

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

August 22 and 23, 2020

Meeting held via videoconference due to COVID-19

Final Minutes by Jodie K. Holway, Clerk of the Board of Trustees

Reviewed by Andy Capen, Cecile Bonvouloir, Roy Goodman, Burns Fisher, Brenna Woods, Lindsey Hedrick, Lindsey Sylvester

Meeting Attendees: Victoria Agnew, Ben Atherton-Zeman, Cecile Bonvouloir, Andy Capen, Burns Fisher, Roy Goodman, Lindsey Hedrick (Vice President), Jodie K. Holway (Clerk), Rev. Allison Palm, Lindsey Sylvester (Treasurer), Brenna Woods (President)

Full Agenda: Appendix A

1. Review of the Board Covenant, Brenna Woods

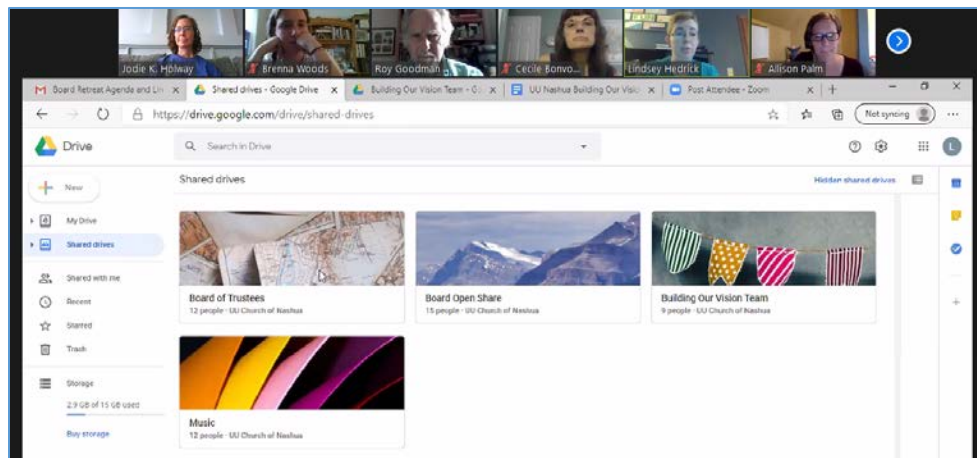
1. See the [Governing Policies here](#), read Policy G: Board Members' Code of Conduct
2. Discussion of the paragraph about Face to Face experience, which does allow Zoom
3. Discussion of how we want to use the Chat feature in Zoom
 - i. Agree to use judiciously, not as a distraction
 - ii. Can give kudos and encouragement, to save time instead of verbal comments
 - iii. Agree to not send private messages between individual participants
 - iv. Note the host (Rev. Allison) receives all chat afterwards, including private messages
 - v. Chat is not captured in the minutes, which is just a summary of all discussion
4. Discussion of the reference to Free Church
 - i. Means our individual church is self-governing, not answerable to a hierarchy or pope
 - ii. Related to the [Cambridge Platform](#), originally written by the Puritans in 1648

2. How the Board Works, Brenna Woods

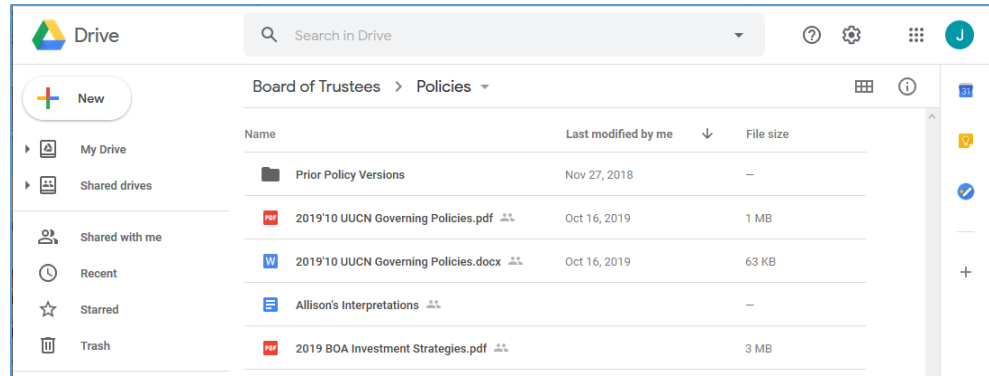
1. Agenda
 - i. Topics are planned in advance by Brenna Woods (president), Lindsey Hedrick (vice president), and Rev. Allison in a meeting
 - ii. Draft and then final agenda is emailed out to Board before the meeting
2. Minutes
 - i. Jodie K. Holway (clerk) emails out draft summaries, 1-2 weeks after each meeting
 - ii. Members have approximately 1 week to respond to all with approval or edits
 1. Please send comments back to everyone, to avoid duplicate effort
 2. At least five approvals are necessary to create the final draft
 - iii. Jodie emails out again the proposed final version before next month's meeting
 - iv. At start of each meeting, motion and vote to accept those minutes
 - v. Published on the website in the section [Our Governance](#)
3. Meeting Timing and Schedule – see schedule on [Minutes page](#)
 - i. Meet the 1st Thursday of each month, by Zoom until further notice

- ii. 6:30 pm – 9:30 pm, aiming to use our time judiciously
- 4. Board Outreach Offering and BoT Meeting Chalice Lighting
 - i. Each Sunday's Outreach Offering is always introduced by a Board member
 - 1. We read from a short script
 - 2. Gives congregation a way to get familiar with who's on their Board
 - ii. Chalice lighting for monthly Board of Trustees meetings
 - 1. In past, one member provided the reading, Rev. Allison brings a closing
 - 2. Now, one person brings a story to tell about a person in our church's history!
 - iii. **ACTION: Everyone**, please sign yourselves up for both [Outreach](#) and [Chalice/Story](#)
- 5. Parking Lot
 - i. Our list at the bottom of the monthly Board agenda to track issues that we don't want to forget but that aren't the right size or time to tackle right now as a Board
- 6. Future of the Visioning, Monitoring, and Linkage Subcommittees
 - i. Couple years ago, these mini-teams were set up with 3 board members apiece
 - ii. Each met outside of BoT meetings based on members' schedules, to do any project the Board needed done in that area, and presented in BoT meetings every 3 months
 - iii. But we're not using them to their potential, not the same need: discontinue for now
- 7. Board bios for the website
 - i. See short blurbs published at <https://uunashua.org/about-us/our-elected-leaders/>
 - ii. These let congregation and public get to know us, our church involvement, and photo
 - iii. **ACTION: New members** and anyone else who wants to update, email these to clerk Jodie K. Holway by Sept 6, 2020
- 8. Building Our Vision (BoV) team members (see more info discussed below)
 - i. Usually included 3 members from the Board plus Rev. Allison
 - 1. Current liaisons are Lindsey Hedrick and Lindsey Sylvester
 - 2. Rick Spitz just left the Board but remains on the BoV team now
 - 3. They'd prefer to have another Board member to liaise and share the workload
 - ii. This is a team that courageously talks about the longer-term vision for our church
 - iii. We'll describe the work later in this retreat, so new members can consider joining
- 9. Nominating Committee needs two Board liaisons
 - i. Last year Lindsey Sylvester and Victoria Agnew served in this role
 - ii. This year's volunteers: Victoria Agnew remains, and Jodie K. Holway will join
- 10. Safe Congregations Response Team (SCRT)
 - i. See our [Safe Congregation Policy](#) for full explanation
 - ii. All Board of Trustees members must:
 - 1. Be background checked – Sherri will contact all new members
 - 2. Attend the Safe Congregations training yearly
 - a. Most of the materials to read and the quiz is online, will be sent out
 - b. This year the live part is via Zoom, will be Sept 27, 2020 at 11:30 am
 - iii. This team only meets when necessary
 - iv. Any matters that need to be discussed with the Board are brought to these meetings
 - 1. Usually private/delicate matters
 - 2. Will be discussed in an Executive Session of the Board, which means minutes of that piece of the monthly meeting are confidential and not published

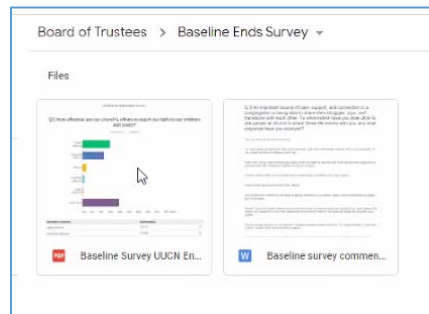
- v. This team is charged with deciding when/whether to return to the church building
 - 1. In the spring these COVID-related decisions were made by Staff alone
 - a. Heavy responsibility fell upon Sadie Kahn-Greene and Sherri Woolsey
 - b. Some informal input from President Carol Houde, VP Brenna Woods
 - 2. Now making these decisions owned more broadly by the SCRT
 - a. This lets the congregation know who to ask about this topic
 - b. Will be helpful during Rev. Allison’s upcoming parental leave
- 11. PLACE: Parental Leave Acting Co-Executive
 - i. During Rev. Allison’s upcoming parental leave, the PLACE co-executives are Sherri Woolsey and Sadie Kahn-Greene, who will made decisions in PLACE of Rev. Allison
 - ii. They will alternate in attending monthly Board meetings
 - iii. Both will attend the pre-meetings to plan the agenda with President and VP
- 12. Preschool Board liaison, in place of Rev. Allison
 - i. Victoria Agnew volunteers for this role
 - ii. The preschool has decided to open physically this fall, so it’s a tricky time for them
- 3. **Delegates for UUA’s Northern New England District (NNE) Meeting**, Lindsey Hedrick
 - 1. Last spring’s normal NNE meeting got cancelled, so our slate of delegates didn’t go
 - 2. Now rescheduled for September, so some of our old slate cannot make it
 - 3. Board approval is needed for the new slate of delegates:
 - i. Adriane George, Tom Harris, Vengerflutta Smith, Karen Murray, Elizabeth Lewis, Harry Purkhiser, and alternate delegate Allyson Jutras
 - 4. **MOTION** to approve this slate
MOVED by Jodie K. Holway, **SECONDED** by Victoria Agnew, **PASSED** unanimously
- 4. **Review of the Board Drive and Documents**, Lindsey Hedrick
 - 1. All documents for the UUCN Board of Trustees are in a Shared Drive on Google
 - i. Everyone currently on the Board should now have access to folder “Board of Trustees”



- 1. (Note the other Shared Drive shown above called “Board Open Share” was prepared for the consulting engagement Next Steps Weekend in early 2020)
 - ii. See all our current Policies plus a subfolder of prior versions in the “Policies” folder

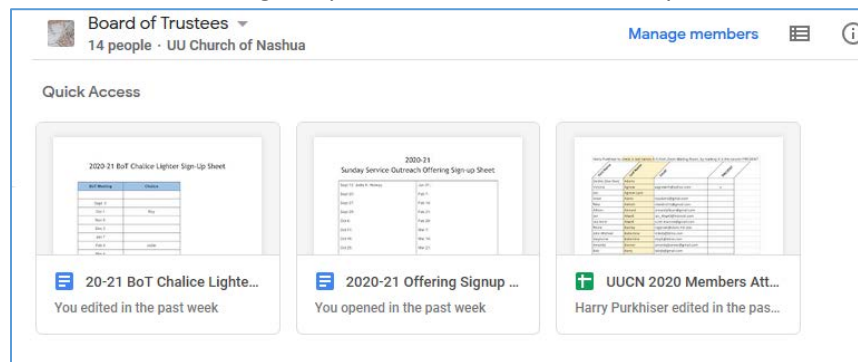


iii. See the baseline Ends Survey for which the results were just collected and tallied



iv. **ACTION:** Everyone please sign up here for Board responsibilities throughout the year:

1. Chalice Lighting for monthly Board meetings
2. Outreach Offering Recipient introduction for weekly services



5. **Building Our Vision (BOV) Team**, Lindsey Hedrick

1. Purpose of this team: to think about the distant future of the church, with a focus on the physical spaces – which are tightly linked to the mission and the work of the congregation
2. Unique collaboration between our Staff and our Board of Trustees
3. Long Range Planning Committee (LRPC) collected over 1,000 pieces of data from congregation
4. Then this BOV team held five topic-focused meetings with congregants in person last year, based on themes that were defined by summarizing all that data gathered by the LRPC
5. Result was a one-page Vision Statement
 - i. Based on all the above findings, created jointly by the BOV team and Board
 - ii. Presented to congregation at last June’s Annual Meeting (see at end of [Minutes](#))
 - iii. Plan to present it again during a Sunday service in October
6. Intend to call a Special Meeting of the congregation in November to accept this statement

- i. **MOTION** to call a Special Congregational Meeting to present this Vision Statement on November 15, 2020
 - MOVED** by Andy Capen, **SECONDED** by Cecile Bonvouloir, **PASSES** unanimously
 - 7. Current liaisons from Board of Trustees to BOV team: Lindsey Hedrick and Lindsey Sylvester
 - 8. To become a member of this BOV team, what commitment is requested?
 - i. Past meetings have been monthly, 2 hours each, rotating leader per meeting
 - ii. But moving into a new phase of work, we'll have to figure out the right frequency
 - 9. Renovating the building and our physical space is the end-goal
 - i. This was always hard for many people to think about, making changes big or small
 - 1. Now during the COVID shut-down when our community doesn't even see the building, it seems extra odd
 - 2. Perhaps now people are missing the buildings, have new or different feelings
 - ii. Regardless, this team works to make the physical space fit who we want to be
 - 1. Involves talking to architects, figuring out the ways it can be created
 - 2. Involves a Capital Campaign to raise funds in new ways
 - 3. There will be a lot of work for this this team to do and to lead!
6. **Story Telling**, Brenna Woods
- 1. What is story telling for our church community?
 - i. Oral history of our church and especially of its people
 - ii. Making the past come alive, make it real for today's listeners, and tomorrow's too
 - iii. Not a research paper, not a report – it's told from the heart and moves the heart
 - iv. Includes the good, the bad, and the ugly – how it makes you FEEL
 - 2. Traditionally our church is good at telling stories about the building(s)
 - i. And many stories about ministers - especially Don Rowley, somewhat Steve Edington
 - ii. But for example, who is Nathaniel Brooks, he's important to our history, but how?
 - iii. And for example, we should know more about John Sias, a current member who has had a big influence on the church but most people don't know enough about him
 - 3. Perhaps due our New England tendency to be restrained, to favor the "head" over "heart", to avoid discussing emotional topics, not to invite others into our problems or successes
 - 4. If we don't tell these stories, they're GONE
 - i. Opportunities to see the real people who contribute/contributed to our community
 - ii. Compare with the broken history we teach of the United States, based on the powerful white men who "made our country what it is today", omitting so many stories of the indigenous and others who contributed
 - iii. Children of our community won't know unless we tell them
7. **Practice with Story Telling**, All
- 1. Instructions:
 - i. Think of a person in our church for each of these five words:
 - 1. Kind-hearted
 - 2. Determined
 - 3. Encouraging
 - 4. Courageous

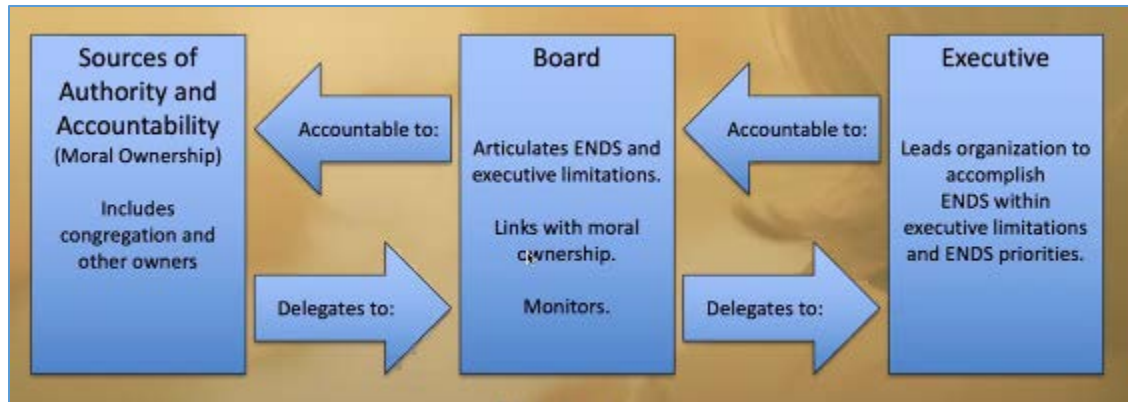
5. Funny
 - ii. Now choose one and tell us a story of how they touched you personally
2. Roy Goodman's story: fondly recalling John Sanders and Bruce Dye
 - i. Back when performing skits to inspire Stewardship was a big tradition
 - ii. John and Bruce put on tutus and hippo heads, and performed a song in front of the congregation to encourage donations
 - iii. Inspired Roy and Laurie Goodman to join the church partly due to this silliness
3. Burns Fisher's story: respectfully recalling Bliss Woodruff
 - i. He was the architect for our church, gruff and with strong feelings about the way things should be
 1. The sanctuary was painted a certain white, called OW8
 2. The chairs in the dining room are very orange
 - ii. When Burns moved to Nashua and needed an architect, Rev. Don Rowley recommended Bliss
 - iii. Bliss served Burns in the same strict way with high expectations and no B.S.!
 - iv. Burns always loved talking with Bliss, he's a great person to remember.
4. Cecile Bonvouloir's story about John Sias and his wife Marie – "Determined"
 - i. She served on the board of Big Brothers Big Sisters, before she knew about UUCN
 - ii. John brought donations from UUCN, and told BBBS about our church
 1. It bothered him that Unitarian Universalism might be misunderstood
 2. He didn't want people to think that not believing in a God meant that UUs lacked humanity or empathy
 3. He wanted everyone to understand what is Humanism
 - iii. A few years later she and Bud adopted twins, Cecile now stayed home
 - iv. Bud wanted to try out the UU church, Cecile didn't realize the connection to John
 - v. When they ran into him here, he was so thrilled:
 1. "Cecile! I finally convinced you to come and see our UU church!"
 2. This wasn't why, but it was a great story
 - vi. He wrote the book [100 Questions that Non-Members Ask about Unitarian Universalism](#)
 1. His purpose is for people to understand that not believing in a deity doesn't make you lacking in character
 2. Sales of this book contributed to UUCN's budget for years
5. Jodie K. Holway's story of Kathy Fletcher – "Determined"
 - i. Monthly lunches of a group of friends, jokingly calling themselves "The Church Ladies"
 1. Kathy, Kim Steele, Gillian Hinkle, and others
 - ii. Seeing injustice and racism in the country, especially after 2016 presidential election
 - iii. Asked Rev. Allison for support to harness the church's space or people to gather
 - iv. They did more than that: formed the large Black Lives Matter/Racial Justice group
 1. They invited teacher Ken Wagner to lead a [Racial Equity Workshop](#)
 2. Forty people from our congregation met WEEKLY (!) to dig into discrimination, structural racism, white privilege, identity, etc.
 - v. And soon, Kathy "pestered" Ken enough that he agreed for her to shadow him and then to lead her own sessions of the Racial Equity Workshop in nearby Chelmsford MA

- vi. Jodie is impressed and thankful (and only a bit jealous) of Kathy's determination
6. Andy Capen's story of Ben Atherton-Zeman – "Kind-hearted"
 - i. Andy's girlfriend Shelley was on crutches after some hip treatments last year
 - ii. Every Sunday service when Andy wasn't serving actively as the Worship Associate, he sat with Shelley and brought her a plate of refreshments during our Fellowship Hour
 - iii. Ben got to know the couple during those months
 - iv. Then Ben quietly started bringing her a plate of goodies while Andy was chatting
 - v. This was so touching and kind-hearted of Ben, both of them are grateful
7. Remaining Board members present their stories on Sunday
8. Victoria Agnew's story of Carol Houde – "Encouraging"
 - i. Victoria has a mortal aversion to public speaking, including in this Board group of 10
 - ii. Carol Houde, our UUCN Board president last year, knew of this fear
 - iii. Carol checked in with Victoria after every meeting, just found kind ways to talk with her and give encouragement for the points she'd made and opinions she'd expressed
 - iv. This made all the difference for Victoria as a new Board member
9. Brenna's story about Cindy Hudson – "Kind-hearted"
 - i. Brenna didn't know almost anything about her family, grandparents, ancestors
 - ii. She was unhappily resigned to this after her father passed away
 - iii. Brenna had a document with names from her family, not much as a remembrance
 - iv. Cindy mentioned that she knew something about genealogy research
 1. This is because her sister is a wizard in this area
 2. Cindy asked Brenna to send her this one document
 - v. Within a couple of weeks, Cindy presented Brenna with an incredible family album
 1. It had information about NINE generations of Brenna's family
 2. It had a tab for each of them, with photos and news articles and books
 - vi. What a moving, emotional, thoughtful, kind-hearted gift to give!
10. Rev. Allison's story about Brenna Woods – "Encouraging"
 - i. While Allison was candidating to become the minister here at UUCN
 - ii. Quite nerve-racking and freaky to be interviewed and evaluated by 20 people at once
 - iii. Saturday evening she's trying to relax at her nearby hotel before preaching and the vote on Sunday morning
 - iv. A little note from Brenna was waiting for her, saying simply "You're awesome!"
 - v. This small but incredible gesture was so welcome at that anxious moment
11. Lindsey Hedrick's convivial story about Don LaSalle
 - i. When Lindsey was considering becoming UUCN's Treasurer, she reached out to Don who had been our treasurer decades before
 - ii. They tried to arrange a time to get together, he proposed a few weekday mornings
 - iii. She works and needed an evening or weekend timeslot instead
 - iv. He found this endlessly hilarious, as a retired person himself
 - v. He helped Lindsey a lot, she developed a strong relationship with Don and his wife
 - vi. At least once a visit, and for years after, he'd tell the story about how he invited her to meet during the work-week, and he'd laugh and chuckle over it all over again
12. Lindsey Sylvester's story about Kathy Grossman – "Encouraging" and also "Determined"
 - i. Before Lindsey had become a member of this church, she was a Friend

- ii. Kathy encouraged her to join the UUCN Brass Band that she was assembling
 - iii. Lindsey agreed but then had lots of second thoughts
 - iv. Went to Kathy and confessed that she didn't think she could do it
 - v. Kathy considered this and quietly decided that Lindsey indeed could do it
 - vi. It turned out that Lindsey could indeed do it, and did!
13. Ben Atherton-Zeman's story about the ever-positive Sherri Woolsey
- i. Sherri has been a marvelous colleague, and a semi-officemate with a connecting door
 - ii. Whenever Ben asks how she's doing, he gets one of three responses:
 - iii. When Sherri is doing great, which is most of the time, she answers "Great!"
 - iv. When Sherri is doing fine, which is most of the rest of the time, she says "Fine!"
 - v. But occasionally when momentarily frustrated, the answer is simply "Grrrrrowlllll!"

8. Afternoon Session:

- 1. Discussion led by [consultant Laura Park](#) about Policy Governance (Appendix B)



9. Sunday Session:

- 1. Discussion led by [consultant Mark Ewert](#) about endowments (Appendix C)

LONG TERM STEWARDSHIP

The phrase, *Long Term Stewardship (LTS)* program is used because the organization must use an extremely long term vision, and embed the program so it is enduring and consistent for a very long time. Members are also considering their stewardship of the congregation, and financial planning, in the long term.

It is much more than just
An endowment and
planned giving program.

Appendix A: Full Agenda

Appendix B: Presentation from Laura Park of Unity Consulting

Appendix C: Presentation from Mark Ewert of Stewardship For Us



Principle #1
Validate their Trusteeship

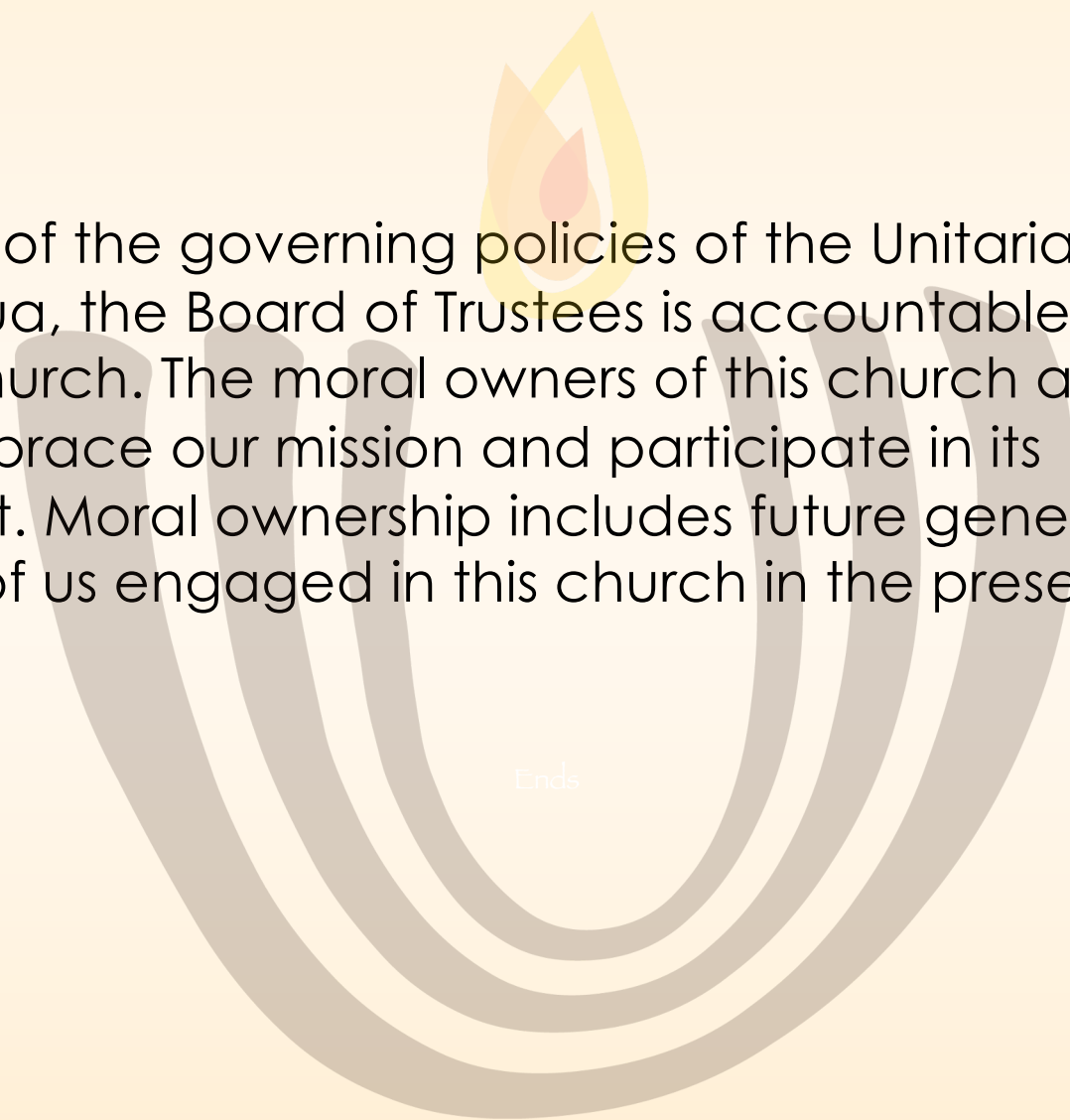
“The primary relationship the board must establish, maintain, clarify, and protect is its relationship with its moral ownership, keeping in contact with them, and hearing their voices.”

--John Carver

Moral Ownership: the Board's sources of accountability and authority.

Linkage: systematically and intentionally keeping in contact with the Board's moral ownership.

UU Nashua Moral Ownership



In consideration of the governing policies of the Unitarian-Universalist Church of Nashua, the Board of Trustees is accountable to the moral owners of the church. The moral owners of this church are all those people who embrace our mission and participate in its accomplishment. Moral ownership includes future generations who will succeed those of us engaged in this church in the present.

Moral Ownership in Policy

II. Governing Process

According to the by-laws of the Unitarian Universalist Church of Nashua, N.H., the ultimate authority for all matters pertaining to the operations of the Church rests with the Congregation. The Board of Trustees, acting on behalf of the Congregation, sets Church policies, and monitors the execution of those policies.

Policy A Board of Trustees' Job Description

Summary: The Board acts on behalf of the moral owners of the Unitarian Universalist Church of Nashua

- to determine the Church's mission and ends;
- to facilitate the achievement of its mission and ends though the creation and continual reassessment of governing policies; and
- to assess the success of the achievement of its mission and ends.

Principle #2 Speak with One Voice



The Board speaks
with one voice
or not at all.

Four types:

1. Ends policies
2. Executive Limitation policies
3. Governance Process policies
4. Board-Executive Relationship policies

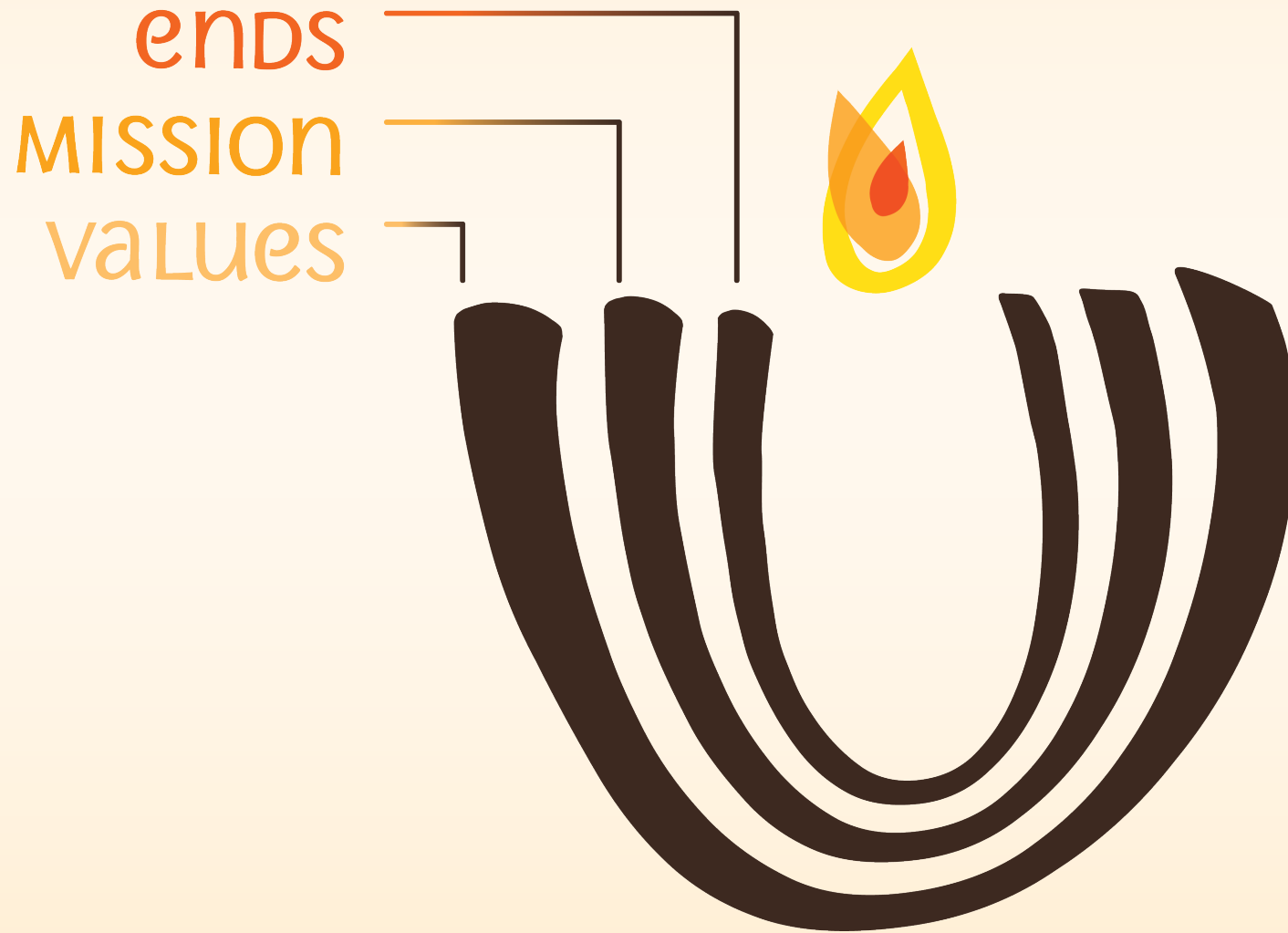
Principle #4
Distinguish ENDS from MEANS



3 ENDS questions:

1. What difference are we here to make?
2. For which people?
3. At what cost or priority?

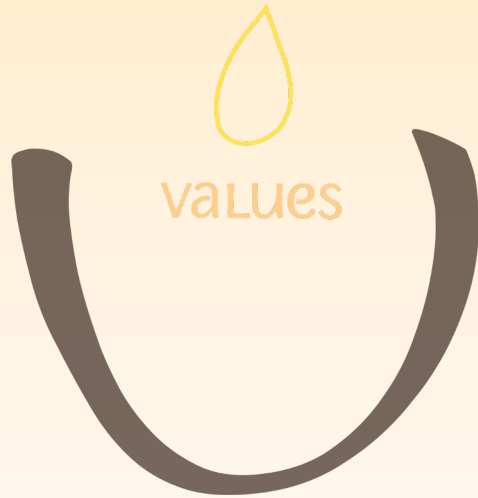
THE NESTED BOWLS





values

vaLUes What transcendent, timeless qualities of our religious community will we embody in all we do?



UU Nashua

Wonder
Authentic connection
Courageous community
Love in action



MISSION What is our transcendent purpose—what overarching difference are we here to make and for whom? Whose lives will we change and in what way?

values What transcendent, timeless qualities of our religious community will we embody in all we do?



UU Nashua

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

Ends



ends What more specific, measurable differences will we make and for whom?

values What transcendent, timeless qualities of our religious community will we embody in all we do?

MISSION What is our transcendent purpose—what overarching difference are we here to make and for whom? Whose lives will we change and in what way?



Organizing Structure

Consider differences:

- Within the people of the congregation
- Among the people of the congregation
- Beyond the congregation, out in the world



UU Nashua

We create brave space for all ages where we:

- Know our authentic Unitarian Universalist faith identity, teach it to our children, share it with others, and live it in the world.
- Develop meaningful spiritual practices that connect us to wonder.
- Ask for and receive care, support, and connection in times of struggle, joy, and transition.
- Grow leaders who serve the needs of our congregation and our community with faith, resilience, and courage.
- Steward our congregational community with our time, talent, and money.
- Participate actively in our larger Unitarian Universalist community.
- Understand systems of oppression and privilege and work to dismantle them within ourselves, our congregation, our community, and the larger world.
- Work in deep partnership to advance justice and heal our community and our world.



SOURCES OF AUTHORITY AND ACCOUNTABILITY

THE FLAME THAT LIGHTS THE BOWLS

Whose are we? How can we get and stay in touch with our sources of authority and accountability, including, but not limited to, our members?

VALUES What transcendent, timeless qualities of our religious community will we embody in all we do?

MISSION What is our transcendent purpose—what overarching difference are we here to make and for whom? Whose lives will we change and in what way?

ENDS What more specific, measurable differences will we make and for whom?

Principle #5
Delegate exclusively to the Executive Leader

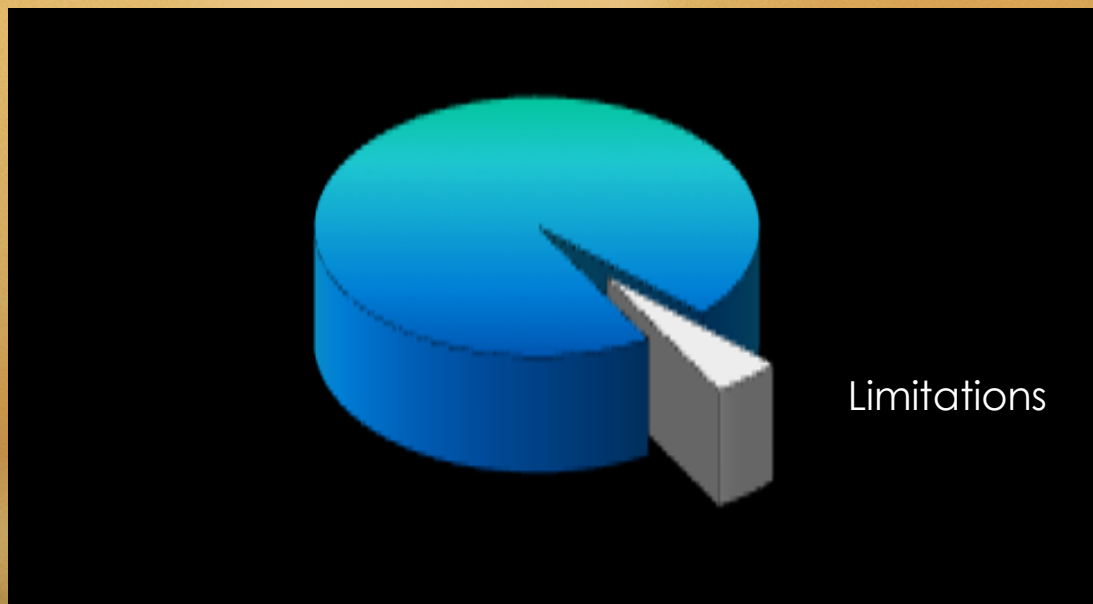


Board- Executive Director Relationship Policies

Four Board policy types:

1. Ends policies
2. Executive Limitation policies
3. Governance Process policies
4. Board-Executive Relationship policies

Principle #6
Control MEANS through Executive Limitations



The Board's best control over operational MEANS is limitation, not prescription.

Principle #7 Develop Policies as Nested Sets

Policy A

The Executive Director shall not cause or allow any practice, activity, decision, or organizational circumstance that is imprudent, unlawful, in violation of commonly accepted business and professional ethics, in violation of the Church By-Laws, or which does not serve the Church's mission.

Policy C Treatment of Church Staff and Volunteers

With respect to treatment of staff and volunteers, the Executive Director may not cause or allow conditions that are unsafe, inhumane, unfair, or unprofessional. Accordingly, the Executive Director may not:

Principle #7 Develop Policies as Nested Sets

Accordingly the Executive Director may not:

1. Discriminate (as defined by city, state, and federal laws) among existing or potential staff or volunteers on other than clearly job-related criteria, individual performance, or individual qualifications.
2. Operate without written personnel policies that clarify procedures for staff.
3. Withhold from staff a due-process internal grievance procedure.
4. Prevent staff from grieving to the Church President when internal grievance procedures have been exhausted and 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 human rights.
5. Allow the Church's at-will employment policies to be jeopardized (see Policy D-3-ii).

Principle #7 Develop Policies as Nested Sets

Policy A

The Executive Director shall not cause or allow any practice, activity, decision, or organizational circumstance that is imprudent, unlawful, in violation of commonly accepted business and professional ethics, in violation of the Church By-Laws, or which does not serve the Church's mission.

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. Accordingly, the Executive Director:

Develop Policies as Nested Sets

Accordingly, the Executive Director:

1. Shall not 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. Shall not shift, adjust, or reassign any budget lines or categories to other purposes exceeding \$2,000 for a single purpose without notifying the Board;
3. Shall not operate without written policies guiding the prudent investment of Church operating reserve funds as described in Policy E-3 & 4 above.
4. Shall not operate without adequate accounting controls and procedures that are maintained and documented;
5. Shall not allow annual operating expenses to exceed 105% of the budget without the agreement of the Board;
6. Shall not 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. Shall not 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;
8. Shall not assume any long-term indebtedness without Board approval;
9. Shall not undertake transactions exceeding \$10,000 without seeking multiple bids or cost comparisons;
10. Shall not enter into any purchase or service contract exceeding \$25,000 without prior Board approval;
11. Shall not acquire, encumber, or dispose of real property without prior Board approval;
12. Shall not spend or borrow Endowment funds without prior Board approval; or
13. Shall not plan for annual Endowment outlays of more than the "prudent withdrawal amount" percentage, as determined by the Board, of the Endowment fund balance.
14. Shall not permit expenditures from the Building Maintenance Fund without approval by the Board of Trustees in accordance with the need for expediency as listed below. Recognizing that various degrees of urgency may accompany a request to use reserve maintenance funds, the following criteria shall be used to determine the sequence to be implemented.
 - i. A Routine request will be acted upon during the Board's next regularly scheduled meeting.
 - ii. Upon receiving an Urgent request, one that requires a timely response, the Board shall make every attempt to act on that response within 24-48 hours.
 - iii. A Catastrophic request, one that requires an immediate, concerted response to prevent additional grave problems from developing, will require approval by at least two of the following three: the President, the Executive Director, or the Treasurer. A report of this request and any expenditures approved in this manner shall be sent to the Board within 24 hours of its receipt.

Four Principles:

1. Formulate policy by determining the broadest values before progressing to the more detailed level.
2. Ensure that the large policy contains all smaller related policies in a logical containment that omits nothing.
3. Deal with smaller issues only after you establish the broader policy.
4. Where the board's voice stops, the executive's begins

Principle #8

Monitor Executive performance effectively



3 Qualities. Evaluate Executive performance:

1. Against the Executive Leader's approved interpretation of the Board's policy words.
2. On how effectively the Executive Leader accomplishes the ENDS while staying within the Executive Limitations.
3. Using data. 3 types:
 1. Internal report
 2. External report
 3. Direct inspection

Boards commit to be responsible for:

- The work of the board.
 - High integrity linkage with the owners
 - Written governing policies
 - Assurance of organizational performance (monitoring)
- Orienting and developing board members.
- Ensuring the integrity of the board's process and the assurance that board policy is not being violated.

Four Board policy types:

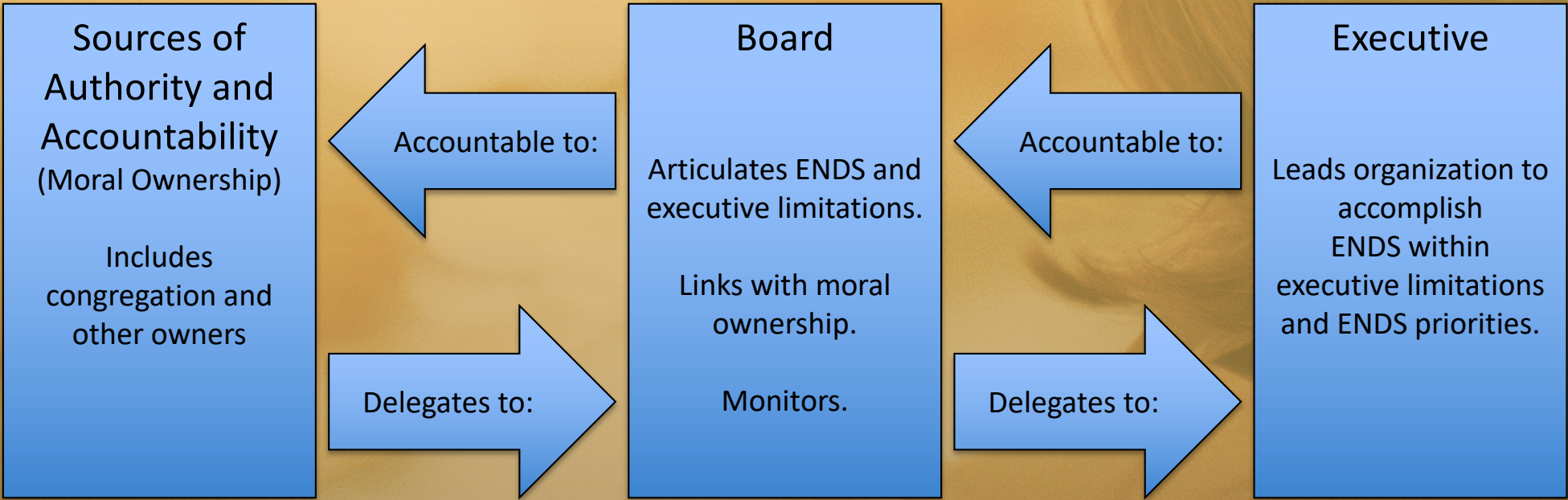
1. Ends policies
2. Executive Limitation policies
3. Governance Process policies
4. Board-Executive Relationship policies

Board Commitments in Policy Governance

In policy-based governance, Boards:

1. Validate their trusteeship through their linkage with their sources of authority and accountability.
2. Speak as a Board with one voice or not at all.
3. Govern through policy.
4. Delegate exclusively to the Executive Leader.
5. Distinguish Ends from Means.
6. Control Means through Executive Limitations.
7. Develop policies as nested sets.
8. Monitor Executive performance effectively.
9. Commit to Board discipline.

The Policy-Based Governance System



ENDOWMENT BASICS

UU Church of Nashua, NH

August 2020



MARK

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Stewardship FOR US

Building Cultures of Generosity and Commitment

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OPENING QUOTES



Legacy is not what's left tomorrow when you're gone. It's what you give, create, impact, and contribute today while you're here, that then happens to live on.

- Rasheed Ogunlaru

A man has made at least a start on discovering the meaning of human life when he plants shade trees under which he knows full well he will never sit.

- D. Elton Trueblood

LONG TERM STEWARDSHIP



The phrase, ***Long Term Stewardship (LTS)*** program is used because the organization must use an extremely long term vision, and embed the program so it is enduring and consistent for a very long time. Members are also considering their stewardship of the congregation, and financial planning, in the long term.

It is much more than just
An endowment and
planned giving program.



KATHERINE'S STORY



- Age 45 – Names the congregation in her estate plans, kids out of RE
- Age 60 – Empty nester, fills out a Gift Intention form
- Age 75 – Stops coming regularly
- Age 80 – Seldom makes it to congregation
- Age 85 – Last visit to congregation
- Age 95 – Passes away, memorial event, plaque in memorial garden, gift is “realized”
- 75 years later – gift is still part of endowment, Katherine’s intent still needs to be honored



ENDOWMENT GIFTS



- **The LAST gift a person gives in this lifetime**
- **Often the largest gift of their lifetime**
- This is an extremely important place, community, to your members
- They may be most fully remembered here
 - More than at their workplace
 - More than in their family
- You have the chance to thank them and celebrate them while they can participate

ENDOWMENT DEFINITIONS



Different People may have Different Definitions

- **Donor:** Spend only income, not principal
- **Accountant:** “A permanently restricted fund”
- **Lawyer:** “An institutional fund not wholly expendable on current purposes under terms of the gift”
- How would your **Members/Donors** define it?
- How would your **Board Members** define it?
- How do **Board Documents** define it?



ENDOWMENT DEFINITIONS

- **Endowment:** money set aside for long-term uses
- **True Endowments:** permanently set aside
- **Quasi-Endowments:** restricted by board resolution that can be changed, so may not prove to be permanent
- **Term Endowment:** set aside for a specific period
- **Pooled Endowment:** many people chip into a specific fund for a specific long-term purpose

Note: These definitions come from the Financial Accounting Standards Board (FASB)

ENDOWMENT MISCONCEPTIONS



- People refer to “The Endowment” as one fund -
 - Often it is a series of funds with different purposes and rules
- Unless it is a separate nonprofit –
 - An endowment is the congregation’s, under the fiduciary of the Board
- Congregations shape their own endowment –
 - Not an ad hoc creation of the donors
- Endowments can have many purposes as a funding source,
 - Not a walled-in “rainy day” fund

PURPOSES OF LTS FUNDS



- Help maintain physical plant with unusual costs
- Ensure congregational services not reduced in economic downturn
- Expand congregation's reach and capacity
- Support new or add depth to congregational programs
- Pool of money for educating Boards and staff
- Deal with a financial emergency
- Tool in capital campaign
- Internal grants for developing projects outside of budget
- External grants to justice/community service partners



ENDOWMENT GROWTH

- Endowments Grow
 - From new gifts
- Almost always invested conservatively – low risk
 - Not resources you want to lose
 - So stock market earnings are not a path to real growth
- Consistent, regular communication with potential donors
 - You want to be there when people are making plans
- Honoring of people who have made a gift intent, and when gifts are “realized”
 - Legacy Society, gatherings, plaques, history, memorial garden

RESTRICTED VS UNRESTRICTED



Restricted Gift: wherever held (endowment, special fund, segregated in budget, etc.), it may not be spent except as specified by donor

Unrestricted Gift: to be used for mission purposes, but purpose not restricted by donor

Donor Intent: a malleable concept. Intent may be easy to define in the context of the immediate here and now; it is more difficult to interpret several years down the road when the parties to the transaction have changed their ideas, are deceased or unavailable, and the charitable environment has changed

RESTRICTED VS UNRESTRICTED



- Donors like to target or create a specific purpose for their gifts
- We need to navigate the tension between what the donor wants (or wants to control) and what is best for the congregation in the long run
- Some restrictions become unmanageable, unfitting, and not useful in a future era
- Some gifts are too modest to warrant a segregated account
- Some restricted gifts create too much income for the proscribed purpose
- When trust in leadership (people, management, or systems) is low, there may be a greater desire for gift restrictions

ENDOWMENT AMBIVALENCE



What helps larger endowments not adversely affect pledge stewardship?

- Larger endowments can cast a cold shadow over the annual pledge drive
- Clear purposes for the endowment that are distinct from the operating budget. Uses that have an impact
- Endowment investment strategy that creates change (justice) through using the levers of finance
- Leaders determine the scale of the endowment based on needs and ambitions

SCALE OF ENDOWMENT



What is the Appropriate Scale for the UUCN Endowment?

- Factors:
 - Size of Membership
 - Size of Annual Budget
 - Maintenance Needs of Building & Grounds
 - Goals of Congregation
- A too small endowment is not a useful tool, and may create financial risk
- A too large endowment can challenge our UU values, and cast a cold shadow over annual giving and other stewardship
 - Unless there is a clear purpose and use for the endowment, which is distinct from other resources



UUCN: ToDos

- Create a purpose statement for the endowment
 - Can have more than one fund and purpose
 - Bicentennial Fund: 200th Anniversary, in 2026
 - Not operating budget, “future-oriented projects”
- Clear up areas that are cloudy
 - Relationship of Cemetery to Congregation
 - Fiduciary – for leaders and congregation RE: the endowment committee
 - The Bylaws are clear, the Policies are confusing



UUCN: ToDos

- Review and Revise the Investment Policies
 - “All decisions and activities will be guided by the UU Seven Principles”
 - What about Socially Responsible Investments?
 - What about the investment company?
- Create a Gift Acceptance Policy
- Form, educate, and launch a Planned Giving Committee
 - Solid, enduring program
- Planned Giving Procedures (Admin)

CLOSING



Thanks!

The Unitarian Universalist Church of Nashua, NH



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