

APPENDIX B
Complaint and Inquiry Process

If a Board Member receives a concern or complaint, or observes a problem, he or she takes the following action.

1. If the matter can be resolved by speaking directly to a committee or individual, the Board Members assist the person(s) in locating the correct contact within the church. If unsure of how to direct the person, the Board Member may wish to consult with a member of the UUCB staff or Coordinating Team.
2. If the matter is (or may be) related to existing policy, the Board Member reports the issue or incident to the Board President or Vice President, who will place the issue on the next Board agenda.
3. If the matter has only potential policy implication (i.e., does not bear on existing policy, but raises questions that the Board might wish to consider in writing/revising policy), the Board Member reports the issue to the Board President or Vice President, on whose judgment the issue may be placed on an upcoming Board agenda (or the Board Member may petition to have it included).

Cautions:

1. Safety first. A Board Member does not endanger anyone in the name of procedure (or policy). If in doubt or crisis, the Board Member calls a minister, or 911, or uses best judgment to summon the most appropriate help.
2. Issues that have been referred to appropriate contacts within the church, but that remain unresolved and are again brought to the Board's or a Board Member's attention, may be considered by the Board as a form of direct monitoring. The Board shall be guided by the principle that its remedy is always in crafting policy, and not in micromanaging performance.
3. "Policy" as used here refers to the statements of the Governance Document.
4. In their interactions with other congregants, Board Members must be conscious that individuals may hold misconceptions concerning the amount of power or influence possessed by Board Members, simply based upon the fact that they are Board Members. Board Members should therefore err on the side of caution in word and in action, lest their actions be presumed to represent the will of the Board. The Board speaks as a whole, with one voice, and not through any one member (unless s/he is authorized to do so by vote).
When expressing their personal views to other congregants, Board Members should strive to avoid possible misunderstandings in such communications, if that potential exists, by making it explicit that a personal opinion is being expressed.

(Adopted 8-17-06)

Unitarian Universalist Church of Berkeley



Governance Document

DRAFT

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- statement which affirms that such person –
- a. has received a copy of the conflicts of interest policy
 - b. has read and understands the policy
 - c. has agreed to comply with the policy

(Adopted 8-18-05)

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2. Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest, the interested person shall leave the board or committee meeting while the financial interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest

- a. The chairperson of the board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternative to the proposed transaction or arrangement.
- b. After exercising due diligence, the board or committee shall determine whether UUCB can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to the conflict of interest.
- c. If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in UUCB's best interest and for its own benefit and whether the transaction is fair and reasonable to UUCB and shall make its decision as to whether to enter in the transaction or arrangement in conformity with such determination.

4. Violations of the Conflicts of Interest Policy

- a. If the board or committee has reasonable cause to believe that a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the response of the member and making such further investigation as may be warranted in the circumstances, the board or committee determines that the member has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article IV *Records of proceedings*

The minutes of the board and all committees shall contain –

- a. the names of the person who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the board's or committee's decision as to whether a conflict of interest in fact existed.
- b. the names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including an alternative to the proposed transaction or arrangement, and a record of any votes taken in connection therewith.

Article V *Personnel committee*

- a. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from UUCB for services is precluded from voting on matters pertaining to that member's compensation.

Article VI *Annual statements*

Each trustee, coordinating team member, and key committee lay leader shall annually sign a

GOVERNANCE DOCUMENT

OF THE UNITARIAN UNIVERSALIST CHURCH OF BERKELEY

~ Preamble ~

The Board of Trustees of the Unitarian Universalist Church of Berkeley adopts this statement of governance policies. This Governance Document is subordinate to California state law and to the Church's Bylaws. Its purpose is to: affirm essential values of the church; establish consistent policies and procedures of church governance; provide guidance to all constituencies of the Church about its governance; and educate and inform new participants in Church governance processes.

I. Global Ends Statements

A. Mission Statement of the Unitarian Universalist Church of Berkeley

The mission of the Unitarian Universalist Church of Berkeley is to create loving community, inspire spiritual growth, and encourage lives of integrity and service.

B. Vision Statement of the Unitarian Universalist Church of Berkeley

The Unitarian Universalist Church of Berkeley is a welcoming and vibrant congregation. We joyously support spiritual development guided by individual faith, reason, and conscience. We are committed to serving one another, the church community, the community at large, and the global community. We foster a spirit of generosity and trust that encourages care for our church home, and affirms diversity and relationships consistent with Unitarian Universalist principles.

C. Principles of the Unitarian Universalist Association

As a member congregation of the Unitarian Universalist Association, we covenant to affirm and promote:

- The inherent worth and dignity of every person
- Justice, equity, and compassion in human relations
- Acceptance of one another and encouragement to spiritual growth in our congregations
- A free and responsible search for truth and meaning
- The right of conscience and the use of the democratic process within our congregations
- The goal of world community with peace, liberty, and justice for all
- Respect for the interdependent web of all existence of which we are a part

D. Worship

UUCB celebrates the human spirit and fosters lifelong spiritual growth. We are a vibrant and joyful community where religious seekers of all ages find connection, support and spiritual growth individually and in groups.

1. We join together throughout the year in a growing community of faith.
2. Worship services integrate dance, music, and the arts; and inspire church members.
3. Congregants experience spiritual growth through participation in worship arts.
4. Children grow spiritually through their active participation in church services.
5. Religious and spiritual paths embraced by members and friends of the congregation are affirmed and appreciated.
6. Congregants find support for spiritual practice at the church.

E. Service

UUCB is a community where people of all ages participate actively in ministry, service, and outreach; and work for peace and social justice in the world.

1. Members share the principles and values of Unitarian Universalism through their participation in social action and community service activities.
2. UUCB-supported committees and groups consistently participate in and provide leadership for local and global social action and community service.
3. Members participate in the wider denominational community, including support of partner churches.
4. We build relationships with neighboring faiths.
5. We support the education of future ministers.
6. UUCB values social justice in its own operations.

F. Education

UUCB is a community in which human talents are nurtured and religious education and spiritual understanding are fostered, one where people of all ages are encouraged to express Unitarian Universalist values in their daily lives.

1. Members of all ages grow spiritually and deepen their understanding of all values.
2. Lifespan religious education at UUCB is a religious exploration that incorporates an awareness of and appreciation for world religions.
3. The human talents and resources of the congregation strengthen the leadership of the congregation.
4. Understanding the history and development of Unitarian Universalism is fundamental to our identity as UUs.
5. Religious education fosters the expression of Unitarian Universalist values through action.

G. Fellowship

UUCB is an intergenerational community where we interact with one another in trust, reverence, joy, and love. UUCB is a welcoming, caring, vibrant and ever more diverse congregation, overcoming barriers that divide the human family.

1. Church members communicate in ways consistent with the covenant of right relations.
2. All groups are well connected and coordinated,
3. People are encouraged to participate actively in church life and feel recognized and appreciated for their contributions.

APPENDIX A Conflicts of Interest

UUCB Conflicts of Interest Policy (Based on sample policy from *Guidebook for Directors of Nonprofit Corporations*, published by the Committee on Nonprofit Organizations of the American Bar Association)

Article I Purpose

The purpose of the conflicts of interest policy is to protect UUCB's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interests of a member of the Board of Trustees, the Coordinating Committee, the staff, or any key committee lay leader. This policy is intended to supplement but not replace any applicable state laws governing conflicts of interest applicable to nonprofit and religious organizations.

Article II Definitions

1. Interested Person

Any trustee, coordinating team member, or key committee lay leader who has a direct or indirect financial interest, as defined below, is an interested person.

2. Key Committee Lay Leader

The chair or primary contact for any UUCB authorized committee or organization that might reasonably be expected to engage in transactions or arrangements with significant monetary value.

2. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family –

- a. an ownership or investment interest in any entity with which UUCB has a transaction or arrangement, or
- b. a compensation arrangement with UUCB or with any entity or individual with which UUCB has a transaction or arrangement, or
- c. a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which UUCB is negotiating a transaction or arrangement.

Compensation includes direct or indirect remuneration as well as gifts or favors that are substantial in nature.

Article III Procedures

1. Duty to Disclose

In connection with any actual or possible conflicts of interest, an interested person must disclose the existence and nature of his or her financial interest to the trustees and members of committees considering the proposed transaction or arrangement.

6. The Board Secretary will be responsible for the upkeep of the Board Policies (in both electronic and paper form), including revision numbering and a log of all changes.

C. Board Members' Code of Conduct

The Board expects of itself and of its members ethical, businesslike, and emotionally sensitive conduct, in keeping with the Unitarian Universalist values and principles. The members and the Board as a whole commit to responsible use of the authority vested in them by the congregation. By accepting membership in the Board of Trustees, each Trustee acknowledges her or his legal and moral responsibilities to act on behalf of the church and to fulfill the obligations of Board membership.

Trustees must first be loyal to the interests of the congregation.

Trustees will act in accordance with established policy regarding conflict of interest.

The Board shall speak with one voice. Although unanimity is not required, the Board's group decision must be unambiguous, recorded in policy, and upheld by all members of the Board as if it had been a decision that each made individually. No member has the authority to speak for the Board unless specifically authorized to do so by the whole Board.

In their interactions with each other as a Board, Trustees shall adhere to agreed-upon norms.

4. There are strong relationships among the generations.
5. Our congregation is welcoming, friendly, accepting, and affirming.
6. Our personal relationships within the church community are constantly growing stronger.
7. Members find comfort at the church in times of transition.
8. Children are safe in the church.
9. The church offers a safe refuge for the community in times of disaster.

H. Stewardship

UUCB is a congregation where all members and friends share human and financial resources generously to support our vision and the common good. Our buildings and our grounds are welcoming, inspiring, well maintained, and accessible to all.

1. Members generously support the church and the larger denomination financially and through contribution of their time.
2. There is a continuing stream of new individuals into roles of leadership and responsibility.
3. Our buildings and grounds are attractive and well maintained.
4. Our buildings and grounds are improved to meet current and future needs
5. We preserve our history and pass on our traditions.

II. Coordinating Team Limitations

A. General Coordinating Team Constraint

The Executive Team shall not cause or allow any practice, activity, decision, or organizational circumstance that is either unlawful, imprudent or in violation of Unitarian Universalist Principles, Church Bylaws or commonly accepted business, accounting, and professional ethics and practices.

Overall, the Coordinating Team shall not fail to demonstrate leadership that is caring and nurturing, open and responsive, and visionary and empowering.

B. Treatment of Congregants, Friends and Visitors

With respect to interactions with and among congregants, the Coordinating Team shall not cause or allow conditions, procedures, or decisions that are unsafe, undignified, unnecessarily intrusive; that fail to provide appropriate confidentiality and privacy; or that fail to apply the standards of the Church's Mission, Ends Policies, and Unitarian Universalist principles.

C. Treatment of Paid and Volunteer Staff

With respect to the treatment of paid and volunteer staff, the Coordinating Team may not cause or allow conditions that are unfair or undignified or that fail to apply the standards of the Church's Mission, Ends Policies, and Unitarian Universalist principles.

Accordingly, the Coordinating Team shall not:

- Discriminate against existing or potential paid or volunteer staff based on race, creed, ethnicity, national origin, gender, physical disability, marital status, sexual orientation, or gender characteristics, identity or expression.
- Subject paid or volunteer staff to unsafe or unhealthy conditions.
- Violate or operate without written personnel policies that clarify personnel rules for paid and volunteer staff.

D. Compensation and Benefits

With respect to employment, compensation, and benefits to employees, consultants, contract workers, and volunteers, the Coordinating Team shall not cause or allow jeopardy to the fiscal or institutional integrity of the Church.

Accordingly, the Coordinating Team shall not:

- Increase individual Coordinating Team members' compensation, benefits, or allocated professional expenses as established by the Board.
- Promise or imply permanent or guaranteed employment.
- Establish current compensation and benefits that deviate materially from the non-profit, geographic, and professional market for the skills employed.

E. Financial Management and Planning

With respect to planning fiscal events, the Coordinating Team may not jeopardize either programmatic or fiscal integrity of the Church.

IV. Board Governance Process Policies

A. Board Governing Style

The Board will:

- Approach its task with a style that emphasizes strategic leadership rather than focus chiefly on intended long-term impacts or ends, not on the administrative or programmatic means of attaining those effects.
- Direct, control, and inspire the organization through the establishment of organizational values and policies.
- Conduct its business with integrity, efficiency, and in right relationship to one another and the Congregation as a whole.
- Be an initiator of policy, not a reactor to staff initiatives. The Board, not the staff, will be responsible for Board performance.

B. The Board's Job Contributions and Responsibilities

1. It is the Board's responsibility to embody the congregation's vision, mission, and goals in Policies that enable us to achieve those ends. The job of the Board shall be to:

- Make policies.
- Accept fiscal responsibility.
- Appoint the Coordinating Team.
- Monitor the operation of the Church against established policies.

2. The Board may establish committees to assist it in preparing policy alternatives and implications for Board deliberations. Board committees shall adhere to the limitations set forth in Section III (Board-Coordinating Team Linkage).

3. The Board of Trustees will appoint a three-member Audit Committee of current members of the Board of Trustees at its April meeting each year. This committee is responsible for choosing and securing an auditor or a financial reviewer for the current fiscal year in consultation with the Church Treasurer. The committee receives and reviews the auditor's or the financial reviewer's report and findings, and reports on the audit or financial review to the full Board of Trustees at the meeting of the Board of Trustees immediately following receipt of the report. There shall be an audit (rather than a financial review) no less than once every five fiscal years.

4. [B of T April 2006: "*The Governance Document shall be changed to include a standing committee on ministerial compensation.*"]

5. Declaration of Candidacy for Board Office: At the November meeting of the Board of Trustees, Board members who are interested in serving as President or Vice-President will declare their candidacy by informing the President in writing, before the meeting. The President will announce the names of the candidates during this meeting. Board members will elect the President and Vice-President at a special Board meeting immediately following the February Congregational meeting.

III. Board – Coordinating Team Linkage

A. Coordinating Team Defined

The Board of Trustees shall appoint the members of a Coordinating Team, who shall coordinate the work of volunteers and staff to execute goals set by the Board and Congregation. The Board may replace any or all members of the Coordinating Team at any time.

B. Relationship Between the Board And the Coordinating Team

The Board shall delegate the operation of the church to the Coordinating Team, charging them to achieve the goals expressed in the Board-adopted Ends Policies by any means consistent with the Board adopted Coordinating Team Limitation Policies and evaluating their performance solely in relation to these standards. The Board will neither instruct nor evaluate any other member of the church staff.

C. Unity of Control

Only decisions of the Board acting as a whole and communicated in writing are binding on the Coordinating Team. The Coordinating Team may confer with individual Board or Committee members but may refuse requests from individuals or committees that require a material amount of staff time or funds.

D. Accountability of Coordinating Team

The Coordinating Team is accountable to the Board for the performance of the organization. However, if the Coordinating Team makes choices that the Board did not envision or finds objectionable but does so based on a reasonable interpretation of Board policies, the Board's remedy is to amend its policies.

E. Monitoring Coordinating Team Performance

The Board shall evaluate the effectiveness of the Coordinating Team by monitoring all aspects of the church's operation in relation to achieving the goals expressed in the Ends policies and working within the boundaries set by the Coordinating Team Limitations policies. The Board shall establish the frequency with which various parts of the church operations are monitored and the kinds of information it needs to do so.

Accordingly, the Coordinating Team may not:

- Create obligations over a term longer than revenues can be prudently projected.
- Plan for general or capital expenditures without planning for the means to pay for them. Capital expenditures are any building additions or equipment purchases over \$2500.00 each.
- Deviate materially from priorities and requirements as put forth in the Ends Policies in their allocation among competing fiscal needs.
- Fail to consider contingencies, for example, legal fees, long-range planning, and reserves for such items as sabbaticals for clergy and staff who qualify and building needs.
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F. Financial Activities and Condition

With respect to the actual, ongoing condition of the Church's financial health, the Coordinating Team may not cause or allow the development of fiscal jeopardy.

In administering the budgeted funds the Coordinating Team shall not:

- Expend funds in a manner that departs substantially from the expenditure categories in the approved budget, except to the extent that specific procedures for transfers between categories are authorized by the Bylaws, the membership, or the Board of Trustees.
- Authorize a line of credit or any loan contract without Board of Trustees approval.
- Fail to advise the Board of significant transfers of money within budget categories or endowment funds, or other changes substantially affecting the Church's financial condition.
- Fail to inform the Board of Trustees in writing concerning actual revenues and expenditures and appropriate comparisons and projections at frequencies specified in any monitoring policies.
- Receive, process or disburse funds under controls insufficient to meet Generally Accepted Accounting Principles.

G. Asset Protection

The Coordinating Team shall not allow the assets of the Church—including cash, investment and endowment funds, the church buildings, grounds and furnishings—to be unprotected, inadequately maintained, inappropriately used, or unnecessarily risked. Nor shall the Coordinating Team fail to develop policies/procedures regarding the use of the church building/facilities.

Accordingly, the Coordinating Team shall not:

- Fail to provide reasonable and prudent insurance coverage for the church, its staff, officers, and volunteers.
- Unnecessarily expose the Church, the Board of Trustees, or staff to claims of liability or risk the nonprofit status of the Church.
- Purchase, encumber, or dispose of titled or real property without advance authorization from the Board of Trustees.
- Make any purchase of over \$5,000.00 without making competitive comparisons.

H. Execution of Contracts

No one other than the Coordinating Team and its express designees shall execute any contract on

behalf of the Church. The Coordinating Team and its express designees shall not enter into any contractual arrangements that fail to serve the church's Ends Policies or violate the limitations on the Coordinating Team. The Coordinating Team shall not fail to seek appropriate professional advice, when necessary, to interpret and assess contractual terms.

Accordingly, for any contract of \$10,000 or more, other than regular personnel contracts, the Coordinating Team shall not:

- Enter into such a contract without the authorization of the Board President, who may, at his or her discretion, submit the matter to the Board of Trustees.
- Terminate or breach such a contract without the approval of the Board of Trustees.

I. Endowment and Memorial Gifts

The Executive Team shall not fail to develop appropriate policies and procedures for seeking, accepting and managing gifts of cash, securities and other tangible resources for the church. Such gifts must support the vision of the church and Unitarian Universalist principles, and not unreasonably constrain the Church's flexibility in managing the gift.

Specifically for the management of endowments, the policy will include at least the following: the need for professional management of the Church's endowments; the primacy of following the donor's written wishes; the circumstances under which the Church can spend from or borrow from the principal of these endowments.

In no case may the Executive Team spend endowment and gift funds in violation of the directives and restrictions set forth in the Bylaws or in Board policy, or without consultation with appropriate committees.

J. Conflicts of Interest

The Coordinating Team shall not fail to develop and implement a conflict of interest policy applicable to governance processes and actions taken on behalf of the church.

Refer to Appendix A.

K. Communication and Support to the Board and the Congregation

The Coordinating Team shall keep the Board informed and supported in its work.

Accordingly, the Coordinating Team shall:

- Submit monitoring data required by the Board of Trustees (see Board-Executive Linkage policy) in a timely, accurate, complete, and understandable fashion, directly addressing provisions of Policies.
- Inform the Board of Trustees in a timely manner of relevant trends, public policy initiatives, anticipated adverse media coverage, material external and internal changes, particularly changes in the assumptions upon which any Policy has previously been established.
- Advise the Board of Trustees if the Coordinating Team perceives the Board to be out of compliance with the provisions of this Governance Document.

- Require written reports from the Endowment Committee at least twice annually, and shall provide these reports in their entirety to the Board.
- Limit public statements about the official position of the congregation or Board of Trustees on controversial social, political, and/or congregational issues beyond what the congregation or Board has formally and explicitly adopted as positions of record. Nothing in this policy shall be construed so as to infringe the fundamental principle of freedom of the pulpit.
- Inform the Board of Trustees of all significant changes in, deletions of, or additions to administrative policies and regulations.
- Ensure that a complete and current set of all Church policies, including all those formulated by the Board of Trustees, Coordinating Team, or Congregation, are readily accessible to all Church members at all times.
- Supply for the Board's consent agenda all items delegated to the Coordinating Team yet required by law, Bylaws, or contract to be Board-approved, along with any monitoring assurance pertaining thereto.