

FUUSN Board of Trustees
Tuesday, July 27, 2021
Virtual Zoom Meeting, 7:00 PM

<p>Staff: Erin Splaine, Minister, absent Amanda Graff, DLRE, absent Board: Demie Stathoplos, Chair Barbara Schmitt, Vice-Chair Brian Hicks Stephanie Kendall Hattie Kerwin-Derrick, absent Tom Kisiel (Youth) Chris Krebs Naomi Wolfe (Youth) Clerk: Kit Ryan</p>	<p>Visitors: Karen Bottar, Operations Barbara Bates Pat Rohan</p>
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INVOCATION / CHALICE LIGHTING/READING OF THE BOARD COVENANT: 7:03.

BOARD GOVERNANCE/BOARD FORMATION & DEVELOPMENT: Orientation of Board to our history and function as a governing team engaged in discernment of Congregational priorities, longer-term visioning and strategic planning, congregational stewardship. Barbara Bates and Pat Rohan. Handout: Primer on FUUSN Governance & Board's Role 7/27/2021, appended (slides¬es¹):

Discussion points included:

- Barbara Bates thanked the Youth for their participation.
- The group, not only the new BoT (Board of Trustees) members, found the review helpful.
- Upcoming congregational discussion regarding the 8th Principle, exemplifies how core values promote development of congregational priorities, with the BoT's role to promote FUUSN's future direction.
 - The congregation will need to be in discernment to move forward with the priority, not just "get it done;" deeply felt value and belief versus surface commitment or lip service.
 - There are 4 participants or groups needed for such a priority to progress:
 - § The one(s) who initiate(s) the idea
 - § Those who appreciate the meaning &/or value of the initiative
 - § Opponents to develop clarity of the concept
 - § And the rest of the group needs to get involved if the 1st 3 roles are filled
- Demie thanked Barbara and Pat for their presentation and discussion.

PROCEDURAL:

- Approve Committee Chairs for Building & Grounds and Finance Committees: Laurel Farnsworth, Chair, Buildings and Grounds; Karen Bottar and Brian Gill, Chairs, Finance Committee. Chris made the motion to approve the persons selected; the motion was seconded by Stephanie. The motion passed unanimously.
- Vote to approve BOT meeting minutes for June 2021; Stephanie made the motion to approve the minutes; the motion was seconded by Chris. The motion passed unanimously.
- Update on July Ops Council Meeting: Brian's notes were sent electronically to Board members July 24.
 - Not everyone in the group knew what/where the Auburndale Cove was for the 1st fall service, to be held outdoors September 12, in accordance with current public health guidelines.
 - Brian will perform an analysis of recent pledge data (last five years and any prior analysis), to determine if there are trends, concerns, or opportunities relating to congregational pledging. He will review with Brooke Foucault-Welles; Bruce Henderson had analyzed pledge data 10 years ago, which will be helpful for comparison and review.
- The RE (religious education) Chair selection will be named in August.
- Demie will follow up with Susan Bartlett for the Ministry Committee point of contact, to enhance understanding of the Ministry Committee function(s).
- September BoT Retreat September 25:
 - Demie asked for feedback for what would be useful.
 - She will develop the agenda based on feedback. Topics to include leadership styles, for which Stephanie and Brian will assist; BoT priorities, Demie will work with Chris to share with the group the current priorities for discussion and further development.
 - Need to consider how the BoT connects with and listens to the congregation
 - The group discussed format, Zoom versus in-person, depending on vaccination-status and public health guidelines; for an outdoor location, Demie will discuss with Laurel whether her covered outdoor patio is available; Brian can host an indoor meeting.

STRATEGIC: Discuss next steps for the following priority: establish a committee to lead discernment process regarding adoption of 8th principle.

Discussion points included:

- Barbara and Chris attended a meeting regarding the discernment process.
- Barbara sent notes to the BoT summarizing the meeting's points.
 - Discernment process brings the congregation to consensus
 - The process is a lot of work, needs more than one person such as a committee or team to maintain momentum.
 - The team/committee would work on the process, in the case of the 8th principle for the next year. Does not need to have a BoT member, as long as the BoT receives status reports. Candidates include members of the RJM (racial justice ministry) and congregation members who have completed the pledge to End Racism training.
- Barbara will draft BoT request for candidates for discernment team/committee membership, to include the report plan, expectations, with the goal for the voting for the adoption of the 8th Principle at the 2022 Annual Meeting.

- Demie will request Bill Holland and Christine Lookner, RJM chairs for an RJM representative to attend the August BoT meeting.
- Naomi stated she would be interested in participating.

REVIEW OF MEETING PROCESS, APPRECIATIONS, CLOSE: Review our process and share what we appreciate about our meeting tonight utilizing Inclusive Meeting Self-Reflection table. The group reviewed what members appreciated about the meeting.

Meeting adjourned at 9:02PM.

End note: UUA 7 principles:

- The inherent worth and dignity of every person;
- Justice, equity and compassion in human relations;
- Acceptance of one another and encouragement to spiritual growth in our congregations;
- A free and responsible search for truth and meaning;
- The right of conscience and the use of the democratic process within our congregations and in society at large
- The goal of world community with peace, liberty, and justice for all
- Respect for the interdependent web of all existence of which we are a part.
- And the 8th value: we covenant to affirm and promote: journeying toward spiritual wholeness by working to build a diverse multicultural beloved community by our actions that accountably dismantle racism and other oppressions in ourselves and our institutions

1. Primer on FUUSN Governance & Board's Role 7/27/2021, by Barbara Bates

This is a quick Primer on FUUSN Governance – the way it is supposed to work.

We cover a quick review of how we got to this model

The evaluation /selection criteria we used for the model

The basic components of the model showing relationships between

Congregation, Minister, Paid Staff, Board, Moderator, and Ops Council

How “purpose”, values & Congregational Priorities keep everyone’s efforts aligned

Then we dive into the role of the key players End with a Q&A session.

Our short time frame (one hour) does not allow us to address all the important committees upon which FUUSN depends (such as , for example, the Board of Investment, Finance Committee, Stewardship, etc.)

The Governance Committee was formed in 2007 to help the Board define and implement a new model of governance in preparation to calling a new minister.

The Rev John Nichols, our two-year interim minister, provided helpful counsel.

The Governance Committee helped the board launch the new model in April 2009 to a trial period when it would be evaluated through several years of use. In 2012/13 the new model was formally adopted and the needed Bylaws changes were made to show the Operations Council role and to change the size of the Board of Trustees among other things.

However, FUUSN never quite got around to finalizing its vision work (its Congregational Priorities) and in 2014 a stewardship consultant noted “FUSN lacks a vision” – a serious criticism since people give money based on a compelling vision.

These were developed by the Board of Trustees as a group after digesting all the focus group feedback from the Governance Committee.

#1 addresses the desire to limit power struggles arising from unclear roles (e.g., a Board Chair trying to be CEO and Chief of Staff while the minister is also vying for Chief of Staff)

#2 is critical since past boards never had time for planning since their agenda was consumed with reports from committees and operational detail like paint/rug color or \$100 budget line items.

#5 is especially important since the old “CEO” style of board chair role burned out many people.

#6 is especially important given that lay leadership is voluntary and turns over periodically.

FUUSN is governed differently from other organizations – corporations, non-profits, academic institutions etc. – there is no CEO and relatively little hierarchy at FUUSN. Religious Values apply (and UU Principles especially, e.g., democratic process), but so do many MA Laws (CORI etc.)

A Board needs to control its agenda and delegate or it will never have time for the planning and future-oriented work it needs to do. At the same time it needs to partner carefully with the minister who may be close to the membership and have much information regarding congregational needs that will be helpful in Board deliberations.

The board needs to be in deep communication with the congregation’s membership regarding needs and desires (well-being), while also educating themselves on trends in the outside world (financial, volunteer, social, spiritual, etc.) so that they can craft a future vision (i.e. Congregational Priorities). The board will always know more than individual congregational members, and they should explain any vision (i.e. Congregational Priorities) clearly so that any reasonable member of the congregation would understand and support it, and trust the board enough to believe that they would arrive at the same vision if they knew everything the board knew.

The board needs to foster transparency and clear communication to educate the congregation about vision and performance.

FUUSN's model splits big-picture/future oriented planning and leadership from day-to-day management by assigning an Ops Council to do that day-to-day management, leaving the Board free to engage in the future-oriented dialogues with the congregation and for planning.

The congregation elects the Board and the Moderator (majority rule) and the Moderator appoints a Nominating Committee that acts independently of all other officers.

The congregation "Calls" the Minister (usually the vote must be overwhelming such as 95-100% for the minister to accept the call)

The congregation elects the OC members (3 yr terms)

OC oversees operations and committees and activities in six areas: Worship, Education, Fellowship, Stewardship, Outreach, Fundamentals/Administration
Paid staff are Hired/fired by Board & Minister using consensus model, but the Minister is Chief of Staff and does all supervision/evaluation.

BYLAWS (BOT and OC members may be removed for incapacitation or "good cause": Article V Section 1 - ...A Trustee may be removed by vote of at least five members of the entire Board of Trustees at a meeting at which at least five members of the entire Board is present if in the opinion of the Board such trustee is incapacitated or unable to carry out the duties of the office or otherwise for good cause.

Article VI Section 1 - OC members may be removed by a 3/4 vote of the entire Board of Trustees at a meeting at which not less than three- fourths of the entire Board is present if in the opinion of the Board such Council Member is incapacitated or unable to carry out the duties of the office or otherwise for good cause.

SECTION 2. Under the authority of the Board of Trustees and through the various policy documents of the Society, the Operations Council shall work in Primer on FUUSN Governance & Board's Role 7/27/2021 partnership with the staff, and generally oversee committees and operations.

FUUSN Bylaws are like the US Constitution

Our Governing Policies and Limitations Policies are like Federal Laws, but MUCH shorter and more "**permission-giving**" (e.g. Limitations are set at a VERY high level, basically saying don't do anything illegal, immoral or unethical; they are the guiderails keeping activities focused on the priorities).

"Congregational Priorities" are specially worded statements of Vision (the target at which all efforts are aimed) that focus everyone's efforts in a special way that facilitates accountability via measurement by adding "for whom and at what cost" to a concrete vision of a long-term end-state.

The original governance changes in 2009-2013 decided to use the Bylaws “Purpose” as a high-level vision, FUUSN still lacks Congregational Priorities, but at a 2018 April Board meeting our minister said her focus and FUUSN’s focus next year should be on long term planning (considering everything including even building and our location)

The Governance Policies are about 17 pages long (they were crafted to avoid bureaucracy). Operations Council Policies are also short and to the point. The model is a “permission giving” one that allows individuals and committees to use any means to achieve the Congregations Priorities as long as they stay within the “cone” defined by policy.

So – *minister, staff and lay people are allowed to do ANYTHING as long as they stay within the guiderails imposed by the limitations policies and a “reasonable person” could see that their actions are targeting the Congregational Priorities.*

As stated on our website:

Our Core Values:

- spiritual growth
- community connection
- the inherent worth of every individual
- social justice
- open-mindedness
- Education

These align nicely with our Bylaws Article II Purpose: *“We come together in an open community that honors freedom of belief, to encourage spiritual growth in ourselves and our children, to share the wisdom of many religious traditions, with reverence for the earth and in service to humanity.”*

NOTE: at the time of the work done to explore FUUSN’s Values and Vision (multiple congregational meetings involving over 120 members), a short vision statement was also put forward. It was later rejected in favor of keeping only the purpose as written in the Bylaws as a vision.

Future-focused, long-range planning – dialogs with the congregation to learn its needs, watches outside trends (e.g., volunteering, spiritual/ social action issues, legal and economic trends etc.) to craft “Congregational Priorities”, a type of concrete vision with added pieces like “for whom at what cost”).

Assures entities are held accountable (via a reporting schedule for these entities mentioned in the Policies) & evaluates its own performance, the BOI performance, and the Ops Council; and Board assures that the congregation evaluates its minister’s performance and its own part in that shared ministry via a Committee on Ministry.

Existing Governance Policies spell out:

Governing Style (collegial body, speaks with one voice, etc.)

Job description

Task Schedule – annually appoint Chairs for key committees (as per Bylaws)

Finance, Buildings & Grounds, Religious Education Council, etc.

Chair's Role is Chief Administrative Officer (NOT CEO) Bylaws Article IX Section

2. Vice Chair's Role – Chief Governance Officer (to handle complaints and issues regarding governance)

Code of conduct

Board Committee Principles

Cost of Governance (Manage costs and invest in Board development)

Bylaws Article V Section 1 - ...A Trustee may be removed by vote of at least five members of the entire Board of Trustees at a meeting at which at least five members of the entire Board is present if in the opinion of the Board such trustee is incapacitated or unable to carry out the duties of the office or otherwise for good cause.

To get started, let's establish some clear definitions – (read slide)

Our Bylaws call you “trustees” and nowhere in the Bylaws does the word “Fiduciary” appear.

A second definition is helpful because trustees do have fiduciary duties.

Fiduciaries manage on behalf of someone else (like a trustee), and the word has legal implications. You'll need to consult a lawyer if you want to know why one is used and not the other in our Bylaws. NOTE -there are two items a fiduciary might be responsible – one is intangible (well being) and the other more tangible (financial)

A fiduciary might be responsible for general well-being, but often it involves finances as it does in FUSN's case. *Definition from: Investopedia.com

At FUUSN a Fiduciary's Liabilities are covered by a “General Liability and Directors and Officers Liability Insurance” policy. FUUSN's policy covers **Good Faith Efforts, not negligence**. Good faith efforts -- reasonable efforts to understand the congregation's needs related to well-being

NOTES: Bylaws Article V Sec 10 – Trustees are supposed to be covered by “General Liability and Directors and Officers Liability Insurance policy.

Article VI Sec 5 – same for the Ops Council

Article IX Sec 8&9 – treasurer and assistant treasurer to be covered by a “Fidelity Bond”*

Article V Section 8 - The Board of Trustees shall form a Financial Oversight Committee comprised of at least one member of the Board of Trustees and at least two other members of the congregation to monitor the establishment and implementation of financial policies and internal controls for the Society

BOI is NOT covered by insurance or a fidelity bond, but is exempted in the Bylaws – Article VIII SECTION 7. The members of the Board of Investment in

performing their duties, including without limitation their duties in investing and reinvesting funds transferred to them, shall only be liable for their own bad faith, and no member of the Board of Investment shall be responsible for or liable on account of any act or failure to act of any other member of the Board of Investment.

*“A form of [business insurance](#) that offers an employer protection against losses - either monetary or physical - caused by its employees' fraudulent or dishonest actions. It is also known as an "honesty bond.”” source: investopedia.com
Empowered to make all operating decisions – it is where the “rubber meets the road”. The OC develops the budget and manages its expenditures, including overspending the budget by a certain % if need be (see policies for exact amount).

It oversee all non-Board committees and liaises with them to assure focus on Congregational Priorities. It makes sure that fund raising efforts do not compete with each other and that they abide by Policy (e.g. no mingling with people & collaring them at coffee hour and begging for money – must be done from an approved table at the edge)

From existing FUUSN Governing Policies 2.4:

Reports to BOT - Submit the following information required by the BOT in a timely, accurate, and understandable fashion. The information should directly address provisions of the Board policies that are being monitored.

Annual report (May) on progress towards Congregational Priorities.

Annual report (May) on priorities for upcoming year.

Quarterly report (summary level) on key topics, major delegated decisions, and membership statistics

Periodic report on topics of particular concern as requested by the BOT

Periodic financial reports for FUSN's operating budget as noted in Section 5 – Financial Planning, Budgeting, and Monitoring including:

- Annual budget request for the next fiscal year (May)
- Annual multi-year (three to five years) projection (December or January)
- Semi-annual report of Statement of Funds Balances and Statement of Financial Condition and issues (March and August)

Quarterly report on a timely basis to the BOT on the status of year-to-date spending against budget by FUSN account, year-end forecast, and major issues of potential interest to the BOT.

OC minutes shall be sent in advance of publication to BOT

A Minister ministers to the congregation (pastoral care, Sunday Services and sermons, spiritual engagement and direction etc.) and in a congregation as large as FUUSN (over 400 members) may focus on ministering to the lay leaders and use surrogates to provide ministry to others to avoid becoming burned out.

From Existing Governance Policies: The Chief of Staff (Minister) shall ensure that FUSN's staff, including the minister, comply with the Limitations Policies, Congregational Priorities, the Ministerial Contract, and this document as it relates to conditions, practices, activities, and decisions.

In addition the Minister shall (according to Policies):

1.1

BOT Agenda Topics - Supply for the BOT agenda all items required by law, contract, or by- laws to be Board approved that have been delegated to the Minister.

1.2

Policy Non-Compliance by BOT and/or OC – Advise the Board if, in the opinion of the Minister, the BOT or OC is not in compliance with its own policies on governance process, particularly in the case of BOT or OC behavior that is detrimental to the relationship between the BOT or OC and the Minister.

1.3

Meetings with Paid Staff - Work with the Board in planning and convening all meetings involving the BOT and paid staff except where a paid staff member requests access to the BOT on a confidential basis in accordance with the established grievance process.

1.4

Staff Evaluations – Conduct timely staff performance appraisals according to the Personnel Policy Committee policies approved by the BOT.

Additionally UU ministers are bound by the UU Ministers Association (UUMA) code of conduct and ethics and the UUMA offers “Good Officers” (ministers of special capability) to help mediate problems between ministers and boards when invited to do so.

Chairs of Board & OC plus Minister & DLRE, meets as needed or monthly.

Can help surface agenda items for BOT and OC, but each body controls its own agenda.

Routes ad hoc issues to correct entity (board, OC, committee, etc.) or staff members, or directs folks to established policies

Makes NO decisions (has no authority to make any)

Provides agility (convenes as needed)

Can provide institutional memory (precedent, if known)

E.G. When the congregation learned that Santander Bank planned to sell and the new owner would not necessarily honor our parking lots arrangements, the SC met to determine what sorts of efforts needed to be marshalled to address the issue and routed the info to the appropriate parties.

The Board's hosts future-oriented dialogues with the congregation (via, for example, listening circles) to uncover Congregational Priorities.

Those conversations may be quite general or specific, but it is the Board's responsibility to craft the actual wording of the Congregational Priorities. Congregational priorities start with a top-level broad statement and are further explained in more detail by sub-priorities as needed. There are MANY different ways of wording these and these examples are not held up as "expert" examples, but rather as a launch pad for Board efforts.

This priority seeks to set a "community health" priority.

Priorities may be developed for each of FUUSN's Core Values or for each element of FUUSN's Purpose as noted in the Bylaws, etc.

Congregational priorities start with a top-level broad statement and are further explained in more detail by sub-priorities as needed. There are MANY different ways of wording these and these examples are not held up as "expert" examples, but rather as a launch pad for Board efforts.

This priority seeks to set a "spirituality" priority.

The new governance model offered the hope that the Board would be prevented from micromanaging the Ops Council and thus be freed to focus on vision, strategy, and impending long-term challenges.

The Ops Council had serious decision-making power and could operate with little need to burden the Board's agenda.

The Minister as chief of staff was clearly empowered to supervise and evaluate staff and staff were protected from unfair Board, Ops Council, or member criticism.

The last two wrote the "unwritten rules" so all could follow them and so - collegial relationships are based on good boundaries and good knowledge of responsibilities with clear feedback loops to reduce blaming and encourage calling each other back into accountability when BOT, OC or Minister lapsed.

- Clearer delegation via charters & policies, Compliance reporting, Grievance policies held the promise for more straightforward, civil way to handle disagreement by taking personalities out of the equation. E.g., BOI recommended lower endowment drawdown in 2009/10 and BOT discussed and adopted it.

If needed to show the results of the community meetings / focus groups held the Governance Committee in 2007/8.

Quotations taken from report of focus groups