

GOVERNING POLICIES
THE FIRST UNITARIAN CHURCH OF SALT LAKE CITY

ADOPTED BY THE BOARD OF TRUSTEES
2/27/2023

PREAMBLE

THE FIRST UNITARIAN CHURCH OF SALT LAKE CITY UTAH (“Church”) has been deeply committed to liberal religious thought and action since 1891. Our beliefs are diverse and inclusive. We have no shared creed. We support the free and responsible search for truth and meaning and the promotion of justice for all human beings.

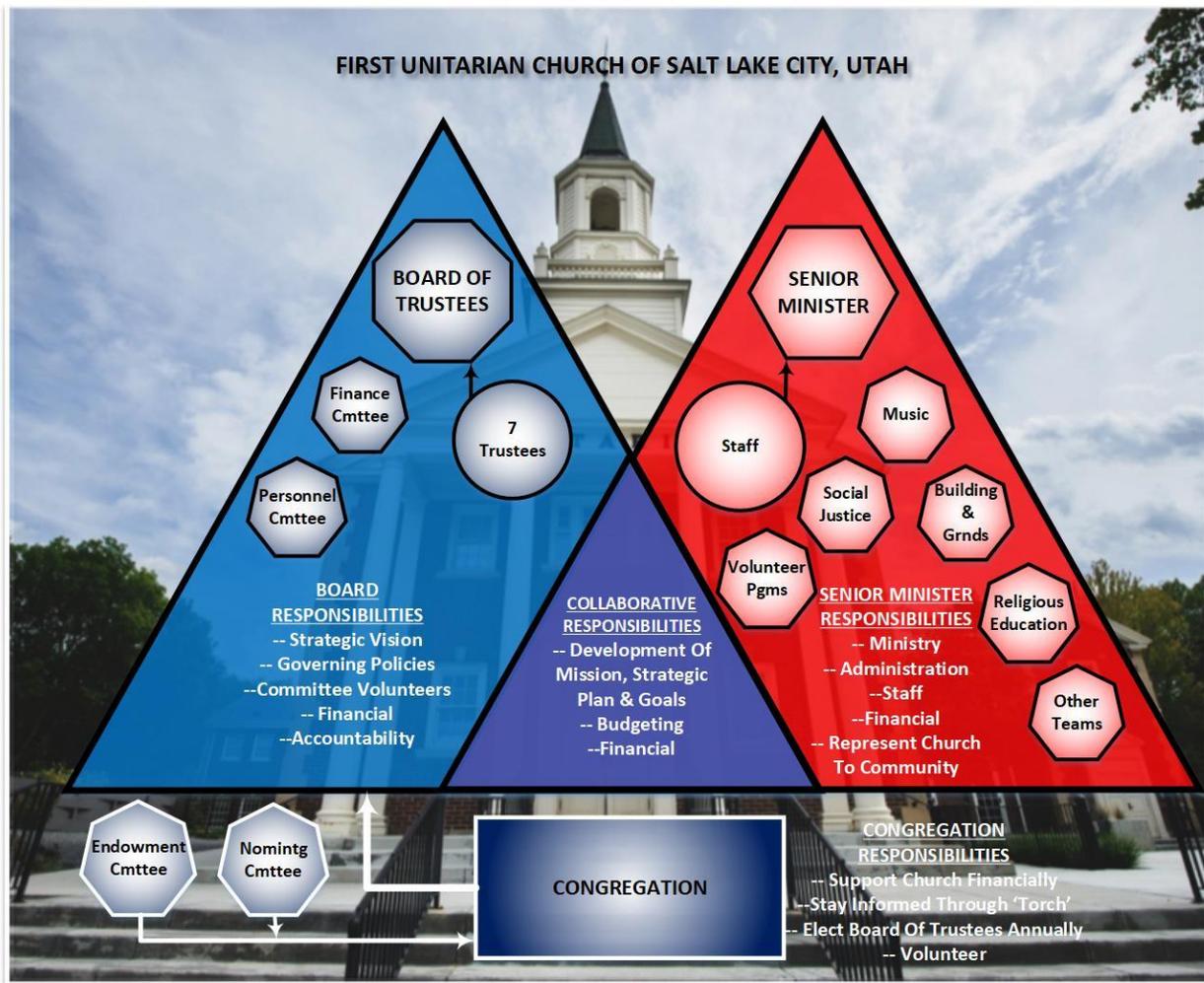
The congregation of the Church (“Congregation”) selects a Board of Trustees (collectively “Board” and individually “Trustee(s)”) to serve as its governing body, and a Senior Minister (“Senior Minister”) to serve as its spiritual, programmatic and administrative leader. The Senior Minister and Board work together in a covenantal relationship to advance the mission of the Church through the creation and implementation of a multi-year strategic plan (“Strategic Plan”) and an annual plan (“Annual Plan”) (collectively “Plans”).

The Congregation has adopted policy governance as its governing style (see diagram, below). The Board will lead through (i) visioning the future, (ii) creating policies (“Governing Policies”) for governing the Church (which Governing Policies include all the individual policies attached in the Appendix), and (iii) conducting regular meetings and reviews to insure that the Board and Senior Minister are acting in furtherance of the Church’s Mission, Goals and Plans in compliance with Governing Policies and all other policies adopted by the Board and attached in the Appendix.

The Senior Minister is the spiritual leader and chief executive with regard to the administration and operation of the Church and the supervision of all Staff and Volunteers of the Church.

These Governing Policies include the following sections:

- Section 1: Mission, Principles and Goals
- Section 2: Board of Trustees
- Section 3: Senior Minister
- Section 4: Staff and Volunteers
- Section 5: Church Finances
- Section 6: Church Records
- Section 7: Purpose and Function Of Governing Policies
- Section 8: Appendix of All Other Policies



The relationship among the Congregation, Senior Minister and Board of Trustees is illustrated in this drawing.

PART 1. MISSION, PRINCIPLES, AND GOALS

1.1 Mission. The Church’s mission (“Mission”) is (i) to nurture and challenge the spiritual and intellectual journey for all congregants of all generations and (ii) to actively engage in building a progressive and just world.

1.2 Principles. The Church’s foundational principles (“Principles”) are those of the Unitarian Universalist Association (“UUA”):

1.2.1 Worth and Dignity: The inherent worth and dignity of every person;

1.2.2 Justice and Compassion: Justice, equity and compassion in human relations;

1.2.3 Acceptance of One Another: Acceptance of one another and encouragement to spiritual growth in our congregations;

1.2.4 Search For Truth: A free and responsible search for truth and meaning;

1.2.5 Democratic Process: The right of conscience and the use of the democratic process within our congregations and in society at large;

1.2.6 World Community: The goal of world community with peace, liberty, and justice for all;

1.2.7 Interdependent Web: Respect for the interdependent web of all existence of which we are a part.

1.2.8 Dismantle Racism. Journeying toward spiritual wholeness by working to build a diverse multicultural community by our actions that dismantle racism and other oppressions in ourselves and our institutions.

1.3 Goals. To realize the Church’s Mission and Principles, everyone who engages on behalf of the Church will strive to achieve the following goals (“Goals”):

1.3.1 Within: That the congregants of the Church will experience joyous celebration, spiritual growth, and a search for meaning and intellectual stimulation.

1.3.2 Among: That the congregants of the Church will create a supportive, caring, accepting, and celebratory community where everyone feels valued.

1.3.3 Beyond: That the Church will open the possibilities for everyone to respond to the prophetic call to create a just and equitable world.

PART 2. BOARD OF TRUSTEES

- 2.1 Role of the Board.** The Board is the fiduciary agent for the Church, operating as a single unit in service of the Church's Mission, Goals, and Plans. The Board speaks with one voice.
- 2.2 Primary Responsibilities of the Board.** Under policy governance, the Board has the following six primary responsibilities:
- 2.2.1 Planning.**
- 2.2.1.1 Mission Statement.** The Board collaborates with the Senior Minister and Congregation to develop and update a Mission statement that articulates the Church's Mission and Goals. The Mission statement will be reviewed as needed.
- 2.2.1.2 Strategic Plan.** The Board creates and updates the Strategic Plan every 3-5 years or more frequently, as needed. The Board focuses outward to envision the future, and through conversation with the Senior Minister, Congregation, and the broader community identifies a short list of priority results to be achieved through the Church's ministry. The Board makes strategic choices regarding programs, membership, capital and operating Budgets, and staffing to support the achievement of the Strategic Plan.
- 2.2.1.3 Annual Plan.** The Board is responsible, in collaboration with the Senior Minister, to establish the Annual Plan that identifies (i) priority goals of the Church for the coming year that further the results set forth in the Strategic Plan, and (ii) a list of open issues about the Church's future that the Board will address over the following year through collaboration with the Senior Minister and Congregation.
- 2.2.2 Policy Making.** The Board develops the Governing Policies, based on the Mission and Goals for the Church, as needed to guide its actions and those of the Senior Minister and staff ("Staff") in furtherance of the Church's Plans.
- 2.2.3 Financial Monitoring and Budget Oversight.** The Board collaborates with the Senior Minister and Finance Committee in (i) reviewing the Church's annual budget ("Budget"), which is created by the Senior Minister as provided more fully in Section 5.2.2., (ii) approving the Budget, and (iii) in collaboration with the Senior Minister, presenting the Budget to the Congregation for approval as provided in the Bylaws. In addition, the Board reviews the Church's financial condition monthly to ensure financial health and good practices.
- 2.2.4 Accountability.** The Board reviews and evaluates progress against Goals to identify the need for change, refinement, and course-correction.
- 2.2.4.1 Annual Evaluation.** The Board and Senior Minister collaboratively and annually evaluate the Church's success and challenges in achieving its Mission, Goals, and Plans. At the end of each fiscal year, the Board evaluates the financial health of the Church in consultation with the Senior Minister and the Finance Committee and the staffing of the Church in consultation with the Personnel Committee.

2.2.4.2 **Quarterly Evaluations.** The Board performs self-assessments to evaluate its own process and performance at least quarterly, either at a regular Board meeting or a Board retreat, and more often if requested by the Senior Minister or a simple majority of the Trustees, for the purpose of identifying and implementing improvements.

The Board reviews and evaluates the performance of the Endowment Fund by reviewing a quarterly statement of investment gains and losses.

2.2.4.3. **Monthly Evaluations.** The Board evaluates the Church's financial condition monthly by reviewing financial statements and a dashboard of financial performance against Budget as developed by the Church's accounting firm and reviewed by the Finance Committee. The Board conducts this monthly review so that it may direct the Senior Minister to propose interventions (i) if income is insufficient to cover Budgeted program expenses, (ii) if income exceeds the Budget and program expansion is warranted, and (iii) to ensure that financial controls are working properly.

2.2.4.4 **As Needed.** When and if necessary, the Board reviews the actions of the Senior Minister and Trustees to determine compliance with the Governing Policies and whether the Governing Policies require creation of new policies, amendment of existing policies, and/or deletion of existing policies, all as provided in Section 7.6.

2.2.5 **Supervise the Calling of the Senior Minister.** In the event of the resignation, retirement, or removal of the Senior Minister, the Board supervises the hiring of an interim Minister and the calling of a new Senior Minister. The Board may appoint an ad-hoc Transition Committee or Senior Minister Search Committee to work with the Congregation in discerning its needs and values, presenting the Congregation to prospective applicants, evaluating applicants, and selecting an interim Minister or presenting a Senior Minister to the Congregation for calling, consistent with Unitarian Universalist Association timelines and procedures. The Board establishes charters and supports and advises these ad-hoc transition committees, but allows them autonomy in carrying out their responsibilities.

2.2.6 **Other Powers and Responsibilities.** The Board exercises other normal and reasonable powers and responsibilities of Trustees of an elective organization.

2.3 **Fiduciary Duty and Expectations of Trustees.** Trustees act responsibly and ethically in discharging their fiduciary duties to the Church and its Congregation. In particular:

2.3.1 **Duty of Due Care.** Trustees act with due care in carrying out their responsibilities and in making Board decisions. Trustees are attentive to the Church by attending meetings, preparing themselves as necessary to make informed decisions, and developing necessary skills to fulfill the role of Trustee.

- 2.3.2 **Duty of Loyalty.** Trustees have an undivided duty of loyalty to the Church. In particular, Trustees place the Church’s interests above their own and those of their family, their business, and others in any transaction in which two or more come into conflict. A close family member of a Trustee should not be a Staff member of the Church. A Trustee must disclose the existence of any conflict of interest to the Board consistent with the Conflict of Interest Policy (see Appendix). Annually, each Trustee signs a Disclosure and Acknowledgement form (see Appendix) and files it with the Secretary of the Church.
- 2.3.3 **Duty of Obedience.** Trustees are obligated to obey laws and regulations, follow the Bylaws and Governing Policies, and adhere to the Mission and Goals of the Church.
- 2.3.4 **Duty of Confidentiality.** The Board shall exercise a duty of confidentiality among themselves and the Senior Minister as to all matters which are not open to the Congregation.
- 2.3.5 **Standards of Conduct.** Trustees agree to the following standards of conduct among themselves: Show respect and trust, allow for the free expression of opinion, encourage questions, support physical and psychological safety, and hold each other accountable.
- 2.4 **Board Officers.** The Board shall at all times have the following officers (“Officers”):
 - 2.4.1 **President.** The President is responsible for ensuring the Board operates within its scope of authority, consistent with relevant laws, the Bylaws and Governing Policies of the Church. The President is elected by a majority vote of the Trustees no less than sixty days prior to the annual Congregational meeting to a term of one year and may be re-elected. The President presides at all business meetings of the Congregation. The President prepares the agenda for and presides at meetings of the Board and is the official spokesperson for the Board. The President is a signer on the Church’s bank accounts.
 - 2.4.2 **Vice President.** The Vice President is elected by a majority vote of the Trustees no less than sixty days prior to the annual Congregational meeting to a term of one year and may be re-elected. The Vice President assists the President, and in case of the President's absence or incapacity, performs the duties of President. The Vice President is a signer on the Church’s bank accounts.
 - 2.4.3 **Secretary.** The Secretary is responsible for maintaining the integrity of all of the Board’s records and minutes as provided more fully in Section 6. The Secretary is elected by a majority vote of the Trustees at the first Board meeting of the fiscal year to a term of one year and may be re-elected. The Secretary keeps records and minutes of all meetings of the Congregation and the Board, posts the minutes and notices of meetings, maintains the Board Policies attached in the Appendix, and publishes all actions of the Board in the Church newsletter and website except those actions which are determined to be confidential by the President and Vice President. The Secretary may delegate any of the ministerial actions required in this Section 2.4.3 as appropriate. The Secretary is a signer on the bank accounts.

2.4.4 **Treasurer.** The Treasurer is responsible for maintaining the Church’s financial records and serving as a liaison between the Board and the Finance Committee. The Treasurer is elected by a majority vote of the Trustees at the first Board meeting of the fiscal year to a term of one year and may be re-elected. The Treasurer oversees the receipt and disbursement of money and other properties of the Church, ensures a complete and accurate account of the finances of the Church, prepares or causes to prepare a monthly dashboard of income and expenses against Budget, renders written financial reports at least quarterly, and prepares an annual statement at the close of each fiscal year. The Treasurer may delegate the ministerial actions required in this Section 2.4.4 as appropriate. The Treasurer does not have check-signing authority.

2.5 **Board Meetings**

2.5.1 **Open Meetings and Notice.** In general, the Board operates with as much openness and transparency as possible. The Board holds monthly meetings which are open to the Congregation, except in the following circumstances which are considered in closed session: discussions of personnel, real property acquisition, mortgage or sale, legal matters, and, in unusual and unanticipated circumstances, when requested by two or more Trustees. The Board posts a schedule of upcoming meetings in the Church newsletter and website, and the proposed agenda of the meetings, and gives notice to the Congregation of special meetings and their proposed agendas. Board retreats which focus on discernment of strategy or Board education/development need not be open to the Congregation.

2.5.2 **Agenda.** With the exception of emergency meetings, all Board meetings follow an agenda developed in advance of the meeting. Proposed agenda items and reports are due to the Board President prior to finalization of the agenda. Each agenda item identifies its purpose (e.g., to inform, discuss, or decide). The Board President prepares the agenda for a Board meeting (making the final decisions about the inclusion and timing of agenda items). Prior to conducting business at the start of each meeting, the Trustees approve the meeting agenda.

2.5.3 **Written Motions.** All motions decided by the Board are presented in writing. The meeting agenda includes the full text of motions planned for discussion and possible action. When a motion is proposed from the floor during a meeting, it is written for all Trustees to see prior to taking a vote.

2.5.4 **Minutes.** The Secretary prepares minutes within two weeks of each meeting. The Board reviews and approves minutes, which are posted on the Church website (or other prominent location) within ten days of approval. In addition, the Board summarizes or posts minutes in the Church newsletter.

2.5.5 **Quorum and Voting.** Four Trustees must be present to conduct business. Trustees must be present in the room, or online to be included in the quorum and to vote. All

decisions are determined by the vote of a majority of the Trustees present and eligible to vote. Proxy votes are not allowed.

- 2.5.6 **Electronic Communications.** The Board may need to communicate between monthly meetings to plan agendas, clarify issues or concerns, or collaborate in developing motions, policies, meeting summaries or other items relevant to the Board’s responsibilities. In the event the Board must take action on an urgent matter between scheduled meetings, the Board may convene electronically and take such action on the urgent matter as the Board determines appropriate. Actions are recorded as addendums to previous minutes or within subsequent minutes with the date of action included.
- 2.6 **Board Committees.** The Board establishes committees (“Committees”) to help carry out its responsibilities. Each Committee may, but is not required to, include at least one Trustee.
 - 2.6.1 **Committees and Senior Minister.** Committees will not interfere with delegation from the Board to the Senior Minister. Except as otherwise provided in these Governing Policies, the Senior Minister is not required to obtain approval of a Committee before undertaking an action in furtherance of the Mission, Goals, and Plans of the Church.
 - 2.6.2 **Committees and Staff.** Committees assist the Board by preparing policy alternatives and implications for Board deliberation. In keeping with the Board’s broader focus, Committees may consult with Staff on matters affecting their duties, but do not instruct or direct Staff except as otherwise agreed upon by the Board and the Senior Minister.
 - 2.6.3 **Expectations and Authority.** Each Committee’s purpose, membership, authority and limits are established in a written charter approved by the Board and included in the Appendix, which charter does not conflict with the authority delegated to the Senior Minister. Committees do not speak or act for the Board except when formally given such authority.
 - 2.6.4 **Used Sparingly.** Committees are used sparingly to preserve the Board functioning as a whole and not in an ad hoc capacity. However, the Board, in its discretion, may create and/or dissolve permanent Committees.
 - 2.6.5 **Permanent Committees.** At the time of adoption of these Governing Policies, the Board has the following three permanent Committees:
 - 2.6.5.1 **Nominating/Leadership Development Committee.** In addition to the duties prescribed by the Bylaws, the Nominating/Leadership Development Committee consults at least annually with the Board to ascertain future leadership and development needs.
 - 2.6.5.2 **Finance Committee.** The Finance Committee supports the Board to fulfill its fiduciary responsibilities, including assisting the Board with developing financial policy best practices, financial and compliance oversight, transparent financial reporting, and developing trust and generosity within the Congregation to support a foundation for secure stewardship.

2.6.5.3 **Personnel Committee**. The Personnel Committee assists the Board in developing personnel policies, monitoring compliance with applicable laws, and carrying out the grievance process provided in Section 4 of these Governing Policies. The Personnel Committee has no Staff management authority and does not participate in the supervision or decision making of the Staff.

PART 3. SENIOR MINISTER

- 3.1 **Role of Senior Minister**. The role of the Senior Minister is as ministerial leader and chief executive of the Church with regard to the administration and operation of the Church and the supervision of Staff and Volunteers of the Church.
- 3.2 **Primary Responsibilities of Senior Minister**. In furtherance of this role, the Senior Minister has the following five primary responsibilities.
- 3.2.1. **Ministerial Leadership and Guidance**. The Senior Minister is responsible for leading worship and guiding ministerial and faith development programs in accordance with the established Mission of the Church and the evolving living tradition of the UUA without fear or favor. In furtherance of this responsibility, the Senior Minister has freedom of the pulpit.
- 3.2.2 **Church Administration and Operation**. Except as otherwise provided in the Bylaws and these Governing Policies, the Senior Minister is accountable for all aspects of Church administration and operation. The Senior Minister shall seek to assure that any Church practice, activity, or decision is consistent with UUA principles and is lawful, prudent and consistent with professional ethics and commonly accepted business practices.
- 3.2.3. **Hiring, Supervision and Termination of Staff and Volunteers**. The Senior Minister is accountable for the performance of Church Staff and Volunteers in accordance with these Governing Policies and any additional Personnel Policies that may be promulgated. As such, the Senior Minister has the authority to (i) directly, or by delegating to other Senior Staff, hire qualified Staff , (ii) determine the compensation for such Staff within Budget approved constraints and (iii) determine if Staff should be terminated and, if so, to effect such termination. Prior to exercising the authority granted herein, the Senior Minister advises the Trustees of their intentions and seeks the Trustees' advice regarding such matters; provided, however, final decisions regarding Staff and Volunteers remain with the Senior Minister.
- 3.2.4 **Ex-officio and Non-Voting Member of the Board**. The Senior Minister participates as an ex-officio member in all Board meetings and activities, with the same expectation for preparation and participation as other Trustees, except (i) the Senior Minister does not count in determining whether a quorum is present to conduct a meeting; (ii) the Senior Minister does not participate in any votes taken by the Board; and (iii) the Senior

Minister may, at the discretion of the Trustees, be excused from participation in any matters discussed in closed session as allowed by the Bylaws and these Governing Policies.

- 3.2.5 **Represent the Church to the Broader Civic and Religious Community.** The Senior Minister represents the Church to the broader civic and religious community in a manner and upon terms to be agreed upon with the Board.
- 3.3 **Covenantal Relationship.** The Senior Minister and the Board govern the Church in a covenantal relationship, working collaboratively to advance the Mission, Goals, and Plans of the Church. The Senior Minister and Board operate on the assumption of respect and trust, practicing transparent decision-making and healthy conflict management.
- 3.4 **Code of Conduct.** The Senior Minister agrees to be bound by the Code of Conduct promulgated by the Unitarian Universalists Ministers Association (“UUMA”), as well as the Bylaws and Governing Policies of the Church. The Senior Minister has the same duty of loyalty and the same requirements regarding conflicts of interest as a Trustee under Section 2.3.2.
- 3.5 **Senior Minister and Congregation.** In accordance with the Bylaws and these Governing Policies, the Senior Minister promotes and supports conditions and practices with the Congregation that are safe, respectful, and provide appropriate confidentiality and privacy. The Senior Minister ensures compliance with the Safe Congregation Policy (see Appendix).
- 3.6 **Senior Minister and Board.** The Board hereby delegates to the Senior Minister full authority (i) to manage the resources and operations of the Church as provided in these Governing Policies and (ii) to be accountable for Staff and Volunteers. The Senior Minister hereby informs and supports the work of the Board by:
- 3.6.1 **Serving as Ex Officio Member of the Board.**
- 3.6.2 **Submitting Information to the Board.** The Senior Minister submits information requested by the Board in a timely, accurate and understandable fashion, directly addressing provisions of these Governing Policies and the Church’s Mission, Goals, and Plans, including annual goals for their ministry.
- 3.6.3 **Communicating with the Board.** The Senior Minister informs the Board in a timely manner of all matters related to implementing and monitoring Board policies and duties, including but not limited to any anticipated adverse media coverage, lawsuits threatened or filed against the Church and/or its Staff, public policy initiatives, public events of the Church, and material external and internal changes affecting the Church, particularly changes in the assumptions upon which Board policy has previously been established.
- 3.6.4 **Working with the Board As A Whole.** The Senior Minister works with the Board as a whole except when responding to Board Officers, Committees or individual Trustees, duly acting on behalf of the Board.

- 3.6.5 **Advising Board On Certain Matters.** The Senior Minister advises the Board if, in the Senior Minister’s judgment (i) the Board is not in compliance with its own Governing Policies, (ii) the Board-Senior Minister relationship requires attention, or (iii) changes need to be made to the Church’s Bylaws and/or Governing Policies.
- 3.7 **Absence of Senior Minister.** To prevent gaps in the coverage of the Senior Minister’s responsibilities, the Senior Minister has at least one Staff member sufficiently familiar with Church and Board issues and processes so as to enable that person to assume the Senior Minister’s duties with reasonable proficiency in the absence of such Senior Minister. Vacation and study leave planning are included within such gaps in coverage.
- 3.8 **Emergency Actions.** In the event of a time-critical emergency that requires action in violation of the Governing Policies, and it is not possible or reasonable for the Senior Minister to get the approval of the Board, the Senior Minister may act contrary to the Governing Policies, provided that the Senior Minister notifies the President as soon as reasonably possible of their action.
- 3.9 **Review of Senior Minister.** The Board reviews the Senior Minister’s performance at least annually, and more frequently as it deems appropriate. The Board conducts the annual review by evaluating the effectiveness of the Senior Minister in advancing the Mission, Goals, and Plans of the Church over the previous year and such other matters as the Board deems necessary.
- 3.10 **Senior Minister Compensation/Benefits.** The Senior Minister’s compensation and benefits are determined by a written agreement between the Senior Minister and the Board, and are reviewed in accordance with the terms of the written agreement.

PART 4. STAFF AND VOLUNTEERS

- 4.1 **Staff.** The term “Staff” includes those employees who are compensated with wages for their services to the Church, and includes collectively both senior Staff (“Senior Staff”, which includes the Senior Minister, Assistant Minister, Church Administrator, Director of Education and Director of Music) and non-Senior Staff (“Non-Senior Staff”, which includes all Staff except Senior Staff).
- 4.2 **Staff Retention and Compensation.** The Senior Minister hires and trains Staff in a professional and respectful manner. The Senior Minister compensates, evaluates, and disciplines Staff professionally and respectfully, consistent with personnel policies. In particular, the Senior Minister maintains fiscal integrity and strives for fair compensation and benefits.
- 4.2.1 **Fair Compensation and Benefits.** The Senior Minister establishes and oversees compensation and benefits commensurate with UUA compensation guidelines for the geographic or professional market and for the skills employed, subject to Budget constraints approved by the Board and Congregation. The Senior Minister may propose departures from the UUA guidelines for Board approval.
- Compensation and benefits must comply with Federal, state, and local employment laws, including worker classification and time keeping, as well as with any personnel policies adopted by the Board

- 4.2.2 **Job Descriptions.** The Senior Minister is accountable for maintaining accurate and current job descriptions for each Staff position.
 - 4.2.3 **Opportunities For Growth.** The Senior Minister provides Staff with opportunities for professional growth and development, where appropriate, to enhance the discharge of their responsibilities to the Church.
 - 4.2.4 **Disagreements.** The Senior Minister allows Staff non-disruptive expressions of disagreement.
 - 4.2.5 **Employees At Will.** The Senior Minister informs Staff that employment with the Church is at will, unless the Board approves the terms of contracts that states otherwise.
 - 4.2.6 **Delegation of Authority.** The Senior Minister may delegate responsibility for Staff retention and compensation to one or more other Senior Staff; provided, however, the Senior Minister remains accountable and approves all changes of compensation and benefits.
- 4.3 **Personnel Policies.** The Senior Minister, in conjunction with the Personnel Committee, develops and maintains written employment policies that clarify personnel rules for Staff, provide for effective handling of grievances, and acquaint Staff with their rights and obligations. These employment policies, and any subsequent updates, are provided to and receipt acknowledged by the Staff. The Senior Minister, Board and Personnel Committee will review the employment policies at least every other year, and more frequently as necessary..
- 4.4 **Staff Grievances.** Staff who have a grievance or complaint may seek resolution of that grievance or complaint as set forth in the employment policies.
- 4.5 **Volunteers.** The term volunteers (“Volunteers”) includes all persons who provide services to the Church but who are not compensated, directly or indirectly, for such services. Volunteers include the members of the Board of Trustees, the members of all committees reporting to the Board of Trustees, members of the Endowment Committee, Team leaders and members, and all other persons who provide services to the Church without compensation.
- Volunteers provide important services to the Church and carry the message about the Church’s Mission to the larger community. As appropriate, the Senior Minister recruits, trains, supervises, appreciates and terminates Volunteers in a professional and caring manner (excluding herefrom Volunteers who are Trustees, members of all committees reporting to the Board, and members of the Endowment Committee).
- 4.6 **Teams.**
- 4.6.1 **Teams.** Teams of Volunteers and/or Staff (“Teams”) shall be established by the Senior Minister and accountable to the Senior Minister to support the operation of the Church, provided that such Teams operate exclusively in furtherance of the Mission of the Church. Teams are responsible for such areas as music, facilities management, social justice, adult religious education, hospitality and generosity (including auction).

- 4.6.2 **Operational Issue Resolution**. Any disputed operational issues arising from or related to Teams shall be resolved by the Senior Minister; provided, however, if the Senior Minister resolves the operational issue in a manner that a Team deems unjust, such Team may request the Board to review and resolve the operational issue. Upon such request, the Board, in its discretion, may either: (i) take up the operational issue and resolve it as the Board deems proper or (ii) not take up the operational issue, allowing the resolution by the Senior Minister to stand.
- 4.7 **Treatment Of Staff and Volunteers**. The Senior Minister ensures that all Staff and Volunteers are treated with dignity and fairness and ensures a safe environment for Staff and Volunteers in accordance with the Safe Congregation Policy (see Appendix).
- 4.8 **Background Checks**. The Senior Minister conducts or causes to be conducted a background check prior to hire to ensure that Staff have a background that is free from civil or criminal convictions, judgments or bankruptcy. The Senior Minister also conducts or causes to be conducted a background check for Volunteers who work with minors or who have direct oversight of church finances to ensure that such Volunteers have a background that is free from civil or criminal charges, judgments or bankruptcy.

PART 5. CHURCH FINANCES

- 5.1 **Financial Policies**. The Senior Minister, in conjunction with the Finance Committee, develops and maintains written financial policies (“Financial Policies”) for acquiring, managing, disbursing and protecting financial resources to be used in the service of the Church’s Mission. The Financial Policies shall be approved by the Board.
- The Senior Minister, Board, and Finance Committee reviews the Financial Policies at least every other year, and more frequently as necessary.
- 5.2 **Financial Issues and Budgeting**. The Senior Minister works to ensure the financial viability of the Church, exercises proper care in the handling of funds, and protects the assets and property of the Church as provided in these Governing Policies and through commonly accepted business practices. The Senior Minister assists in raising funds to support Church programs, property and operations. The Senior Minister works with the Board and Finance Committee to develop the annual budget and to nurture the culture of generosity within the Church.
- 5.2.1 **Financial Planning and Forecasting**. Financial planning for any fiscal year or part thereof will (i) comply with the Church Bylaws, Mission, Goals, and Plans, (ii) be fiscally sound, and (iii) be derived from a multi-year financial outlook.
- 5.2.2 **Budgeting**. The Senior Minister is primarily responsible for preparing and monitoring the Church’s Budget. In carrying out this responsibility, the Senior Minister works with the Finance Committee and Board to develop conservative and credible projections of revenue and expenses, separation of capital and operational items, cash flows, and disclosure of planning assumptions. As provided in the Bylaws, the Congregation has

final authority to approve the annual Budget, as proposed by the Senior Minister and recommended to the Congregation by the Board.

5.2.3 Financial Condition and Activities. With respect to the Church's ongoing financial condition and activities, the Senior Minister may enter into any grant or contract arrangement on behalf of the Church that advances Board priorities established in the Mission, Goals, and Plans of the Church and are within the annual Budget; subject however to the following requirements and limitations:

- 5.2.3.1 **Establishment and Maintenance of Reserves.** The Senior Minister shall maintain and monitor adequate operating reserves in accordance with the Church's Financial Policies (see Appendix).
- 5.2.3.2 **Limited use of Credit.** The Senior Minister assures that encumbrances of unrestricted reserves or any use of credit do not exceed sixty days or the end of the fiscal year, whichever comes first, unless an extension is authorized by the Board. Credit other than monthly revolving credit card debt requires Board pre-approval.
- 5.2.3.3 **Prohibition of Borrowing From Long Term Funds.** The Senior Minister may not borrow from any long term, dedicated reserves or accounts, including endowment funds, other restricted funds, operating reserves, or any Budgeted contingency fund, except as approved by the Board or the Endowment Committee, as appropriate.
- 5.2.3.4 **Timely Settlement of Payroll and Accounts Payable.** The Senior Minister ensures that payroll and accounts payable are settled in an accurate and timely manner.
- 5.2.3.5 **Limited Future Expenditures.** The Senior Minister may commit to expenditures of a future fiscal year Budget only as pre-approved by the Board and as further limited in Section 5.4.1.
- 5.2.3.6 **Treatment of Real Property.** The Senior Minister may acquire, encumber or dispose of real property, only with a plan pre-approved by the Board.
- 5.2.3.7 **Collection of Receivables.** The Senior Minister manages the collection of receivables, including pledges, after a reasonable amount of time, and reports to the Board and Finance Committee with regard to such receivables.
- 5.2.3.8 **Unanticipated, Unrestricted Gifts and Bequests.** All unanticipated, unrestricted gifts and bequests shall be added to the Operating Fund. Spending decisions regarding such gifts and bequests shall be made as part of the annual Budgeting process.
- 5.2.3.9 **Abiding by GAAP.** The Senior Minister ensures that procedures and controls meet Generally Accepted Accounting Principles (GAAP) standards for receiving, processing, and disbursing funds.

5.2.3.10 **No Authority Over Bank Accounts.** The Senior Minister and Senior Staff are not signers on the bank accounts of the Church, except the Discretionary Fund checking account.

5.2.3.11 **Authority and Limitations to Move Funds Among Budget Line Items.** The Senior Minister has the discretion to repurpose expenses between line items within a single program. If an anticipated overage of spending in one program can be mitigated or absorbed by another program, a Budget change may be made by the Senior Minister for amounts not to exceed \$2,500. Budget changes in excess of \$2,500 must be approved by the Board.

Budget changes in excess of 10% of fiscal year pledges made must be approved by the Congregation as the final authority.

5.2.3.12 **Minister Discretionary Help Fund.** The Senior Minister has access to a separate checking account that the Senior Minister or pastoral care team uses to provide confidential assistance to those facing emergency financial need (“Discretionary Fund”). The Senior Minister has the sole discretion on the distribution of the Discretionary Fund within policies established by the Board. Contributions to the Discretionary Fund will be determined as part of the annual Budget process and/or through special collections. Distributions from the Discretionary Fund cannot be made to Staff or any member of their families

The details of the Minister Discretionary Help Fund are set forth in the Minister’s Discretionary Fund approved by the Finance Committee on 2/9/23 and adopted by the Board on 2/27/23 and attached hereto in the Appendix.

5.3 **Asset and Property Protection.** The Senior Minister protects and maintains Church assets and property of which they have control. To this end, the Senior Minister:

5.3.1 **Independent Review:** Ensures that an independent review of cash management procedures is conducted by a qualified person at a frequency determined by the Financial Policies as approved by the Board.

5.3.2 **Investing Funds.** Reports to the Finance Committee and the Board on the investing and maintenance of Congregation funds and reserves in accordance with the Church’s Financial Policies (see Appendix).

5.3.2 **Building Usage.** Develops and implements policies for use of the Church building and grounds by Congregants, Staff and others, including fund-raising events, that (i) are consistent with the Congregation’s Mission, Goals, and Plans, (ii) give priority to use by Congregants and Staff, and (iii) protect the integrity, maintenance and cleanliness of the Church building and grounds.

5.3.4 **Physical Accessibility.** Develops and implements policies that permit the fullest practical use of the Church’s building and grounds by persons with physical disabilities.

- 5.3.5 **Expenses**. Develops policies and procedures together with the Finance Committee for reviewing, approving, and reimbursing expenses incurred by members of the Congregation, Staff and Volunteers on behalf of the Church.
- 5.3.6 **Tax-Exempt Status**. Assures that the use of Church funds, accounts, and other resources preserve the Church's tax-exempt, not-for-profit status under Federal and state laws. In particular, the Senior Minister ensures the following:
 - 5.3.6.1 **Political Campaigns**. That the Church does not, directly or indirectly, participate in, or intervene in, any political campaign on behalf of or in opposition to any candidate for elective public office. This prohibition includes any contributions to political campaign funds or public statements of position (verbal or written) made on behalf of the Church in favor of or in opposition to any candidate for public office.
 - 5.3.6.2 **Voter Education**. That the Church may participate in certain voter education activities including presenting public forums and publishing voter education guides and encouraging people to participate in the electoral process with voter registrations and get-out-the-vote drives as long as these activities are conducted in a non-partisan manner and do not (i) favor one candidate over another, (ii) oppose a candidate in some manner, or (iii) have the effect of favoring a candidate or group of candidates.
- 5.3.7 **Theft and Casualty Insurance**. Acquires adequate insurance against theft and casualty losses subject to Financial Policies and Budget approval, after consultation with the Board.
- 5.3.8 **Competitive Bids**. Secures at least two written competitive bids for any material purchase over \$2,500, or where appropriate, obtains Board approval for a single bid.
- 5.4 **Limits On Contracts**. The Senior Minister enters into any contractual arrangement on behalf of the Church that advances the Church's Mission, Goals, and Plans, subject to the following:
 - 5.4.1 **Contracts Over \$10,000**. The Senior Minister cannot enter into any contract in excess of \$10,000 over the life of the contract without prior Board approval, at least two written competitive bids (or, where appropriate, obtains Board approval for a single bid), and the signatures of both the Senior Minister and the Board President or Vice President on the contract.
 - 5.4.2 **Soliciting and Terminating Significant Contracts**. Consistent with 5.1.3.5, the Senior Minister informs the Board with sufficient prior notice and seeks Board approval of any plan or decision to solicit or terminate a contract that will have a significant impact on Church programs or that will be in effect for more than one year.
 - 5.4.3 **Qualifications and Capacity of Contractor**. The Senior Minister shall adequately assess the qualifications and capacity of a contractor to fulfill their responsibilities as identified in the contract.

- 5.4.4 **Business-Like Manner.** The Senior Minister shall administer contracts in a business-like manner that will avoid the appearance or reality of favoritism and/or nepotism, including written contracts with explicit service levels, fee structures, and ongoing vendor performance monitoring. Furthermore, vendors must be appropriately categorized as independent contractors for 1099 tax reporting.
- 5.5 **Gift Acceptance.** The Senior Minister may accept any unconditional or unrestricted gift to the Church, except a gift of real estate or hard-to-value assets that are not easily liquidated within seven days. The Senior Minister may accept any conditional or restricted gift to the Church (except a gift of real estate or hard-to-value assets) provided that the conditional gift does not violate the Gift Acceptance Policy of the Church (see Appendix).

PART 6. DOCUMENTS RETENTION

- 6.1 **Transparency.** In general, the Board and Senior Minister ensure that the Church is transparent in its operations to the Congregation. In furtherance of this, the Board and Senior Minister maintain records as required by these Governing Policies and by good business practices and makes these records available to the Congregation as provided more fully in Section 2.4.3, excepting those records that are determined to be confidential as provided in these Governing Policies.
- 6.2 **Document Retention and Destruction.** In recognition of the fact that (i) records be retained as required in a documents retention policy (“Documents Retention Policy”) adopted by the Board, and (ii) archiving of documents is important to the history of the Church, the following rules shall apply:
- 6.2.1 **Destruction of Documents.** No Senior Minister, Staff, Volunteers or Trustee knowingly destroys a document with the intent to obstruct or influence the investigation or proper administration of any matter related, directly or indirectly, to the Church.
- 6.2.2 **Disciplinary Action.** Disciplinary action as determined by the Board shall be imposed on any person found to have violated this Section 6.2.

PART 7. PURPOSE AND FUNCTION OF POLICIES

- 7.1 **In General.** These Governing Policies, including the policies contained in the Appendix to these Governing Policies, are all the current existing policies heretofore adopted by the Board. If a policy has been adopted by the Board but is not included in the Appendix to these Governing Policies, such policy has no force and effect unless re-approved by the Board and included in the Appendix.
- 7.2 **Purpose of the Policies.** These Governing Policies and the policies contained in the Appendix are intended to collect all of the Board policies in one location. This allows current and future Trustees and other interested persons to know what the existing Board policies are.
- 7.3 **Relationship to Other Governance Documents.** The Articles of Incorporation and Bylaws of the Church have precedence over all Board policies. In the event of a conflict between the Articles

or Bylaws and a Board policy, the provision in the Articles or Bylaws prevails over the Board policy.

- 7.4 **Relationship of Board Policies To Older Board Policies.** The most currently adopted Board policy has legal precedence over older Board policies with which it conflicts. The Secretary shall remove the older policy, or the sections of it changed by the newer policy, from the policies attached in the Appendix.
- 7.5 **Maintenance of Policies.** The Secretary ensures that the Appendix to these Governing Policies contain all of the current policies of the Church.
- 7.6 **Creation/Amendment/Deletion of Policies.** The Board may, at any time and for any reason, create new policies, amend any policy that it has heretofore adopted, and delete any policy that it has heretofore adopted; provided, however, such action shall be consistent with the Board's fiduciary responsibilities set forth in these Governing Policies and the Bylaws of the Church.

APPENDIX
TO GOVERNING POLICIES

ALL OTHER POLICIES APPROVED BY
BOARD OF FIRST UNITARIAN CHURCH OF SALT LAKE CITY

<u>OTHER POLICY</u>	<u>DATE ADOPTED</u>
1. Safe Congregation Policy	August 2022
2. Financial Policies and Procedures	November 2014
2.1. Accounting	
2.2. Financial	
2.3. Budget	
2.4. Investment	
2.5. Contributions	
2.6. Relief Funds	
2.7. Conflict of Interest Policy	
2.7.1. Conflict of Interest Statement	
3. Documents Retention Policy– Part 6 of Governing Policies	February 2023
4. Reserve Policy	November 2020
5. Gift Acceptance Policy	February 2020
6. Endowment Policy	TBD
7. Personnel Policies July 2018 (Employee Handbook) (REMOVE FROM GOVERNING POLICIES UNTIL UPDATED)	
8. Charters of Following Committees:	
8.1. Endowment Committee	TBD
8.2. Finance Committee	September 2022
8.3. Nominating/Leadership Development Committee	TBD
8.4. Personnel Committee	TBD
9. Bountiful Peak Contract & Processing Schedule	January 2022