

President's Report November 2012

Dear Board:

I'm still processing the new and exciting yet familiar post-election world we live in that Justin alluded to in this week's sermon. I was remarking to someone in the social hall today that I'm not accustomed to be still processing something that happened six days ago that was good news, but that's a problem I can readily live with.

Our church was part of something pretty special last week that was months (or millenia?) in the making. We witnessed our country expanding it's notion of truth and realizing it had more room for love. I no longer have a theoretical understanding of the phrase "watershed moment" - I just witnessed one.

Our work as a board is to continue to steer the ship in a way that can unleash the spiritual power of our church and our faith movement. Laura Park from Unity Consulting will again be joining us on deck with a compass to guide us in our journey. I don't exactly know what we'll discover - sometimes I feel like our board is more like the Corps of Discovery, in which case Laura must be Sacagawea. Regardless, I'm looking forward to it.

As before, I am including the guiding questions from our retreat for reviewing the interpretations for Visionary Goal #1 and our financial policies:

- Is it a reasonable interpretation?
- Does it include reasonable metrics that will clearly show if the ends are being accomplished?
- Is the rationale for the interpretation and metrics reasonable?
- Does the interpretation address the whole Visionary Goal?
- What insights or questions does the interpretation raise?

As I said earlier in the week, I think it's our first critical moment for the board to put a stake in the ground and state for ourselves and Justin what a reasonable interpretation is, and by extension we as a board can embrace our Visionary Goals and related policies on a deeper level.

As part of our year-long effort to clarify and strengthen our working relationship with the Nominating Committee, Cindy Marsh will be presenting and turning over to the board the BOT job description. I expect the review of this document will initiate some timely reflection what the board needs from from the Nominating Committee as they prepare to recruit for next year's slate of trustees. In the event it helps drives an open flow of discussion, I will elect that the board go into executive session so that we can deliberate over this as one board.

In Faith,
Craig Bierbaum

First Universalist Church of Minneapolis
Board of Trustees Meeting
November 15, 2012
Agenda

In the Universalist spirit of love and hope, we give, receive, and grow. First Universalist Church

Treats provided by Craig Bishop

6:30 Call to Order

—Chalice lighting and centering meditation – Craig Bishop

6:40 Consent Agenda:

—Approve October minutes

—Approve new members

6:45 Sr. Minister Report

7:00 Policy Workshop w/Laura Park

Review of Visionary Goal #1

Review of Financial Policy

8:30 NomCom Report - Cindy Marsh

8:55 Meeting Review / Wrap Up

9:00 Meeting adjourned

Attachments:

President's Report

Oct 2012 Board Minutes

Draft Interpretation of First Visionary Goal - from Justin

Sr. Minister's Report - from Justin

First Universalist Church of Minneapolis Board of Trustees Meeting

Thursday, October 18, 2012, 6:30 p.m.

Board Members present (absent): David Bach, ~~Dan Berg~~, Craig Bierbaum, ~~Craig Bishop~~, David Leppik, ~~Paul Robinson~~, Pam Vincent, Lark Weller, Karin Wille

Clergy present: Justin Schroeder

Others present : Doug Smalley- Nominating Committee member

Agenda Item	Presenter	Discussion	Action
Chalice Lighting and Centering Meditation	Karin Wille	The meeting was called to order at 6:30 pm Meditation- from "Awakening the Soul"	
Consent agenda	Craig Bierbaum	Approve September minutes. Approve new members. Action: Motion to approve Consent Agenda.	Approved
Approval of affiliation for Rev Kelli Clement	Justin	Discussion and review of letter requesting affiliation. Action: Motion to approve	Approved
Finance Committee Report	Craig Bishop	In Craig's absence, discussion led by Justin. First draft of Financial Limitations re-write begun by Dan Berg; still in discussion among FMT; not ready for Board review. Miracle Sunday raised additional \$40,000. Goal was \$35,000. Auction goal is \$26,000.	
Discussion of review process of GPH	All	Discussed process of reviewing GPH for SM interpretation; need to memorialize changes and revisions.	
Governance Committee		Volunteer Integration Policy-Governance Committee met Monday to review Limitations Policy on page 13 of Governing Policies Handbook . Recommendation is to strike section B, and review Section C to incorporate VG 3, with some text changes. – see notes from Gov committee meeting for details. Final changes to GPH will be made contingent to Justin's interpretation. Suggest Secretary of Board will maintain final changes and version control.	

First Universalist Church of Minneapolis Board of Trustees Meeting

Conversation with the Senior Minister	Justin Schroeder	<p>Review the Past- Discussion of report included in Board Packet, and article, "You're always in a Season". Clarified that responsibility of the Senior Minister is to give 'big picture'- recognizing some disorientation of long term church members- their point of contact with church. Calling out issue of growth of Sunday attendance is important. Update on copyright discussion: Justin and Ruth will meet with copyright lawyer next week. Church has obtained approval for everything we use, except "Go Now in Peace" words printed in order of service. Directive to staff is to comply with existing copyright regarding copies of music, etc. Board discussed continued practice of printing "Go Now In Peace" knowing we are in violation of copyright, and are not likely to receive permission. In addition, our change of these words is different theology from original intent of author. Discussion ensued regarding removing these words from Order of Service. Recommendation of Board is to remove these words from Order of Service Justin will be in discussion with Ruth on this.</p> <p>First Visionary Goal Interpretation- Discussion about adding survey questions to measure progress toward Visionary Goals; acknowledged that there is some value in keeping original survey questions for historical reference. Survey not intended to be primary tool for measuring compliance with VGs. SM report is another tool to measure progress, but that is not from stakeholders. Need to include additional strategies to obtain measurement from stakeholders, such as focus groups. Could use Laura Parks as additional resource for policy development, as part of Board meetings. Board needs to retain ownership of VGs and outcomes as stewards of church resources, with input from Justin. Need a process to measure change in people's lives. Unity revisits VGs every 5 yrs with congregation. Justin's assumption is that VG will change over time, but what is written now is what we are working from for a period of time.</p> <p>Board discussion of Justin's interpretation- see Board Packet. Look to evaluation of compliance vs progress. Measurements currently referenced in Justin's interpretation are compliance, not progress.</p>	
Nominating Committee Report	David Bach, Craig Bierbaum, Justin Schroeder	Discussion deferred- see report included in packet.	
Meeting Summary and Evaluation			
Closing and Adjournment		Adjourned at 8:50 pm	

Important Dates:

Next meeting: November 15, 2012

Treats and opening words for Next Meeting: Craig Bishop

First Universalist Church of Minneapolis Board of Trustees Meeting

First Universalist Church of Minneapolis Board of Trustees Meeting

Attachment A

Sr. Minister Report prepared for the Board of Trustees, Nov. 2012

Mission Statement: In the Universal Spirit of love and hope, we give, receive, and grow. First Universalist Church.

Visionary Goals (“We are all Love’s people, held by a Love that will not let us go. As Love’s people, we do holy work: we welcome, affirm, and protect the light in each human heart; we act outside our walls for justice and equality; we listen with our whole being to where Love is calling us next.)

The people of First Universalist Church grow in their UU faith: we are equipped to live out our values and experience worship, spiritual practices, and rituals that challenge, comfort, celebrate, and heal.

Worship has been vibrant and engaging, as we’ve dug deeply into the themes. In this current theme of “Stories We Chose,” we’ve explored the story of race, the story of paradise and heaven here on earth, and stories larger than the moment that we can live in to. The choir and musical guests continue to inspire and touch us. (If you’ve missed any of this sermon series, you can listen to sermon podcasts here: [http://firstuniv.podbean.com/.](http://firstuniv.podbean.com/))

We are planning our upcoming worship themes - “Awaken” in December and “Courageous Conversations” in January, and “Sex and Spirit” in February.

Our worship associates will begin being a part of services in January, 2013, as well.

Finally, we held a post-election service on Nov. 7, that was attended by about 50 people. It was so good to be together as a faith community, to exhale, and to celebrate the defeat of the Marriage Prohibition Amendment.

First Universalist Church is a home for ageless wisdom. People of all ages find opportunities to engage in an intellectual and spiritual search for deeper meaning and understanding in the UU tradition, both as individuals and in community. We know our roots, find our wings, and apply our knowledge and wisdom to all our endeavors.

Lauren Wyeth, our Director of Children, Youth, and Family Ministries, recently held a ceremony to recognize and celebrate our Chalice Lighters, a dozen young people who will be part of the Sunday morning service from time to time, lighting the chalice. The ceremony ground these young people in our faith, our history, and with the particular responsibility that they carry as chalice lighters.

The Winter Program Guide is being put together and will come out at the end of the month.

First Universalist Church is an intergenerational community of mutual caring and support. We build this community by actively welcoming all and encouraging each other to discover, develop and share their gifts.

We're slowly moving anti-racism and racial justice projects forward in our Faith in Action Department. We're preaching about race, and reviewing our curriculum to ensure that the voices and experiences of our children and youth are reflected in what we're teaching.

Last month, we had an initial meeting of those interested in becoming an anti-racist/radically welcoming church, and we have another meeting planned for Nov. 20, at 7 p.m. (FYI: when we talk about anti-racism, we're talking about beliefs, actions, movements, and policies adopted or developed to oppose racism, and help us move through the barriers of racism that are so often prevalent in our society and institutions, including churches.)

Note: We will be holding trainings and learning opportunities for staff, Board, and others to deepen our understanding of racism, cultural competency, and how to move toward becoming an anti-racist church. This work is not a one year project. This is a multi-year, multi-decade project that we're beginning this year. It will be important to have the Board involved and committed to this work and journey.

The people of First Universalist Church work to build a just, loving and sustainable world. We are a visible, influential voice, and we act to shape the larger community into a more just and equitable society.

The MN Standing on the Side of Love Video Project was a source of comfort and relief to many during this election time, as there were many conversations about the Marriage Prohibition Amendment. The website is still up and you can see it here: <http://sideoflovemn.org/>.

I am proud of the work that this church did, in partnership with many other organizations, to help defeat both of the proposed Constitutional Amendments. Ours is an inclusive, open faith, and both of these Amendments would have drawn the circle tighter, excluding some people and not others. We, and many others, said "no" to exclusion. What we do here matters! We made a difference in this election.

Updates for the Board: I am intentionally linking these updates to relevant policies to demonstrate that I am in compliance with the Executive Limitation Policies that are in the Governing Policies Handbook.

Inform/Consult	Item	Relevant Policy and Comments
<p>Inform</p>	<p>Staff Transitions</p>	<p>Policy D. Communication to the Board and Congregation. <i>Inform the board in a timely manner of any relevant trends, issues, or events affecting the health of the organization.</i></p> <p>Because we have an interim Director of Membership and Adult Ministries, Sara Smalley, we're re-evaluating the implementation timeline for the new member database. We are continuing to move forward with the implementation of Quick Books; after we've hired a new Director of Membership and Adult Ministries, and that person has settled in to the position, we'll assess and then move forward with the implementation of the new database.</p>
<p>Inform</p>	<p>Update on Copyright Issues</p>	<p>"Senior Minister Limitation Policy A: General Constraint." Specifically, "The Senior Minister shall not cause or allow any practice, activity, decision, or organizational circumstance that is illegal, imprudent or in violation of commonly accepted business and professional ethics."</p> <p>I want to update the Board to let them know that Ruth MacKenzie and I have been in conversation with a copyright lawyer, have received permission from the UUA for copyright content printed in the order of service, and have stopped printing the words to 'Go Now in Peace.' Based on the conversation with this lawyer, we are in compliance with copyright law, and are clear about next steps we need to take when we begin Livestreaming, etc.</p>

Pledge Drive and Board Leadership: The Pledge Team and I are doing a “mini-canvass” this year, training 15-20 church members who will each talk with 3-5 other church members about the spiritual practice of generosity, the pledge drive, and the church, as they ask them to consider increasing their pledge. I am hoping that several Board members will be involved in this effort (I’ll be in touch with you), as it’s a perfect leadership role for Board members, as well as an opportunity to “link” with First Universalist members.

DRAFT Interpretation of First Visionary Goal

Rev. Justin Schroeder

We, the people of First Universalist Church, grow in our UU faith: we are equipped to live out our values and experience worship, spiritual practices, and rituals that challenge, comfort, celebrate, and heal.

Operational interpretation of this Visionary Goal:

I interpret "we, the people of First Universalist Church," as people who indicate in the annual survey that they attend 2 or more Sundays per month. (Note: this would be the 167 people - 73% of survey respondents – who indicated that they "attend almost every Sunday." Q23.)

Furthermore, I interpret "we, the people of First Universalist Church" as children and youth who indicate that they attend 2 or more Sundays per month in Religious Education or Youth Programming. Thus, I am interpreting this to mean that "we, the people of First Universalist Church" are children, youth, and adults, who are actively engaged 2 Sundays per month in the teaching and worship life of First Universalist.

Rationale: It is difficult to change someone if you only have them for 1 hour a month, or every two months. Thus, while I believe we have an impact on all who step through our doors, I'm most interested in discovering what kind of life change we're inspiring in those who are with us 2 or more times a month.

I interpret "grow in our UU faith" as having our children, youth, and adults being able to easily and compellingly talk about their Unitarian Universalist faith, and how it is alive in their lives.

Recommended Question to add to Survey: I am grounded in my Unitarian Universalist faith. (Strongly agree – strongly disagree.)

I interpret our "grow in our UU faith" as our children, youth, and adults understanding themselves as being called to be "Love's people" in the world.

Recommended Question to add to Survey: As a Unitarian Universalist, I understand what it means to be called to be "Love's People" in the world.

I interpret "equipped to live out my values" to mean that people have the theological and practical tools (i.e., be grounded in UU history, as well as having a range of spiritual practices to engage in) that will help them connect with and be reminded of their deepest values.

I interpret "experience" to mean all that every aspect of church life reflects some form of "spiritual practice," i.e, every meeting or gathering has a chalice lighting, an opening reading, and a time for reflection and for listening to one another. Every dimension of church life includes spiritual practices and rituals that challenge, comfort, celebrate and heal.

Recommended Question to add to Survey: The teams, groups, and gatherings I was a part of at First Universalist always made room for a chalice lighting, or a reading, or a check-in, or closing words. (Strongly agree – Strongly Disagree)

I interpret "challenge, comfort, celebrate, and heal," as the "holy tension" we're trying to live into in our ministry as a church. We're "challenging" people to grow in their faith, and to make life changes that reflect a deepening spiritual maturity. (I do not interpret "challenge" as the church challenging people "intellectually." It is my deepest belief that the vast majority of people do not come to church to be intellectually challenged; people come to church to be transformed, to learn a spiritual practice, and to connect with other humans being who are trying to figure out what it means to be in relationship with one another and the Holy.) We're comforting those who are in emotional and spiritual pain and we're striving to create an environment where healing can take place. We're seeking to celebrate as well, giving thanks for the gift of life and for the relationships that sustain us. Overall, I interpret "challenge, comfort, celebrate, and heal," as meaning that First Universalist provides a way for people to make sense and find meaning in their lives and the broader world, as they maintain faith and hope.

Recommended Question to add to Survey: 'First Universalist helps me find meaning and purpose in my life.' (Strongly Agree – Strongly Disagree.)

Recommended Question to add to Survey: Please share a story of a time you felt challenged, comforted, celebrated, or healed at First Universalist. (Without expectation of follow-up.)

Measures: Indicators, Sign and Stories: How progress and compliance will be observed and demonstrated

There are several questions from the annual survey that can be used as indicators to assess progress on this Visionary Goal:

Using a scale of Strongly Agree to Strongly Disagree (5 options total), please rate the degree to which you have:

- Worship life at First Universalist that is challenging...
- Worship life at First Universalist that is comforting...
- Worship life at First Universalist that is celebratory...
- Worship life at First Universalist that is healing...

Compliance will be demonstrated by at least 85% of respondents indicating that they agree or strongly agree that the worship life has been both comforting and celebratory (these numbers were 88.6% and 89.1%, respectively, in the 2012 survey.) My rationale for the 85% mark is that given the great diversity and set of needs in any particular worship service, we are having a significant impact on people when 85% of them report that they agree and strongly agree that worship is comforting and celebratory.

Additionally, compliance will be demonstrated by 70% of respondents indicating that they agree or strongly agree that "worship life is challenging" (this number was 67.1% in 2012 survey); additionally, compliance will be demonstrated by 70% of respondents indicating that they agree or strongly agree that "worship life is healing" (this number 71.1% in 2012 survey). My rationale for the lower percentages on "challenging" and "healing" (70%) is

*based on the following: I have a desire to better understand what people experience as "challenging" and "healing" in worship, hence the open ended question to add: **Please share a story of a time you felt challenged (spiritual, emotionally, cognitively), comforted, celebrated, or healed at First Universalist. (Without expectation of follow-up.)** People may think "intellectual challenge" as opposed to "emotional challenge" or "spiritual challenge."*

Using a scale of Regularly to Never (4 options total), please rate the degree to which you have:

- A spiritual practice...and I practice it regularly...occasionally...infrequently...never.
- Your family has a spiritual practice...we practice it regularly...occasionally...infrequently...never.

Compliance will be demonstrated by 45% or more of individual respondents indicating that they have a spiritual practice and they practice it regularly (this number was 43.1% in 2012 survey). Rationale: I believe that regularly spiritual practice is the surest way to "grow in our UU" identity, hence I'm concerned with folks who have a regular spiritual practice, as opposed to an occasional spiritual practice. I believe we can move the needle on this one.

Compliance will be demonstrated by 20% or more of respondents indicating that their family has a spiritual practice and they practice it regularly (was 15.1% in 2012 survey.) Rationale: I believe that regularly spiritual practices, especially for families, is the surest way to "grow in our UU identity." We can definitely move the needle on this one.

Using a scale of Strongly Agree to Strongly Disagree (5 options total), please rate the degree to which:

- In the past 12 months, First Universalist has helped me to live out my values.
- In the past 12 months, First Universalist has helped my family to live out our values. [PARENTS AND TEENS ONLY]

Compliance will be demonstrated by 90% or more of individual respondents indicating that they agree or strongly agree that First Universalist has helped them live out their values (this number was 87.1% in the 2012 survey). Rationale: this is what we're in the world to do! It's a high bar, but I believe that 9 out of 10 people should have an experience at First Universalist that helps them connect with and live more deeply into their core values.

Compliance will be demonstrated by 50% of families indicating that they agree or strongly agree that First Universalist has helped their families live out their values (this number was 44.6% in 2012 survey.) Rationale: this is what we're in the world to do! It's a high bar, but I believe that 5 out of 10 families should have an experience at First Universalist that helps them connect with and live more deeply into their core values.

These are the questions from above, repeated here:

Recommended Question to add to Survey: I am grounded in my Unitarian Universalist faith. (Strongly agree – Strongly Disagree scale.)

Recommended Question to add to Survey: As a Unitarian Universalist, I understand what it means to be called to be "Love's People" in the world. (Strongly agree – Strongly Disagree scale.)

Recommended Question to add to Survey: The teams, groups, and gatherings I was a part of at First Universalist always made room for a chalice lighting, or a reading, or a check-in, or closing words. (Strongly agree – Strongly Disagree scale.)

Recommended Question to add to Survey: 'First Universalist helps me find meaning and purpose in my life.' (Strongly agree – Strongly Disagree scale.)

Recommended Question to add to Survey: Please share a story of a time you felt challenged (spiritual, emotionally, cognitively), comforted, celebrated, or healed at First Universalist. (Without expectation of follow-up.)

DRAFT INTERPRETATION OF FINANCIAL POLICY H “Financial Condition,” with comments from Dan Berg, Justin Schroeder, and Laura park.

H. Financial Condition

With respect to the actual, ongoing condition of the organizations financial health, the Senior Minister may not cause or allow the development of fiscal jeopardy, loss of allocation, integrity, or a material deviation of actual expenditures from board priorities established in visionary goals.

Accordingly, the Senior Minister shall not fail to:

- Ensure that cash remains at or above the amount needed to settle payroll and debts as scheduled.
- Expend Legacy or restricted funds only for the purposes determined at time of receipt or designation.
- Ensure that expenditures do not deviate materially from the approved annual operating budget or capital expenditure budget.
- Provide cash reconciliations and completed financial reports on at least a quarterly basis to the Board in writing
- Provide reasonable access to financial records by the Board, its committees, and authorized outside advisors.
- Perform the following only with the explicit prior approval of the Board of Trustees:
 - o Borrow funds
 - o Make unbudgeted transfers or “loans” between the general funds and the Legacy funds
 - o Solicit funds for non-budgeted purposes

Here's a draft rewrite of the Policy, offered by Dan Berg:

H. Financial Condition

~~With respect to the actual, ongoing condition of the organization’s financial health, the Senior Minister may not cause or allow the development of fiscal jeopardy, loss of allocation, integrity, or a material deviation of actual expenditures from board priorities established in visionary goals~~ or loss of financial integrity.

Accordingly, the Senior Minister shall not fail to:

- Ensure that cash remains at or above the amount needed to settle payroll and debts as scheduled.

- Expend Legacy or restricted funds only for the purposes determined at time of receipt or designation.
- Ensure that planned expenditures do not deviate materially from the approved annual operating budget or capital budget without offsetting expenditure budget reductions or realistic revenue increases, in excess of 1% of the annual operating budget. The 1% limit applies to the accumulated planned expenditure deviations during the fiscal year.

And here my (Justin's) suggestions:

In the big picture, I think what we're trying to do here is offer an interpretation of this subset of the Financial Conditions Policy. Specifically, we want to offer an interpretation of this policy: "Ensure that expenditures do not deviate materially from the approved annual operating budget or capital expenditure budget."

So I wonder if we want to keep the language of the policy the way it is, and then offer an interpretation of that policy.

It could look like this:

"Ensure that expenditures do not deviate materially from the approved annual operating budget or capital expenditure budget."

Interpretation (offered by the Sr. Minister, with help from the FMT): I interpret "material deviation" to be an un-budgeted expenditure, that is not offset by increases in revenue, that is in excess of 1% of the annual operating budget.

I will demonstrate compliance through quarterly reports, updates to the Board....

Bottom line: What I like about this model is that it follows the structure of policy governance; i.e., there's a policy, there's an interpretation, and there's a clear way that the Board will know that I'm in compliance with the policy, as it's been interpreted.

HERE IS LAURA PARK'S RESPONSE:

Hi, Justin,

I really like the approach you're moving toward. I would agree that the language you offer as interpretation is, indeed, interpretation. I also agree that it doesn't make as much sense to rewrite the policy as it does to offer your language as interpretation.

What this policy and your interpretation make me wonder is whether you have any authority to shift money between budgeted line items. Say you get an opportunity to start a terrific program and you want to spend less money in another area to have the money to do that because for whatever reason you won't have the ability to raise the money you need to start it and you think it's more important to your ends than some of the programs it would displace. Or maybe someone goes on leave in a department and rather than replace them, you feel it's a better use of those funds to spend them in another area. What's your interpretation of your ability to do that? At what point would you be out of compliance with this limitation if you did that?

I'd also recommend Caroline Oliver's *Getting Started with Policy Governance* on the topic of boards and budgets. She has some excellent examples of the way in which boards use budgets to control and the way in which that's misguided on their part. She concludes by saying: "Neither tracking variances from a budget based on a plan that inevitably must vary nor receiving information about your actual financial condition after anyone can do anything about it represent the kind of proactive, comprehensive, and coherent owner control that boards need to exert." (Kindle Locations 1599-1601). Which is why boilerplate policies don't mention not deviating from the budget, they just mention not deviating from board priorities. Then you, as executive, can tell the board how the budget and actual spending reflect board priorities. And you can adjust both the budget and the spending as appropriate as times and circumstances change.

I feel as though I'm trying to say a lot in just a few short paragraphs. Call me if I can clarify anything further!

--Laura

Finally, here's an older version of the Policies that Dan Berg discovered on his computer. This were written in 2010, but are not part of the GPH:

A. Financial Planning

With respect to financial planning, the Senior Minister may not jeopardize either programmatic or financial integrity of the organization.

The Board must review and approve the annual operating budget and any proposed capital expenditures, with sufficient information to permit reasonable Board evaluation in the light of the Church's policies, priorities, current strategic plan and resources, by the April Board meeting of each year. The Senior Minister will present the draft budget to the finance committee for review and comment in March of each year.

In so doing, the Senior Minister may not cause or allow fiscal projections that:

1. Contain too little detail to enable reasonably accurate projection of revenues and expenses, separation of capital and operational items, cash flow and subsequent trails, and disclosure of planning assumptions. (Capital expenditures are all repayments of debt and any building additions or equipment purchases over \$2,500.00 each.)
2. Deviate materially from board-stated priorities and requirements (see Ends policies) in its allocation among competing fiscal needs.

B. Financial Condition

[REVISIT THIS SECTION AFTER INCORPORATING LANGUAGE OF GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP)]

With respect to the actual, ongoing condition of the organization's financial health, the Senior Minister may not cause or allow the development of financial jeopardy.

Accordingly, the Senior Minister may not:

1. Expend more funds than have been received in the fiscal year to date unless the debt guideline (next item) is met.
2. Indebt the organization in an amount greater than can be repaid by certain, otherwise unencumbered revenues within 90 days.

3. Allow cash to drop below the amount needed to settle payroll and debts in a timely manner.
4. Expend any endowment or designated funds other than for the purposes determined at time of receipt or designation.
5. [HOLD] Conduct inter-fund shifting in amounts greater than can be restored to a condition of discrete fund balances by certain, otherwise unencumbered revenues within 30 days.
6. Allow actual expenditures to deviate materially from congregation-approved budget.
7. [HOLD] Make unbudgeted transfers or “loan” between the general funds and the endowment funds without Board approval.
8. Fail to provide cash reconciliations or to inform the Board in writing concerning actual revenues and expenditures, for appropriate comparison and projections, at a frequency specified by the Board
9. Deny reasonable access to financial records by the Board, its committees, and authorized outside advisors.

C. Asset Protection

The Senior Minister shall not allow the assets of the church to be unprotected, inadequately maintained or unnecessarily risked.

Accordingly, the Senior Minister may not:

1. Fail to maintain adequate insurance coverage against theft and casualty losses, corporate liability and personal liability of Board members and staff, taking into account pertinent statutory provisions for indemnification and exemptions applicable to Minnesota non-profit organizations.
2. Allow un-bonded personnel access to material amounts of funds.
3. Subject plant and equipment to improper wear and tear or insufficient maintenance.
4. Unnecessarily expose the organization, its board, or staff to claims of liability or risk the nonprofit status.
5. Make any planned purchase of over \$10,000.00 without at least two competitive bids unless so directed by the Board.
6. Receive, process, or disburse funds under controls insufficient to meet generally accepted accounting standards.
7. Fail to invest foundation and church capital in accordance with the investment policy

8. Fail to protect intellectual property, information, and files from significant damage.
9. Solicit funds from members or external sources for purposes that deviate materially from Board stated priorities and requirements.
10. Fail to honor documented donor and source restrictions placed on foundation, legacy and opportunity funds.

Trustee of First Universalist Church of Minneapolis
Job Description

Trustees partner with the congregation and professional staff in shaping the vision and long-term goals of the church, articulate these aspirations through policy, and collaborate with the Senior Minister to see they are fulfilled.

The Board of Trustees is also the legal entity responsible for ensuring that the Church is operated in compliance with all applicable regulations and laws, and holds itself accountable to the congregation for ensuring that we work together within our own Unitarian Universalist values and principles.

Serving as a Trustee of First Universalist Church provides unique opportunities to:

- Enrich your personal connection to the Church;
- Expand your knowledge of Church polity;
- Broaden your circle of relationships with members, staff, and the community which we serve.
- Collaborate with passionate and committed ministers and lay leaders to advance the mission of the Church: To give, receive, and grow in the Universalist spirit of love and hope!

Responsibilities

- Collaborate with the congregation at large, lay leaders, and professional staff to live out the mission and vision of the church and conduct strategic planning.
- Support the board in its maintenance of the governing policies that:
 - delegate the day-to-day administration of the church to the Sr. Minister;
 - delineate the boundaries of authority between the Board and the Sr. Minister/staff;
 - determine how operations and outcomes will be measured and monitored;
 - set the ground rules for how the board does its own work.
- Review and deliberate – and when needed vote – on all matters and materials brought before the board at its regular meetings.
- Review and provide preliminary approval for the annual budget as prepared by the Senior Minister before presentation to the congregation.
- Other duties and responsibilities of the board as spelled out in the church Bylaws.

Time Commitment

Serving as a Trustee is a significant commitment, but recent governance changes have clarified expectations for the Trustee role, and there can be flexibility

surrounding assumption of voluntary duties; most board members serve also serve on a committee of the board that meets monthly. It is expected that trustees will make every effort to attend monthly Board meetings.

Critical meetings include:

- Regularly scheduled monthly Board of Trustees meetings.
- One or two retreats per year.
- The congregation's annual meeting.
- Other occasional special/emergency meetings as requested by the Board President (rare).

Additional voluntary activities that Trustees may be asked to consider:

- Volunteering for temporary board ad hoc and task force committees.
- Assisting with fundraising and other development activities.
- Participate in meetings of the Unitarian Universalist Association, such as regional district meetings, General Assembly, and the UUA Large Church Conference.
- Acting as a Board liaison to another group within the church.
- Training opportunities.

If you have questions or concerns surrounding the time commitment, please connect with a Nominating Committee member.

Requirements

- This is an elected position, normally requiring a majority vote of the congregation at an Annual Meeting as described in the church Bylaws. The Bylaws also contain special provisions for mid-term replacements.
- In order to be nominated for election you must be a member of the church in good standing, which includes having made a yearly pledge of financial support.
- Some of the following experiences are helpful (but not required):
 - Previous participation in some aspect of Church life (RE, small groups, social justice, etc.)
 - Previous leadership position at First Universalist or another UU Church
 - Leadership experience in profession and/ or other volunteer setting
 - Board experience on a not-for-profit Board or other Board

Term

- Trustees are elected to 3-year terms (following the "church year" which begins on July 1).
- There is a two consecutive term limit.
- Term limit exception: A Trustee may serve two full terms after filling mid-term vacancy.

Key Skills / Abilities / Behaviors

The following skills and abilities are found to contribute to success in the position:

- Big picture thinking, but with the ability to focus with a high attention to detail when needed.
- Comfortable dealing with ambiguity, i.e., wrestling with questions that have many shades of grey / no clear answers.
- Strong creative thinking.
- Sound critical thinking and judgment.
- Team building / team work.
- High energy, enthusiastic approach.
- Capability to contribute to the constructive resolution of challenging and complex issues.
- Willingness to assert own opinions and, on occasion, take an independent stand.
- Ability and willingness to listen to the needs, concerns and perspectives of others (Trustees, Staff, and Congregants).
- Excellent written and verbal communication skills.

Other Sources of Information

The meeting packets and the minutes of Board of Trustee meetings for the past several years are available on the church web site, www.firstuniv.org. The church bylaws and Governing Policies Handbook are also available on the web site.

October Attendance

	2012			2011			2010			2009			2008			2007		
Adults	9:30 AM	11:15 AM		9:30 AM	11:15 AM		9:30 AM	11:15 AM		9:00 AM	11:00 AM		9:00 AM	11:00 AM		9:00 AM	11:00 AM	
1st Week	271	327	598	245	286	531	280	355	635	120	288	408	148	282	430	143	278	421
2nd Week	318	350	668	311	301	612	220	256	476	190	450	640	94	302	396	125	349	474
3rd Week	247	286	533	364	407	771	342	364	706	104	303	407	150	398	548	139	298	437
4th Week	367	303	670	297	324	621	192	261	453	132	287	419	127	247	374	47	126	173
5th Week			0	365	406	771	278	395	673	0	0	0	0	0	0	0	0	0
Monthly Total	1203	1266	2469	1582	1724	3306.00	1312	1631	2943	546	1328	1874	519	1229	1748	454	1051	1505
Avg for October	300.75	316.50	617.25	316.40	344.80	661.20	262.40	326.20	588.60	136.50	332	468.50	129.75	307.25	437	113.50	262.75	376.25
Church School																		
1st Week	179	187	366	159	114	273	170	182	352	60	196	256	67	131	198	61	111	172
2nd Week	208	196	404	176	183	359	179	189	368	90	210	300	47	51	98	97	65	162
3rd Week	182	166	348	208	173	381	213	174	387	66	179	245	75	112	187	80	108	188
4th Week	185	172	357	125	82	207	112	89	201	72	61	133	63	117	180	27	54	81
5th Week			0	179	147	326	199	171	370	0	0	0	0	0	0	0	0	0
Monthly Total	754	721	1475	847	699	1546	873	805	1678	288	646	934	252	411	663	265.00	338	603
Avg for October	188.50	180.25	368.75	169.40	139.80	309.20	174.60	161.00	335.60	72.00	161.50	233.50	63.00	102.75	165.75	66.25	84.50	150.75
Combined Avg	489.25	496.75	986.00	485.80	484.60	970.40	437.00	487.20	924.20	208.50	493.50	702.00	192.75	410.00	602.75	179.75	347.25	527.00
Notes:				Notes:			Notes:											
Services:				Services:			Services:											
Week 1:				Week 1:			Week 1:											
Week 2: Sharing Sunday				Week 2:			Week 2:											
Week 3:				Week 3: Invite-a-Friend Sunday			Week 3:											
Week 4:				Week 4:			Week 4:											
Week 5:				Week 5:			Week 5:											
Church School:				Church School:			Church School:											
Week 1:				Week 1:			Week 1:											
Week 2: Sharing Sunday				Week 2:			Week 2:											
Week 3:				Week 3: Invite-a-Friend Sunday			Week 3:											
Week 4:				Week 4: MEA Weekend			Week 4: COA Retreat 21 youth/7 adult;/No youth/MEA											
Week 5:				Week 5:			Week 5: 1 comb.NF due to Basilica trip/put with 9:30											

**First Universalist Church
Statistical Report
November 15, 2012**

MEMORIAL SERVICES: 1

Deb Juberian – service by Kelli Clement

MARRIAGES/SERVICES OF COMMITMENT: 0

MEMBERS FOR APPROVAL: 6

Barbara Sindelar, Minneapolis
Jeanne Verdick, Plymouth
Juliette and Eric Schneider, Edina
Jim Ramnaraine and Tina Wade, Minneapolis

MEMBERS REINSTATED: 0

MEMBERS FOR REMOVAL: 2

Deb Juberian – deceased
Leslie Lytle – moved to North Carolina

CHILDREN DEDICATED: 0

	To Date	End of Year Totals			
MEMBERS (Fiscal Year)	2011-2012	2010-11	2009-10	2008-09	2007-08
TOTAL MEMBERS:	958	927	849	840	824

TOTAL MEMBERS AS OF THE LAST MEETING: 954

To be added: 6

To be removed: 2

TOTAL MEMBERS: 958

**First Universalist Church
FY 2012-2013
Projections vs Budget
Summary of Material Variances**

Summary of Material Variances

Revenues	Pos (Neg)	
Pledges	(11,000)	Includes Miracle Sundays and estimated uncollectables.
Other Fundraisers	(9,000)	Program staff is considering creative community building options.
RE Fees	4,000	Higher enrollment.
Releases from Restrictions	(2,000)	UUA Grant for Ministerial Intern less than budgeted.
Rental Income	(9,000)	Will take more time to ramp up additional rentals.
Other Misc	3,000	
Total Revenue Variances	(24,000)	Revenue projected to be less than budget.

Expenses		
Ministers	(2,500)	Summer Minister paid more than budgeted.
Children, Youth and Family Ministries	(6,000)	Error during budgeting for staff; higher program costs due to higher enrollment mostly offset by higher RE revenue.
Finance and Admin	(11,000)	Costs for high-level temp to assist with financial system implementation offset by savings due to delayed hiring of Receptionist and less IT consulting costs.
Total Expense Variances	(19,500)	Expenses projected to be more than budget.

<u>Net Variance</u>	(43,500)	We expect to end the fiscal year worse than budget by this much.
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Budgeted Net Income(Loss)	0	As approved by the congregation at the Annual Meeting.
Plus expected variance	(43,500)	Projected difference.
Net Income(Loss) projected	(43,500)	We expect to end the fiscal year with this deficit (rounded).

FIRST UNIVERSALIST CHURCH
Statement of Activities
FY 2012-2013
Projections vs. Budget
9/30/12

		ACTUALS thru 9/30/12		FYE Projection	2012-13	FYE Projection vs Budget	
		Unrestricted	Temporarily Restricted	Unrestricted	Budget	Variance Pos (Neg)	Comments/Explanation of Variance
Income:							
OPR. CONTRIBUTIONS							
Pledges		1,100,083	(1,086,573)	1,162,793	1,183,500	(20,707)	Pledges made as of 10/31 plus an estimated \$25,000 in new pledges. Includes all Miracle Sundays pledges and contributions.
Contingency for Unpaid Pledges		(30,000)	30,000	(35,000)	(35,500)	500	3% of total pledges estimated to be uncollectable.
Pledges - Prior Year		8,986		8,986	0	8,986	Payments on balances previously written off.
Contributions		9,593		40,150	40,000	150	Monies donated without restrictions.
Offering Plate Donations		5,256		30,000	30,000	0	Church's portion of offering plate (70/30 split--we keep 30%).
Contributions Temporarily Restricted			1,808	0	0	0	Children's Offering and other Restricted contributions.
Release of Restrictions		6,307	(6,307)	11,957	9,000	2,957	(\$2,000) UUA Ministerial Grant came in less than budgeted; \$5,000 offset by negative expense variances
	OPR. CONTRIBUTIONS	1,100,226	(1,061,073)	1,218,886	1,227,000	(8,114)	Bottom line impact: Pledges (\$11,000); UUA grant (\$2,000). \$5,000 offset by negative expense variances.
FUNDRAISERS							
Auction		80		26,000	26,000	0	AWESOME PARTY planned!
Other Fundraisers		12,163		24,915	27,000	(2,085)	(\$9,000) less in fundraising than budgeted but Program staff is considering creative community building opportunities. \$7,000 YCE offset by negative expense variances.
	FUNDRAISERS	12,243	0	50,915	53,000	(2,085)	Bottom line impact: (\$9,000).
INTEREST & DIVIDENDS/Realized Gains/Loss							
Reserve Account Dividends & Interest		1,728		10,000	10,000	0	Dividends and interest on reserve account.
Realized Gains & Losses		(28)		(28)	0	(28)	Gains and losses on the sale of donated stock.
Don Carter Fund Dividends & Interest		159		159	0	159	
	INTEREST & DIVDENDS	1,860	0	10,131	10,000	131	
BUILDING USE							
Antenna Lease		2,985		11,450	11,450	0	T-Mobile contract year 4 of 5.
Rental Income		2,538		20,000	28,600	(8,600)	Securing new renters taking longer than planned.
	BUILDING USE	5,522	0	31,450	40,050	(8,600)	

FIRST UNIVERSALIST CHURCH
Statement of Activities
FY 2012-2013
Projections vs. Budget
9/30/12

		ACTUALS thru 9/30/12		FYE Projection	2012-13	FYE Projection vs Budget	
		Unrestricted	Temporarily Restricted	Unrestricted	Budget	Variance Pos (Neg)	Comments/Explanation of Variance
MISCELLANEOUS							
Offering Plate for Community		10,589		70,000	70,000	0	We give away 70% of our offering plate to organizations we support. A portion of UUA Dues and PSD Dues is funded by Offerings.
From Foundation		0		1,000	1,000	0	Foundation Admin \$1K.
Legacy Fund Distribution		0		4,000	4,000	0	4% of Legacy Fund rolling average balance.
Misc Funds and Other Donations		867		867	0	867	
Hospitality		193		1,500	1,500	0	
MISCELLANEOUS		11,649	0	77,367	76,500	867	
RELIGIOUS EDUCATION							
Contributions		450	0	650	0	650	Donations received during RE registrations.
Program Fees		41,965		57,550	55,875	1,675	\$4,000 due to higher enrollment offset by lower rates than budgeted for some classes; (\$2,000) no fees for Wellspring.
RELIGIOUS EDUCATION		42,415	0	58,200	55,875	2,325	
UNITY LEADERSHIP							
Contributions					0	0	
Contributions Temporarily Restricted			1,000				
Release of Restrictions		10,201	(10,201)	10,201	0	10,201	Portion of Unity Fund used to cover Unity expenses.
UNITY LEADERSHIP		10,201	(9,201)	10,201	0	10,201	Unity is a program of the Church in FY12-13. Programming and further funding is currently under consideration.
INTEREST TEMP RESTRICTED							
Dividends & Interest Library			42				
Unrealized Gains/Losses Library			536				
INT TEMP RESTR		0	578				M.E. Carter Fund.
MISC TEMP RESTRICTED							
Cummins Fund			1,222				Cummins Fund pledges, contributions and earnings.
MISC TEMP RESTR		0	1,222				

FIRST UNIVERSALIST CHURCH
Statement of Activities
FY 2012-2013
Projections vs. Budget
9/30/12

		ACTUALS thru 9/30/12		FYE Projection	2012-13	FYE Projection vs Budget	
		Unrestricted	Temporarily Restricted	Unrestricted	Budget	Variance Pos (Neg)	Comments/Explanation of Variance
	TOTAL INCOME	<u>1,184,115</u>	<u>(1,068,474)</u>	<u>1,457,151</u>	<u>1,462,425</u>	<u>(5,274)</u>	Bottom Line impact (\$24,000): Net pledges (\$11,000); Ministerial Intern grant (\$2,000); Other Fundraisers (\$9,000); Rental Income (\$9,000); RE Fees \$4,000; Other \$3,000. Additional \$19,000 positive variance is offset by negative expense variances.

FIRST UNIVERSALIST CHURCH
Statement of Activities
FY 2012-2013
Projections vs. Budget
9/30/12

		ACTUALS thru 9/30/12		FYE Projection	2012-13	FYE Projection vs Budget	
		Unrestricted	Temporarily Restricted	Unrestricted	Budget	Variance Pos (Neg)	Comments/Explanation of Variance
Expense:							
MINISTERS							
Salaries and Benefits		77,594		311,393	308,890	(2,503)	Summer Minister paid more than budgeted.
Program Expenses		0		0	0	0	
	MINISTERS	77,594		311,393	308,890	(2,503)	
WORSHIP							
Salaries and Benefits		11,568		58,944	58,944	0	
Program Expenses		2,878		16,700	16,400	(300)	
	WORSHIP	14,446		75,644	75,344	(300)	
YOUTH AND YOUNG ADULT MINISTRIES							
Salaries and Benefits		36,276		142,150	139,767	(2,383)	
Program Expenses		7,317		33,787	30,200	(3,587)	
	YOUTH AND YOUNG ADULT MINISTRIES	43,592		175,937	169,967	(5,970)	Higher costs due to higher enrollment.
CONGREGATIONAL CARE							
Salaries and Benefits		0			0	0	
Program Expenses		2,572		8,922	6,450	(2,472)	
	CONGREGATIONAL CARE	2,572		8,922	6,450	(2,472)	Marriage Equality Project fully funded by Releases from Restrictions (donors).
ADULT MINISTRIES							
Salaries and Benefits		16,947		74,085	74,085	0	
Program Expenses		0		1,200	2,800	1,600	No costs for Wellspring fully offset by negative revenue variance.
	ADULT MINISTRIES	16,947		75,285	76,885	1,600	
MEMBERSHIP							
Salaries and Benefits		6,300		25,515	25,515	0	
Program Expenses		2,909		17,300	17,300	0	
	MEMBERSHIP	9,209		42,815	42,815	0	

FIRST UNIVERSALIST CHURCH
Statement of Activities
FY 2012-2013
Projections vs. Budget
9/30/12

		ACTUALS thru 9/30/12		FYE Projection	2012-13	FYE Projection vs Budget	
		Unrestricted	Temporarily Restricted	Unrestricted	Budget	Variance Pos (Neg)	Comments/Explanation of Variance
FAITH IN ACTION							
Salaries and Benefits		6,053		26,428	26,428	0	
Program Expenses		10,028		28,773	22,000	(6,773)	YCE expenses fully funded by Fundraising.
	FAITH IN ACTION	16,080		55,201	48,428	(6,773)	
UNITY LEADERSHIP							
Salaries and Benefits		8,289		8,289		(8,289)	
Program Expenses		1,912		1,912		(1,912)	
	UNITY LEADERSHIP	10,201		10,201	0	(10,201)	Fully covered by a portion of Unity Fund.
DENOMINATIONAL CONNECTIONS							
Program Dues UUA		0		20,000	20,000	0	\$8,000 to be paid from operating funds. \$12,000 to be paid from Offering Plate for Community. Collections through October \$1,900.
Program Dues PSD		0		6,000	6,000	0	\$4,000 to be paid from operating funds. \$2,000 to be paid from Offering Plate for Community. Collections through October \$670.
PDS/GA Meetings		0		1,000	1,000	0	
	DENOMINATIONAL CONNECTIONS	0		27,000	27,000	0	
COMMUNICATIONS							
Salaries and Benefits		7,549		36,519	36,519	0	
Program Expenses		1,618		11,552	11,100	(452)	
	COMMUNICATIONS	9,167		48,071	47,619	(452)	
FINANCE/ADMINISTRATION							
Salaries and Benefits		34,306		181,271	230,479	49,208	Used temp labor rather than hiring.
Finance/Admin Expenses		31,662		167,868	107,588	(60,280)	Temp labor rather than hiring plus additional resource to help with system implementation.
	FINANCE/ADMINISTRATION	65,968		349,139	338,067	(11,072)	
PROPERTIES							
Salaries and Benefits		22,282		95,172	95,172	0	
Properties Expenses		36,393		173,788	173,788	0	
	PROPERTIES	58,674	0	268,960	268,960	0	

FIRST UNIVERSALIST CHURCH
Statement of Activities
FY 2012-2013
Projections vs. Budget
9/30/12

		ACTUALS thru 9/30/12		FYE Projection	2012-13	FYE Projection vs Budget	
		Unrestricted	Temporarily Restricted	Unrestricted	Budget	Variance Pos (Neg)	Comments/Explanation of Variance
NON-OPERATING							
Offering Plate for Community		2,822		52,000	52,000	0	70% of offering plate given to outside organizations. Also \$4,000 reflected in Congregational Care; \$12,000 UUA Dues; \$2,000 PSD Dues.
Misc Donations Made		0		0	0	0	
	NON-OPERATING	2,822	0	52,000	52,000	0	
	TOTAL EXPENSE	<u>327,274</u>	<u>0</u>	<u>1,500,568</u>	<u>1,462,424</u>	<u>(38,143)</u>	(\$19,500) bottom line impact: Ministers (\$2,500); RE budget error and higher costs to due higher enrollment (\$6,000); Finance additional temp costs for systems work (\$11,000). No bottom line impact: (\$19,000) offset by positive revenue variances.
	NET INCOME-EXPENSE	<u>856,841</u>	<u>(1,068,474)</u>	<u>(43,417)</u>	<u>0</u>	<u>(43,417)</u>	Revenue (\$24,000): Net pledges (\$11,000); Ministerial Intern grant (\$2,000); Other Fundraisers (\$9,000K); Rental Income (\$9,000K); RE Fees \$4,000K; Other \$3,000K. Expenses (\$19,500): Ministers (\$2,500); RE (\$6,000); Finance (\$11,000).

First Universalist Church
Statement of Financial Position
September 30, 2012

<u>ASSETS</u>	
<u>Current Assets</u>	
Cash and Cash Equivalents	53,463
Cash and Cash Equivalents Foundation	11,067
Investments	778,194
Investments Foundation	1,376,483
Pledges Receivable	765,179
Accounts Receivable	6,360
Other Assets	512
Total Current Assets	2,991,258
<u>Fixed Assets</u>	
Land	250,000
Building & Improvements	3,249,608
Accumulated Depreciation Building & improvements	(1,581,969)
Furniture and Fixtures	154,539
Accumulated Depreciation Furniture & Fixtures	(69,616)
Total Fixed Assets	2,002,563
<u>TOTAL ASSETS</u>	4,993,821
<u>LIABILITIES AND NET ASSETS</u>	
<u>Liabilities</u>	
Accounts Payable	12,576
Accrued Expenses	14,080
Deferred Revenue	11,970
Short Term Portion of Debt	67,790
Total Current Liabilities	106,416
Long Term Debt	603,261
<u>TOTAL LIABILITIES</u>	709,677
<u>Net Assets</u>	
Designated Net Assets	331,368
<u>Undesignated Net Assets/Equity</u>	
Church Equity	2,311,412
Foundation Equity	1,356,534
Changes during the year	(127,779)
Total Undesignated Net Assets	3,540,167
<u>Temporarily Restricted Net Assets</u>	
Temporarily Restricted Net Assets--Miscellaneous Funds	119,163
Cummins Ministerial Fund	155,570
Legacy Fund Temporarily Restricted	68,064
Total Unity Leadership Temporarily Restricted Net Assets	6,199
Total Temporarily Restricted Net Assets	348,995
Permanently Restricted Net Assets	63,613
<u>TOTAL LIABILITIES AND NET ASSETS</u>	4,993,821