

**Unitarian Universalist Church of Nashua, NH (UUCN)
Meeting of the Board of Trustees**

March 5, 2020

Final Minutes by Jodie K. Holway

Reviewed by Burns Fisher, Carol Houde, Victoria Agnew, John Burkitt, Rick Spitz

Meeting Attendees: Victoria Agnew, John Burkitt, Burns Fisher, Lindsey Hedrick (Treasurer), Jodie K. Holway (Clerk), Carol Houde (President), Rev. Allison Palm, Rick Spitz, Lindsey Sylvester

Excused: Brenna Woods

Full Agenda: APPENDIX A

1. Consent Agenda

1. **MOTION** to accept the [February minutes](#)
MOVED by Victoria Agnew, **SECONDED** by Burns Fisher, **PASSES** unanimously

2. Minister's Report for Jan and Feb, Rev. Allison Palm

1. Move money out of both TD Bank and Citizens, which each have some of our funds now
 - i. Go to local Merrimack Bank: appropriate for us, offered some good CD options
 - ii. For both preschool and church, though we will continue to not commingle them
 - iii. Why change UUCN's banks?
 1. Have been wanting to bank more locally
 2. Not super happy with the service in either TD Bank nor Citizens
 - iv. Why combine UUCN's accounts into a single bank?
 1. Having two accounts means double paperwork sometimes, e.g. when personnel get replaced we need to update two signature cards today
 2. Might be a bit easier to transfer across from preschool to church
2. Monitoring: Policy F: [We shall not] Operate without written policies guiding the prudent investment of Church operating reserve funds as described in Policy E-3 & 4 above.
 - i. Interpretation: There should be a written policy about where Church operating reserve funds are held.
 - ii. Unfortunately we got no guidance from external audit
 - iii. Sherri attended a recent webinar on Financial Best Practices for Congregations
 - iv. Hoping to grab policies from this, Rev. Allison will review this soon
 - v. Board only has to say that Rev Allison has operationally written them down, and where to find them.
3. Monitoring of Policy I, about facilities planning and communication
 - i. This is Rev. Allison's first time doing interpretations of this section
 - ii. Let's decide together now, how best to gauge compliance for these items
 1. List any times Rev. Allison didn't do the right thing?? Seems inappropriate!
 2. Is this policy to be used like an appeals process, if a congregant complains about a use of the facility? No, not really the right spirit for Monitoring

3. Maybe only for significant activity, pick a single decision/task force and report that we acted properly with respect to this policy, or give one example every year when the monitoring report is due
- iii. We cannot control whether anyone listens to the communication, but can only monitor whether she is putting information out there
 1. Next time someone says “I didn’t hear about this,” ask them where do you get your information? Then she can give you pointers on what to look for. We’re really there already in all these channels.
 2. Communication pamphlet is awesome – just hand them this
 3. Some people want to go back to more announcements on Sunday morning
 - a. We won’t do this, the practice had already changed before Rev Allison
 - b. Not a reverent atmosphere, took up to 15 minutes, spoon-feeding
4. Definition of Leader: do we like it?
 - i. Someone who organizes and motivates others to achieve a goal or serve the community
 - ii. Yes the Board agrees with this succinct definition!
5. Leadership Summit is planned for Sat March 28, 9 – 12 noon, with potluck brunch
6. All Ages Faith Formation: an upcoming check-in is planned after the service on April 5
 - i. To listen to any thoughts from congregation
 - ii. To get help with planning next year’s Faith Formation

3. Governance Policy Change Proposed to Policy E, Carol Houde

1. Proposed Board Committee Principles under II. Governing Process, new 3rd paragraph: The Board shall not provide endorsements or recommendations for any for-profit company, business, or organization. This prohibition does not extend to the standard business practice of a for-profit entity including UUCN in a list of clients (such as contractors or consultants) who have used their services.
2. Discussion: do we really need this policy?
 - i. Bank of America just asked the IFC for an endorsement, which is slightly different than a recommendation or even a request for feedback
 - ii. Another congregation just called us to ask whether we recommend they should hire Unity Consulting with Laura Park?
 - iii. We cannot and don’t need to prohibit someone else’s website from listing us as a customer if indeed we are a customer – if we’re embarrassed about the fact of being associated with that company then we better just stop using them!
 - iv. Are we really just making a rule to face our feelings about telling BofA “No”?
3. Agreed: Carol will rewrite to take another pass at the proposed text, come back shortly
4. Revised proposal, **circulated by email immediately following this meeting:**
 “The UUCN will provide an endorsement or recommendation for a for-profit business only upon approval by the Board of Trustees.”
MOTION to vote **via email** on this revised policy
MOVED by Lindsey Hedrick, **SECONDED** by Burns Fisher; **PASSED** unanimously **via email**.

4. **Clarification on Bank Bonding Status for Staff and Officers**, Carol Houde and Rev. Allison
 1. Turns out that any volunteer who's elected or appointed to handle money is covered
 2. So we're good, no worries – from last month's pending question

5. **Monitoring Task Force Feedback on Baseline Survey**, Carol Houde, Burns Fisher, and Victoria Agnew
 1. Discussion of technology
 - i. Google has been touchy, but Survey Monkey has robust reporting
 2. Concern over wording like How comfortable you are to share events with the congregation
 - i. How about rephrasing to just “people at church” instead - preferable
 - ii. Otherwise it implies your personal event will be broadcast to all as a Joy or Concern
 3. Laura Park's advice in Zoom conference: suggest we use exactly the words of ends statements
 - i. But we feel this caused them to become so amorphous
 - ii. Yes we want the respondents to get familiar with faith-based language
 - iii. But not at the price of clarity and ability to get a solid measurement
 - iv. We can get the congregation used to this language in other ways
 - v. We should not add our interpretations by adding new wording but instead we took the explanations directly from Rev. Allison's interpretations
 4. **MOTION** to approve the congregation-wide survey as of now
MOVED by Lindsey Sylvester, **SECONDED** by Lindsey Hedrick,
 Abstention by Burns Fisher who helped write the survey,
MOTION PASSES

6. **Meeting of the Building our Vision and Board of Trustees**, Rev. Allison, Carol Houde
 1. Planned for March 29th, 12-3 pm
 2. Together that day we'll come up with a draft vision for our building
 - i. Not pragmatic plans but rather values-based statements
 1. NOT e.g. We will take down this wall and that wall etc.
 2. E.g. all areas of our building will be accessible to anyone who wishes to enter
 - ii. Rick has collected all feedback from all meetings with congregation
 1. After March 26, everyone will get and should read this summarized feedback
 3. Reviewed Carol's summary of Mark Ewert's feedback from December's Next Steps Weekend
 - i. Want to make sure people aren't surprised that he was there to help us prep for our upcoming capital campaign; he said he was just assessing our financial health
 - ii. Agreed to add some language in the beginning to explain the dual purpose
 4. Stewardship team is OK with hiring Mark Ewert further, as long as their budget can handle it
 - i. Can we split the cost between Stewardship budget and the Bicentennial Fund?
 1. Its earmarked purpose is “for the future” which seems ideal
 - ii. Will the same people on that team commit to stay and get educated/consulted with?
 1. Yes it'll be consistent enough, maybe only 1 turnover and 2 new in the fall
 2. His collaboration will strengthen the stewardship team so it's fine yes
 - iii. This year, half his fee will be due and it'll come from Stewardship, next budget year the second half can be paid from the Bicentennial fund

7. Plan for BoT and IFC to Meet Representatives from UUA Shared Endowment Fund

1. Invested Funds Committee should learn more about UUA Shared Endowment Fund
 - i. Ideally they would set up this meeting themselves, be the main experts for UUCN
 - ii. Rev. Allison, Treasurer Lindsey Hedrick, and Pres. Carol Houde would attend, regardless of who sets it up
 - iii. Note that the IFC is a committee of the Board, which means formally that they report to us, we approve its members, they do the work which Board delegates to them
2. Ensure IFC knows that getting the highest returns is NOT their only task – which they do definitely already know, that is stated in the Board policy which they helped us to shape

8. Big Thank You to those who Fixed the Beloved Pipe Organ

1. Paul Lemaire, Jed Holland, Matt Holland, Michael Holland, Mary Holland, and Karen Fitzpatrick
2. Mary Holland is making a video of the process: cramming pieces into a car and other feats
3. Consider giving this group of heroes a special Stewardship award, e.g. at Annual meeting
 - i. Is there a historical steward that we can name an award after?
 1. Suggestion that our member Bliss Woodruff redesigned this iteration of sanctuary, and the orange chairs/curtains in the dining room
 - ii. The one non-member Matt, Jed's brother, would get something else, e.g. gift certificate, as he won't be at Annual Meeting

9. Results of Yearly Minister Evaluation, Rick Spitz

1. Good distribution of responses from various teams and committees
 - i. Though this year has better representation from non-Board members
2. Same rating system as last year, which allows seeing which changed significantly
 - i. Most of the notable changes were higher this year; a couple went lower
 - ii. One item that was lower was Building Beloved Community
 1. Although specific comments contradict this not corroborate it
 2. Perhaps now we know more this year about what isn't being done, after Rev. Allison has started putting more efforts here

10. Minister's Self-Evaluation, Rev. Allison

1. Discussion of successes
 - i. Rev. Allison has been working very hard, she found it a bit difficult to think of successes to list, amid the pressures she is feeling – but there are many successes!
 - ii. Board suggests taking on Ben Atherton-Zeman as Ministerial Intern is a success
 1. This helps Rev. Allison solve last year's membership worries
 2. Rev. Allison has been investing up to this point in getting Ben into the role, now she is indeed starting to reap the benefits of his work
 3. Ben is definitely a big success from the congregation's viewpoint!
 - iii. Year two of Fellowship Hour/Greeters is a raving success to do radical hospitality
 1. People are proud of their Fellowship Hour, maybe even competitive
 2. The assignments cause different people to mix and meet each other in a week
 3. We SHOULD be serving each other, this is appropriate and pleasing
 4. Good vibe, everyone's talking and eating and enjoying together

5. This year's introduction of a Lead Host illustrates that she/we can learn and adjust our plans and improve
 6. Signing up people as Greeters, even the shy ones, this is good for everyone
 7. Signing up some long-absentee people as greeters brings them back in – so nice to see them again!
2. Discussion of where she's been able to take risks
 - i. Taking risks in worship, especially risk-taking sermons
 - ii. Last year we said we need more intellectually-stimulating sermons
 1. What does that mean to each person? Use bigger words? More citations from scientific articles?
 2. Rev. Allison could also create other experiences to meet the intellectual needs, such as meetings, forums, etc.
 3. UUCN has intentionally moved away from strict intellectual agenda
 4. And perhaps people find UUism to be very intellectual at first as they discover it, then get accustomed to it and they miss the stimulation?
 - iii. New family corner was also risk-taking – and it's attracting great new people
 3. Goals for Rev. Allison?
 - i. Next month she'll come up with goals for next year
 - ii. This Board will try not to give contradictory goals this year, like "Now we need more emotional sermons" vs. the request for intellectual sermons last year
 1. And we certainly cannot ask her to fake some other style of sermon, just her authentic style
 - iii. This year she should focus more on self-care and balance, don't burn out
 1. She can say No to any request and simply blame the Board – even if it's we the Board who's asking her to do something ;-)
 2. She wants to only be at UUCN two evenings a week maximum
 - a. Needs this for her family, but truly cannot see how to reduce this – often here three evenings per week
 3. Consider that she's invested in new systems, now let them run themselves
 - iv. At the conclusion of this topic, we sent Rev. Allison home

11. Executive Session: Minister's Salary, Rick Spitz and Lindsey Hedrick

12. Identifying steps to resolve and define the legal relationship between UUCN and Nashua Cemetery Association, Carol Houde

1. Background: UUCN used to have 2 cemeteries, may have been merged by now
 - i. First was one-third of today's size
 - ii. Land was bought for \$1, all board members were church members
 - iii. Then when it became filled up, it was incorporated by the NH legislature and then turned back over to the church
 - iv. Nashua Cemetery Additional was the other two-thirds of what we have now
2. What various relationships could exist between UUCN and Cemetery Association?
 - i. This isn't a policy issue, it's a legal issue
 - ii. Carol Houde sought a recommendation for a lawyer, got some preliminary research:

1. He would have expected their Association to report to Board of Trustees
2. They report to the congregation, which in practice means report to nobody
3. Either we could spin them off or get better control
3. Should we hire a lawyer?
 - i. They would be able to tell us what liability issues we currently have right now
 1. For instance, the plots are owned by the families, but who owns the pathways between? Cemetery Association owns them, we presume: let's be sure
 - ii. This type of advice is more important than hiring them to read and understand our documents now
4. Burns Fisher suggests we should look at the previous bylaws of the Cemetery Association
 - i. These were revised in '87, after Reverend Rowley
 - ii. But Burns doesn't have copies of this era
 - iii. Rick Spitz's research shows that it usually reports to the board or sextant
5. Yes, this Board agrees to contact a lawyer, and Carol will notify the Cemetery Association

13. Approval of Delegate slate for NNED Annual Meeting and for General Assembly, Carol Houde

1. Provisional slate for NNED
 - i. List must go ASAP to UUA, so delegates can get early-bird prices by March 15
 1. Jeff Beland, Karen Murray, Kim Steele, Vengerflutta Smith, Laurie Barry and perhaps Paul Introcaso
2. Slate for GA
 - i. Allyson Jutras, Eileen Herring, Ellen McCahon, Megan Holmes, Peggy Cardone, and Andy Capen
3. **MOTION** to accept both slates
MOVED by John Burkitt, **SECONDED** by Burns Fisher; **PASSES**

14. Covenantal Checkout and Closing

1. Next Board meeting: April 2, 2020

Appendix A: Full Agenda

Appendix B: Minister's Report

FINAL AGENDA

Board of Trustees, Unitarian Universalist Church of Nashua
March 5, 2020 at 6:30 pm

Our Mission: We are a welcoming community of faith, inspiring lives of wonder, generosity, and courage, serving the world through love in action.

- 6:30** [15] Admin: Chalice Lighting (Lindsey H.)
Check-in
- 6:45** [5] Admin: Consent Agenda
• February BoT Minutes
- 6:50** [25] Monitoring/Visioning: Minister's Report for February and March 2020 and New Ends Interpretation (Allison)
- 7:15** [10] Monitoring: Governance Policy Changes (Carol)
• Proposed: Under **Policy E: Board Committee Principles** under **II. Governing Process**, [new 3rd paragraph]: The Board shall not provide endorsements or recommendations for any for-profit company, business, or organization. This prohibition does not extend to the standard business practice of a for-profit entity including UUCN in a list of clients (such as contractors or consultants) who have used their services.
- 7:25** [5] Monitoring: Clarification on bonding status for staff and officers of the church (Carol and Allison)
- 7:30** [10] Monitoring Task Force Feedback on Baseline Survey (Carol, Burns, and Victoria)
- 7:40** [10] Admin: March 29th Building our Vision and Board of Trustees meeting, 12-3 pm (Allison and Carol)
- 7:50** [5] Admin: Idea of meeting with representatives from the UUA Shared Endowment Fund, BoT and IFC
- 7:55** [5] A big Thank You to those who volunteered time and expertise to fix the beloved pipe organ—Paul Lemaire, Jed Holland, Matt Holland, Michael Holland, Mary Holland, and Karen Fitzpatrick
- 8:00** [5] Break
- 8:10** [15] Monitoring: Results of Yearly Minister Evaluation (Rick)
- 8:25** [15] Monitoring: Minister's Self-Evaluation (Allison)
- 8:40** [15] Executive Session: Minister's Salary (Rick and Lindsey H)
- 8:55** [10] Admin: Identifying steps to resolve and define the legal relationship between UUCN and Nashua Cemetery Association (Carol)
- 9:10** [10] Approval of Delegate slate for NNED Annual Meeting: Jeff Beland, Karen Murray, Kim Steele, Vengerflutta Smith, Laurie Barry and (?) Paul Introcaso. (Carol)
Approval of Delegate slate for GA: Allyson Jutras, Eileen Herring, Ellen McCahon, Megan Holmes, Peggy Cardone, and Andy Capen (Carol)

9:20 Covenantal Check-out

Closing Words

Adjournment

Minister's Report to the Board of Trustees
Rev. Allison Palm
UU Church of Nashua, NH
March 4, 2020
Covering January 9-March 4, 2020

General Updates

Sadie, Ben and I have planned out the initial sketch of the worship calendar for next year. The Worship Associates are also beginning planning for summer worship services. I will once again lead a Summer Worship Workshop in April and May for anyone who is leading worship this summer.

I am in the season of meeting with people who are interested in becoming new members. Five new members have signed the book so far. I have meetings set up with five more in the coming weeks. I am also holding one more session of Exploring Membership this Sunday and expect at least 3-5 more new members from that.

The beginning of our second year of our new model of Fellowship Hour/Greeting has gone really smoothly. The addition of Lead Hosts has made Fellowship Hour much smoother.

Sadie and I are planning an All Ages Faith Formation Check In after the service on April 5. We'll be talking about the various changes that we've been trying out this year (workshop choices for kids, new family area, youth group meeting once a month, more identity groups for adults, etc) and hearing how these are going for the congregation.

At the request of our middle school parents, we ran a Jr. Youth workshop on February 16 (when there was no OWL). There were 7-9 kids and they talked about ethics. Our Youth Group has consistently been 3-4 youth and they've worked out a schedule for the rest of the year where they will meet on the first Sunday and do social events on the third Sunday.

We have a 20s & 30s game night coming up this Sunday and an all ages Game Night coming up later this month. This month we launched two daytime adult programs, a Contemplative Walk in the cemetery and a lunch & conversation program called "Eat, Share, Learn." Both will be monthly offerings for at least the rest of this year. We are also getting ready for our first of two Switch-It-Up Sundays this Spring. It will be on March 29 and we'll have workshops for adults on UU identity.

The Racial Justice Working Group is participating in a series of five webinars on anti-racism and multiculturalism put on by the New England Region called "Knotty Conversations." They are inviting anyone from the congregation who wishes to attend to join them. The Bail & Bond Fund has been very active both fundraising and bailing/bonding people out these past few months. They have also recruited a couple new people from the congregation to help out. There is a small group from the Social Justice Team that has just assembled who will be working out a plan and organizing the congregation to participate in census work and get out the vote work in the fall.

The Building Our Vision Team lead 5 conversations with the congregation between January 26 and February 16. Each had between 7 and 35 attendees. They have begun compiling the information

gathered in preparation for a joint meeting with the Board of Trustees on March 29 to determine next steps.

Sherry and I have been looking into local banks to move our money and the preschool's money to, currently held at TD Bank and Citizen's. We have determined that Merrimack County Savings Bank is the best option. When I shared this with Carol and Brenna, they felt this was an operational decision and did not need the vote of the Board. Unless anyone on the Board feels differently, I will assume we can move ahead.

Updates on Ends Statements

Grow leaders who serve the needs of our congregation and our community with faith, resilience, and courage.

Interpretation: We encourage members and friends to try new roles in the congregation, and offer support as they grow into those roles. We give members and friends the skills and confidence to become leaders in our congregation and in the larger community. **We define leader as someone who organizes and motivates others to achieve a goal or serve the community.** Our leaders serve with faith, grounded in their identity as Unitarian Universalists; with resilience, able to lead through challenge and difficult times; and with courage, leading boldly and taking risks to move our congregation and community forward.

Informal Assessment: This one feels hard to assess at the moment because we are doing so many things differently with leadership. The old structure of having clear committee and team chairs has not felt like it works anymore. While people are still eager to serve, there is reluctance to take on a traditional leadership role. Because of this, we've been doing more shared leadership of teams, short term projects, people who take on one event or program. While this may appear on the surface like it is less clear who the leaders in the congregation are, I think it doesn't mean that there are no leaders. My hope is that our new models will result in more people capable of leadership rather than fewer, but it feels like it is too soon to tell.

Steward our congregational community with our time, talent, and money.

Interpretation: Members and friends see themselves as stewards of the congregation, responsible for its sustainability and success. They understand that they are not passive receivers of a service, but instead are active co-creators of the congregational community. Members and friends are able to articulate why they give time and money to the congregation and how it makes a larger difference in their lives and in our world.

Informal Assessment: I think our congregation is continually growing in this area. While we are not where I would like us to be, I know that there has been a lot of growth in the last 15 years. Our Stewardship Campaign this year has felt like there is a somewhat better understanding of this, and I feel pretty confident that new members are being integrated in with this concept in place. Asking everyone to do greeting and fellowship hour has actually made it easier to talk about stewardship as more than just money with new members. Our Stewardship Testimonials this year were also strong in both the time and money aspects of Stewardship, with strong articulation of why to give.

Children's Winter Garden with White Wing School

- The staff is still hard at work on accreditation paperwork. Everything needs to be completed by the third week of March.
- Registration is going well for next year. In February, the numbers registered for next year were identical to the numbers we had at this time last year.
- In mid-March, the preschool will have their Spring Open House for parents and families.

Minister's Schedule

- I am taking a few days of vacation next week, March 12-15, and will be traveling with my family. That includes my Sunday off for the month.

Monitoring Report on Policy I

In guiding the Church's facilities planning, the Executive Director shall not fail to:

- 1. Be governed by the Church's Ends Policies;*

Interpretation: Decisions about the church facilities should be in line with the values, mission and ends of the congregation. Our facilities exist to serve the mission and ends, so any changes to the facilities should be in service to the larger work of the congregation.

- 2. Respect the history and heritage of our Church and faith;*

Interpretation: Our facilities should embody our congregational values, the values of Unitarian Universalism, and the history of the church.

- 3. Communicate regularly with all of the stakeholders, as appropriate, about plans regarding facilities; or*

Interpretation: As decisions are made about the church facilities, we will keep the congregation informed through our regular communication channels. We will consult with those groups that have decision making power for that area of church or are most directly impacted by the decision. When major (non-reversible, structural, requiring extra fundraising) changes are in the works, the congregation will be consulted and there will be opportunities to provide feedback.

- 4. Be mindful of the needs of the stakeholders of all ages and abilities when making facilities changes.*

Interpretation: Decisions will be made about the church facilities that keep in mind the needs of all people who are currently a part of the church and may be a part of the church in the future. We will prioritize the needs of those who have been historically marginalized and are currently marginalized in our church community.

Income and Expense Report as of 3-4-2020

See attached "March 2020 Financials" for full report. We are 67.95% of the way through this year. Income is slightly ahead at 72.88%. Expenses are basically right on track at 68.52%.

Monitoring Report on Policy F: Financial Condition and Management

With respect to the Church's actual, ongoing financial condition and activities, the Executive Director shall not cause or allow the development of fiscal jeopardy or a material deviation of actual

expenditures and income from the annual budget approved by the Congregation or Board priorities established in the Ends Policies.

Interpretation: This policy is interpreted to mean that:

1. The church should not be in danger of running out of money to cover expenses and financial planning goals.
2. The actual income received and money spent should be in line with the budget approved at the Annual Meeting each year in June. "Material deviation" is interpreted to mean that expenses do not exceed 105% of each budget line item approved by the congregation. The budget set each year should allocate expenses in a way that will use the financial resources of the church to further the Mission and Ends of the congregation.

Data: Our current checking account balance (minus reserve funds) is \$140,080. This is enough for nearly three months of regular operating expenses. The Income and Expense report attached indicates that there is one budget lines on track to exceed 105% of the budget for this year, which is Communications. That is a small budget line (only \$1000), and so the excess of \$150 there should not affect the overall bottom line.

Statement of Compliance: I report compliance

Accordingly, the Executive Director shall not:

1. *Shift, adjust or reassign any budget lines or categories to other purposes exceeding 2% of the total budget during the fiscal year without the agreement of the Board.*
2. *Shift, adjust or reassign any budget lines or categories to other purposes exceeding \$2000 for a single purpose without notifying the Board.*

Interpretation: If there is a need to shift more than \$2000 from any one budget line to another, the Executive Director will inform the Board that the shift has occurred. If there is a need to shift more than 2% of the total budget between categories, the Executive Director will get the approval of the Board before making the adjustment.

Data: There have not yet been any adjustments made to the budget this fiscal year.

Statement of Compliance: I report compliance.

3. *Operate without written policies guiding the prudent investment of Church operating reserve funds as described in Policy E-3 & 4 above.*

Interpretation: There should be a written policy about where Church operating reserve funds are held.

Data: Currently, we keep our operating reserves in our checking account. There is no written policy about those funds.

Statement of Compliance: I report non-compliance. This policy is on the list of financial policies to be developed.

4. *Operate without adequate accounting controls and procedures that are maintained and documented;*

Interpretation: There should be written policies for all of our accounting procedures that follow standard accounting practices and ensure that there are adequate checks built into our procedures.

Data: We have very few written accounting policies and procedures.

Statement of Compliance: I report non-compliance. We did not receive the guidance we were hoping for in this area from our external audit.

5. *Allow annual operating expenses to exceed 105% of the budget without the agreement of the Board;*

Interpretation: Total annual operating expenses should not be more than 105% of the total operating expenses budgeted unless the Board of Trustees agrees to the additional expenditure.

Data: The Income and Expense report attached indicates that there is one budget line on track to exceed 105% of the budget for this year, which is Communications. That is a small budget line (only \$1000), and so the excess of \$150 there should not affect the overall bottom line.

Statement of Compliance: I report compliance

6. *Have signature authority for checks greater than \$4,999.99 and at no time shall they sign checks to themselves, relatives closer than first cousins, or parties with a conflict of interest.*
7. *Delegate signature authority to anyone other than a permanently hired Church Administrator who shall not have signature authority for checks greater than \$1,999.99 and at no time shall they sign checks to themselves, relatives closer than first cousins, or parties with a conflict of interest;*

Interpretation: The Executive should not sign any checks for greater than \$4,999.99. The Executive may delegate signature authority to the Church Administrator as long as they are in a permanent position and do not sign checks greater than \$1,999.99. Neither the Executive or the Church Administrator should sign checks of any amount that are written out to themselves, a member of their immediate family or someone with whom they have an identifies conflict of interest.

Data: All checks \$5,000 and over are signed by the president or treasurer. All checks between \$2000 and \$4999.99 are signed by me. In this fiscal year, Sherri and I have not signed any checks to ourselves, family members, or people with whom we have a conflict of interest.

Statement of Compliance: I report compliance.

8. *Assume any long-term indebtedness without Board approval;*

Interpretation: The church should not take on any loans or other debts that last longer than six months unless the debt is approved by the Board.

Data: We have no current debts that qualify as “long-term.”

Statement of Compliance: I report compliance

9. *Undertake transactions exceeding \$10,000 without seeking multiple bids or cost comparisons;*

Interpretation: Any team or staff member of the church who is making a purchase or entering into a contract on behalf of the church that exceeds \$10,000 should obtain at least 2 bids or compare prices from at least 2 suppliers before making the purchase or entering in to the contract.

Data: Since July 1, 2019, the church has entered into one contracts that exceeded \$10,000, which was for snow plowing. This is a yearly contract that was renewed. When we initially went with this provider, we did receive at least 2 bids.

Statement of Compliance: I report compliance

10. Enter into any purchase or service contract exceeding \$25,000 without prior Board approval;

Interpretation: Any purchase or service contract that exceeds \$25,000 must be approved by the Board of Trustees.

Data: Sind July 1, 2019, the church has not entered into any contracts that exceed \$25,000.

Statement of Compliance: I report compliance

11. Acquire, encumber, or dispose of real property without prior Board approval;

Interpretation: Any purchase or sale of land or buildings must be approved by the Board of Trustees.

Data: Since July 1, 2019, the church has not purchased or sold any land or buildings.

Statement of Compliance: I report compliance

12. Spend or borrow Endowment funds without prior Board approval; or

13. Plan for annual Endowment outlays of more than the "prudent withdrawal amount" percentage, as determined by the Board, of the Endowment fund balance.

Interpretation: The Board must approve the withdrawal of any Endowment funds. The annual budget approved by the Board and voted on by the congregation serves as blanket Board approval to withdraw any Endowment funds indicated in that budget. The proposed budget each year should not include income from the Endowment funds that exceeds the prudent withdrawal amount recommended by the Invested Funds Committee, unless approved by the Board.

Data: The Endowment withdrawal included in the FY20 budget is the amount recommended by the Invested Funds Committee. The FY20 budget was approved by the Board in May 2019 and voted on by the congregation in June 2019 We have not withdrawn any funds in excess of what was budgeted.

Statement of Compliance: I report compliance