

**Unitarian Universalist Church of Arlington**

**Board of Trustees Meeting Minutes**

**September 18, 2018**

**Attendees**

Board of Trustees: Al Himes – Chair, Linda Battaglini, Emily Goodin, Janice Morris (via phone), Hieu Nguyen, Chad Ohlandt, Andrea Ryon, Art Stevens, Warren Wright

Officers: Amy Shepherd – Secretary, Peter Vitaliano – Treasurer

Invited Guests: Rev. Terasa Cooley, Tamara Srader – CAO, Martha Sherman, Nancy Johnson – Principle, UHY Advisors

**Open, Call to Order, Chalice Lighting, and Check-in**

Board Chair Al Himes called the meeting to order at 7:33pm. Rev. Terasa read “Boundaries” by Glen Unger. Check in question: What did that poem bring up for you?

**Consent Agenda**

Hieu Nguyen motioned to pass Consent Agenda, Art Seconded. Motion PASSED.

Minutes of July 17, 2018 meeting [INSERT LINK]

Minutes of August 21, 2018 meeting [INSERT LINK]

**Executive/Senior Minister Update**

Rev. Cooley updated the Board on the Assistant Minister search. In consultation with the search committee (Diane Ullius, Wendy Jessup, Lila Herndon, Irv Lechow, and Kristen Keller are on the search committee), three candidates will be interviewed next week. They hope to have a decision by the end of that week, with someone starting by mid-October.

The position would be a full-time position, for one year from the start date. A likely announcement will be in the beginning of October.

The Board discussed whether Board approval was needed for this contract, and concluded such approval was not needed, as this was a hired position for a limited amount of time, rather than a called position.

**Operations Update (ATTACHMENT 1)**

Chief Administrative Officer Tamara Srader presented the Operations Update Report. She highlighted the annual auction and the fact that no one signed up to lead it. Tom O’Reilly proposed a casino night for the same night, and estimated that it will bring in around \$24,000 in

revenue (likely \$20,000-\$22,000 net). The proposal would be for a black tie type affair, and would include a silent auction. A casino company would provide the games and related set up.

A Board member noted that members of the congregation have stated that even if the auction doesn't happen there is still a desire for the dinners because it connects congregants. Tamara confirmed that dinners would still be part of the silent auction. Peter Vitaliano noted the need to keep the auction for the big ticket items like the week in Rome and the parking space.

One member noted that the Board should encourage those who miss the auction to volunteer to assist with it in the future, because not having it this year is due to a lack of volunteer help.

Tamara also highlighted from the Report that grounds work has recently been completed, and that a company has been hired to do more improvements. She also noted that the staff retreat went very well.

### **Audit Review and Acceptance**

Tamara introduced Nancy Johnson from UHY Advisors, who provided an update to the Board on the audit. She noted the Finance Committee went through the audit report in detail, but that the full audit report was available for the Board as well.

UHY Advisors performs a full audit every other year. It included a review of the beginning of the year and end of year since an audit was not performed last year.

The audit resulted in a clean unmodified opinion with no material weaknesses. Reconciliations are going well, there were no material adjustments. No outside consultations, all went very well.

UHY performed SKE (skills, knowledge, expertise) analysis. Ms. Johnson noted Martha and Tamara are a great team.

UHY noted its independence and discussed as a best practice the concept of having a review every two years with a full audit every third year. A review is stronger than a compilation and all that is required for bank statements. A review is a review of the reconciliations, full review of financial statements, and it allows more comparison of analyticals and identification and resolution of anomalies. Reviews would avoid the prior year(s) look back required when you do the every other year audit.

The cost of an audit is about \$18,000, and a review is about \$8,000. The cost of the audit could be less if a beginning and end of year review is not required. The improved reconciliations may also result in lower costs for an audit, because there are likely fewer reconciliations required for the audit. Over a six year period, while the review approach would be around \$10,000 more, it would be less consumptive of UUCA's finance team's time.

Ms. Johnson reviewed the differences between a review and an audit with the Board. For example, an audit has confirmations to cash, investments and loans, a review doesn't have this. An audit gives a stronger assurance. Analyticals from year to year will be done in either case.

A Board member noted that in the past, UUCA had looked at other area churches and what they are doing. All Souls does an audit, most others do reviews every few years – UUCA is more rigorous than that. The Board also discussed the possibility of establishing an Audit Committee and our past experience with that.

Board talked about the difference between compliance and financial audits. Compliance and governance are more internal audits. If that is something to consider, the Board could talk to other Boards about what they do.

Ms. Johnson noted that the Board should be cautious of how the word “endowment” is used in discussions and in encouraging donations. If funds are raised for the endowment, then they must be used for the endowment, using it otherwise is not following donor intent. A quasi-endowment could be established that acts more like a reserve. If raising funds for a temporarily restricted purpose, it can be noted as such.

#### **Quarterly Financial Update (ATTACHMENT 2)**

Peter Vitaliano, UUCA Treasurer, provided the quarterly financial update. He noted the Board can determine the level of detailed financial information that the Board wants to consider, and pointed out that the critical function is that those who present financial summaries to the Board make it aware of key issues or significant changes.

Information flows to the Board in several ways, including through Tamara and Martha providing information to the Treasurer and Finance Committee every month, and by presentations to the Board and/or the Board Chairman individually.

For the most recent quarter, UUCA is slightly ahead of budget and ahead of first two months a year ago. As for formal operating reserves, in the past UUCA has been out of compliance on Board policy on operating reserves, which should be two months annual budget of expenses. Now UUCA is at two and a half months, and this is the first time in a while reserves have been in compliance.

Peter noted that balance of the endowment fund is a key indicator. The policy is for the endowment fund balance to be 50% percent of the annual expense budget. This is true even though in the past few years there have been significant draws from the endowment fund. The endowment fund is intended for larges investments or other items, UUCA has been treating it as a reserve fund. Peter highlighted the need to be sensitive to those who contribute specifically to this fund.

Peter highlighted that within the last two years we have dropped our mortgage by 30%, and the trends in pledge income, where the daily average has been generally increasing. There was a surge at the end of last year due to the tax changes. This has turned into an eight month sustained trend in the daily increase. This shows a level of robustness of giving and provides perspective on some of the other data trends we see.

Peter also noted the consolidated financial statement and the comparison of consolidated expenses with the operating expenses.

A Board member asked why expenditures are \$30,000 above last year. In the past Share the Plate was not in the budget, and UUCA didn't disperse monthly. Now it is in the budget and the dispersements happen monthly.

The Board Chairman asked that Peter start adding Tamara's two page report to Peter's report, which will give the Board more information out of the financial system.

### **Board Retreat Recap / Open Questions for FY19 / Next Steps (ATTACHMENT 3)**

The Board reviewed the open questions that came out of the Board retreat. While some things will be incorporated into the governance task force, the Board should consider how to incorporate the open questions into ongoing Board work as well.

Reverend Cooley suggested presenting the questions at each Board meeting and discussing the status of these questions.

A Board member noted that in the Hotchkiss book, it called for the Board to develop goals in each of these categories. If this is what the Board thinks is important, what will be done in each of these areas? Staff has several ideas about increasing engagement. Warren, Linda, and Andrea volunteered to work as a subcommittee with Rev. Cooley to work on those goals and what the Boards role should be for each of the goals.

The Board then discussed the purpose of the Board Update in Connections. The Board noted the importance of communicating what the Board is doing on a regular basis. The Board Update was intended more as a "thought" from a Board member, so that there was more messaging from the Board. The Board discussed using the update to discuss the three open questions, and perhaps creating related subtopics. Emily volunteered to come up with a tentative list for the next meeting. Once the subcommittee fleshes out the open questions, they can drive what is communicated in the Board Update.

The Board Chairman suggested that Emily join the group working on the open questions so we can help develop these ideas for Board updates and themes.

### **Governance Task Force Charge (ATTACHMENT 4)**

In the last month, Board members got together to recommend final membership for this Governance Task Force Committee. There were three members who initially stepped forward,

but one of them later dropped out. There was quite a bit of interest in serving on this committee.

The recommended members include Linda Battaglini (co-chair,) Art Stevens (co-chair,) Emily Goodin, Janice Morris, Paula Bendl Smith, Jacomina de Regt, John Evans, Chris Ruble, and Bruce Rieder.

This group is a coordinating and functional group. It will not be deciding policies. The committee meant to facilitate conversations and meetings among the larger congregation.

The Board discussed the importance of striving for diversity in the group and not creating groups that do not seem inclusive or seem to be siloed.

The Board members noted that the committee has been discussing how to coordinate with the ministerial search committee and the nominating committee. There is new language in the charge to this effect.

The Board Chair clarified that the task force will make recommendations from the report to the Board, then the Board will discuss and evaluate and make any changes to the policy. Revisions were intended to clarify how information will flow to the different committees through the Board chair.

Warren Wright made a motion to approve the charge without names. Hieu Nguyen seconded. The motion PASSED.

Art will speak to the original member who dropped out and report out on that conversation to the Board, then the Board will meet by email to determine the final committee composition. October 4<sup>th</sup> is the date of the next meeting.

The Board Chair moved to approve Paula Bendl Smith, Jacomina de Regt, John Evans, Bruce Rieder and Chris Ruble. Emily seconded the motion. The motion PASSED (7-2, Janice Morris and Linda Battaglini voting against).

#### **Communications Schedule (Emily Goodin)**

Emily informed the Board she would follow up on this issue via email.

**Regular Meeting Adjourned at 9:30**



**Report to the Board of Trustees**  
**September 18, 2018**  
**Rev. Terasa Cooley**

**Board Retreat**

I thought our Board Retreat was very helpful in gaining greater clarity on who we are individually and as a team. I appreciated the vulnerability and openness you brought to the process and think it has helped introduce more healing and depth to our work together. It was certainly helpful to me to learn more about you and your hopes and wishes for the congregation. It is an honor to be working with you all.

**Staff**

Tamara has shared with you the goals the staff developed at our retreat. In general it was an excellent meeting and helped the staff team in the same way that the Board retreat did. It's truly an excellent staff who have persevered in very challenging circumstances. I'm pleased that we have come together as a team and think we will work well together going forward.

**Search Committee**

I'll be meeting with the Search Committee on 10/18 and will be discussing with them the ways we can align their processes with the governance work. It'll be helpful to have the meeting with the Governance Team on the 3rd in advance of that. I'm happy that the retreat went so well for them and think Kelly will make an excellent leader.

**Worship**

The first two services of the church year went well. The program team is collaborating in a very helpful way. Despite attendance being down from what I expected (I think the weather is largely to blame) there were a number of new people as well as some returning folks who had been on hiatus. I will be adding the "testimonial" element to the service, and would like to sign you all up to contribute to that.

Carlton Smith has agreed to come back to visit and will be preaching on December 9, which I think will be greatly appreciated by folks.

**Financial**

I look forward to the financial "deep dive." Martha and Tamara have worked hard to assemble the information needed for the Board to decide what information will be helpful going forward. I appreciate Chad's analysis and we can have further discussion.

**Transition Team**

We had an excellent first meeting with the Transition Team (Diane Ullius, Wendy Jessup, Bill Fogarty and Lila Herndon) They have been helping me develop of list of people to conduct one on one conversations with to give me a greater sense of people's experience of UUCA and to hopefully bring some folks back into the fold. I welcome your ideas as well.

Please let me know what other information will be helpful to you in these monthly reports.  
Respectfully submitted.



## **Chief Administrative Officer Report to the Board of Trustees**

*Fiscal Year 2019*

**September 2018**

### **Staffing Update**

No changes – Second minister interviews are underway

Total FTE on Payroll **10.66**; 3 Contract Staff (Music); 4 hourly childcare staff

### **Stewardship Update**

After placing an article in connections for two consecutive weeks, we have no volunteer to take on coordination of activities for the annual auction. Tom O'Reilly has offered to take on the responsibility of hosting a casino night on Saturday, November 3<sup>rd</sup>. There will be a silent auction component to this as well as a small live auction. Given the decrease in auction participation over the years, I believe that this will offer an opportunity for change in a positive way and something different for everyone to participate in.

### **Membership**

July Attendance Total: **1256** ; Current Membership Roster as of 31 August: 797

New Congregation Directories are still being distributed. Had a great happy hour attendance with approximately 40 people.

### **Security**

Beginning next week, the downstairs doors will be locked after the preschool exits each day. An article will be in connections over the next few weeks alerting people to this change and the need for continued monitoring of building safety. In addition, we will be installing a wifi camera system over the next three months to assist with monitoring our physical facility.

### **Staff Training**

Staff retreat was successfully held August 28<sup>th</sup> and 29<sup>th</sup>. Staff discussed goals for the year and created a staff covenant. We also plan on rolling out monthly staff training topics to further professional development.

### **Communications**

August website visits were 1,901 with 2,738 total sessions.

Highest website traffic is on Sunday between 8am and 11am as well as Saturday between 2 and 10pm.

91% of users are from the US, with France and Great Britain second and third highest.

55.9 percent of users use desktop computers to access our site with 36.9 percent mobile and 7.3 percent tablet.

Most users are looking at our calendar, livestream and staff email links.

64.9% Female / 35.1% Male

18-24 – 7.82%; 25-34 – 20.60%; 35-44 – 20.15%; 45-54 – 16.54%; 55-64 – 16.09%; 65+ - 18.80%

### **Grounds and Facilities**

We have successfully completed the installation of the low flush-per-gallon toilets and urinals in the entire building and are very pleased with the results. We will be monitoring water use over the next several

months and report back on water usage. Complete Landscape has been working on the beginning phases of campus cleanup. They began spraying the weeds around the campus last week and you can start seeing they weeds being eliminated. The next step will be mulching of all areas. Pete Kostik volunteered to do the first pass at mowing the George Mason side of the building working in tandem with Jennifer Frum from DIG. We also did a walkthrough with DIG to talk about which plants should be saved on the slope on Route 50.

#### **Budget**

No budget issues at this point in the fiscal year. UHY will be attending the board meeting 18 September to discuss the draft financial statements.

#### **Share the Plate**

Share the plate distributions for the month of August have been disbursed to Metro DC PFLAG, UUSJ, The Sanctuaries and Equality Virginia. We plan on making disbursements on a monthly basis to minimize administrative work. We are updating the congregation via connections on a frequent basis and also posting thank you letters on the Social Justice Bulletin Board in the hallway. A list of distributions will be given each month during the board report and posted in Fellowship Hall and in the Hallway outside staff offices where thank you letters are posted.

**August Totals: \$6,153.41**

#### **Operational Policy**

Rev Cooley and I will be working to add more robust language to our Executive Operational Policy in the next few months. This will be an ongoing effort to minimize our organizational risk as well as educating the congregation.

#### **Facility Usage/Rentals**

The statistics for August are as follows:

Total Free and reduced space: **\$16,403**

Recovery Groups - \$2,040

Nesting Congregations - \$1,960

UUCA Ministry Partners - \$44,976

Insight Meditation Community - \$4,534

Other - \$3,370

#### **Groups that were given Free Space in August**

NoVA Trans Youth

Arlington PFLAG

IMCW Processing Groups after Meditation

Virginia CURE

Showing Up for Racial Justice

DMV Sanctuary Congregations

Partners for Tibetan Education

Q	Sunday #	# Service	Date	Partner	Total Collection	To Partner	To UUCA	Checks	Total	# Sundays	Average Sunday	% Goal
Q1	1	1	1-Jul-2018	Dream Project	\$ 1,570.00	\$ 1,099.00	\$ 471.00	x	\$ 7,701.41	5	\$ 1,599.57	
Q1	2	1	8-Jul-2018	Service Never Sleeps	\$ 633.00	\$ 443.10	\$ 189.90	x	\$ 6,153.41	4		
Q1	3	1	15-Jul-2018	PAG	\$ 1,891.41	\$ 1,316.99	\$ 564.42	x	\$ 5,340.00	5		
Q1	4	1	22-Jul-2018	Little Friends for Peace	\$ 1,464.00	\$ 1,024.80	\$ 439.20	x		4		
Q1	5	1	29-Jul-2018	VOICE	\$ 2,153.00	\$ 1,507.10	\$ 645.90	x		4		
Q1	6	1	5-Aug-2018	Metro DC PFLAG	\$ 1,708.85	\$ 1,196.20	\$ 512.66	x		4		
Q1	7	1	12-Aug-2018	UUSI	\$ 1,486.85	\$ 1,040.80	\$ 446.06	x		5		
Q1	8	1	19-Aug-2018	Sanctuaries DC	\$ 1,016.85	\$ 711.80	\$ 305.06	x				
Q1	9	1	26-Aug-2018	Equality Virginia	\$ 1,940.86	\$ 1,358.60	\$ 582.26	x				
Q1	10	1	2-Sep-2018	ACE	\$ 1,588.00							
Q1	11	2	9-Sep-2018	Hopi Sumi Nungwa	\$ 1,719.00							
Q1	12	2	16-Sep-2018	Dream Project	\$ 2,033.00							
Q1	13	2	23-Sep-2018	Service Never Sleeps								
Q1	14	2	30-Sep-2018	PAG								
Q1	15	2	7-Oct-2018	Little Friends for Peace								
Q2	16	2	14-Oct-2018	VOICE								
Q2	17	2	21-Oct-2018	Metro DC PFLAG								
Q2	18	2	28-Oct-2018	UUSI								
Q2	19	2	4-Nov-2018	Sanctuaries DC								
Q2	20	2	11-Nov-2018	Equality Virginia								
Q2	21	2	18-Nov-2018	ACE								
Q2	22	2	25-Nov-2018	Hopi Sumi Nungwa								

Month	Total
July Collections	\$ 7,701.41
August Collections	\$ 6,153.41
September Collections	\$ 5,340.00
October Collections	\$ -
November Collections	\$ -
December Collections	\$ -
January Collections	\$ -
February Collections	\$ -
March Collections	\$ -
April Collections	\$ -
May Collections	\$ -
June Collections	\$ -

Total Collected	Total UUCA	Total Partner
\$ 19,194.82	\$ 4,156.46	\$ 9,698.39

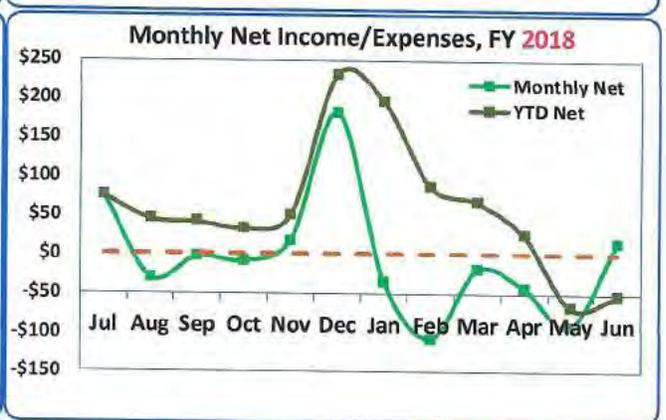
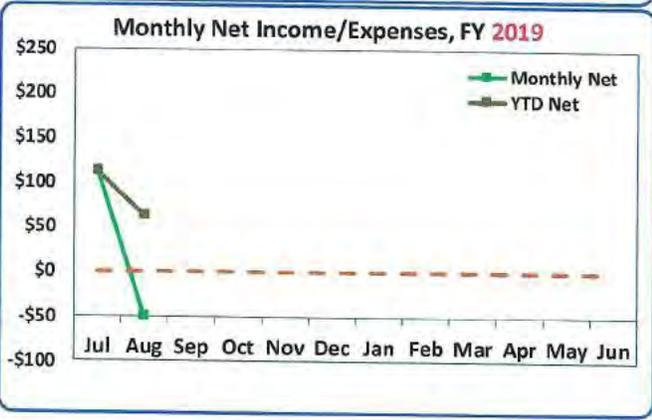
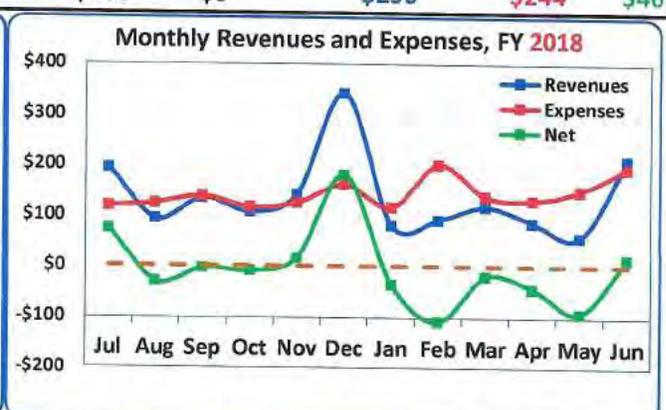
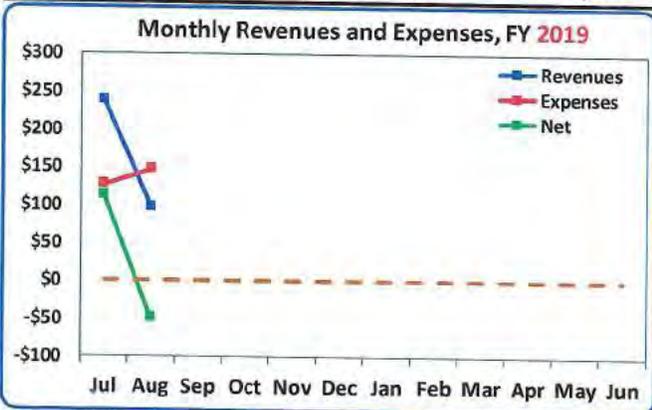
**Report of the Treasurer**      ATTACHMENT 2  
**UUCA Board of Trustees**  
**September 18, 2018**

**Fiscal Year 2019 to-Date Operating Results – Highlights for first two months, July-August**

- YTD revenues were \$336 K: \$64 K over budget and \$46 K above last year.
- YTD expenditures were \$273 K: \$7 K under budget and \$30 K above last year.
- YTD net revenues over expenses were \$62 K: \$71 K over budget and \$17 K above last year.

**UUCA Operating Revenues, Expenses and Net Revenues**  
**Fiscal Year 2019, with Comparisons**  
*Thousand Dollars*

	Fiscal Year 2019, Actual			Fiscal Year 2019, Budget			Fiscal Year 2018, Actual		
	Revenues	Expenses	Net	Revenues	Expenses	Net	Revenues	Expenses	Net
Jul	\$239	\$127	\$112	\$136	\$140	-\$5	\$195	\$119	\$76
Aug	\$97	\$147	-\$50	\$136	\$140	-\$5	\$95	\$125	-\$30
<b>YTD</b>	<b>\$336</b>	<b>\$273</b>	<b>\$62</b>	<b>\$271</b>	<b>\$280</b>	<b>-\$9</b>	<b>\$290</b>	<b>\$244</b>	<b>\$46</b>



## Operating Reserves

The operating reserves of the Church consist of:

- Funds to cover the current assets of all designated accounts, except for Memorial Gifts and Bequests,
- A general operations reserve, and
- A replacement reserve, which is restricted.

These reserves are all invested in six Fidelity mutual funds, which are managed by the Executive in consultation with the Investment Committee. At the end of August, balances of these funds were as follows:

UCA Operating Reserves - August 31						
Thousand Dollars						
Designated Accounts	General Operations	Restricted Replacement Reserves	Total Operating Reserves	FY 2019 Expenditure Budget		Months of Reserves
				Annual	Bimonthly	
\$117	\$150	\$63	\$330	\$1,651	\$275	2.4

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. Executive Limitation 4.6.3.a) 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 operating budget must be balanced. At the end of August, the operating reserves totaled 2.4 months of the FY 2018-19 annual expense budget, following the transfer of \$100 K from the church's operating checking account to the Fidelity money market account. The operating budget for the 2018-19 fiscal year, approved by the Congregation at the June 3, 2018 annual meeting, has a deficit of \$53 K, as stated in the church's Summary Report of Revenues and Expenses for Fiscal Year 2018-19. Accordingly, the operating reserves were in compliance with Executive Limitation 4.6.2 as of the end of August.

## Endowment Fund

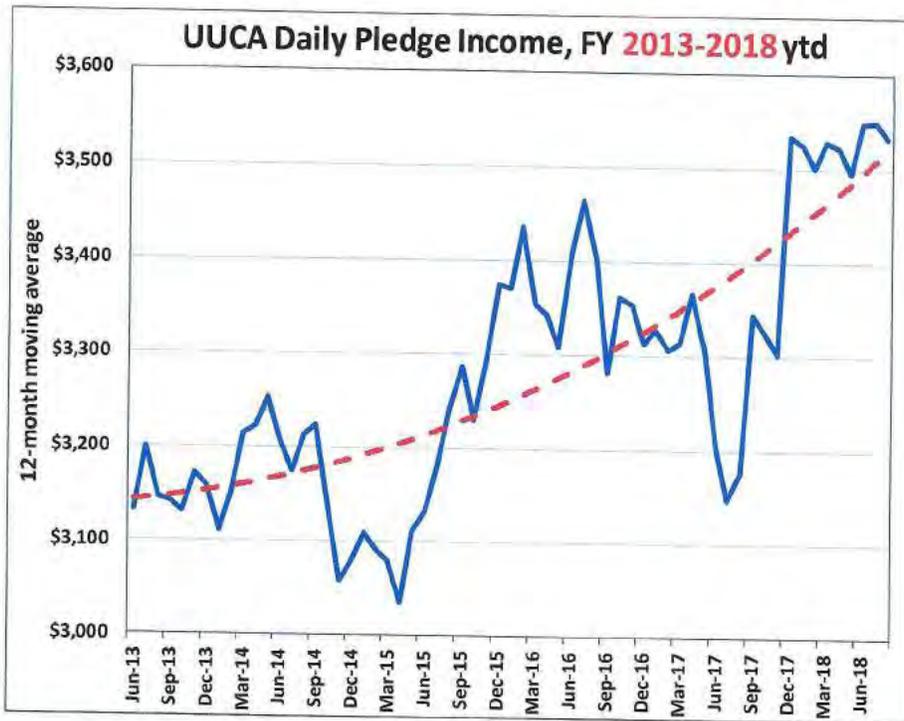
The assets of the **Endowment Fund** at the end of August totaled \$822 K in liquid assets invested in 12 Vanguard mutual funds, which are managed by the Executive in consultation with the Investment Committee. This was \$11 K more than the Endowment Fund's liquid assets at the end of July, one month previously. The assets of the Endowment Fund at the end of August represented 50 percent of the Fiscal Year 2018-19 expense budget of \$1,651 thousand. Executive Limitation 4.8.4 under Board policy specifies that the Executive shall not "allow the endowment balance to be less than 100% of the annual operating budget. As an exception, the Executive may plan a balance of not less than 50% to refinance the mortgage in the year 2017." Accordingly, the Fund was in compliance with Executive Limitation 4.8.4, under the exception clause, as of the end of August.

## Long-term Liabilities

The balance of the **mortgage** was \$3.102 million at the end of August. At the end of August, the Church's ratio of total liabilities to total assets was 0.43. This substantially overstates the Church's effective debt to assets ratio because the asset values on the Church balance sheets are stated on a cost basis, and are considerably lower than the current market value of the Church's land and buildings.

## Trends in Pledge Income

Monthly pledge income increased significantly in December 2017 and, for the eight subsequent months, has sustained itself, on a 12-month moving average daily basis, at or above \$3,500 per day.



## UUCA Consolidated States of Revenue and Expenses

Comparison between the church's consolidated statement of revenues and expenses in the audited financial statements and the budgeted (operating) financial statement.

	Operating Statement	Consolidated Statement	Non- Operations Amounts
	(Thousand \$)		
<b>Total Revenue and Support</b>	<b>\$1,671</b>	<b>\$1,941*</b>	<b>\$270</b>
<i>% of consolidated</i>	<i>86%</i>	<i>100%</i>	<i>14%</i>
<b>Total Expenses</b>	<b>\$1,723</b>	<b>\$2,126</b>	<b>\$403</b>
<i>% of consolidated</i>	<i>81%</i>	<i>100%</i>	<i>19%</i>
<b>Net Revenue/Expense</b>	<b>-\$52</b>	<b>-\$185</b>	<b>-\$134</b>
	<i>28%</i>	<i>100%</i>	<i>72%</i>

\*Includes temporarily restricted amount

Peter Vitaliano, Treasurer, UUCA

## Open Questions for FY19

1. How shall we live "We are the Church."
2. How shall we increase levels of engagement through connections with each other as a community?
3. How shall we change the Governance and Decision-Making process for the Church?

**UUCA**  
**CHARGE TO GOVERNANCE TASK FORCE**  
**FROM BOARD OF DIRECTORS**  
**Approved September 18, 2018**

**Whereas** UUCA has operated under a strict Policy Governance Structure as defined by the Carver trademarked program for many years;

**Whereas** the Board sought to impose this structure more stringently in collaboration with Rev. Aaron McEmry's at the beginning of his ministry at UUCA in 2014;

**Whereas** the Board and the Executive/Senior Minister followed the process of outlining interpretations and reviewing monitoring reports for several years as a means to utilize policy governance so that the Senior Minister had the opportunity to fulfill his vision and the Board was not responsible for day-to-day operational decisions in a large church;

**Whereas** this strict Policy Governance method proved to have both its advantages and disadvantages in its implementation;

**Therefore**, the UUCA Board of Directors hereby resolves to establish this Governance Task Force to review this approach to church leadership as well as other alternatives in order to improve how governance functions in a church environment and to make incremental or wholesale changes over a 3-year period.

**TASK FORCE CHARGE**

**Name:** Governance Task Force

**Purpose:** The Governance Task Force will evaluate UUCA's governance system: how it makes decisions and how authority and responsibility are placed in the Congregation, the Board and the Executive/Staff.

**Anticipated deliverables:** The Task Force will develop recommendations to the Board for changes in these governance structures, decision-making processes, the role of the Executive and the Board, and suggest priorities for implementation.

**Reports to:** UUCA Board of Directors

**Authority:** Power to make recommendations to the Board, to convene discussion and education sessions with the congregation, to engage in discussions with other churches, to solicit support from UUA professionals.

**Composition:** At least 3 Board members, at least 3 congregation members appointed by the Board, and the Interim Minister Terasa Cooley as key adviser as needed:

**Time Frame:** This Task Force is a ten-month Stage 1 effort focused on exploration and data gathering concluding with a report summarizing the findings and preliminary recommendations to the Board and for discussion with the congregation. Ideally the work will be concluded in time to share with the congregation at the Annual Meeting.

The subsequent work may include the following stages, which will be organized separately after the conclusion of the Task Force's work:

Stage 2: Board adoption of those recommendations it deems feasible and advisable for the church to implement. Education of the congregation about the basic outlines of the proposed system and structure, with adaptation based on feedback. Coordination with Ministerial Search Committee as it develops communications for and with candidates. Development of selected design changes implied by the Task Force's Report.

Stage 3: Working with the Board, the new Senior Minister/Executive/Executive Team and the Congregation to try the new system and structure and to adapt as needed.

**Expectations of Task Force Members:** Those who volunteer to be appointed members of this Task Force are carrying out the research and development work for the congregation about its core decision-making, authority and accountability processes.

- This will require in-depth study so that all Task Force members learn about church governance, options for organizing a large congregation like UUCA, the history of our congregation and the current strengths and weaknesses of our current system.
- It is important that this Task Force function as a cohesive team with consistent membership from meeting to meeting and a commitment to completing the scope of work.

- While the Task Force will endeavor to function by consensus, there will be room for a variety of perspectives up to and including a “minority report” on the final recommendations.
- The work will require a commitment of approximately 10 hours/month, which could vary given the stage of the work.
- Members are expected to attend all Task Force meetings and to prepare for the meetings by reviewing and coming ready to work on reports and documents distributed ahead of the meeting.
- Members will be called on to lead small group meetings with the congregation, to compile comments from those meetings and to file reports with the Task Force about their groups.
- Members will also be expected to take on research and reporting assignments and to complete those assignments within a defined time frame in order to keep the Task Force on schedule to complete its work by June.

**Scope of Task Force’s Responsibilities:**

1. Review history of governance at UUCA, including major configurations of authority among the Board, the ministers, the congregation and the staff. Identify major events in UUCA’s history that challenged the governance body and how those events shaped the choices made about governance over the years and brought UUCA to today’s system. Interview past leaders currently in the congregation and reach out to others as appropriate. Identify patterns of relationship problems and whether they were driven by cultural or structural issues.
2. Interview current and past staff, board members, ministers, and key volunteers.
3. Interview and do site visits to other churches to observe and to learn about their systems.
4. Research church governance systems using books, white papers, conference materials, UUA staff and other sources that explore options for accountability/decision-making in a large church such as UUCA.
5. Convene sessions with the congregation to discuss their concerns about governance and decision-making.

6. Document current authority/responsibility relationships and how decisions are made by the Board and the Executive/Executive Director. This is to include patterns and structures related to financial matters such as the annual budget, stewardship and the Finance Committee/Treasurer structure, as well as strategic planning, performance monitoring and accountability structures.
7. Identify major strengths and weaknesses in the current systems and the implications for the church over the past few years of operation.
8. Coordinate efforts with the Ministerial Search Committee and the Nominating Committee through the Board Chair, the Chair of the MSC and the Chair of the Nominating Committee. The purpose is to determine their need for information they can factor into their work; and to coordinate information gathering so as not to duplicate efforts with the congregation.
9. Address at least the following questions in the research and development of recommendations:
  - a) How can the wishes of the congregation be heard and taken into account? What are the changes that could be made in our model that would enhance the engagement of our members in congregational life?
  - b) What should be the Board/Ministers/Staff relationship and reporting structure?
  - c) What should be the roles of the Board, Ministers and their team, and Congregation in decision-making?
  - d) What should be the role of the Board, Senior Minister, Finance Officer and/or Finance Committee in developing and/or managing the budget?
  - e) What responsibility and authority should be delegated to the Senior Minister?
  - f) How should the Board provide oversight and monitor progress towards meeting our Ends or long term goals?
  - g) Who should have responsibility for producing UUCA's Long-Term Plan? Should we have an annual cycle of planning and review?
  - h) Would the addition of new teams and/or committees enhance our effectiveness in meeting our Ends and/or long-term mission?
  - i) Are there changes in our governance systems that could move us closer to becoming a multicultural, multigenerational community?
  - j) How do we develop a governance framework that instills trust in leadership?