services to vote in behalf of the whole Congregation and its mission.
3. A Trustee faces any other situation that impairs or reasonably appears to impair the independence of judgment of the person.

Further, any action affecting an employee of FUS creates a conflict for such employee if the employee is a Relation of a Trustee.

The Board shall annually require its Trustees to disclose in writing all existing or foreseeable conflicts of interest. Disclosure forms shall be kept by the Board Secretary and made available to any member of the Congregation who requests to see them.

If an item of business arises in which any Trustee reports that a conflict of interest may exist, the affected Trustee may withdraw or ask the Board for guidance. In the latter case, the Board (minus the affected parties) shall determine how to handle the situation. Depending on the seriousness of the conflict, possible responses include:

1. Disclosure: The Trustee shall file a supplemental disclosure form, but then may continue to participate and vote as usual.
2. Recusal: The Trustee shall disclose the conflict and withdraw from the meeting while the item is under discussion or voted on.
3. Resignation: The Trustee shall resign from the Board.

1f. Discipline & Removal of Board Members

Before exercising its power under the bylaws to recommend the removal of a Board member to the Parish, the Board shall notify the member in writing of its intent to do so and offer the member the opportunity for a hearing before the Board. Pending a hearing, the Board may suspend a Board member's voting privileges without notice if necessary to protect individuals or the congregation from harm.

If a Board member misses more than three meetings in a twelve-month period, the President of the Board shall automatically place the question of removal before the Board. Other reasons for removal include, but are not limited to, repeated serious violations of the Board covenant or a violation of the conflict-of-interest policy.

Section 2 – Delegation Policies

2a. Delegation of Authority

Global Delegation

The Board shall set forth in these policies those ministry functions that it reserves for itself and those ministry functions that it delegates to specific entities. All other ministry functions shall be the responsibility of the Senior Minister, while all governance issues are the responsibility of the President of the Board.

Ministry is the practical work of the Church, and consists of continually choosing means and methods, allocating resources, hiring staff, recruiting volunteers, and giving them leadership and support that will enable them to serve the mission of the Church effectively. Ministry is best accomplished through empowered ministry teams of people who share a sense of calling to particular forms of service. The Minister, as the called spiritual leader and designated Ministry Team Leader, is responsible for directing the Church's ministry in accordance with Board policies.

The Senior Minister shall lead the spiritual, programmatic and administrative work of the church and has the authority and responsibility to make all operational decisions, adopt administrative policies, and allocate congregational resources, except as specifically limited by these policies.

The President shall lead the governance of the church and has the authority and responsibility to make all decisions relative to the effective functioning of the board and its committees, except as specifically limited by these policies.

Governance (see Sec 1a) includes discerning and articulating the mission and vision of ministry; creating a plan with clear goals that fulfill the mission; creating written policies to guide the work of staff, leaders and members who carry out that vision; evaluating progress toward the achievement of these goals; and the Board's monitoring of its own work. Most simply put, "discernment" is the practice of asking the questions: "What should we do, and why?" It is an intentional process of seeking the deeper meaning that guides our decisions: Given what we believe about our place in the world, how should we use our resources and what should we be doing?

In using their authority, the Senior Minister and President may follow any reasonable interpretation of these policies. When the board wishes to reserve powers to itself or delegate powers to other entities, it shall do so by adopting clear policies to that effect and incorporating them into this policy manual.

Delegation to Executive Director

The Senior Minister shall appoint a person to be the Executive Director, who shall serve in this role as long as they retain the confidence and trust of the Senior Minister, to whom this person will directly report. It is required that during the hiring process the Senior Minister use a search committee consisting of at least one other staff person, one Board member, and one member who is an active participant on one of our ministry teams.

The Executive Director shall oversee the administrative work of the church as delegated by the Senior Minister, as limited by policy and in keeping with the procedures of the HR manual.

2b. Delegation to Others

First Unitarian Society Foundation

The Parish has authorized the First Unitarian Society Foundation of Madison, Inc. (a Wisconsin Corporation established in 1973) to be responsible for all funds given with the restriction that income only may be used. In addition, the Board may designate other donations as “voluntarily restricted” so that they can be treated as permanent funds until the Board removes the designation.

The FUS Foundation will operate pursuant to its Articles of Incorporation and Bylaws.

The FUS Foundation Board President shall provide a written summary of the status and recent performance of the Foundation’s funds each year at a time specified by the Board, acting on behalf of the congregation. The Board also expects the FUS Foundation Board to develop a sustainable spending policy and make a disbursement recommendation each year that is consistent with this policy and/or any superseding restrictions that were established by the funds donor(s).

Friends of the Meeting House Society

The Friends of the Meeting House shall operate in accordance with their 1992 Revised Charter.

The President of the Friends of the Meeting House shall provide an annual written summary of the status of their finances and activity for the past year at a time specified by the Board.

2c. Care for Members and Guests

The Senior Minister shall be responsible for taking care to prevent harm to the members and guests who take part in Church activities or use Church property, and shall have the power to take all necessary steps to deal with situations where such persons are at risk. The day-to-day responsibility for the specifics of caring for our members and guests will fall to the Executive Director.

1. **Health and safety.** The Executive Director shall ensure that all facilities are maintained in a safe, sanitary, and secure condition, that required licenses and inspections are kept up to date, and that problems are corrected promptly.
2. **Emergency planning.** The Executive Director shall maintain a written plan for responding to emergencies such as medical emergencies, fire, toxic conditions, weather problems, threatening communications, power outages, natural disasters, and other circumstances that create or threaten dangerous conditions.
3. **Sexual harassment.** Employees, volunteers, and agents of the Church are prohibited from acts of sexual harassment against any member or participant in Church activities or any employee or applicant for employment. In response to violations of this policy, the Senior Minister or Board, if necessary, shall take disciplinary action, which may include termination of employment or membership or exclusion from Church property and programs.
4. **Child protection.** Because of our special responsibility for children and youth in the Church’s care, the Executive Director shall establish clear, written procedures for the selection, training, and supervision of all ministry team members who work with persons age eighteen and younger.
5. **Protection of personal privacy .** Many activities at FUS are captured for broadcast. Some participants

may wish to not be recorded or broadcast. The Executive Director shall establish clear, written procedures to inform congregation members to allow them to protect their own privacy.

6. **Protection of Personally Identifiable data. FUS databases contain significant information about our members which needs to be protected from hacking.** The Executive Director shall establish clear, written procedures to assure that the personally identifiable data of members and staff are protected.
7. **Nondiscrimination.** No one acting for the Church shall discriminate because of race, color, age, sex, marital status, sexual orientation, gender identity and expression, disability, national origin or ancestry, economic status, union membership, or political affiliation. Religious opinion and affiliation shall be considered only to the extent that it may (a) be a bona fide occupational requirement, or (b) prevent an individual from being fully supportive of the Church's mission and values.
8. **Universal access.** The Church intends to make its premises and activities reasonably accessible to persons with disabilities. To this end our goal is to meet or exceed all legal requirements, and to engage in continual examination of our properties, practices, and attitudes.
9. **Whistleblower policy.** The Church prohibits adverse actions being taken against employees, volunteers, or any member in retaliation for any lawful disclosure of information relating to: (a) a violation of any law or local, state or federal rule or regulation, (b) mismanagement, (c) gross waste or misappropriation of Church funds or assets, (d) a substantial and specific danger to public health and safety; or (e) other alleged wrongful conduct. Any person found to have so violated this policy will be disciplined, up to and including termination from employment or expulsion from Church membership. Allegations of violations of this policy shall be referred to the President, the Senior Minister, or any member of the Board.
10. **Right Relations.** The well being, strength, and reputation of our church depend on a sense of fellowship among the members, guests, and staff, which thrives in an atmosphere of trust, respect, and cooperation. To clarify our expectations and processes that will be taken in response to members' concerns, the Board will rely upon the Safe Congregation Handbook, which includes guidelines/protocols regarding Disruptive Behavior.
11. **Firearms Policy.** The Church prohibits anyone other than on-duty law enforcement officials to carry a firearm on the grounds of FUS.

2d. Care For Paid Staff

The Executive Director, working under the authority of the Senior Minister, shall be responsible for maintaining a productive and effective paid staff team, for ensuring that its efforts are directed toward fulfilling the Church's Mission and Annual Vision of Ministry, and for compliance by the staff with all Board policies. The Executive Director shall ensure that the staff's working conditions are fair, humane, respectful and professional.

1. **Human Resources Manual.** The Executive Director shall be responsible for maintaining an up-to-date personnel manual covering matters not specifically addressed in these Board policies, as required to ensure that the church complies with legal requirements and denominational norms for employment practices.

2. Hiring Approval. The Executive Director is authorized to hire for any vacant paid staff position that has budget approval, with the exception of called ministers and contracted positions. New positions or positions that cannot be filled under the current budget require Board approval. All Senior Staff employment contracts must be approved by the Board.

3. Hiring Process. The Executive Director shall create and publish practices for hiring that:

- Establish a high degree of fairness in the hiring process.
- Strive to develop a reasonable pool of candidates for each open staff position.
- Inform and engage stakeholders who will interact with the position.
- Evaluate candidates effectively and ensure appropriate background investigations and testing.
- Notify the Board when a new employee is hired.

4. Annual Performance Reviews. The Executive Director shall ensure that a performance review of all employees is conducted annually.

5. Termination. Prior to discharging a paid staff member, the Executive Director shall consult with the Senior Minister and Personnel Committee to ensure that the proposed decision complies with applicable laws and Board policies. The Executive Director shall notify the Board when an employee is terminated.

6. Grievances. The Executive Director shall develop an internal grievance process for paid staff. In addition to the internal procedure, the staffer may present his or her grievance to the Board when the staffer alleges that the law or Board policy has been violated to their detriment and all other internal grievance procedures have been exhausted. While any such presentation to the Board is pending, the decision of the Executive Director shall stand unless and until the Board decides otherwise.

2e. Care For Resources

1. **Financial Management.** The Executive Director, together with staff members in their areas of responsibility, shall be responsible for making day-to-day fiscal decisions within the parameters of the annual Church budget. The Executive Director:

- Shall keep the Board fully informed on at least quarterly of the church's ongoing financial status, and shall inform the Board in a timely manner of any projected deviation of 1% or more from the current approved budget.
- Shall not exceed the total budgeted spending for the year without obtaining Board approval.
- May transfer budget amounts between budget categories provided that total expenditures will not exceed the total budget, other limitations have not been exceeded, and the transferred amount is clearly noted in the financial reports.
- Shall not cause or allow expenditures to deviate materially from Board priorities as laid out in the Annual Vision of Ministry document.
- Shall invest church funds only in federally insured bank deposits, except that up to \$10,000 may be invested in SEC qualified brokerage money market accounts as needed to facilitate stock transfers.
- Shall not use donor-restricted funds in violation of donor restrictions or trust provisions, although it remains the job of the Board to approve all restricted gifts equal to 1% or more of the annual budget.
- Shall not jeopardize the congregation's tax-exempt status under local, state, or federal law.
- Shall not incur ongoing debt or raise the capacity to incur debt on behalf of the church. Only the board may approve increases to the total borrowing capacity of staff credit cards, changes to lines of credit, or other borrowing in advance. This restriction does not preclude taking out temporary debt (90 days or less) using already approved sources such as credit lines and credit cards.
- May apply for external grants, provided the grants are consistent with goals of FUS, and do not obligate the Church to expenditures that would jeopardize fiscal integrity. The Board shall be notified of grant activity and grants (if offered) must be formally accepted by the Board on behalf of the Church.

2. **Asset Protection.** The Executive Director shall be responsible for preventing harm to the congregation's reputation and assets and shall develop administrative practices, and procedures designed to prevent such harm, and report promptly to the Board on any significant shortcomings in their implementation.

1. *Financial controls.* Written procedures shall govern the handling of receipts, access to cash and bank balances, approval of expenditures, payment of invoices and other obligations, and management of invested funds.
 - a. To the degree that it is practicable, the functions of record keeping, bank reconciliation, and cash disbursements shall be under the control of unrelated persons.
 - b. Unbonded personnel shall not be allowed access to material amounts of funds.
 - c. The Board officers, Executive Director and Senior Minister are authorized to approve cash disbursements.

- d. At least one authorized individual shall approve all cash disbursements. Two unrelated authorized individuals shall approve all disbursements of \$5,000.00 or more that are not part of an existing contract or related to normal payroll expenses.
 - e. Church accounting records shall be reconciled with financial institution statements as often as those statements are issued and copies of such reconciliations shall be provided to the Finance Committee.
- 2 *Accounting.* The Church's financial records shall follow accounting practices that are reasonable and appropriate to congregations of comparable size. Particular care shall be taken to distinguish donor-restricted, temporarily restricted, voluntarily restricted, and unrestricted funds.
 - 3 *Document retention.* Written procedures shall govern the retention and destruction of the Church's documents, giving definite retention periods for classes of financial, business, pastoral, personnel, and corporate records in both paper and electronic forms.
 - 4 *Insurance.* The Executive Director shall maintain adequate insurance to protect against property losses at replacement value and liability for injuries to others, less reasonable deductible and/or coinsurance limits. Insurance coverage shall include both corporate liability and personal liability of Board members and staff, taking into account pertinent statutory provisions and exemptions applicable to Wisconsin non-profit organizations. The Board shall annually review and approve the insurance coverage.
 - 5 *Tangible Property.* The Executive Director and Senior Minister shall maintain the Church's property and equipment in good working order, subject to reasonable wear and tear.
 - 6 *Intangible Property.* The Executive Director and Senior Minister shall protect the Church's intellectual property, information, files, and other intangible property from significant damage or loss. This will include the information on FUS computer systems. The Executive Director shall establish clear written procedures in support of this.

2f. Board Monitoring

Board Monitoring

The Board shall be engaged in a continual process of monitoring and evaluation of Ministry Teams. The purposes to be accomplished through monitoring and evaluation are to foster excellence in ministry work by encouraging open communication and regular feedback among all whose work contributes to achieving the Church's mission, to help the Church to focus on its goals as adopted by the Board, and to ensure that all Church leaders adhere closely to Board policies.

- The Senior Minister, with the help of the Executive Director, shall be responsible for regular written reports from the Ministry Team to the Board. Reports shall focus on progress on priorities, as set by the Board, and on compliance with Board policy.
- Financial statements shall be provided by the Executive Director, and shall show overall financial performance compared to budget and highlight significant financial or operational issues. Financial statements shall be filed and made available to any Congregation member who wishes to examine them.
- The Board may call upon Ministry Teams to report more fully on the Church's work in a given area, and to contribute expertise, information, and leadership. The purpose of these reports is to support the Board's learning and reflection on major areas of the Church's mission, such as worship, religious

education, social justice, membership development, and stewardship of FUS property and wealth.

- From time to time, the Board may inquire into specific questions of policy compliance, organizational concerns, or other serious issues by appointing a committee or outside consultant to assess some aspect of Church program or organizational functioning.
- At least once every five years (or more often if required by leaders or other needs of the Church), the Executive Director shall engage a qualified professional to conduct an audit of the church's financial records and processes. The auditor's report will be presented in writing to the Board upon completion. In the years where no external audit is performed, the Executive Director will oversee an internal audit following a process approved by the Board.

2g. Staff & Board Evaluation

Evaluation Process at FUS as part of Ongoing Culture of Open Conversation

The Board believes that it is important to the ongoing success of FUS to conduct annual evaluations of all Ministers, contracted employees, paid staff and the Board itself. The Board also strongly encourages ongoing conversations between all parties about the reasonableness of goals, resource limitations, and other issues as part of maintaining a culture of openness, respect, and fairness. Evaluations are simply a periodic and formalized aspect of this relationship, and should strive to emphasize both the positive and negative aspects of performance.

Evaluation of Board and Senior Minister Relationship

In addition to the Board's self evaluation (see policy 1a for details), the Board shall annually evaluate the Senior Minister's performance and the Senior Minister shall evaluate the Board's performance.

The Board's focus during this evaluation is to be on the effectiveness of the Senior Minister's managerial responsibilities in relationships to the paid staff, with particular focus on the Senior Minister's oversight of the Executive Director. A second focus should be the general state of the working relationship between the Board and Senior Minister as it relates to the achievement of the goals of FUS and compliance with Board Policies. The evaluation shall not extend into a review of the ministerial duties of the Senior Minister.

The Senior Minister's focus during this evaluation should be on the effectiveness of the Board in fulfilling its role, the overall working relationship that exists between the Senior Minister and the Board, and the effectiveness of how policies and feedback are communicated between the Board and Senior Minister.

Every three years, the Senior Minister shall also receive an evaluation that is broader in scope as outlined by the policy below.

Evaluation of Board Committees

The Board Committees will perform an annual self evaluation in conjunction with the Board President to insure their ongoing relevance and effectiveness.

Evaluation of the Executive Director

An annual performance evaluation for Executive Director shall be conducted by the Senior Minister, and provided to the Board. This evaluation should focus on the overall working relationship between the Senior Minister and Executive Director and the overall managerial effectiveness of the Executive Director as it relates to the accomplishment of the goals of FUS, compliance with policy, and general morale of the paid staff.

The evaluation of the Executive Director must include input gathered from the paid staff as well as volunteers that have been working closely with the Executive Director to provide a more comprehensive picture of the Executive Director's effectiveness.

Evaluation of Contracted Employees and Called Ministers-Administrative Responsibilities

Each year, the Senior Minister and Executive Director shall ensure that there are evaluations of all contracted employees and called ministers. This evaluation will focus on how these team members have performed in relation to the goals for FUS set by the Board and their compliance with policies.

Evaluation of Paid Staff

All paid staff members (other than contracted employees or called ministers) shall be evaluated by either the Executive Director or a supervisor designated by the Executive Director. The evaluation will focus on how each staff member has performed in relation to their job description and annual goals that were shared with them at the time of their previous evaluation (or at the time of their initial employment), congregation and other sources, and producing a written report for the Board.

Evaluation of Called Ministers-Ministerial Responsibilities

Once every three years, all called Ministers of FUS will be simultaneously evaluated using a process designed to achieve the following goals:

- Call the congregation's attention to the mutual, relational nature of ministry and the respective responsibilities of all who contribute to its success
- Help the ministers remain motivated, creative, and flexible
- Provide the ministers and board with information needed to correct any existing problems and maintain an effective partnership in the future.

The Board and Senior Minister shall together appoint an evaluation committee of three persons held in high esteem by the congregation and mutually acceptable to the Board and the Minister being evaluated. The committee shall conduct an evaluation of the Ministers' performance, gathering data from the congregation and other sources, and producing a written report for the Board.

Finance Committee Charter

Name of Group: Finance Committee

Effective date: July 1, 2013

Mission or Purpose:

The Finance Committee is appointed by the Board of Trustees. As such, it functions in realm of Policy, not Operations, which are in the purview of the Senior Minister and the Executive Director.

The purpose of the Finance Committee is to help the Board with the financial aspects of the Board's goal to foster transparency and build confidence within the congregation. As directed by the Board, the Finance Committee may:

- Draft financial policies for Board consideration,
- Analyze data in support of the Board's oversight of financial administration,
- Assist with Board's communication with the congregation about finances,
- Provide financial orientation and education for board members,
- And perform other services from time to time.

Composition and Appointment of the Committee: Membership of this committee shall be 3-5 people, with one board member as chair and the Executive Director serving as members.

Membership of the committee should provide a balance of skills, experiences, and gifts that include:

- Knowledge and experience, either general or specific, in finance and financial policy.
- Knowledge of the mission and goals of FUS.
- Knowledge of the FUS Governance Model

Term: Appointments made by the President shall be for two year terms, staggered to provide for continuity of leadership, except as follows:

- In the appointment made for the initial establishment of this committee, one of the appointments shall be for a three year term.
- If a member resigns a position before the end of the term, the appointed replacement shall serve the remainder of the resigning member's term.

Term Limits: Appointed members shall serve a maximum of two terms.

Reporting Relationships: The committee chair reports to the Board and if the committee requires information or assistance from a staff member, that request will be processed through the board.

Governance Committee Charter

Name of Group: Governance Committee

Effective date: July 1, 2011

Mission or Purpose:

This committee will assist the Board in reviewing and proposing policies, and facilitating communication related to governance matters..

Responsibilities:

- Review all FUS policies and bylaws to insure they are internally consistent.
- Hold an educational session for lay leaders at least annually to insure that they have an adequate understanding of the congregation's governance structure.
- Serve as an in-house resource to clarify roles and responsibilities to staff and lay leaders.
- Coordinate the governance transition (that is, serve as the successor to the GTF.)

Composition and Appointment of the Committee: Membership of this committee shall be 3-5 people:

- The President and Senior minister shall serve as two of the members.
- Additional members shall be appointed by the President of the Board.
- The Board President shall designate the Committee Chair

Membership of the committee should provide a balance of skills, experiences, and gifts that include:

- Knowledge and experience with the history and specific governance policies that define how FUS will operate, including the reasoning behind why we are structured as we are.
- Knowledge of the mission and goals of FUS.

Term: Appointments made by the President shall be for two year terms, staggered to provide for continuity of leadership, except as follows:

- In the appointment made for the initial establishment of this committee, one of the appointments shall be for a three year term.
- If a member resigns a position before the end of the term, the appointed replacement shall serve the remainder of the resigning member's term.

Term Limits: Appointed members shall serve a maximum of two terms.

Reporting Relationships: The committee chair reports to the Board and if the committee requires information or assistance from a staff member, that request will be processed through the board.

Personnel Committee Charter

Name of Group: Personnel Committee

Effective Date: July 1, 2011 Revised, July 17, 2013

Mission or Purpose:

Assist the Board by helping to provide watchful and careful monitoring of, review/propose policies for, and facilitate communication related to personnel policy and general practices.

Responsibilities:

- Review new FUS policies with regard to existing personnel policy and propose changes as necessary.
- Coordinate a periodic review of FUS Human Resource procedures on behalf of the Board.
- Coordinate a periodic compensation study and make recommendations to the Board re: adjustments in FUS compensation scales.
- Hold an educational session at least every two years to insure that Board members have an adequate understanding of the congregations' personnel policies and goals.

Composition and Appointment of the Committee:

- Membership of the Committee shall be 4 to 6 people.
- The Executive Director, the Senior Minister, and at least one Board member shall serve as members.
- The Board President shall appoint additional members from the congregation.
- The Board President shall designate the Committee Chair.
- Membership of the Committee should provide a balance of skills, experiences, and gifts that include:
 - Knowledge and experience, either general or specific, in human resources and/or personnel management.
 - Knowledge of the mission and goals of FUS.

Term:

Appointments made by the President shall be for two year terms, staggered to provide for continuity of leadership, except as follows:

- In the appointments made for the initial establishment of this committee, one of the appointments shall be for a three year term.
- If a member resigns a position before the end of the term, the appointed replacement shall serve the remainder of the resigning member's term.

Term Limits:

- Appointed members shall serve a maximum of two terms.

Reporting Relationships:

- The Committee chair reports to the Board

Major Gifts Policy

Acceptance of any substantial, non-monetary gift must be approved by the FUS Board of Trustees. A gift is considered substantial in any of the following cases:

1. The gift is valued above \$500.
2. The gift will become a permanent part of the FUS campus.
3. A gift which will require more than 5 hours of staff or volunteer time to sell.
4. The Senior Minister states that the gift is substantial.

The Executive Director shall present a document to the Board, describing the gift. This document shall indicate the intent of the gift, the value of the gift and the amount of effort to sell (as needed). The Board shall consider the gift and any recommendations from the staff and vote at the next regularly scheduled Board meeting.