

**Drafting Notes:** Changes affirmed at the May 11, 2010 Board Meeting in Red. The policies were then adopted by the Board, replacing the prior Board Guidelines/Policies. Comments are shown in { }  
The final format of the captions and the outline structure of Board Policies will be addressed at the end of the Trial Run

## Board Policies

### Definitions

**Capital Trust:** The Capital Trust, which is more fully described in the Church By-Laws, was established by the Congregation on May 29, 1981 and is governed according to the terms of its underlying trust agreement. The Capital Trust was established to hold and invest certain funds of the church. All income is paid to the church and applied to its operating budget.

**Church:** First Unitarian Church of Omaha is a non-profit, church corporation founded in 1869. The Church is operated according to the terms of its Articles of Incorporation, its By-laws, and the laws of the State of Nebraska.

**Congregation:** The Congregation members, who are the highest governing authority in the Church, are those members who are eligible to vote. That eligibility is set forth in the Church's Articles of Incorporation and By-laws.

**Core Values:** Core Values are those values and behaviors that the Church intends to honor in all of its endeavors. The Unitarian Universalist Principles are an example of Core Values. The question, "What principles do we intend to observe, no matter what?" helps lead to the discovery of Core Values.

**Ends/Means Distinction:** In this Policy Manual, an "ends/outcomes" policy statement sets forth the desired outcomes, the intended beneficiaries of the results, and the acceptable costs. Defining ends/outcomes is a function of Governance. "Means" are the methods that are employed to accomplish the desired ends/outcomes. Determining the appropriate means is a function of Ministry, except in any situation where the Board of Trustees has implemented policies that either limit or require certain means.

**Governance:** Governance is a collective, democratic process that produces lasting policies designed to direct many individual decisions. It is best accomplished through democratic or representative bodies, including Congregational meetings, the Board of Trustees, Board Committees, and Board working groups. The Board of Trustees, under the leadership of the President, is responsible for leading the governance of the Church.

**Ministry:** Ministry is the practical work of the Church, and consists of continually choosing means and methods, allocating resources, hiring staff, recruiting volunteers, and giving them leadership and support that will enable them to serve the mission of the Church effectively. Ministry is best accomplished through empowered ministry teams of people who share a sense of calling to

particular forms of service. The Minister, as the elected spiritual leader and designated Ministry Team Leader, is responsible for directing the Church's ministry in accordance with Board policies.

**Mission:** The Church's mission is the good that the congregation means to do, whom it hopes to benefit, and how. It answers the question, "Whose lives do we intend to change and in what way?"

**Open Questions:** Open questions are questions that are significant to the Church's strategic planning but do not, as yet, have answers. Open questions call for a wider, longer conversation than an annual goal-setting process can accommodate and invite congregational conversation before a decision is made.

**Strategic Plan:** The strategic plan contains the Church's longest-range plans. A strategic plan answers the question, "What major choices have we made about how we will fulfill our mission?"

**Trial Run:** The Board intends to initially adopt these policies for a one-year trial. During the year, policies will continue to be developed and necessary changes will be implemented. At the end of the Trial Run, the process will be evaluated and a determination will be made with respect to permanent adoption.

**Vision:** A vision is a statement about what the Church wants to become. It is a star to guide by, an imagined future state of the Church as it becomes a better vehicle to serve our Mission. It answers the question, "What will our Church look like if we serve our Mission well?"

**Annual Vision of Ministry:** The Annual Vision of Ministry is the Board's short list of priorities to be accomplished in the forthcoming one to three years. It is the short-term product of the Board's strategic planning process. The Ministry Team then translates the Board's Vision of Ministry into goals and objectives for the coming year.

## Introduction

The leadership of the Church is a shared responsibility of the Congregation, the Board of Trustees, and the Ministry Team. Members of the Congregation share responsibility for discerning the Church's mission and organizing to fulfill it. Members do not "own" the Church for individual or collective benefit. Rather, members hold the Church in trust for those who benefit from its work now and in the future.

Although the Congregation reserves some duties for itself through the Articles of Incorporation or the By-Laws, the members delegate the majority of the leadership responsibility to the Board of Trustees and the Minister. This Policy Manual distinguishes two kinds of activity, Governance and Ministry, and it sets forth the Board's policies that have been created to help perform both in a spirit of partnership.

These Board Policies are subordinate to and do not supercede the provisions of the Church's Articles of Incorporation and By-Laws. Those to whom these Board Policies delegate authority and accountability may establish their own administrative practices and procedures to regulate the delegated responsibilities, provided that they conform to these Board Policies.

These Board Policies were adopted at the Board's regular meeting held **May 11, 2010**. They replace all prior Board Policies and/or guidelines. The Board of Trustees may change these Board Policies. Any

Church member may suggest changes to these Board Policies or report any violation of these Board Policies to the President or any Board member.

### **Leadership Expectations**

Partnership is the preferred style of leadership in this Church. All Church leaders are expected to practice cooperative decision-making, healthy conflict management, and mutual support in their respective roles. Clearly defined roles, authority, and accountability will foster a harmonious, consultative, and collegial style and atmosphere. The minister and president have a special responsibility to demonstrate and foster a spirit of partnership in their own working relationship.

### **Board Governance Policy**

The Board's focus shall be on the long-term mission and well-being of the Congregation, not on administrative detail. It shall respect the distinction between board governance and ministry, and shall avoid when possible making decisions that address only a single situation. The Board intends to govern primarily by:

- Discerning and articulating the Congregation's mission and vision of ministry,
- Setting goals and making strategic choices,
- Executing financial oversight to meet its fiduciary responsibility to the Congregation,
- Creating written policies to guide the Congregation's ministry, and
- Monitoring and evaluating the Congregation's leadership, including itself.

### **Roles and Responsibilities of the Board of Trustees**

The job of the Board is to represent and lead the Congregation in determining and monitoring appropriate organizational performance. In this spirit, the Board shall:

- a. In conversation with the Congregation and the Ministry Team, discern and communicate the mission and vision of the church.
- b. Engage in continuous strategic planning practices to discern, develop, and communicate strategic direction and define initiatives to help the Congregation live its mission and achieve its vision.
- c. Create and communicate the Church's Annual Vision of Ministry.
- d. Develop continuous practices, as set forth more completely in Section ?? Board Monitoring, to monitor the Church's success in living its mission and achieving the goals established in the Annual Vision of Ministry.
- e. Continuously monitor the Church's financial condition and intervene as necessary to assure that the Church is solvent and that its assets are protected.
- f. Direct and inspire the organization through the careful establishment of broad written policies reflecting the Congregation's values, mission, and vision.

- i. The Board's primary policy focus shall be on the long term effects that the Church has on the lives of the Congregation, the community, and the wider world, rather than on the administrative means of attaining those effects.
  - ii. To the extent possible, the Board's Policies shall be constructed to define the outcomes (ends) to be achieved and/or the limitations on the means or methods that may be employed. The Ministry Team Leader is empowered to use any reasonable interpretation of these Board Policies to develop the necessary means to achieve the stated outcomes.
  - iii. No board action shall be considered a Policy unless it is incorporated into these Board Policies.
  - iv. The Board shall actively solicit Congregational input in developing policies.
- g. Develop practices and procedures that specify how the Board conducts its own business. Accordingly, the Board and its individual Trustees commit themselves to:
- i. Prudent, ethical, and lawful conduct that is consistent with the Church's Unitarian Universalist principles.
  - ii. Enforce upon itself whatever discipline is needed to govern with excellence. The Board shall regularly discuss its governance progress and performance to discover how it may improve. Create a Board communication process that keeps all Trustees informed and does not disadvantage any Trustee.
  - iii. Create a Board Covenant, which shall form a part of these Board Policies. The Board shall review its covenant at least annually and update it as needed. The covenant adopted September 2009 is set forth below:
    - We, the board of First Unitarian Church of Omaha, covenant to serve the church's mission and its congregation.
    - We shall create an atmosphere of compassionate candor by presuming good faith, actively listening, not interrupting, and staying in relationship with one another, even in conflict.
    - We shall respect our time together by honoring our commitments, being prepared for meetings, and handling non-meeting business outside of board meetings.
    - We shall be familiar with the church's bylaws, policies, traditions, and finances.
    - We shall focus on the work of the Board, participate actively and thoughtfully, stand by our group decisions, and speak with one voice.
    - We shall serve as role models to each other and the congregation in commitment and stewardship.
  - iv. Respect the different roles of the Board and the Ministry Team. Trustees interacting with the Ministry Team must recognize the lack of authority vested in individual Trustees, except when specifically authorized by the Board.
  - v. Practice the confidentiality appropriate to issues of a sensitive nature.
  - vi. Act only as a whole body.

- a. The Board shall discern and deliberate with many voices but shall govern with one voice.
- b. Support, regardless of their personal opinions or the vote that they cast on any matter, the legitimate decisions of the Board.

### **Board and Corporate Officers' Roles**

1. The job of the President is to assure the integrity of the Board's process. The President or his/her designated representative is the only person authorized to speak for the Board.
  - a. The job output of the President is that the Board behaves consistently with the Church's governing documents, these policies, and those requirements legitimately imposed upon it from outside the organization.
  - b. The authority of the President consists of making any decision on behalf of the Board that falls within or is consistent with Board policies on governance process and the Board-Ministry Team Linkage.
    - i. The President or designated representative is empowered to chair Board meetings with all the commonly accepted powers of that position (e.g., ruling, recognizing).
    - ii. The Board retains sole authority to define ends/outcomes and leadership limitations. Therefore, the President's authority does not extend to making decisions concerning ends/outcomes or waiving leadership limitations.
    - iii. The President's authority does not extend to supervising, interpreting Board policies, or otherwise directing the Ministry Team. However, nothing in this policy is intended to interfere with mutual interaction about individual understandings of policies.
2. The job of the President Elect is to serve on the Board of Trustees and also to prepare to serve as the President. In the absence of the President (whether temporary or permanent), the President Elect shall assume all of the duties of the President.
3. The job of the Secretary is to assure the integrity of the Board's record. The secretary is responsible for ensuring the:
  - a. Recording and distribution of accurate minutes of Board and Congregational meetings.
  - b. Recording amendments to these policies and providing them to the Congregation.
  - c. Public announcement of the annual meeting and other duties as assigned by the bylaws.
4. The President shall annually appoint, subject to confirmation by the Board, a member of the Congregation to serve as the Treasurer of the Church. The Treasurer shall be a corporate officer of the church, but not a member of the Board of Trustees. The job of the Treasurer is to fulfill the statutory and corporate requirements of the position and also to support the Board's responsibility for financial oversight. The Treasurer shall serve until resignation, replacement, or removal. The Treasurer shall also be the chair of the Board's Financial Liaison Committee.

### **Conflict of Interest**

Trustees shall carry out their duties with undivided loyalty to the Congregation and its mission. A conflict of interest exists whenever a Trustee or a close relative of a Trustee has interests or duties that

interfere with the Trustee's duty of loyalty to the Church and its principles. The conflicting interest may be financial, moral, political, theological, or otherwise.

- a. Conflicts of interest arise when a Trustee:
  - i) Stands to gain or lose because of a Board action.
  - ii) Has a fiduciary duty or close personal or business relationship to any person or corporation that stands to gain or lose because of a Board action. A Trustee who is an employee or close relative of an employee of the Congregation always has a conflict of interest with respect to any action affecting such employment.
  - iii) Holds a substantial property interest in a corporation or business, or serves as an officer or board member of another nonprofit organization that stands to gain or lose because of a Board action.
  - iv) Cannot set aside his or her personal preferences as an individual consumer of the Congregation's services to vote in behalf of the whole Congregation and its mission.
  - v) Faces any other situation that creates or appears to create divided or conflicting loyalties.
- b. The Board shall annually require its Trustees to disclose in writing all existing or foreseeable conflicts of interest. Disclosure forms shall be kept by the Board Secretary and made available to any member of the Congregation who requests to see them.
- c. If an item of business arises in which any Trustee reports that a conflict of interest may exist, the affected Trustee may withdraw or ask the Board for guidance. In the latter case, the Board (minus the affected parties) shall determine how to handle the situation. Depending on the seriousness of the conflict, possible responses include:
  - i) Disclosure: A supplemental disclosure form shall be filed by the affected Trustee, who may then continue to participate and vote as usual.
  - ii) Recusal: The Trustee shall disclose the conflict and withdraw from the meeting while the item is under discussion or voted on.
  - iii) Resignation: The Trustee shall resign from the Board.

### **Board Committees**

The Board may establish Committees to help carry out its responsibilities. At the Board's direction, Committees may operate as standing or time-limited bodies. Unless otherwise stated, a Committee will cease to exist as soon as its task is completed.

- a. The Board, as a whole, will clearly direct Committees by outlining specific written objectives and restrictions and a time frame for completing their work.
- b. Initially, the Board shall establish Committees as follows:
  - i. A standing Governance Committee that is responsible for enabling the Board to become the best and most productive Board it can be. Its duties include maintaining accurate job descriptions for the Board, leading the annual training session for new Trustees, to which

- “old” Trustees are invited, facilitating an annual review of the Board covenant, organizing the Board’s annual evaluation of itself, and other appropriate process monitoring and improvement.
- ii. A standing Financial Liaison Committee that maintains close contact with the financial arm of the Ministry Team and with the Capital Trust to assure that the Board performs its duty to provide financial oversight. Its duties include assuring that Trustees are well informed of the Church’s financial status and of the processes in place to protect the Church’s property.
  - iii. A temporary, time-limited Personnel Committee which shall be directed to develop personnel policies and a Personnel Manual for the Church. When such policies are developed and approved by the Board, the Board shall then determine if this work shall remain with the Board or if it shall become a function of the Ministry Team.
- c. Board Committees may not speak or act for the Board except when formally given such authority by Board action for specific and time-limited purposes.

### **Board Monitoring**

The staff, ministry teams, committees, and Board shall engage in a continual process of monitoring and evaluation. The purposes to be accomplished through monitoring and evaluation are to foster excellence in ministry work by encouraging open communication and regular feedback among all whose work contributes to achieving the Church’s mission, to help the Church to focus on its goals as adopted by the Board, and to ensure that all Church leaders adhere closely to Board policies.

- a. The Ministry Team Leader shall be responsible for regular written reports from the Ministry Team to the Board. Reports shall focus on progress on priorities, as set by the Board through the Annual Vision of Ministry, and on compliance with Board policy.
- b. Financial reports shall show overall financial performance compared to budget and highlight significant financial or operational issues. Financial statements shall be filed and made available to any Congregation member who wishes to examine them.
- c. The Board shall call upon the Ministry Team on a planned basis through the year to report more fully on the Church’s work in a given area, and to contribute expertise, information, and leadership. The purpose of these reports is to support the Board’s learning and reflection on major areas of the Church’s mission, such as worship, religious education, social justice, membership development, and stewardship of Congregational property and wealth.
- d. From time to time, the Board may inquire into specific questions of policy compliance, organizational concerns, or other serious issues by appointing a committee or outside consultant to assess some aspect of Church program or organizational functioning.

### **Board - Ministry Team Linkage**

The relationship between the Board of Trustees, which defines ends and sets policy, and the Ministry Team, which determine means and manages Church operations, is defined here. The Board’s official connection to the Ministry Team, its achievements, and conduct is through the Ministry Team Leader.

- a. Only decisions of the Board acting as a body are binding on the Ministry Team Leader.
- b. All Board authority delegated to the Ministry Team is delegated through the Ministry Team Leader so that all of the authority and accountability of the Ministry Team, as far as the Board is concerned, is considered to be the authority and accountability of the Ministry Team Leader.
- c. The Board will instruct the Ministry Team Leader through written policies that prescribe the end to be achieved and that limit the means to be employed, allowing the Ministry Team Leader to use any reasonable interpretation of these policies.
- d. At least annually, the Board shall evaluate the Ministry Team Leader's performance and the Ministry Team Leader shall evaluate the Board's performance. The performance evaluation for all other members of the Ministry Team shall be conducted by the Ministry Team Leader or a supervisor designated by the Ministry Team Leader. {Note: more specifics in personnel policies }
- e. The Board is responsible for monitoring Ministry Team performance in a systematic and rigorous manner. Performance will be measured to determine the extent to which:
  1. The Church's desired ends are being accomplished, and
  2. The Ministry Team operates within the boundaries set by established limitations.

## **Global Delegation**

The Board shall set forth in these policies those Ministry functions that it reserves for itself and those Ministry functions that it delegates to specific entities. All other Ministry functions shall be the responsibility of the Ministry Team.

The Minister shall be the Ministry Team Leader. The Ministry Team Leader shall lead and direct the spiritual, programmatic, and administrative work of the Church, and is hereby delegated authority and responsibility to make all operational decisions, adopt administrative policies, and allocate Congregational resources except as specifically limited by Board policies.

The Ministry Team Leader shall be responsible for maintaining a productive and effective staff team, for ensuring that its efforts are directed toward fulfilling the Congregation's mission and vision of ministry, and for staff compliance with all Board policies.

## **Decision-Making Authority**

Any decision not addressed by a Board policy is hereby delegated to the Minister (if in the area of Ministry) or to the President (if in the area of Governance). In the area of Ministry, the Minister is empowered to make decisions that are a reasonable interpretation of existing policies. In the area of Governance, the President is empowered to make decisions that are a reasonable interpretation of Board policy.

## **Care for People**



The Ministry Team Leader shall be responsible for taking care to prevent harm to the members and guests who take part in Church activities or use Church property, and shall have the power to take all necessary steps to deal with situations where such persons are at risk.

1. **Health and safety.** The Ministry Team Leader shall ensure that all facilities are maintained in a safe, sanitary, and secure condition, that required licenses and inspections are kept up to date, and that problems are corrected promptly.
2. **Emergency planning.** The Ministry Team Leader shall maintain a written plan for responding to emergencies such as medical emergencies, fire, toxic conditions, weather problems, threatening communications, power outages, natural disasters, and other circumstances that create or threaten dangerous conditions.
3. **Sexual harassment.** Employees, volunteers, and agents of the Church are prohibited from acts of sexual harassment against any member or participant in Church activities or any employee or applicant for employment. In response to violations of this policy, the Ministry Team Leader or Board, if necessary, shall take disciplinary action, which may include termination of employment or membership or exclusion from Church property and programs.
4. **Child protection.** Because of our special responsibility for children and youth in the Church's care, the Ministry Team Leader shall establish clear, written procedures for the selection, training, and supervision of all Ministry Team members who work with persons age eighteen and younger.
5. **Nondiscrimination.** No one acting for the Church shall discriminate because of race, color, age, sex, marital status, sexual orientation, disability, national origin or ancestry, economic status, union membership, or political affiliation. Religious opinion and affiliation shall be considered only to the extent that it may be (a) a bona fide occupational requirement, or (b) prevent an individual from being fully supportive of the Church's mission and values.
6. **Universal access.** The Church intends to make its premises and activities reasonably accessible to persons with disabilities. To this end our goal is to meet or exceed all legal requirements, and to engage in continual examination of our properties, practices, and attitudes.
7. **Whistleblower policy.** Church policy prohibits adverse actions being taken against employees, volunteers, or any member in retaliation for any lawful disclosure of information relating to: (a) a violation of any law or local, state or federal rule or regulation, (b) mismanagement, (c) gross waste or misappropriation of Church funds or assets, (d) a substantial and specific danger to public health and safety; or (e) other alleged wrongful conduct. Any person found to have so violated this Policy shall be disciplined, up to and including termination from employment or expulsion from Church membership. Allegations of violations of this Policy shall be referred to the President, the Minister, or any member of the Board.
8. **Right Relations.** The well-being, strength, and reputation of our church depend on a sense of fellowship among the members, friends, and staff, which thrives in an atmosphere of trust, respect, and cooperation. To clarify our expectations and processes, the Board adopts the following:
  - a. **Statement of Values and Expectations.** A covenant of right relations supports the growth of individuals and our community, helps to maintain a culture of mutual respect and personal safety, and sets forth the Church's expectations for our membership. The Board adopts the Statement of Values and Expectations set forth in Appendix A.
  - b. **Policy Regarding Disruptive Behavior.** The Board adopts the Policy Regarding Disruptive Behavior set forth in Appendix B, which was originally adopted February 12, 2008.

- c. **Review of Right Relations Policies.** Before December 31, 2011, the Board shall review the Statement of Values and Expectations and the Policy Regarding Disruptive Behavior with the Congregation and recommend such changes as may be necessary.

### **Care for Staff**

The Ministry Team Leader shall be responsible for maintaining a productive and effective paid staff team, for ensuring that its efforts are directed toward fulfilling the Church's Mission and Annual Vision of Ministry, and for compliance by the staff with all Board policies. The Ministry Team Leader shall ensure that staff working conditions are not inhumane, unfair, hostile, or unprofessional.

1. **Personnel Manual.** The Ministry Team Leader shall be responsible for maintaining an up-to-date personnel manual covering matters not specifically addressed in these Board policies, as required to ensure that the church complies with legal requirements and denominational norms for employment practices.
2. **Hiring Approval.** The Ministry Team Leader is authorized to hire for any vacant paid staff position that has budget approval. New positions or positions that cannot be filled under the current budget require Board approval. Any contracts must be approved by the Board.
3. **Hiring Process.** The Ministry Team Leader shall create and publish practices for hiring that:
  - a. Establish a high degree of fairness in the hiring process.
  - b. Strive to develop a reasonable pool of candidates for each open staff position.
  - c. Inform and engage stakeholders who will interact with the position.
  - d. Evaluate candidates effectively and ensure appropriate background investigations and testing.
  - e. Notify the Board when a new employee is hired.
4. **Annual Performance Reviews.** The Ministry Team Leader shall ensure that a performance review of all employees is conducted annually.
5. **Termination.** Prior to discharging a paid staff member, the Ministry Team Leader shall consult as needed with the Personnel Committee to ensure that the proposed decision complies with applicable laws and Board policies. The Ministry Team Leader shall also notify the Board when an employee is terminated.
6. **Grievances.** The Ministry Team Leader shall develop an internal due-process grievance procedure for employees and volunteers. In addition to the internal procedure, the employee or volunteer may present his or her grievance to the Board when internal grievance procedures have been exhausted and the employee or volunteer alleges that law or Board policy has been violated to his or her detriment; provided that any such presentation to the Board, or notice thereof, shall not suspend any termination.

### **Care for Resources**

1. **Financial Management.** The Ministry Team Leader, together with assigned staff members in their areas of responsibility, shall be responsible for making day-to-day fiscal decisions within the parameters of the annual Church budget. The Ministry Team Leader:

- a. Shall keep the Board fully informed on a regular basis of the church's ongoing financial status, and shall inform the Board in a timely manner of any projected material deviation from the current approved budget.
  - b. May transfer budget amounts between budget categories provided that total expenditures will not exceed the total budget, other limitations have not been exceeded, and the transferred amount is clearly noted in the financial reports.
  - c. Shall not exceed the total budgeted spending for the year without obtaining Board approval.
  - d. Shall not cause or allow expenditures to deviate materially from Board priorities in ends / outcome policies and the Annual Vision of Ministry.
  - e. Shall invest church funds only in federally insured bank deposits, except that up to \$10,000 may be invested in SEC qualified brokerage money market accounts as needed to facilitate stock transfers.
  - f. Shall not use donor-restricted funds in violation of donor restrictions or trust provisions.
  - g. Shall not jeopardize the congregation's tax-exempt status under local, state, or federal law.
  - h. Shall not incur debt on behalf of the church. The board may approve credit cards, lines of credit, or other borrowing in advance.
  - i. May apply for external grants, provided the grants are consistent with Church ends/ outcomes, and do not obligate the Church to expenditures that would jeopardize fiscal integrity. The Board shall be notified of grant activity and grants (if offered) must be formally accepted by the Board on behalf of the Church.
2. **Asset Protection.** The Ministry Team Leader shall be responsible for preventing harm to the congregation's reputation and assets and shall develop administrative practices, and procedures designed to prevent such harm, and report promptly to the Board on any significant shortcomings in their implementation.
- a. *Financial controls.* Written procedures shall govern the handling of receipts, access to cash and bank balances, approval of expenditures, payment of invoices and other obligations, and management of invested funds.
    1. To the degree that it is practicable, the functions of record keeping, bank reconciliation, and cash disbursements shall be under the control of unrelated persons.
    2. Unbonded personnel shall not be allowed access to material amounts of funds.
    3. The President, President-Elect, Treasurer, and Minister are authorized to approve cash disbursements. {note: The minister has not been consulted on this as yet}
    4. At least one authorized individual shall approve all cash disbursements. Two unrelated authorized individuals shall approve all disbursements of \$5,000.00 or more.
    5. Church accounting records shall be reconciled with financial institution statements as often as those statements are issued and copies of such reconciliations shall be provided to the Treasurer.

- b. *Accounting.* The Church's financial records shall follow accounting practices that are reasonable and appropriate to congregations of comparable size. Particular care shall be taken to distinguish donor-restricted, temporarily restricted, voluntarily restricted, and unrestricted funds.
  - c. *Document retention.* Written procedures shall govern the retention and destruction of the Church's documents, giving definite retention periods for classes of financial, business, pastoral, personnel, and corporate records in both paper and electronic forms.
  - d. *Insurance.* The Church shall maintain adequate insurance to protect against property losses at replacement value and liability for injuries to others, less reasonable deductible and/or coinsurance limits. Insurance coverage shall include both corporate liability and personal liability of Board members and staff, taking into account pertinent statutory provisions and exemptions applicable to Nebraska non-profit organizations. The Board shall annually review and approve the insurance coverage.
  - e. *Tangible Property.* The Church shall maintain the Church's property and equipment in good working order, subject to reasonable wear and tear.
  - f. *Intangible Property.* The Church shall protect its intellectual property, information, files, and other intangible property from significant damage or loss.
3. **The Board's Policy Concerning Contracts and Contractors is set forth in Appendix C. All projects reasonably expected to exceed a cost of \$6,000.00 must conform to the requirements of this policy, regardless of the entity (Board, Ministry Team, or other) initiating the project.**

## **Discernment**

Discernment includes all that a congregation does to discover and articulate its mission.

- 1. **Mission:** During the Trial Period and thereafter, the Board, Ministry Team, and Congregation shall periodically consider the Mission of the Church. The Board shall determine the Mission and publish it to guide actions of all Church leadership.
- 2. **Vision:** During the Trial Period and thereafter, the Board, Ministry Team, and Congregation shall periodically consider the Vision of the Church. The Board shall determine the Vision and publish it to guide actions of all Church leadership.
- 3. **Core Values:** During the Trial Period and thereafter, the Board, Ministry Team, and Congregation shall periodically consider the Core Values of the Church. The Board shall determine the Core Values and publish them to guide actions of all Church leadership.
  - a. The seven Unitarian Universalist Principles shall be Core Values of this Church.
- 4. **Strategic Plan:** During the Trial Period and thereafter, the Board, Ministry Team, and Congregation shall periodically consider the strategic directions of the Church. The Board shall determine its Strategic Plan and publish it to guide actions of all Church leadership.

## **Interim Mission Statement**

To guide the actions of all Church leadership until the Mission and Vision Statements have been developed and published, the Board has adopted the following Interim Mission Statement:

*Policies affirmed and formally adopted at the May 11, 2010 Board of Trustees meeting*

First Unitarian Church of Omaha strives to be a diverse, liberal religious community with a tradition of open-mindedness and tolerance. We promote spiritual growth, social justice, and service to those in need in order to effect positive change in our society and in ourselves.

### **Annual Planning Cycle**

1. Annually, the Board, in consultation with the Ministry Team Leader, shall establish its Annual Vision of Ministry (AVoM). The AVoM shall contain a description of the Church's priorities for the next Church year. It shall also contain such other information that the Board determines will be necessary to clearly communicate the current status of the Church and the desired ends/outcomes to the Congregation.
  - a. As a part of its annual planning process, the Board shall develop a small number of Open Questions to be considered by the Congregation and the Board during the year.
2. The Ministry Team Leader shall convert the Board's AVoM into action plans and develop an annual operating budget for the Board's approval. The operating budget:
  - a. Shall contain sufficient detail to enable reasonably accurate projection of revenues and expenses, shall separate capital and operational projections, and shall disclose planning assumptions.
  - b. Shall not plan the expenditure in any fiscal year of more funds than are projected to be available in that period from income, retained surplus, or other documented source.
  - c. Shall include capital expenditures, if any, as well as the means to pay for them unless such capital expenditures are separately documented in a capital budget
  - d. Shall not deviate materially from Board-stated priorities and requirements (see ends/outcome policies) in its allocation among competing fiscal needs.
3. The Church's annual stewardship drive shall be based on the AVoM and this operating budget. Depending on the outcome of the annual stewardship drive, the Ministry Team Leader shall revise the budget to reflect the financial resources available and return the revised budget to the Board for approval.
4. The Board shall present the budget for Congregational approval at the Church's annual meeting.
5. The current AVoM, the current annual operating budget, and any current capital budget form a part of these Board Policies. If circumstances require a change to either the current AVoM, the current annual operating budget, or any capital budget, the Board shall assure that the changes are appropriately approved and published.
6. The Board, in consultation with the Ministry Team Leader, shall determine what information it needs to monitor the Church's progress toward achieving the desired ends/outcomes set forth in the AVoM as well as the information needed to exercise its duty of financial oversight.

## Appendix A

### Statement of Values and Expectations for First Unitarian Church of Omaha Membership

It is the intention of the First Unitarian Church to create a culture of mutual respect and personal safety that supports the growth of individuals and our community. In the service of this goal and our mission, the Church holds certain expectations of its members, its volunteer leaders, its professional leaders, and those who relate to its children.

The Church expects members:

- not to endanger the health or physical safety of others;
- not to harass, bully, intimidate or physically or verbally abuse others;
- to communicate respectfully, honestly, and directly;
- to respond with acceptance to differences in ability and status;
- to treat seriously in civil dialogue diversities of theology and culture;
- not to engage in sexually exploitive or offensive behavior;
- to abide by the bylaws, policies, and organizational structures and procedures established by the Church;

In addition to the above, the Church expects its volunteer leaders:

- to exercise their leadership fairly, respectfully, and competently;
- to abide by democratic principles;
- to uphold the best interests of the Church in general;
- to support the safety and growth of those they lead;
- not to exploit the authority of their role;
- to consent to background checks as required by law, insurance, or prudence;
- not to use Church facilities or resources to which they may have access for purposes other than for their assigned role.

In addition to all of the above, the Church expects its professional leaders:

- to protect the confidentiality and trust reposed in them by members;
- not to use their position at the Church for personal financial advantage;
- not to speak on behalf of the Church unless formally authorized to do so;
- to abide by the code of ethics of their professional organizations;
- to respect healthy boundaries of sexual behavior.

In addition to the membership and leadership expectations above, the Church expects all who work with its children:

- to care for the children's physical, mental, moral and spiritual growth;
- to treat them with respect and dignity;
- to be positive and affirming toward them, even in the process of correcting behavior;
- to refrain from behavior with them that is in any way erotic, seductive, or sexual in nature;
- to abide by the UUA statement of ethics regarding work with children and youth;
- to consent to background checks as required by law, insurance, or prudence;
- to abide by all policies determined by the Religious Education or Youth/ Adult committees.

Questions regarding these expectations, or concerns as to whether they are being met, should be referred to the Minister or the Board of Trustees.

## Appendix B

### Policy Regarding Disruptive Behavior

While openness to a wide variety of individuals is one of the prime values held by our congregation and expressed in our denomination's purposes and principles, we affirm the belief that our congregation must maintain a secure atmosphere where such openness can exist. When any person's physical and/or emotional well-being or freedom to safely express his or her beliefs or opinions is threatened, the source of this threat must be addressed firmly and promptly, even if this ultimately requires the expulsion of the offending person or persons.

There have been times when the disruptive behavior of an individual within the church building has led members to voice their concerns about one or more of the following:

1. Perceived threats to the safety of any adult or child;
2. The disruption of church activities;
3. Diminishment of the appeal of the church to its potential and existing membership.

The following shall be the policy of First Unitarian Church in dealing with these issues:

1. If an immediate response is required, this will be undertaken by the Minister(s), if available, and/or the leader of the group involved. This may include asking the offending person or persons to leave, or suspending the meeting or activity until such a time as it can safely be resumed. If further assistance is required the Police Department may be called. Anytime any of these actions are undertaken without the Minister(s) being present, the Minister(s) must be notified. A follow-up letter will be sent by the Minister(s) to the offending party or parties detailing what steps must be taken before returning to the activities involved.
2. Situations not requiring immediate response will be referred to an ad hoc committee appointed by the Board of Trustees. The committee will respond in terms of their own judgment observing the following:
  - a. Persons identified as disruptive will be dealt with as individuals; stereotypes will be avoided.
  - b. The committee will collect all necessary information.
  - c. To aid in evaluating the problem, the following points will be considered:
    - DANGEROUSNESS - Is the individual the source of a threat or perceived threat to persons or property?
    - DISRUPTIVENESS - How much interference with church functions is going on?
    - OFFENSIVENESS - How likely is it that prospective or existing members will be driven away?
  - d. To determine the necessary response, the following points will be considered:
    - CAUSES - Why is the disruption occurring? Is it a conflict between the individual and others in the church? Is it due to a professionally diagnosed condition of mental illness?
    - HISTORY - What is the frequency and degree of disruption caused in the past?
    - PROBABILITY OF CHANGE - How likely is it that the problem behavior will diminish in the future?
  - e. The committee will decide on the necessary response on a case by case basis. However, the following three levels of response are recommended:



LEVEL ONE - The committee shall inform the Minister(s) of the problem and either the Minister(s) or a member of the committee shall meet with the offending individual to communicate the concern.

LEVEL TWO -The offending individual is excluded from the church and/or specific church activities for a limited period of time, with reasons and the conditions of return made clear.

LEVEL THREE - The offending individual is permanently excluded from the church premises and all church activities. Before this is carried out, the committee will consult with the Board of Trustees and the Minister(s). If it is decided that expulsion will take place, a letter will be sent by the Minister(s) explaining the expulsion and the individual's rights and possible recourse.

- f. Any action taken under item f. Level One or f. Level two (above) may be appealed to the Executive Committee of the Board of Trustees and/or the Minister(s).

First Unitarian Church strives to be an inclusive community, affirming our differences in beliefs, opinions and life experiences. However, concern for the safety and well-being of the congregation as a whole must be given priority over the privileges and inclusion of the individual. To the degree the disruptive behavior compromises the health of this congregation, our actions as people of faith must reflect this emphasis on security.

## Appendix C

### Policy Concerning Contracts and Contractors.

#### 1. Bid Process

For all work reasonably expected to exceed \$6000 (Amended from \$3000 on August 10, 2005), a competitive bid process shall be initiated. The competitive bid process shall consist of the following elements:

##### 1.1 Bid Custodian

The Board of Trustees shall appoint a Bid Custodian, who will have the following duties:

- Generate a written Statement of Work (SOW), detailing the work to be done, along with any special instructions as to techniques, materials, or processes to be used;
- Get Board approval for the SOW;
- Assemble a bid list of at least three competent contractors;
- Send Request for Quote (RFQ) to contractors on the bid list. The RFQ shall include at least:
  - The SOW
  - Proposed time frame for the work
  - A request for references
  - A request for bonding and insurance information
  - A request for the total cost of the job
  - A request for a time schedule for the work.
- Receive and review the bids, calling for clarification on individual bids, if necessary;
- Check references of bidders;
- Verify insurance and bonding of bidders;
- Perform other research as might be appropriate on bidders; and
- Recommend to the Board which bid, if any, should be accepted.

##### 1.2 Bid Acceptance

The Board may authorize the Bid Custodian to award the contract to a specific bidder, or to no bidders. The Board may direct the Bid Custodian to solicit additional bids, in which case the process starts over.

#### 2. Contracts and Contract Process

##### 2.1 Contracts

All contracts shall be machine printed (not hand written). Minor changes may be handwritten, but shall be legible, and initialed by both parties. Any changes that affect the project cost shall be machine-printed addendums, approved and signed as outlined in Section 4.

## **2.2 Non-Fixed Price Contracts**

“Time and Materials”, “Cost Plus” or similar contracts shall include a “not to exceed” clause.

## **2.3 The contract process shall follow these steps:**

- The Board will appoint a person, possibly the Bid Custodian, to be the Contract Manager.
- The Contract Manager will negotiate the terms of the contract with the winning bidder.
- The Contract Manager will present the proposed contract, in written form, to the Board for review.
- The Board may approve the contract as proposed, or direct that certain changes be made. The Board may solicit outside legal or technical advice before making its decision.
- Upon Board approval, the contract will be signed by a person authorized under church By-Laws.

## **3. Project Management**

Projects falling under this policy shall have a Project Manager appointed by the Board.

### **3.1 Qualifications**

Qualifications to be considered by the Board for Project Manager shall include:

- General knowledge of the type of work to be performed, including materials, techniques, and practices.
- Ability to spend adequate time on the project site to judge the quality of work and to assess progress.
- Ability to quickly resolve differences while protecting the interests of the church.

### **3.2 Responsibilities**

Responsibilities of the Project Manager shall include:

- General oversight of all phases of the project, including schedule, budget, material and equipment staging, and cleanup;
- Arranging access to work areas;
- Making decisions not covered explicitly in the contract or RFQ;
- Settling disputes;
- Determining compliance to contract and RFQ;
- Presenting project progress reports to the Board at least monthly;
- Recommending to the Board that it authorize progress payments;
- Final acceptance.

### **3.3 Compensation**

The Board shall have the authority to compensate the Project Manager up to 5% of the total contract cost. This compensation shall become part of the total project cost.

### **3.4 Project Completion and Final Acceptance**

The project shall be considered complete for the purpose of making final payment to the contractor when the work has received Final Acceptance from the Project Manager. The Project Manager shall grant Final Acceptance only after ensuring that all agreed upon work has been completed according to the contract and all approved modifications to the contract, all deficiencies have been corrected, and cleanup is complete.

The project shall be considered complete for the purpose of paying the Project Manager when all payments have been made to contractor, and any remaining disputes with the contractor, subcontractors, or suppliers have been resolved.

## **4. Cost Overruns**

In the event that unforeseen circumstances arise that will materially affect the cost of the project, the Project Manager shall be authorized to approve cost overruns of up to 10% of the contract amount. This approval shall be recorded as a simple written addendum to the contract, signed by the Contractor and the Project Manager.

In situations where the cost overruns are likely to be more than 10 % or are unknown, the Project Manager shall immediately contact a member of the Executive Committee of the Board of Trustees. The Executive Committee shall be authorized to approve overruns of up to 25% of the original contract. This approval shall be recorded as a written addendum to the contract, signed by the Contractor and a member of the Executive Committee.

Potential overruns of greater than 25% must be approved by the Board of Trustees. In situations where the potential for cost overruns is known in advance, the Board may choose to delegate a certain specified level of overrun approval to the Project Manager.