

Unitarian Universalist Church of Arlington
Board of Trustees Meeting Minutes DRAFT

July 18, 2017

Attendees: Board of Trustees (Warren Wright, Chair; Chad Ohlandt, Paula Bendl Smith, Hieu Nguyen, Andrea Ryon, Al Himes, Janice Morris, Emily Goodin, Art Stevens); Hannah Connolly (Secretary); Peter Vitaliano (Treasurer), Aaron McEmrys (Senior Minister)

7:00 Open, Informal Time for Members to Meet with Board

7:30 Call to Order, Check In, and Chalice Lighting

Board Chair Warren Wright called the meeting to order. As is standard practice, attendees checked in with recent life events and significant activities.

Warren read a passage from George Bernard Shaw about community and the purpose of life.

Review Monitoring Calendar. (ATTACHMENT 1) The Board reviewed the draft Monitoring Calendar for 2017-2018. The Board discussed prioritizing time on monitoring Ends versus Executive Limitations, which may impact the scheduling of the final Monitoring Calendar. Chad Ohlandt to draft a Board Calendar for more regular discussions of Ends and provide to the Board for discussion.

Working Groups. The Board reviewed the Working Groups for 2017-2018:

Communication: Janice, Emily, Hieu (ATTACHMENT 2: Charge)

Policy: Paula, Art, Al (ATTACHMENT 3: Charge)

Audit/Monitoring: Chad, Andrea, Warren (ATTACHMENT 4: Charge)

The Board discussed expectations for the Working Groups. Warren asked each Working Group to meet separately before the August Board Meeting with recommendations to update each Working Group charge, which were last updated in 2015. The Working Groups broke out to discuss scheduling a time to meet before the August Board Meeting.

Consent Agenda.

Minutes of 20 June 2017 Board Meeting

Treasurer's Report (ATTACHMENT 5) Peter Vitaliano briefly discussed the report, stating that it is in draft form as June was the last month of the Church Year. The Finance Committee will have a better idea of June's close when it meets in August to discuss the divergence of actuals against the budget for 2016-2017. The Board will review the 2017-2018 budget in depth during the August Board Meeting.

Chad Ohlandt motioned to approve the consent agenda. Emily Goodin seconded the motion.
PASSED.

Emerging Opportunities. (ATTACHMENT 6)

Rev. Aaron stated that he would like all Board Members to attend an anti-racism/allyship workshop in the fall. He encouraged Board Members to participate in the upcoming Geography of Grace trainings facilitated by Rev. Aaron and Tamara Srader. The Board agreed to invite Rev. Rebekah Montgomery to facilitate a Board Retreat workshop on right relationship and congregational systems.

Additionally, UUCA will host the Unitarian Universalist Musicians Network (UUMN) 2017 Annual Conference July 26 – July 30, 2017. It is an important opportunity to host the UUMN and show them appreciation and hospitality. The Sun., July 30 worship service will bring together the 200+ musicians from the conference in worship with UUCA.

Art Stevens volunteered to participate in the Discernment Team's work this fall to make sure that the Board's work, including Appreciative Inquiry and Wondering Out Loud, is integrated with the Discernment Team's work.

The church currently has a large amount of Inquiring Friends (250+). Sarah Masters and the Membership team are working on ways to keep Inquiring Friends engaged, keep energy up, and find a way to incorporate them into the UUCA community as Members. Rev. Aaron sees it as an opportunity to develop innovative methods to facilitate the path to membership.

Revised Ends Report. (ATTACHMENT 7) Warren briefly introduced the Revised Ends Report submitted by Rev. Aaron and encouraged Board Members to review it to ensure the Report reflects the needs of UUCA. There was some conversation about including more about the UUCA Strategic Plan and determining how to measure Ends since the metrics in the current Ends Report are from the Congregational Survey in 2016 and the next Survey will be in 2018.

Policy-Based Governance Training. (ATTACHMENT 8) Chad led the Board in a conversation about policy-based governance at UUCA, including the reviewing church governance models, defining terms, and delineating roles, responsibilities, and procedures. Warren encouraged all Board Members, and particularly new Board Members to review the UUCA Policy Manual, UUA Governance resources, and UUCA Governance resources. The Board also discussed communicating more effectively with the UUCA community regarding policy-based governance and implementation at UUCA.

9:20 Adjourn.

UUCA 2017-2018 Monitoring Calendar Draft

Month	Policy	Method	Considerations
September	Board-Executive Relationship	Direct inspection	Ideally August at the beginning of the year
October	Review survey in even years	Internal report	Ideally fall (after May survey and summer analysis)
October	EL 4.8 Endowment	Internal report	Fall
October	EL 4.9 Fundraising	Internal report	Fall
November	(safety buffer/month off)	Internal report	
December	EL 4.3 Church Groups	Internal report	Around January after groups have had a chance to get established
January	Ends 1, 2, & 3 First review	Internal report	Executive provides all ends together, Board provides input
February	Ends 1, 2, & 3 second review		Final Ends Report due
March	EL 4.4 Treatment of Staff	Direct inspection	Anytime
April	EL 4.1 Treatment of People	Internal report	Aim for spring, could go well with 4.2
April	EL 4.2 Membership	Internal report	Aim for April or May, could go well with 4.1
May	EL 4.5 Protection of Assets	Internal report	Anytime, could go well with 4.7, in years with an external audit consider scheduling in relation to that
May	EL 4.6 Financial Planning and Budgeting	Internal report	May, should be at the same time as board vote to recommend budget to congregation
May	EL 4.7 Financial Condition	Internal report	Later in year, could go well with 4.5
June	Governance Process	Direct inspection	June, especially 2.1.2
June	EL 4.10 Communication and Support of the Board	Internal report	Near the end of the year, ideally a summation including monthly action items

Unitarian Universalist Church of Arlington
Board of Trustees
Charge for ~~Linkage~~ Communications Working Group
September 2015

Purpose: This working group assists with planning and organizing the board's linkage activities each year. Although linkage with all the church's moral owners is a responsibility of every board member, the board has found it helpful to have a working group focused on planning major linkage activities.

Members: Three board members.

Duties:

- Assist the board in forming a focus for each year's linkage activity, for example around a powerful question.
- Identify and recruit any necessary resources to assist the board with linkage, such as consultants or facilitators.
- Plan the major linkage project or smaller activities.
- Assist the board in processing the input from linkage activity and reporting back what it learned to the church.

Background: Section 2.11 of the board's Policy Manual highlights the importance of the board's linkage with the congregation:

Governance at UUCA is in the form of a covenantal representative democracy, based on commonly held religious values, and held together by a unified mission. The Board will forge and maintain strong and trusting linkages with the current congregation that elected its members. However, as the Board listens to voices from the current Congregation, it is also called to take into account all of the moral owners of the Church (Policy 1.3). The relationships that the Board must establish, maintain, clarify, and protect include not only its relationship with the current congregation, but also its relationships with all of the remaining moral owners of the Church. With this in mind, the Board will plan two-way communications activities with the congregation as part of its annual governance agenda.

**Unitarian Universalist Church of Arlington
Board of Trustees
Charge for Policy Working Group
September 2015**

Purpose: This working group assists with drafting policy changes each year. Although policy creation is a responsibility of every board member, in some situations it is helpful for the whole board to come to an agreement on main ideas, and then have a smaller sub-team craft specific language.

Members: Three board members.

Duties:

- Prioritize policy changes.
- Recommend language to the whole board.

Background: Section 2.2.1 of the board's Policy Manual describes the board's policy making:

The written policies of the Board will be produced, periodically reviewed, and set at the broadest levels, addressing each category of organizational decision-making process:

- Ends: Statement of desired organizational results.
- Governance Process: Specification of how the Board conceives, carries out, and monitors its own task.
- Board-Executive-Minister Relationship: How authority is delegated and its use is monitored.
- Executive Limitations: Constraints on executive authority that establish the prudent and ethical boundaries within which all executive decisions and activities must take place.

**Unitarian Universalist Church of Arlington
Board of Trustees
Charge for Internal Audit Working Group
September 2015**

Purpose: This working group assists with the Board's oversight role in the management of Church finances.

Members: Three Board members.

Duties:

- As requested, assist the Board in carrying out its responsibilities in monitoring compliance with the Board's financial policies and the finance related provisions in the Church Bylaws.
- Upon Board approval, perform the annual review/audit function set out in Article XII, Section 8 of the Church's By-laws. Arrange and direct the external audits/reviews in years with such an audit/review.

Background: Article XII, Section 8 of the Bylaws, says "The Board of Trustees through an internal audit committee, shall direct an annual review or audit of a type or nature it deems appropriate: except that every two (2) years the Church shall conduct either a review or an audit by an outside auditor. To avoid an apparent or real conflict of interest, (1) no member of the Church staff should be a member of the internal audit committee, and (2) no member of the audit team should be related by blood or marriage to any of the Ministers or Church staff."

Under Article XII, Section1, the Board of Trustees "shall oversee all Church funds."

Under Article XII, Section2, the Board of Trustees "shall authorize a system of accounting that will adequately provide for the handling of all funds.... The financial records of the Church will be kept in accordance with procedures authorized by the Board. All payments for goods and services will be made only upon presentation of receipts and invoices consistent with authorized procedures.

**Report of the Treasurer
UUCA Board of Trustees
July 18, 2017**

Preliminary Fiscal Year 2016-17 Operating Results

Preliminary total revenues, expenditures and net income for FY 2016-17, which ended June 30, 2017, are shown in the table below:

FY 2016-17 (Preliminary)	Thous. \$	% of budget
Revenue	\$1,460.0	88.6%
Expenditures	\$1,536.6	91.8%
Net Income (Loss)	-\$76.6	306.3%

Final results for FY 2016-17 will be presented at the Board at the August meeting. It is anticipated that final total revenues will be \$4 to \$5 thousand higher than indicated above and that final expenditures will be approximately \$10 thousand higher. During the fiscal year, a Board-authorized total of \$101 thousand was transferred from the Endowment Fund to the operating account to offset expenditures, as follows: \$32.5 thousand for Circles of Trust, \$30.4 thousand for the Youth Coordinator salary and benefits, and \$37.9 thousand for support with payments on the church mortgage.

Operating Reserves and Endowment Fund

The operating reserves of the church at the end of June consisted of \$189 thousand invested in Fidelity Mutual funds to cover UUCA's designated accounts, plus a general fund, and a replacement reserve. Executive Limitation 4.6.2 under Board policy requires the Executive to operate with at least two months (1/6 of the annual budget) of liquid operating reserves, unless otherwise approved by the Board. Two months of the church's operating expenditure budget of \$1,674 thousand for this fiscal year is \$279 thousand. The policy further specifies that if the operating reserve at the end of the current fiscal year is projected to be less than 2 months of operating expenses, the following year's budget must be balanced. The budget for Fiscal Year 2017-18 approved by the Congregation on June 4 is balanced.

The assets of the Endowment Fund at the end of June consisted of \$838 thousand in liquid assets invested in 12 different Vanguard mutual funds. The assets of the Endowment Fund at the end of June represented 50.1 percent of the FY 2016-17 expense budget of \$1,674 thousand. Accordingly, the Fund was in compliance with Executive Limitation 4.8.4 as of the end of June.

Long-term Debt

Due to lower payments on the refinanced mortgage, the draw from the Endowment Fund during June for support with payments on the church mortgage reduced from the Board-approved level of \$45.2 thousand to \$37.9 thousand.

The ad hoc task force of the Finance Committee that has been examining the feasibility of a new capital campaign with the objective of retiring the mortgage met on June 27 to interview a third and final prospective consultant for this purpose.

Peter Vitaliano, Treasurer, UUCA

Emerging Opportunities Report July, 2017

- **Religious Education**
- **Children**
 - **The “Bubble”** - attendance remains unusually high this summer, especially among children ages five and under. It looks like many of these are new families, who are excited about UUCA and missed the cultural memo that says families can “take the summer off” of church. A good problem have. This poses significant challenge, as staff are finding it very difficult to recruit summer volunteers, many of whom are accustomed to taking time away from volunteering during the summer. This means that LeeAnn, Lisa, Andrea and sometimes Tamara are doing the bulk of the lifting right now. They can handle it, but it is hindering their ability to prepare for the fall as they would like.
 - **Recruitment** - is proceeding well, but as our program grows (and it IS growing) we need to focus on recruiting new teachers. I hope you, as leaders, can help us do tis.
 - **OWL** - we are seeing an uncommon number of men signing up to teach, which is wonderful, as this tends to be an area where gender balance is very hard to get.
 - **Youth** - it has been nice seeing the Youth this summer. Not only are they doing their usual, but they have also been coming to Sunday morning services and then going out together for brunch. A very unusual and welcome turn of events!
- **Multigenerational**
 - **Pokemon Go** - the first Pokemon Go event was well-attended and highly successful. A great blend of parents, children and young adults. Based on this initial success we are now planning for another, this time quietly integrating more UU values into the mix in fun, playful and purposeful ways.
 - **Jedi Academy** - another new multigen initiative, this is open to everyone of all ages, but is designed with boys/men in mind. We begin with a short Dharma-style talk using the metaphors of the SW universe as serious teaching tools. Then after 20-30 minutes, we will break and segue into fellowship, games and play (all Star Wars-themed). Before you laugh too hard, this idea is inspired by some pretty solid research!
- **Pastoral Care**
 - **Care Team** - This part of our ministry seems to have been neglected in recent years. Now that I have reached out to everyone who is/has served on our existing team, we are ready to start building our team. Marcy Leverenz is working on this with me as a point-person, and I hope to begin recruiting in August for a multi-pronged September/October launch.
 - **Ongoing PC** - things are going smoothly on this front, with the usual mix of counseling, support and logistical care. We set up a special google line to improve communications.
- **Faith in Action**
 - **Give the Plate** - we are finalizing the giving-schedule for the coming year. The next step is to implement strategic communication plan to help educate the congregation. Many people understandably struggle with what the difference might be between a philanthropic model of giving and a partnership model. And of course there are the usual fears about people’s “personal” organizations being potentially left out, about UUCA sharing the plate instead of giving it all, etc. Helping to manage this strand of communication will be the first project of the Strategic Communications Team I am putting together.
- **Diversity**
 - **Allyship** - Our emerging partnership with Service Never Sleeps continues to grow. Interest in allyship training is very high, and I think we are likely to surpass our goals for the

year. I do want to identify a date when the entire Board and Staff can do a joint allyship training together.

- **Gospel Choir** - Mimi has met with Charles Brown and they are well on their way to creating a joint Gospel Choir from our two communities. This choir will not only sing in worship, but in the community, especially at SJ events.
- **Circles Not Rows**
 - **Covenant Groups** - We will be changing our organizing model a bit this year to offer more ministerial support to our facilitators. We will hold monthly Facilitator's Meetings, which I (assisted by the coordinating team) will lead. While we will work on skill development, troubleshooting, etc, these meetings will be in the form of a covenant group, designed not only to prepare our facilitator's for themes coming one or two months ahead - but to MINISTER to them directly. So every month they will have at least one opportunity to actually participate in a group, not just lead one.
- **Music**
 - **Mimi** - began her work with us on July 1, and is doing great! She physically begins on site work in the middle of August, but she is accomplishing a lot already. Worship is already planned out until almost Christmas and in the fall you can look for some very beautiful and meaningful tweaks to our services.
 - **Partners** - in the coming month Mimi will be focusing on meeting with all our artistic partners, both to build relationship and to better understand the gifts she will now get to work with.
- **Ministerial Transition** - Bill Fogarty and I are developing our Discernment/Appreciative Inquiry Plan. I would like one person from the Board to work with us, so that we can integrate our efforts as much as possible this year.
- **Strategic Communication** - as we well know, communications remains the single biggest challenge we face. As we speak, I am sending out invitations to a small group of leaders to work with me personally. This group will focus specifically on the kinds of things I personally need to get out there, not on UUCA Communications more broadly.
- **Time Away** - Rev. Aaron will be away in the beginning of September for a week or so. Otherwise here in Arlington on the job.

Executive Report on the Ends, 2017 (revised July, 2017)

Introduction

This document is intended to offer explanation overview and analysis of the material gathered in the attached source document, which includes all available information on Ends progress as organized within the framework of our strategic plan.

The Strategic Plan Progress Tracker (please let me know if you think of a catchier name!) is very much a work in progress. As we move forward we will modify it structurally as is needed, keep progress updated in as close to real time as possible, and add much more quantitative data where applicable.

The writing of this report illustrates some of the challenges and opportunities we face as we continue to integrate our strategic plan and focus on Mission and Ends into all areas of congregational life.

As you will see, the Plan, while focused on Ends, is also very wide and sweeping. For example we have 62 goals for this year alone, many of which require the creation of new programs, systems and leadership teams. Given our staffing and budgetary reality, meeting all these goals is challenging.

So instead of attempting to reach every goal we are prioritizing some goals over others and phasing the rest over time. This year a great deal of work is going in to creating the processes and structures to support implementation of the Plan and training staff and leaders to understand and use it.

One especially important challenge we face is soliciting input from our many groups and programs. So far only 13 of our ministry teams (out of 80 or so) have responded to our requests for input and information - which we have made as simple and convenient as possible. Thus we are still flying in the dark a bit, knowing important work is being done, needing to integrate it into our SP updates, and being unable to do so for lack of specific information.

So far very few leaders/groups are using the Volunteer Tracker app, which means that we have as much trouble as ever in measuring attendance and engagement, which is a key progress metric. We do have the recent Congregational Survey available to us, and will add applicable quantitative data to this report as soon as possible, but due to staffing constraints we are not been able to do so at this time.

For these reasons as well as the "pilot" status of this report, it may feel a little vague to you, unsupported by the kinds of data we all want to see.

We do have enough data, however, to show clear and significant progress toward all three Ends, and I am extremely proud of our staff, leaders and congregation for making us an ever more connected, vital and relevant faith community.

End One Summary

People feel they belong and are cared for

The Strategic Plan outlines a number of metrics to judge progress for End One, and at the top of the list are the congregational survey results. We are making great progress in this area. 82% feel confident enough to recommend UUCA who is not a member, and 79% say they feel welcomed and encouraged to be part of the community.

Mission	Statement item	% Agree 2013	% Agree 2016	% Increase/ Decrease
CONNECT	I am likely to recommend UUCA to someone I know who is not a member	79%	82%	+4%
	I have developed close relationships with others at church	57%	67%	+18%
	I feel welcomed, encouraged, and able to be part of the church community	76%	79%	+4%
	I look forward to going to church most Sundays	70%	68%	-3%
	At church, there is someone I can turn to if I need help	55%	60%	+9%

Furthermore, while our membership number has fallen off slightly, since November, we have seen a surge in the number of newcomers, and a 17% increase in Friends and Inquiring Friends from 2016 to 2017. (652 v.559).

Although we do not have an exact number on the demographics, it appears that we are gaining many young members. As a Growth Group indicated last year, churches that stand the best chance for growth in an otherwise declining membership of mainline Protestant churches are the ones that are attracting new members. This puts UUCA in a rare and exceptional category. By comparison, the Fairfax Unitarian church is experiencing membership decline, RE enrollment decline, and has recently introduces staff furloughs as part of a budget austerity plan.

As you may recall, when I arrived in Arlington, I decided to focus heavily on End One. UUCA was in a place of transition and, to some extent, conflict. I did not believe we would be able to make much progress on the other ends until we created a stronger sense of connection, trust and belonging. We introduced the phrase “circles not rows” and went to work, especially in the area of small group ministry.

We continue to make very good progress on this End. In addition to our successful Soul Matters program and other covenant groups, we are continuing to add and develop programs that help advance this end.

The Leading from Within program has been highly successful, both for the participants personally, and in the ways it positions us to offer more and deeper programming using the Circles of Trust model.

We have 28 “graduates” of the yearlong pilot program, all of whom are now capable of leading groups using the CoT process. Some of the participants are now set to receive additional specialized training which they will use to launch new programs, such as Geography of Grace and The Soul of Aging. We are also using CoT as the base structure for our anti-racism program Living the Pledge. It is a key part of our New UU classes and is standard operating procedure for our Worship Team.

We are now creating a coordinating team to help us identify and implement CoT opportunities more broadly, both within and without our walls.

In other small group settings, our Spanish language Soul Matters group continues to thrive, and may help explain why so many more Spanish speakers are choosing UUCA as their spiritual home. We are also offering more “mid-year” groups for newcomers, as well as some intended specifically for people who are new to UUCA. Our goal is to get new folks into a group of some kind as quickly and easily as possible.

in 2017 we will also be working with ushers, greeters and other “front of house” leaders and volunteers to further develop their skills and strategies for helping people feel welcome and finding their place in our community.

All of these efforts over the past two years have proved to be demonstrably effective as reflected in the survey results, our newcomer, friends and inquiring friends numbers, and large number of people engaged in small groups. Our Congregational survey shows that members and friends of UUCA feel a strong sense of belonging and connection.

End Two Summary

People of all ages experience a spiritually vital faith community and have opportunities for personal and spiritual growth

About a year ago, once I felt like UUCA was making good progress on End One, I started increasingly focusing on End Two. According to the stated metrics to judge progress in the Strategic Plan: survey results, church attendance, RE enrollment, and participation in music/arts events are key indicators of End Two.

At the time of the Congregational Survey, UUCA clearly feels that ours is a spiritually vital and inspiring congregation.

Mission	Statement item	% Agree 2013	% Agree 2016	% Increase/ Decrease
GROW	The church has changed my life in some way	69%	74%	+7%
	The church challenges me to be my best self	64%	72%	+13%
	I have found ways to grow spiritually and personally at church	64%	66%	+3%

Our primary areas of End Two focus this year has been in the areas of worship/music, Religious Education and multigenerational engagement.

Taking advantage of this unexpected year of transition in our music staff, we are bringing in a series of guest choral conductors (probably 7 in total). These conductors are some of the very best in the country, and they offer the choir and congregation a range of fun and beautiful gifts we would not otherwise have.

This helps the choir remember how loved and valued they are, develops their skills in a variety of ways and offers the congregation high quality, diverse choral music through the year. So instead of having a low vitality musical year, we are offering a high vitality alternative.

We are also making great progress in diversifying our music offerings and growing our “pool” of musician-partners. The addition of Maya Rogers as Artist in Residence has been wonderful, as has the growing partnership with Woven Green and artists from the Sanctuaries DC.

This has enabled us to expand our offerings not only on Sunday mornings, but in the creation of alternative services like Transmissions, Standing Outside the Season, the Post-Election Healing service, the Standing Rock Solidarity service and others. These are not only offering a wider range of invitation for our members, but are proving to be powerful draws for people who are not yet part of UUCA. I estimate that well over 50% of all attendees to these alternative services are NOT members or friends of UUCA.

Our online ministry continues to thrive, and weekly online attendance through archived and live viewing on our website, youtube and Facebook is not the equivalent of a very full third service. In 2017 we plan to focus on organizing and engaging our online congregation more intentionally.

In Childrens Religious Education, we have stabilized attendance (which is now steadily climbing), increased the numbers (and morale) of volunteers and teachers and greatly increased the percentage of teachers who do not have children in the program. We have also made great strides in revamping curriculum and offering/strengthening new programs which move us toward a multiple-intelligences-based model: the Makers Space program and CASE are hugely successful so far - and indeed the Makers Program is gaining national attention.

I cannot stress enough how much progress has been made in this area!!!

Our WellSpring Wednesday launched last spring and continues to thrive, offering diverse, high quality programming for our adult members and friends. Our next session is coming in the spring and looks promising. We are now working with retired ministers in the congregation to join the program as semi-regular “faculty.”

Launching a program like this is a huge accomplishment and takes a tremendous amount of work. Feedback from participants and teachers has been overwhelmingly positive.

Another area of special End Two focus this year has been on strengthening multigenerational engagement. We begin by trying to ask ourselves at the beginning of any new initiative, “where are the children in this?”

This has resulted in a great deal of fun, powerful and inspiring collaboration, including: Stones of Hope, the Peace Pole, Bread Baking for our ceremony, the Day of the Dead, strengthening our Chalice Family program, adding a teen to the worship team, safety pin sunday, the sidewalk project, the upcoming banner project and our new family chorus. We have a long way to go here, but we have made very significant progress this year.

End Three Summary

The church is a force for service, social justice, and environmental justice

This has been the first year since I have been here that we have begun to shift our attention towards End Three in a big way. Building on the phrase “church without walls,” our focus this year has mostly been in the areas of partnership building and beginning to move to a different paradigm for partnership in general.

The survey results indicate that while we have improved significantly at serving each other in our own community, we are still just over 50% in this area, have work to do in serving the larger community, as we are hovering at just over 50% as well.

Mission	Statement item	% Agree 2013	% Agree 2016	% Increase/ Decrease
SERVE	Through church, I am serving the larger community	54%	53%	-2%
	At church, I am serving other people in the congregation	46%	51%	+11%

Looking into the future, we are entering into new partnerships with a much greater level of intentionality than we have in the past. All new partnerships MUST meet three criteria: explicit Mission compatibility, mutuality of support, and relationally.

It is no longer enough for us to loosely share some values with a partner, we need our Missions to align in ways that help both partners move forward. Partnerships must be mutual - not one

way, like in the form of writing a check. Both partners must actively look for ways to collaborate and support the others progress. And finally, partnerships must be truly relational, not just institutional. We are building networks of relationship, not just allyship.

This is a very big shift for the congregation, and for some of our existing community partners. While in no particular hurry, we will be meeting with all our existing partners to know about our new approach and evaluate the fit of all our partnerships. In the end we will have far fewer partners, but the ones we have will be deeper and much more powerful.

New partnerships that exemplify this approach include La Cocina, The Sanctuaries DC, Hopi Permaculture and the Center for Gross National Happiness in Bhutan. We are also positioning ourselves to radically deepen and expand our capacity for partnership by becoming the “hub” of Circles of Trust work in this part of the country and within Unitarian Universalist more broadly.

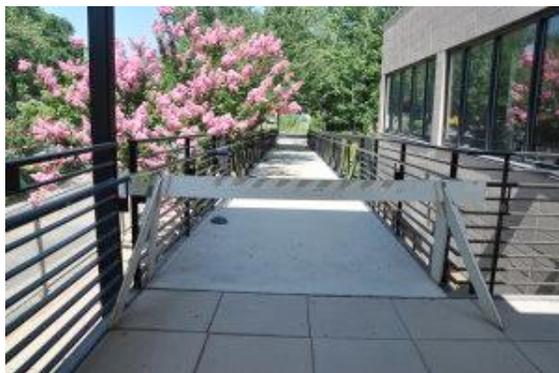
For the first time, in the Spring 2016 Survey, we are measuring our own congregation’s performance on an inter-cultural competency score, recommended by the leading expert in this field, Beth Zemsky. We believe the agreement level on these statements is the best way to measure progress on in this critical area of embracing diversity.

	Statement item	% Agree 2013	% Agree 2016	% Increase/ Decrease
INTER-CULTURAL COMPETENCY	I can bring my full self to church	NA	66%	NA
	People at church are curious about who I am and what I can bring to the community	NA	44%	NA
	The church helps me be more aware and self-reflective about my belief system and cultural lens	NA	78%	NA

We continue to especially focus on building interfaith relationships, especially with our Muslim sisters and brothers. Our diversity/anti-racism work continues to make good progress under the leadership of our Living the Pledge team - and we also have needed to delay or let go of important plans due to our budgetary situation. This is deeply disappointing, and we will restore that funding as soon as possible.

Given the state of our nation, End Three will be an area of tremendous focus for a long time to come, and I am very grateful we have taken the time to position and prepare ourselves so carefully.

Policy-Based Governance



Policy-based Governance at UU Church of Arlington (UUCA)

July 2017



Outline

- Why policy-based governance?
- What is policy-based governance?
- How does policy-based governance work?

Why policy-based governance?

- Every organization needs some sort of governance
- As an organizations and efforts grow, dynamics and governance change
 - Small classroom → large lecture hall
 - Start up company → corporation
 - Small church → large church
- Policy-based governance is about making large organizations more effective

Size Affects Governance

Level of Connection

Fully Connected	> 90%
Mostly Connected	50% to 90%
Partially Connected	10% to 50%
Fractionally Connected	< 10%

Church Size	Professional Staff	Lay Leadership	Membership	Governance
25	---	Fully Connected	Fully Connected	Consensus
50	Fully Connected	Fully Connected	Mostly Connected	Consensus
100	Fully Connected	Fully Connected	Mostly Connected	Committee/Consensus
200	Fully Connected	Mostly Connected	Partially Connected	Committee
400	Mostly Connected	Mostly Connected	Partially Connected	Committee
800	Mostly Connected	Partially Connected	Partially Connected	Policy Governance
1600	Partially Connected	Partially Connected	Fractionally Connected	Policy Governance
3200	Partially Connected	Fractionally Connected	Fractionally Connected	Policy Governance
6400	Fractionally Connected	Fractionally Connected	Fractionally Connected	Policy Governance

Notional for purposes of explanation; only based on author's individual personal experience.

Worship attendance <150 "pastoral" church >150 "program" church > 300 "corporate" church	Durall, Michael, <i>The Church We Yearn For</i> , p. 51, 2012.
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What is policy-based governance?

- Distinct separation of strategic thinking responsibilities from operational planning and activities
 - Board provides long-term vision and direction for the church/organization
 - Goals are captured in policy
 - Executive solely responsible for operations
 - As such, the Executive is accountable for achieving the goals
- Frees the Board from operational details and provides the Executive with clarity on what is expected
 - Not just about making the Board/Executive's lives easier, but in a large church they cannot collect all the relevant information to do everything

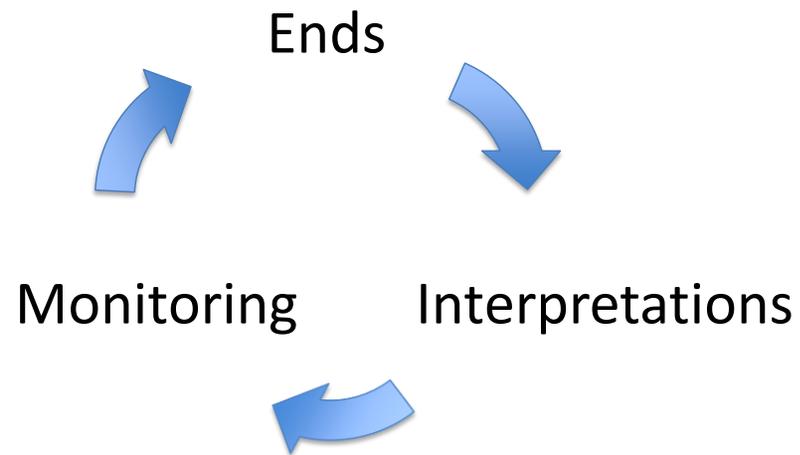
Policy-based Governance Language (1 of 2)

- “Policy Governance” is a version promoted and trademarked by John Carver <http://www.carvergovernance.com/model.htm>
- UUCA policy-based governance use much the same terminology
- **Board** – those who set policy
- **Executive** – individual responsible for execution
- **Policy** – Ends and Means
 - **Ends** – the high-level goals of the organization
 - **Means** – policy other than the Ends, typically board governance, board-exec relations, and executive limitations
 - **Executive limitations** – things the Executive explicitly shall not do

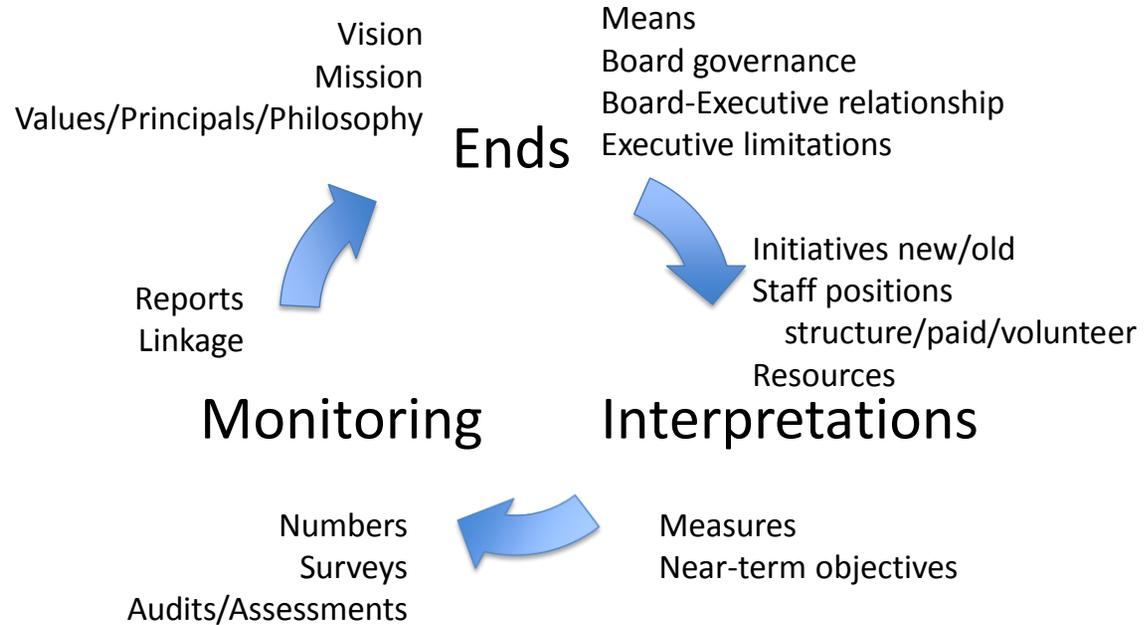
Policy-based Governance Language (2 of 2)

- **Interpretations** – Executive’s official position on achieving the Ends with associated measures
- **Monitoring** – regular review of progress towards achieving policy
- **Linkage** – Board effort to communicate with moral ownership
- **Moral ownership** – the stakeholders that the Board represents, which is often more than the legal ownership for non-profits

How does policy-based governance work?



How does policy-based governance work?



Further reading

- Jonasson, Stefan, *The Size and Shape of Governance*, 2006. At <http://www.uua.org/documents/jonassonstefan/sizeshapegovernance.pdf> accessed August 2013
- Oliver, Caroline, *Getting Started With Policy Governance: Bringing Purpose, Integrity and Efficiency to Your Board's Work*, 2009.
- Niven, Paul, *Balanced Scorecard: Step-by-Step for Government and Nonprofit Agencies*, 2nd Ed., 2008.
- UUA, Congregational Governance webpage, At <http://www.uua.org/governance/index.shtml>, accessed August 2013.

Parallels with Strategic Planning

- Balanced Scorecard
 - Perspectives
 - Financial
 - Learning and Growth
 - Customers/Constituents
 - Internal process
 - For each
 - Objectives
 - Measures
 - Initiatives
- UUCA PBG parallels
 - Ends
 - To some degree
Exec Limitations
 - For each End
 - Interpretations
 - Strategic Plan
 - Emerging
Opportunities

Discussion of UUCA History with PbG

- Adopted in 2004
- Policy manual significantly revised in 2013
- Compatibility of UUCA corporate structure with PbG recommendations