

APPROVED BOARD POLICIES
(as of December 6, 2014)

ENDS

Mission (Global End)

NTUUC proclaims and promotes our covenant of liberal religion by empowering its member congregations through education, collaboration and funding.

ENDS Statements:

- Member congregations are covenanted, accountable, healthy, and mission driven.
- Member congregations are better able to achieve their missions and to spread awareness of Unitarian Universalist ideals and principles through their participation in networks with Unitarian Universalist congregations and the greater community.
- Member congregations are intentionally inclusive, multigenerational and multicultural, so that there is harmony between all religions, races and sexes.
- Member congregations engage in partnerships within, among and without the NTUUC cluster to counter systems of power, privilege and oppression.
- Member congregations have and use Unitarian Universalist Association resources to deepen the spiritual and religious exploration by people in their communities, to enhance the ministry of their members and to improve their operations.
- There is an increase in the number of people served by NTUUC member congregations.
- There is an increase in the number of Unitarian Universalist congregations.
- There is an increase in the number of inspired ordained and lay religious leaders equipped to effectively start and sustain new Unitarian Universalist congregations.
- There is an increase in the number of trained leaders in our member congregations.
- There is an increase in the number of youth events and adult/youth interaction in our member congregations and the wider community.
- Member congregations are healthy, vital, collaborative partners invested in the future of Unitarian Universalism, its principles and theologies.

EXECUTIVE LIMITATIONS

Global Executive Constraint

The Executive Director (ED) shall not cause or allow any decision, action, condition or organization circumstances that is illegal, imprudent, in violation of commonly accepted business and professional ethics.

Treatment of Member Congregations, Board Members, Volunteers, Partner Organizations

With respect to interactions with member congregations, board members, other UU organizations, non-UU organizations, volunteers and partner organizations of NTUUC (hereinafter referred to as "constituents") the ED shall not allow conditions, procedures or decisions that are unsafe, undignified, unnecessarily intrusive, or that fail to provide appropriate confidentiality and privacy.

Treatment of Staff

With respect to the treatment of paid and volunteer staff, the ED may not cause or allow conditions that are unfair, unsafe, unprofessional or undignified.

Accordingly, he or she shall not:

- 1) Operate without written job descriptions that clarify tasks and rules for staff, provide for effective handling of grievances, and protect against wrongful conditions such as nepotism and grossly preferential treatment for personal reasons
- 2) Discriminate against any staff member.
- 3) Fail to apply the standards of NTUUC's mission, values, and ends to interactions with staff.

Financial Planning and Budgeting

Financial planning for any fiscal year or the remaining part of any fiscal year shall not deviate materially from the NTUUC Board's priorities, risk fiscal jeopardy, or fail to be derived from a documented multi-year staffing and financial plan.

Financial planning for each fiscal year shall be prepared by the Finance Committee including the Executive Director and submitted to the Executive Committee for approval. The Executive Committee will then submit to the NTUUC Board for final approval.

Accordingly, the Executive Director shall not allow an operating budget that:

- 1) Contains too little information to enable credible projection of revenues and expenses, separation of capital and operational items, cash flow, and disclosure of planning assumptions.
- 2) Plans the expenditure in any fiscal year of more funds than are conservatively projected to be received in that period.
- 3) Fails to maintain a cash reserve (Operating Reserve) equal to the operating expenses required to cover two weeks of operation.
- 4) The Executive Director with approval of the Finance Committee shall be able to increase an adopted budget line item if another line item is reduced by a corresponding amount. The exception to this will be the Executive Director's Expenses and the President's Expenses line items. These can only be changed by the Executive Committee.

Financial Conditions and Activities

With respect to the 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 expenditure from NTUUC Board priorities established in Ends Policies.

Accordingly, the Executive Director shall not:

- 1) Indebt NTUUC nor enter into a contract that could indebt NTUUC in an amount greater than 5% of the then current year's budget in any single transaction, nor greater than 10% of the then current year's budget in the aggregate without approval of the NTUUC Board.
- 2) Use any long-term reserve without approval of the NTUUC Board.
- 3) Conduct interfund shifting in amounts that deviate materially from the NTUUC Board's Ends priorities.
- 4) Fail to settle payroll and debts in a timely manner.
- 5) Allow tax payments or other government-ordered payments or filings to be overdue or inaccurately filed.
- 6) Acquire, encumber, or dispose of real property without approval of the NTUUC Board.
- 7) Fail to appropriately pursue unpaid pledges after a reasonable amount of time.
- 8) Fail to aggressively pursue unpaid non-pledge receivables after a reasonable amount of time.

- 9) Authorize a line of credit without the approval of the NTUUC Board.
- 10) Fail to inform the NTUUC Board before any decision is made to use unexpected and undesignated income over the amount of \$1000.

Endowment and Memorial Gift Fund Executive Limitations

The Executive Director shall not:

- 1) fail to direct all gifts, either monetary or real property, to the Endowment Committee for inclusion in the Endowment Fund; after which, the Endowment Committee shall become responsible for these gifts and shall be the sole manager of these items.
- 2) fail to ensure that gifts that are given for a specific item in the NTUUC budget are used by the Executive Director only as designated by the donor. The Executive Director acting with the Executive Committee shall determine if these gifts are appropriate in context with the NTUUC's Board priorities, and reflect the mission of NTUUC.

Emergency ED Succession

In order to protect NTUUC and Board from incapacity of the ED or sudden loss of ED services, the ED must not fail to designate at least one other executive (e.g., Finance Chair or Endowment Chair) familiar with Board and ED issues and processes.

Asset Protection

[This section is reserved until such time as NTUUC obtains real property.]

Compensation and Benefits

With respect to employment, compensation, and benefits to employees, consultants, contract workers, and volunteers, the ED shall not cause or allow jeopardy to fiscal integrity or public image.

Accordingly, he or she may not:

- 1) Change his or her own compensation and benefits.
- 2) Promise or imply permanent or guaranteed employment.
- 3) Establish current compensation and benefits that deviate materially from the geographic or professional market for the skills employed.
- 4) Establish or change pension benefits so as to cause unpredictable or inequitable situations, including those that:
 - a. incur unfounded liabilities;

- b. provide less than some basic level of benefits to all full-time employees, though differential benefits to encourage longevity are not prohibited; or
- c. allow any employee to lose benefits already accrued from any foregoing plan.

Communications and Support to the Board

The ED shall not permit the Board to be uninformed or unsupported in its work.

Accordingly, she or he shall not:

- 1) Neglect to submit monitoring information required by the Board in a timely, accurate, and understandable fashion, directly addressing provisions of Board policies being monitored.
- 2) Let the Board be unaware of relevant trends, anticipated adverse media coverage, material external and internal changes, particularly changes in the assumptions upon which any Board policy has previously been established.
- 3) Fail to advise the Board if, in the ED's opinion, the Board is not in compliance with its own policies on Governance Process and Board-CEO linkage, particularly in the case of Board behavior that is detrimental to the working relationship between the Board and the ED.
- 4) Fail to marshal for the Board as many staff and external points of view, issues, and options as needed for fully informed Board choices.
- 5) Fail to provide a mechanism for official Board, officer or committee communications.
- 6) Fail to report in a timely manner an actual or anticipated non-compliance with any policy of the Board.

Ends Focus of Grants or Contracts

The ED may not enter into any grant or contract arrangements on behalf of NTUUC that fail to emphasize primarily the production of Ends and, secondarily, the avoidance of unacceptable means.

Accordingly, the ED shall not:

- 1) Allow grant funds to be used in imprudent, unlawful, or unethical ways.
- 2) Fail to assess and consider a committee's capability to produce targeted and efficient results.

GOVERNANCE PROCESS

Global Governance Commitment

The Board of Directors (the “Board”) of the North Texas Unitarian Universalist Congregations (“NTUUC”) will act on behalf of the NTUUC membership to promote the accomplishment of NTUUC’s mission and prevent unacceptable activities and conditions associated with NTUUC.

Governing Style

The Board will govern with an emphasis on (1) outward vision rather than internal preoccupation, (2) encouragement of diversity in viewpoints, (3) strategic leadership more than administrative detail, (4) clear distinction of Board and executive director roles, (5) collective rather than individual decisions, (6) future rather than past or present, and (7) proactivity rather than reactivity.

Accordingly:

1. The Board will cultivate a sense of group responsibility. The Board, not the staff, will be responsible for excellence in governing. The Board will be the initiator of policy, not merely a reactor to staff initiatives. The Board will use the expertise of individual members to enhance the ability of the Board as a body rather than to substitute individual judgments for the Board’s values. The Board will allow no officer, individual, or committee of the Board to hinder or be an excuse for not fulfilling Board commitments.
2. The Board will direct, control, and inspire the organization through the careful establishment of broad written policies reflecting the Board’s values and perspectives about ends to be achieved and means to be avoided. The Board’s major policy focus will be on the intended long-term effects outside the organization, not on the administrative or programmatic means of attaining those effects.
3. The Board will enforce upon itself whatever discipline is needed to govern with excellence. Discipline will apply to matters such as attendance, preparation, policy-making principles, respect of roles, and ensuring continuance of governance capability. Continual Board development will include orientation of new Board members in the Board’s governance process and periodic Board discussion of process improvement.
4. The Board will monitor and discuss the Board’s process and performance at each meeting. Self-monitoring will include comparison of Board activity and discipline to policies in the Governance Process and Board-ED Linkage categories.

Board Job Description

The job of the Board is to represent the North Texas Unitarian Universalist Congregations in determining and demanding appropriate organization performance.

Accordingly:

1. The Board is the link between the organization's administration (ED and staff) and the membership.
2. The Board will produce written governing policies that, at the broadest levels, address each category of organization decision.
 - a. Ends: Organizational products, effects, benefits, outcomes, recipients, and their relative worth (what good for which recipients at what cost).
 - b. Executive Limitations: Constraints on executive authority that establish the prudence and ethics boundaries within which all executive activity and decisions must take place.
 - c. Governance Process: Specification of how the Board conceives, carries out, and monitors its own task.
 - d. Board-ED Linkage: How power is delegated and its proper use monitored; the ED role, authority and accountability.
3. The Board will assure ED performance against policies in 2(a) and 2(b).

Agenda Planning

1. Board meetings. As stipulated in the By-Laws, the Board shall conduct regular meetings as it deems necessary. Occasionally, non-regular or emergency meetings may be called to address topics requiring immediate attention due to time constraints or other unforeseen circumstances. These emergency meetings would address issues which, if not resolved before the next scheduled Board meeting, could adversely affect NTUUC. Whenever possible, the Board will endeavor to meet to make emergency decisions. If the Board is unable to convene a quorum, a meeting may be rescheduled by the President to a time not to exceed two weeks thereafter; successive meetings are to be scheduled pursuant to NTUUC By-Laws, Article XI.B.
2. Annual Retreat/Establishing Priorities. The Board shall act as a group in establishing the priorities for each Board year. The priorities for each year shall be determined at an annual retreat to be held each year. Prior to the annual retreat, the incoming President shall consult with the outgoing President and, if necessary, other Board members regarding outstanding priorities and other business of the Board that should carry over to the next year. The President may also visit with Board members, committee chairs and the staff of NTUUC (through the ED) as he or she sees fit to determine what issues might need to be addressed by the Board in the upcoming year. The President shall direct the planning of the annual retreat, including proposing areas for discussion and consideration

by the Board; in planning the retreat, the President may call upon other members of the Board for assistance.

3. Setting the Agenda for Meetings. The agenda for all Board meetings should reflect the priorities established by the Board, along with other business being presented to the Board. As such, the President may meet with the Executive Committee between Board meetings in order to, in part, identify agenda items. The President then shall, consistent with the Board priorities, facilitate setting the agenda for each meeting and shall publish the proposed agenda in advance of each meeting for Board review and comment.
4. Secretary's Duties. The Secretary shall maintain a record of (a) the priorities determined by the Board at the annual retreat, (b) the agenda for each meeting, and (c) the Minutes of each Board meeting.

Chairperson's Role

As per the By-laws, the President of NTUUC serves as the Chairperson of the Board and Chief Executive Officer. The Chairperson assures the integrity of the Board's process and, secondarily, occasionally represents the Board to outside parties.

Accordingly:

1. The job result of the Chairperson is that the Board behaves consistently with its own rules and those legitimately imposed upon it from outside the organization.
 - a. Meeting discussion content will be only those issues which, according to Board policy, clearly belong to the Board to decide, not the ED.
 - b. Deliberation will be fair, open and thorough but also timely, orderly, and kept to the point.
2. The authority of the Chairperson consists in making decisions that fall within topics covered by Board policies on Governance Process and Board-ED Linkage, except where the Board specifically delegates portions of this authority to others. The Chairperson is authorized to use any reasonable interpretation of the provisions in these policies.
 - a. The Chairperson is empowered to chair Board meetings, with all the commonly accepted power of this position (for example, ruling, recognizing).
 - b. The Chairperson may represent the Board to outside parties in announcing Board-stated positions and in stating chair decisions and interpretations within the area delegated to her or him.
 - c. The Chairperson may delegate this authority but remains accountable for its use.

Board Members' Code of Conduct

The Board commits itself and its members to ethical, businesslike and lawful conduct, including proper use of authority and appropriate decorum when acting as Board members.

Accordingly:

1. Members must avoid conflict of interest with respect to their fiduciary responsibility.
 - a. There must be no self-dealing or any conduct of private business or personal services between any Board member and NTUUC administration (ED and staff) except procedurally controlled to assure openness, competitive opportunity, and equal access to inside information.
 - b. When the Board is to decide upon an issue about which a member has an unavoidable conflict of interest, that member shall absent herself or himself without comment from not only the vote but also from the deliberation, which may include leaving the meeting.
 - c. Board members must not use their positions to obtain NTUUC employment for themselves, family members, or close associates. Should a member desire employment, he or she must first resign from the Board.
2. Board members may not attempt to exercise individual authority over the organization except as explicitly set forth in Board policies.
 - a. Members' interaction with the ED or with staff must recognize the lack of authority vested in individuals except when explicitly Board-authorized.
 - b. Members' interactions with public, press, or other entities must recognize the same limitation and the inability of any Board member to speak for the Board except to repeat explicitly stated Board decisions.
 - c. Members will give no consequence or voice to individual judgments of ED or staff performance.
3. Members will respect the confidentiality appropriate to issues of a sensitive nature.

Board Standing Committee Principles

Board standing committees, when used, will be assigned so as to reinforce the wholeness of the Board's job and so as never to interfere with delegation from Board to ED.

Accordingly:

1. Board committees are to help the Board do its job, never to help or advise the staff. Committees ordinarily will assist the Board by preparing policy alternatives and implications for Board deliberation. In keeping with the Board's broader focus, Board committees will normally not have dealings with current staff operations.
2. Board committees may not speak or act for the Board except when formally given such authority by Board action or controlling documents of NTUUC for specific and time-limited purposes. Expectations and authority will be carefully stated in order not to conflict with authority delegated to the ED.

3. Board committees cannot exercise authority over staff. Because the ED works for the full Board, he or she will not be required to obtain approval of a Board committee before an executive action.
4. Board committees are to avoid over-identification with organizational parts rather than the whole. Therefore a Board committee that has helped the Board create policy on some topic will not be used to monitor organizational performance on that same topic.
5. This policy applies to any group that is formed by Board action, whether or not it is called a committee and regardless whether the group includes Board members. It does not apply to committees formed under the authority of the ED.

ENDOWMENT FUND MANAGEMENT

Endowment Fund Committee

Article XIII of NTUUC By-laws requires an EF Committee as a standing committee of the Board of Directors. It is governed by a separate document adopted by the Board of Directors and amended from time to time by the Board of Directors.

BOARD-ED LINKAGE

Global Board-ED Linkage

The Board will link governance and management functions through the Executive Director's office.

Unity of Control

Only decisions of the Board acting as a body are binding on the ED.

Accordingly:

1. Decisions or instructions of individual Board members, officers, or committees are not binding on the ED except in rare instances when the Board has specifically authorized such exercise of authority.
2. In the case of Board members or committees requesting information or assistance without Board authorization, the ED can refuse such requests that require, in the ED's opinion, a material amount of staff time or funds, or are disruptive.

Accountability of the ED

The ED is the Board's only link to operational achievement and conduct, so that all authority and accountability of staff, as far as the Board is concerned, is considered the authority and accountability of the ED.

Accordingly:

1. The Board will never give instructions to persons who report directly or indirectly to the ED.
2. The Board will refrain from evaluating, either formally or informally, any staff other than the ED.
3. The Board will view ED performance as identical to organizational performance, so that organizational accomplishment of Board-stated Ends and avoidance of Board-prohibited means will be viewed as successful ED performance.

Delegation to the ED

The Board will delegate authority to the ED through written policies that prescribe the organizational Ends to be achieved and describe organizational situations and actions to be avoided, allowing the ED to use any reasonable interpretation of these policies.

Accordingly:

1. The Board will develop policies instructing the ED to achieve certain results, for certain recipients, at a specified cost. These policies will be developed systematically from the broadest, most general level to more defined levels, and will be called Ends policies.
2. The Board will develop policies that limit the latitude the ED may exercise in choosing the organizational means. These policies will be developed systematically from the broadest, most general level to more defined levels, and they will be called Executive Limitations policies.
3. As long as the ED uses any reasonable interpretation of the Board's Ends and Executive Limitations policies, the ED is authorized to establish any further policies, make any decisions, take any actions, establish any practices, and develop any activities.
4. The Board may change its Ends and Executive Limitations policies, thereby shifting the boundary between Board and ED domains. By doing so, the Board changes the latitude of choice given to the ED. But as long as any particular delegation to the ED is in place, the Board will respect and support the ED's choices.

Monitoring ED Performance

Systematic and rigorous monitoring of ED job performance will be solely against the only expected ED job outputs: organizational accomplishment of Board policies on Ends and organizational operation within the boundaries established on Executive Limitations.

Accordingly:

1. Monitoring is simply to determine the degree to which Board policies are being met. No other data will be considered monitoring data.
2. The Board will acquire monitoring data by one or more of three methods:
 - a. by internal report, in which the ED discloses compliance information to the Board
 - b. by external report, in which an external, disinterested third part selected by the Board assesses compliance with Board policies, and
 - c. by direct Board inspection, in which a designated member or members of the Board assess compliance with the appropriate policy criteria, or by which church members are directly asked for their opinion (survey).
3. In every case, the standard for compliance shall be any reasonable ED interpretation of the Board policy being monitored.
4. All policies that instruct the ED will be monitored at a frequency and by a method chosen by the Board. The Board can monitor any policy at any time by any method, but will ordinarily depend on a routine schedule.

The following table outlines the report types and frequency that are used by the Board to monitor the ED throughout the year. All reports are to be delivered in writing to the Board before the Board meeting in which the report will be discussed.

<u>Report</u>	<u>Frequency</u>	<u>Content</u>	<u>Notes</u>
ED Report	Periodic, at Board Meetings	<ul style="list-style-type: none"> • End statements report (line item by end statement) • Report on exceptions to executive limitations • Financial report 	Preferably in a cumulative format (i.e., include previous report and highlight the new information)
Semi-annual Administrative Review of ED by the Personnel Committee	Semi-annually	<ul style="list-style-type: none"> • Comments specifically on the End Statements and Executive Limitations • Personnel Committee will review with ED • Personnel Committee will report to Board – executive 	

		session may or may not be required	
Annual ED Report	Annually	<ul style="list-style-type: none"> • End Statements report (line item by end statement) • Report on exceptions to executive limitations • Financial report Report on relations with any co-sponsoring organizations and/or NTUUC members	Compilation of the periodic reports

An additional aspect of monitoring ED performance involves a regular review of the Executive Limitations set forth with the Approved Policies of the Board of Directors with a focus on any exceptions to the presumption of operation within these constraints. Accordingly, the Board should receive from the ED a checklist (the “Exceptions Checklist”) itemizing the Executive Limitations along with a confirmation that constraint was adhered to over the period in question, or if the constraint was violated, a discussion of the details underlying the violation and why it occurred.