

**UUCA Board of Trustees**  
**Annual Report to the Congregation**  
**June 2021**

Remember where we were just 12 months ago as a congregation? We approved a budget and plan for 2020-21 that outlined how we thought our year would go if our building remained closed for the entire year. That plan served us well and provided a framework for the ministers and staff to manage the programs and services of the church, while the board focused its work on continuing to move forward on a number of fronts. We have weathered this year well and are finishing in a strong financial condition, with new and creative programs and services. We have a big challenge ahead with the need to reopen safely but surely, and are well-positioned for this task.

The most important work we did this year was to build a collaborative and productive working relationship with our new Sr. Minister, Rev. Amanda Poppei. With her skillful approach to church leadership and problem solving, combined with a dedicated and talented set of board members we established a team that accomplished a great deal.

- We helped each other through the process of dealing with the many challenges around the pandemic, through the Campus Reopening Task Force.
- Rev. Amanda used her rich network of connections in the DC area to bring in some interim financial and administrative staff when our CAO and Bookkeeper positions turned over. This team has moved us forward on improving our transparency and reevaluating the administrative staff structure.
- We worked together in Board committees to address the goals of the Governance Task Force so that the Board:
  - Has a clearer role and authority over the affairs of the church,
  - Exercises more oversight of the finances,
  - Holds the Sr. Minister and the board itself more clearly accountable,
  - Provides a more transparent governance process with clear accessibility of the members to the decision-making process.

The Board is grateful for the experience, commitment and values Rev. Amanda has brought to this work. Every board member devoted extraordinary time and effort in this work, and it shows in the significance of the accomplishments this year. The details of what each board committee and task force accomplished is presented below. The highlights include:

- The Governance Committee made great progress in developing foundational policies that address the board's authority relative to that delegated to the Sr. Minister, as well as guidance on key financial policy issues. It has updated the website on governance with links to every board policy and report as well as board meeting minutes, so the congregation has full access to the board's ongoing work.
- The Board Finance and Audit Committee worked closely with the auditors to dive into the financials and develop a clearer understanding. It is working with our finance consultant to redesign the monthly statements, which has become important as part of the transition to a new integrated administrative/financial software platform with cloud access and updated features. In a major step, the

committee reviewed the status of our endowment and long-term investments and recommended they be moved into the UUA's Common Endowment Fund where they will be under institutional management.

- The Ministry Assessment Committee worked with Rev. Amanda to develop a Sr. Minister job description, create professional development goals and monitor progress and performance. This will culminate in a formal assessment process in May and June.
- The Campus Reopening Task Force met weekly to discuss rapidly evolving circumstances, to evaluate opportunities and requests for community activities, and to establish the policies that would guide the staff and the congregation. It issued three quarterly reports that kept the congregation updated on its work and whether any changes were needed to the budget and plan it had approved. The CRTF is entering its most challenging time as we work together to map out a plan for reopening the campus over the summer and the building in the fall.
- The Capital Campaign Committee continued its work into the fall and concluded it would restart Phase 2 and 3 once more in-person visiting was possible. Meanwhile the first phase donors continued sending in their pledge payments so we are on schedule to make another major paydown of the mortgage in June 2021.

As you can imagine, this year has challenged staff and board members alike. Many board members faced the unprecedented complexity of balancing family and work responsibilities as well as board commitments, it was much more demanding than many expected. A number of board members have chosen to step back as a result, and we are so grateful for their time and efforts during their tenure. Over the summer we will be regrouping with time for staff to recharge, and we'll be bringing on three new board members, a new Secretary and a new Treasurer, and orienting them to board work at UUCA.

The Board wants to thank the congregation for your steady and reliable support over the last 16 months. We appreciate your attention and participation in surveys, events, and other efforts to maintain our connections as a community. While the virtual environment hasn't been the best for everyone, your response to the Annual Pledge campaign shows that you continue to value UUCA in your life, and we so look forward to being back together in this next year.

Yours in faith and community,

*Linda Battaglini, President and Board Chair*

*Amy Shepherd, Board Vice-Chair, Chair Board Finance and Audit Committee*

*Amy Cocuzza*

*Burke Kappler, Chair Governance Committee, Board Vice Chair-Elect*

*Irv Lachow*

*Lisa Lerman, Ministerial Assessment Committee Chair*

*Hieu Nguyen*

*Elizabeth VanderPutten*

*Lila Vizzard, Chair Campus Reopening Task Force*

*Karen Tripp, Secretary*

*Peter Vitaliano, Treasurer*

## **Governance Committee:**

**Chair:** Burke Kappler

**Members:** Amy Cocuzza, Amy Shepherd, Linda Battaglini, Rev. Amanda Poppei

UUCA established the Governance Committee in early 2020 following the recommendation of the 2019 Governance Task Force. In the 2020-2021 church year, the GC has continued to pursue the mission laid out in its charter, namely to "develop a governance system and policy structure for UUCA that are collaborative, adaptable, and clear." The charter also called for the GC to establish distinctions between the board, minister, and staff and to provide accountability and participation structures--meaning ways of overseeing and becoming involved--for the congregation, staff, ministers, and Board. Finally, the charter required the GC to develop an annual work plan identifying its priorities.

In its work plans for 2020-2021, the GC identified three key priorities:

- (1) developing financial management policies to assist the Senior Minister and staff in managing the church's resources and to enable the Board to oversee their efforts;
- (2) improving transparency by revamping the Governance portion of the church website to display the church's policies in a more user-friendly way; and
- (3) developing a delegation policy to more clearly distinguish the roles and responsibilities of the Senior Minister and the Board.

The GC's work plan also allowed the GC to develop other policies as necessary or feasible.

The GC has been remarkably productive since the start of the church year. The Board has adopted the following UUCA policies this year:

### Financial Policies

- **Income Policy:** This policy defines how gifts and income received by the church may be categorized and specifies how they may be used;
- **Investment Policy:** This policy lays out criteria for how UUCA should manage its investments (directly or indirectly) and enables better Board oversight of these resources.

The GC is currently working on other financial management policies, including a policy that more clearly establishes who among the Senior Minister, staff and Board is authorized to sign checks and contracts on behalf of the organization.

### Roles and Responsibilities Policies:

- **Global Delegation Policy:** This policy, which is suggested as a best practice by Dan Hotchkiss, a noted consultant and author in the field of church governance, provides a formal delegation of management authority to the Senior Minister and thereby helps to clarify and distinguish the Senior Minister's role versus that of the Board. At the same time, the GC prepared, and the Board passed an accompanying Board Role policy statement.

- **Board Role Policy**: this bookends the delegation policy and lays out the Board's own responsibilities as a counterbalance to, and complement for, the Senior Minister and staff.
- **Constructive Dialogue Policy**: This policy lays out principles and guidelines for how the Board will respond to concerns or issues raised by members of the congregation.
- **Policy Development Process Policy**: This "policy about policy" describes the process the Board will follow in developing UUCA policies, including how church members may raise issues and become directly involved in helping to shape those policies.
- **Board Meeting Policy**: This defines how the Board will conduct its meetings within the requirements of the Bylaws that govern how the church's business is conducted. It also identifies how members may come to observe the meeting or to offer a comment/question to the Board before the meeting.

Finally, the GC updated and continues to work on revising the church's website and identifying ways to present the church's governing policies in a clear, transparent, and easily accessible format. One concrete step the GC took in this area was to develop a policy document format intended to be easily read or translated by readers using accessibility devices. Outside of specific priorities in the work plan, the GC is also open to identifying additional areas and opportunities for policy development.

### **Board Finance and Audit Committee:**

**Chair:** Amy Shepherd

**Members:** Elizabeth VanderPutten, Amy Shepherd, Burke Kappler, Linda Battaglini, Peter Vitaliano, Rev. Amanda Poppei

The Board of Trustees Finance and Audit Committee (BFAC) was established in early 2020 to:

1. Support the Board's fiduciary responsibilities to oversee church finances,
2. Assist in the development of clearly defined financial structures through recommended Board policy,
3. Further the Board's commitment to accountability and transparency regarding church finances.

The BFAC spent a large part of this past year fulfilling its responsibility to oversee UUCA's financial reports and analyses by providing a forum for in-depth discussion of the best approaches to financial reporting and management of the church's financial assets. This work supported BFAC's goal of strengthening the financial infrastructure of the church and facilitating transparent communications about church finances, while supporting the financial operational work of the Minister and staff.

This was a year of major transitions for UUCA's finance operations both in terms of structural responsibilities and systems. In the fall and winter of 2020, the Chief Administrative Officer and the Bookkeeper departed UUCA, which created both challenges and opportunities around UUCA's financial processes and reporting. Rev. Amanda recruited two excellent part-time consultants who stepped in to provide

operational support as well as good perspective on opportunities for change. In early 2021, UUCA also transitioned its financial and membership recordkeeping system from an outdated Shelby system to a more robust ShelbyNext on-line administrative and financial platform.

To support the work of the Senior Minister in thoughtfully addressing these unique events while being open to change, the BFAC took a very deep dive into UUCA's existing financial reporting. It met several times with UUCA's Auditors, UHY, to develop a strong understanding of UUCA's accounts, cash flows, and financial statement presentation. Working with the Treasurer, Senior Minister, and the Interim Finance Director through an iterative process, the BFAC considered various options for the presentation of financial information, providing insight and feedback on alternative approaches with a long-term view to greater transparency and frequency of financial reporting to the congregation.

The BFAC also collaborated with the Governance Committee in the identification of key financial policies to be developed, working collaboratively to draft and recommend policies such as the Investment Policy, and the Income Policy for Board adoption.

The BFAC in collaboration with the Treasurer, Assistant Treasurers and the Interim Finance Director also examined UUCA's current investment approach and reviewed options for investment of the church's long-term funds. Ultimately, the BFAC recommended, and the Board approved, moving the Endowment and Reserve accounts to the Unitarian Universalist Common Endowment Fund, a diversified investment fund that seeks current income and long-term investment returns through portfolio allocation and asset management with UU socially responsible investing goals and through shareholder activism.

The BFAC also supported the Senior Minister in the development of the 2021-2022 Annual Budget, through discussion at multiple meetings and participation in congregational gatherings to discuss the proposed budget and receive feedback from the congregation, ultimately resulting in a recommendation to the Board to adopt the proposed budget for the 2021-2022 fiscal year.

2020-2021 was a year for the BFAC to respond to uncertainty regarding the impact of the pandemic on UUCA's financial position and the transitions in financial operational staffing and systems, while using the unexpected events as an opportunity to re-examine current processes and build the foundation for transparent and accessible financial reporting for years to come.

### **Ministry Assessment Committee**

**Chair:** Lisa Lerman

**Members:** Lila Herndon Vizzard, Irv Lachow, Linda Battaglini

The Ministry Assessment Committee was established in 2019 to develop and implement a framework for the board's evaluation and oversight of UUCA's ministry, including the

senior minister. The committee produced a report in June 2020 that summarized information about ministerial assessment gathered from other congregations and from UUCA staff, listed resources that could be used to inform our assessment processes, made recommendations of best practices, and outlined a preliminary assessment process for our new senior minister's first year.

The committee met a number of times during the year to implement the board's responsibility to exercise oversight over the work of the senior minister. The senior minister supervises the other UUCA staff (though some supervisory responsibilities will be delegated to the assistant minister). We asked the senior minister to develop a draft job description that listed the essential functions and other duties of the position, listed minimum qualifications for the position, physical requirements, core competencies, and annual performance and professional development goals. We met with Rev. Amanda to review the draft and to offer editorial comments. We agreed that for year one, the assessment process should be collaborative, transparent, and relatively informal. We agreed to meet with Rev. Amanda in December and March for check-ins at which we would discuss ongoing work and could discuss any problems. Rev. Amanda also provided monthly written reports to the board, which provided detailed information on the many arenas of her work. The check-in meetings were successful and cooperative. We have all been so impressed by the range and quality of Rev. Amanda's work.

We agreed that Rev. Amanda would do a written self-assessment in May of 2021 in which she would report on her progress on the annual performance and professional development goals listed in the job description. This will be shared with the board, and the board will provide written feedback on the self-assessment.

The committee has created a review process which is collaborative, open, and flexible, and facilitates shared vision and mutual accountability. We anticipate that the assessment process will evolve over time, and that in year three, the process will build in some input from the congregation.

### **Campus Reopening Task Force**

Chair: Lila Herndon Vizzard

Members: Donna Brown, Barbara Buzzell, Christoph Schoer, Paul Kearney, Annie Parker, Rev. Amanda Poppei, Linda Battaglini

When the Board proposed UUCA's 2020-21 budget in June 2020, our core assumption was that the church building would remain closed for the entire year. The board determined that the process for reopening would require thoughtful deliberation based on the science, our UUCA values, and a wide range of community factors and requirements. Consequently, the Board created the Campus Reopening Task Force (CRTF) to study the science, public health guidance, and the evolving circumstances in our communities and to make recommendations about reopening. Specifically, the CRTF was tasked with the following scope of work:

1. Review and assess UUA, federal, state, and local guidance, available COVID-19 data, and other relevant information. In addition, review the strategies being employed by other congregations in order to identify best practices.
2. Seek input from the UUCA congregation on their needs and priorities for opening the campus.
3. Draft recommendations for reopening the UUCA campus. Recommendations will address considerations for any reopening phases, administrative and environmental controls needed, behavioral practices to be followed, and any triggers for returning to virtual operations.
4. Meet with the Board Finance and Audit Committee to discuss any budgetary or financial implications or considerations of reopening recommendations.
5. Based on board approval, support and participate in the dissemination of the Board-approved strategies to the congregation and staff.
6. Evaluate staff updates on the implementation of reopening recommendations. As needed, provide periodic status updates to the Board and recommend additional reviews as circumstances warrant.

UUCA Values Guiding the CRTF Work: Who are we called to be in this time – for each other, for our staff and ministers, for those who use our space, and for our larger community partners?

- We seek to **stay in covenant** with all our members and friends, staff and ministers; finding ways to maintain the inclusivity that virtual communication has enabled.
- We commit to the **safety of our staff and participants** in all activities/services of our congregation whether or not held in our building and grounds.
- We pledge to stay close to the facts of the moment. **Science-based public health guidance** will inform all we do.
- We pledge **transparency and open dialogue** regarding our findings, our decision-making, and our evolving learning from experience through the implementation process.

The CRTF established a weekly meeting schedule to maintain up-to-date awareness across a range of COVID-19 case metrics as well as current state and local guidance on mitigation strategies and gathering restrictions. The CRTF has published three quarterly reports to the Board and congregation with highlights on approved campus use policies, personal mitigation and building safety measures implemented, processes for requesting building and grounds use, and feedback solicited from the community to inform next steps in the work. Highlights of the CRTF's work include the following:

- A congregation survey was conducted in December (and will be repeated in May) to gauge congregants' and friends' comfort with and readiness for more in-person activities on campus. The results of the first survey were used to prioritize outreach and support to groups for whom virtual gatherings have been less effective and meaningful.

- Progressive expansion of opportunities for worship, fellowship, education, and social justice action on campus based on COVID-19 case, hospitalization, transmission, and vaccination rates supporting some safer gathering.
- UUCA updated our website to include a page dedicated to COVID-19 information, forms, and resources. This webpage provides a “one-stop shop” for congregants, groups, and visitors looking for information about UUCA procedures, State and county resources, vaccination registration, and other useful COVID-19 resources.
- UUCA’s Facilities Manager, Paul Kearney, undertook a rigorous assessment of our building to help determine safe occupancy limits, ventilation capabilities and safeguards, and other safety protocols necessary for building use. These analyses were summarized in a Ministry Matters report provided to the congregation and described how our HVAC and ventilation systems support our ability to gather safely and other strategies that will be deployed as we reopen further. This report is available in its entirety on UUCA’s COVID-19 webpage.
- UUCA has been collecting information volunteered by congregants regarding their vaccination status. This information will give us a sense of how much protection is in place for our congregation and will guide future, reopening planning efforts.

While the communities in which we live have begun accelerating reopening, UUCA is holding our congregation to a different standard – one that promotes full inclusivity, equity, and safety for all. UUCA is continually updating our policies to reflect the best understanding of scientists, public health officials, and congregational leaders--so that our emerging and regathering can be as safe and inclusive as possible. While increasing opportunities for gathering, mitigation strategies, such as mask wearing and social distancing, will likely continue until a critical mass of people are vaccinated and we can ensure the safety of everyone visiting our campus. The CRTF has greatly appreciated the congregation’s understanding of our need for extra thoughtfulness when we gather as the whole UUCA community. It shows us who UUCA is – a congregation that honors every single member of our community and works together to create a safe and inclusive environment for all.