

# **First Unitarian Church of San José**

## **Governance Process Policy**

### **As of March 26, 2008**

## **4 Governance Process**

### **4.1 Board Covenant/Commitment**

**Approved March 24, 2010**

The Board of Directors of the First Unitarian Church of San Jose covenants to:

- Articulate the congregation's evolving mission and monitor progress bringing that mission to life
- Articulate limits to achieving our goals and monitor actions to ensure they observe those limits

To fulfill this covenant, the Board of Directors commits to:

1. Build personal bonds that enrich our connection to the congregation and the Board process
2. Listen deeply to the evolving needs both of our congregation and the wider community
3. Maintain a focus on the long term needs of our congregation and our wider community and the strategic planning needed to meet those needs
4. Be clear about the assignments and responsibilities of each Board member
5. Work to be prepared and informed so we can raise, discuss, prioritize and vote in a meaningful way on the most significant issues for our congregation and wider community
6. Conduct meetings in a manner that is both thorough and effective in getting Board business done and efficient in using the time of Board members
7. Support full, honest and confidential discussion of all issues in an environment that vigorously seeks the truth and is respectful of each individual's contributions and right to privacy
8. Speak with one voice once a decision has been made out of respect for the Board process and in the interest of group harmony
9. Report regularly, clearly and openly to the congregation
10. Respond to all Board communications in a timely and respectful manner
11. Handle complaints brought to the Board with respect, but handle them at the appropriate level, gathering accurate and complete information as necessary.

#### **4.1.1 Board Members' Code of Conduct**

**Approved March 24, 2010**

The Board commits itself and its members to ethical, businesslike, and lawful conduct, including proper use of authority and appropriate decorum when acting as Board members.

Accordingly:

1. Members must represent unconflicted loyalty to the interests of the membership. This accountability supersedes any conflicting loyalty such as that to advocacy or interest groups and membership on other Boards or staffs. It also supersedes the personal interest of any Board member acting as a consumer of the church's services.

2. Members must avoid conflict of interest with respect to their fiduciary responsibility.
  - 2.1. There must be no self-dealing or any conduct of private business or personal services between any Board member and the church administration (Program and Operations Council and staff) except procedurally controlled to assure openness, competitive opportunity, and equal access to inside information.
  - 2.2. When the Board is to decide upon an issue about which a member has an unavoidable conflict of interest, that member shall absent herself or himself without comment from not only the vote but also from the deliberation by leaving the meeting.
  - 2.3. Board members must not use their positions to obtain church employment for themselves, family members, or close associates. Should a member desire employment, he or she must first resign from the Board.
  - 2.4. Members will annually disclose their involvements with other organizations, with vendors, or any other associations that might produce a conflict.
3. Board members may not attempt to exercise individual authority over the organization except as explicitly set forth in Board policies.
  - 3.1. Members' interaction with the Program and Operations Council (POC) or with staff must reflect the lack of authority vested in individuals except when explicitly Board-authorized.
  - 3.2. Members' interactions with public, press, or other entities must reflect the same limitation and the inability of any Board member to speak for the Board except to repeat explicitly stated Board decisions.
  - 3.3. Board members will not as individuals express in words or actions outside a Board meeting their personal judgments of POC or staff performance.
4. Members will respect the confidentiality appropriate to issues of a sensitive nature.
5. Members will make every effort to attend monthly meetings and other meetings where all Board members are expected to attend. In the event that a member misses three consecutive meetings for reasons that a Board majority feels are not justifiable, the member will be asked to resign from the Board. A member will be promptly notified any time the Board has deemed an absence unjustified.
6. Members will take the initiative to ensure that they are adequately informed, regularly checking e-mail and Church mailboxes.
7. Members are encouraged to continually self-monitor their individual performance as trustees against policies, against the qualifications listed in the current trustee position description, and against any other current board evaluation tools.

#### **4.1.2 Governing Style**

**Approved March 24, 2010**

The Church Board will approach its task with a style that emphasizes strategic leadership rather than administrative detail, future rather than past or present, proactivity rather than reactivity, encouragement of diversity in viewpoints, and a clear distinction between Board, staff, and Programs and Operations Council (POC) roles.

In this spirit, the Board will:

1. Focus chiefly on intended long-term goals or ends, not on the administrative or programmatic means of attaining those ends.
2. Direct, control, and inspire the organization through the careful establishment of broad organizational values and perspectives which will be expressed in policy. Policies will address:
  - a) Ends: Our current priorities or goals
  - b) POC Limitations: Boundaries of prudence and ethics to be observed by the POC
  - c) Governance process: Board roles and responsibilities

- d) Board/POC Relationship: Linkage between the board and the POC
3. Enforce upon itself whatever discipline is needed to govern with excellence.
    - a) Discipline will apply to policy-making principles, respect for defined roles, and attendance.
    - b) After subjects have been discussed and voted upon, both majority and minority will support the action taken and speak with one voice. The “one voice” principle makes it possible to ensure that the Board’s decision is clear and unambiguous, requiring all Board members to respect and fairly represent Board decisions.
  4. Be accountable to the congregation and other stakeholders for competent, conscientious, and effective accomplishment of its obligations as a body. As part of this responsibility, the Board will annually monitor and discuss its own process and performance.
  5. Ensure the continuity of Board decisions through systematic maintenance of its own institutional memory, including publishing minutes and providing orientation of new Board members.
  6. Cultivate a sense of group responsibility for church leadership. The Board will be responsible for promoting excellence in governing. The Board will be an initiator of policy, not merely a reactor to staff or POC initiatives. The entire Board will take responsibility for Board commitments, regardless of the difficulties any officer, individual member or committee of the Board might encounter in meeting a commitment.

## **4.2 Board Member Responsibilities and Goals**

### **4.2.1 Overview and Board Job Description**

### **4.2.2 Board Responsibilities**

#### 4.2.2.1 Budget

#### 4.2.2.2

#### 4.2.2.3

#### 4.2.2.4 Delegate Selection

Approved April 2012

Delegates to the Unitarian Universalist Association General Assembly and delegates to the Pacific Central District Assembly shall be appointed by the Board. Members of the congregation who would like to serve may submit a written statement of interest co-signed by five other members to the Board President by the 3rd Wednesday in March for District Assembly and the 3rd Wednesday in April for General Assembly. Delegates to each assembly serve terms of one year and are eligible for re-appointment.

#### 4.2.2.5

### **4.2.3 Role of Officers**

## **4.3 Election of Officers and Directors**

### **4.3.1 Absentee Voting**

**Approved March 26, 2008:**

The Congregation shall be informed of the availability of absentee ballots when it is given notice of the March Congregational Meeting pursuant to Article IV Section 7 of the bylaws. Absentee ballots containing the names of the nominees for Officers and Directors with a write-in space below each office shall be available at the Church office at least two weeks before the election. The absentee voter shall place the absentee ballot in a sealed envelope upon which the member shall sign and legibly print the member's name. Absentee voters must return their absentee ballot to the designated absentee ballot box at the church before the start of the meeting. The incumbent president shall ensure that the absentee ballots are counted along with the ballots cast at the congregational meeting.

## **4.4 Board Committee Principles**

**Approved March 24, 2010**

Board committees, when used, will be assigned so as to reinforce the wholeness of the Board's job and so as never to interfere with delegation from Board to Program and Operations Council (POC). Accordingly:

1. Board committees are to help the Board do its job, never to help or advise the staff. Committees ordinarily will assist the Board by preparing policy alternatives and implications for Board deliberation. In keeping with the Board's broader focus, Board committees will normally not have dealings with current staff operations except for the purpose of information gathering.
2. Board committees may not speak or act for the Board except when formally given such authority by Board action or controlling documents of the church for specific and time-limited purposes. Expectations and authority will be carefully stated in order not to conflict with authority delegated to the POC.
3. Board committees cannot exercise authority over staff. Because the POC works for the full Board, it will not be required to obtain approval of a Board committee before an executive action.
4. A Board committee that has helped the Board create policy on some topic will not be used in an ongoing way to monitor organizational performance on that same topic.
5. Committees will be used sparingly and ordinarily in an ad hoc capacity.
6. This policy applies to any group that is formed by Board action, whether or not it is called a committee and regardless whether the group includes Board members. It does not apply to committees formed under the authority of the POC.

## **4.5 Endowment**

### **4.5.1 Allocation of Gifts to the Endowment Fund**

The Board shall allocate designated gifts to the designated fund(s). The Board shall allocate undesignated gifts to either the Unrestricted Reserve Fund or the Building Reserve Fund.

### **4.5.2 Priorities, Goals and Rates**

The Board shall set goals and priorities for disbursements from the Endowment Fund, and shall review them annually.

The Board shall establish a maximum rate of disbursement of funds from the Endowment. The Board shall review the maximum rate at least annually and shall adjust the maximum rate of disbursement for times of greater or lesser inflation and interest rates consistent with the goal of protecting the principal while allowing prudent disbursements. The Board shall establish a maximum annual rate that does not exceed the average annual growth of the fund's value over the previous five years.

The current maximum annual rate is four percent of the total market value of the assets per year, as determined by the average total market value on the last business day of each of the thirteen immediately preceding calendar quarters.

### **4.5.3 Board Disbursement Requests**

The Board shall request congregational approval to disburse Endowment funds at the Congregational Meeting in which the budget is approved.

The Board shall proceed with a disbursement of more than ten percent of the assets of the Unrestricted Reserve Fund for any single cause or activity only if it has been approved by a two-thirds vote of the members present at a congregational meeting at which a quorum is present.

#### **4.5.4 Disbursement Carryovers**

The Board may request congregational approval to disburse funds at less than the maximum rate. However, if funds are disbursed at a lower rate than the maximum rate, and disbursements are carried over to a subsequent year, the Board shall always request cumulative disbursements that do not exceed **the** maximum rate plus the amounts carried over from prior years.

#### **4.5.5 Loans for Customary Operating Expenses**

The Board shall not request a loan from the Unrestricted Reserve Fund for the ordinary and customary operating expenses of the Church unless it determines that extraordinary or exigent circumstances require such a loan.

### **4.6 Complaint and Grievance Procedure**