

GOVERNANCE PROCESS

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GOVERNANCE PROCESS (GP)

GP-1. General Governance Process Policy (Approved 3-21-06)

The Governing Board of the FVUUF will act on behalf of the members of the Fellowship and in compliance with its policies to promote the accomplishment of the Fellowship's mission with appropriate use of resources and to prevent unacceptable activities and conditions within the Fellowship, as defined by the Bylaws, the Ends, and these policies.

GP-2. Governing Style (Approved 3-21-06)

The board will govern with an emphasis on (1) outward vision rather than internal preoccupation, (2) encouraging diversity in viewpoints, (3) strategic leadership more than administrative detail, (4) clear distinction among board, Senior Minister and Executive Team roles, (5) collective rather than individual decisions, (6) future rather than past or present, and (7) acting proactively rather than reactively.

Accordingly the Board will:

- A. Cultivate a sense of group responsibility. The Board, not the Executive Team, will be responsible for excellence in governing. The Board will be the initiator of policy, not merely a reactor to Executive Team initiatives. The Board will use the expertise of individual members to enhance the ability of the Board as a body rather than to substitute individual judgments for the Board's values. The Board will allow no officer, individual, or committee of the Board to hinder or be an excuse for not fulfilling Board commitments.
- B. The Board will direct, control, and inspire the organization through the careful establishment of broad written policies reflecting the Fellowship's values and perspectives about ends to be achieved and means to be avoided. The Board's major policy focus will be on the intended long-term effects on the organization, not on the administrative or programmatic means of attaining those effects.
- C. The Board will enforce upon itself whatever discipline is needed to govern with excellence. Discipline will apply to matters such as attendance, preparation, policy-making principles, respect of roles, and ensuring continuance of governance capability. Continued Board development will include orientation of new Board members in the Board's governance process and periodic Board discussion of process improvements.

GP-3 Board Job Description (Approved 3-21-06)

The job of the Board is to represent the members of the FVUUF in determining and ensuring appropriate organizational performance.

Accordingly, the Board:

- A. Is the link between the Executive Team and the membership.
- B. Will produce written governing policies that, at the broadest levels, address each category of organizational decision.
 1. **Ends:** Organizational products, effects, benefits, outcomes, recipients, and their relative worth (what good for which recipients at what cost).
 2. **Executive Limitations:** Constraints on executive authority that establish the prudence and ethics boundaries within which all executive activity and decision must take place.
 3. **Governance Process:** Specification of how the Board conceives, carries out, and monitors its own task.
 4. **Board-Executive Team Relationship:** How power is delegated and its proper use monitored.
- C. The Board will assure Executive Team performance in accordance with Board policies.

GP-4 Board Officer and Member Job Descriptions (Approved 3-21-06)

The Board shall develop appropriate job descriptions for all Board members.

GP-4A. President (Approved 3-21-06)

The President ensures the integrity of the Board's process and, secondarily, occasionally represents the Board to outside parties.

Accordingly, the President:

1. Ensures that the Board behaves consistently with its own rules and those legitimately imposed upon it from outside the organization.
 - a. Meeting discussion content will be only those issues, which according to Board policy, clearly belong to the Board to decide, not the Executive Team.
 - b. Deliberations will be fair, open, and thorough but also timely, orderly, and kept on task.
2. Has the authority to make decisions that fall within topics covered by Board policies in Governance Process and Board-Executive Team relationship, except where the Board

specifically delegates portions of this authority to others. The President is authorized to use any reasonable interpretation of the provisions in these policies. The President:

- a. Has no individual authority to make decisions about policies created by the Board within Ends and Executive Limitations policy areas. Therefore, the President has no individual authority to supervise or direct the Executive Team.
 - b. May represent the Board to outside parties in announcing Board-stated positions.
 - c. Sets the agenda and chairs Board meetings, with all the commonly accepted power of that position (for example, ruling, recognizing).
 - d. Sets the agenda and presides at all congregational meetings of the Fellowship.
 - e. May spend the funds budgeted for Board expenses.
 - f. May delegate the authority of Section 2 to elected members of the Board but remains accountable for its use.
3. Sees that the policies and decisions of the Board or Congregation are implemented.
 4. Signs all contracts as the authorized representative of the Board.
 5. Is authorized to sign checks.

GP-4B. Vice President (Approved 3-21-06)

1. Presides over the Board or performs any other duties of the President in the absence or at the request of the President.
2. Consults closely with the President.
3. Establishes the schedule for and presides over the Board's monitoring of its own performance.
4. Shall perform other functions and duties as may be specified by the Board.

GP-4C. Treasurer (Approved 3-21-06; Amended 3-20-07; Amended 6-26-14)

1. Has as broad financial expertise as possible.
2. Leads the Board in its oversight role of assuring that accurate records of all financial transactions of the Fellowship are kept and that all financial procedures are robust and verified.
3. Leads the Board's efforts to monitor the Executive Team's implementation of both the Ends and Executive Limitations policies, whenever financial resources are involved.

4. Advises the Board about any emerging financial needs, concerns or policy issues, including both budgetary considerations and process issues that reflect on the integrity of the financial monitoring process.
5. Receives any reports of violation of procedures in the Financial Procedures Manual or auditing matters and recommends appropriate controls to the Board.
6. Receives quarterly reports from the Board's Audit Committee and annual reports of either internal or external audits of the Fellowship's financial condition and procedures; assures that the Audit Committee fulfills its responsibilities.
7. Interviews and recommends an external professional auditing firm to conduct periodic audits of the Fellowship's financial condition and procedures; provides an estimated budget expense for the FY in which the external audit will occur.
8. Provides a written and oral financial report on oversight activities to the congregation at its Annual Meeting.
9. Receives quarterly from the Planned Giving Committee a written summary of Endowment Fund activities and recommendations regarding fund management; reports this information to the full Board.
10. Trains Board members to read and understand the Fellowship's financial statements and monitoring reports.

GP-4D. Secretary (Approved 3-21-06, Amended 6-17-14, Amended 1-19-16)

1. Ensures that Board meeting minutes are recorded, distributed to the members of the Board and the Executive Team in a timely manner, and posted for congregational access.
2. Ensures that minutes of other proceedings of the Board and all congregational meetings are recorded and distributed.
3. Distributes and processes absentee ballots for voting by members who are unable to attend a congregational meeting.
4. Checks for actual Fellowship membership before a congregational meeting.

GP-4E. Members-at-Large (Approved 3-21-06)

1. Represent the interests of the Fellowship as a whole in Board deliberations.
2. Serve on ad hoc committees appointed by the Board.

GP-5. Agenda Planning (Approved 3-21-06)

The Board will follow an annual agenda that (1) completes re-exploration of Ends policies annually, (2) continually improves Board performance, (3) sets forth priorities for the

upcoming FVUUF fiscal year, (4) systematically monitors and reviews Board policies and (5) requires periodic reporting from Board committees.

GP-6. Board Member's Code of Conduct (Approved 3-21-06)

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

Accordingly,

- A. Members must represent unconflicted loyalty to the interests of the congregation. This accountability supercedes any conflicting loyalty such as that to advocacy or interest groups and membership on other Boards or staffs. It also supercedes the personal interest of any Board member acting as a consumer of the Fellowships services.
- B. Members must avoid conflict of interest with respect to their fiduciary responsibility.
 - 1. There must be no self dealing or any conduct of private business or personal services between any Board member and the church staff except as procedurally controlled to assure openness, competitive opportunity, and equal access to inside information.
 - 2. When the Board is to decide upon an issue about which a Board member has a conflict of interest, that member shall absent herself or himself without comment from not only the vote but also from the deliberation.
 - 3. Board members must not use their positions to obtain employment by the Fellowship for themselves, family members, or close associates. Should a member of the Board desire such employment, he or she must resign from the Board prior to consideration.
 - 4. Members must disclose their involvement: with other organizations, with vendors, or with other associations that might produce a conflict.
- C. Members will respect the confidentiality appropriate to issues of a sensitive nature.
- D. Members will speak with one voice upholding the decisions of the Board.

GP-7. Board Committee Principles (Approved 3-21-06)

The By-Laws enable and govern the establishment of Board Committees. Board committees may not speak or act for the Board except when formally given such authority by the Board for specific and time-limited purposes. Expectations and authority will be carefully stated in order not to conflict with authority delegated to the Executive Team.

GP-8. Monitoring Board Performance (Approved 3-21-06, Amended 1-19-16)

The Board will annually discuss and systematically monitor its own performance, relative to its Governance Process and Board-Executive Team policies, by reviewing portions of these policies on a regular schedule.

GP-9. Governance Investment (Approved 3-21-06)

The Board will invest in its governance capacity.

Accordingly,

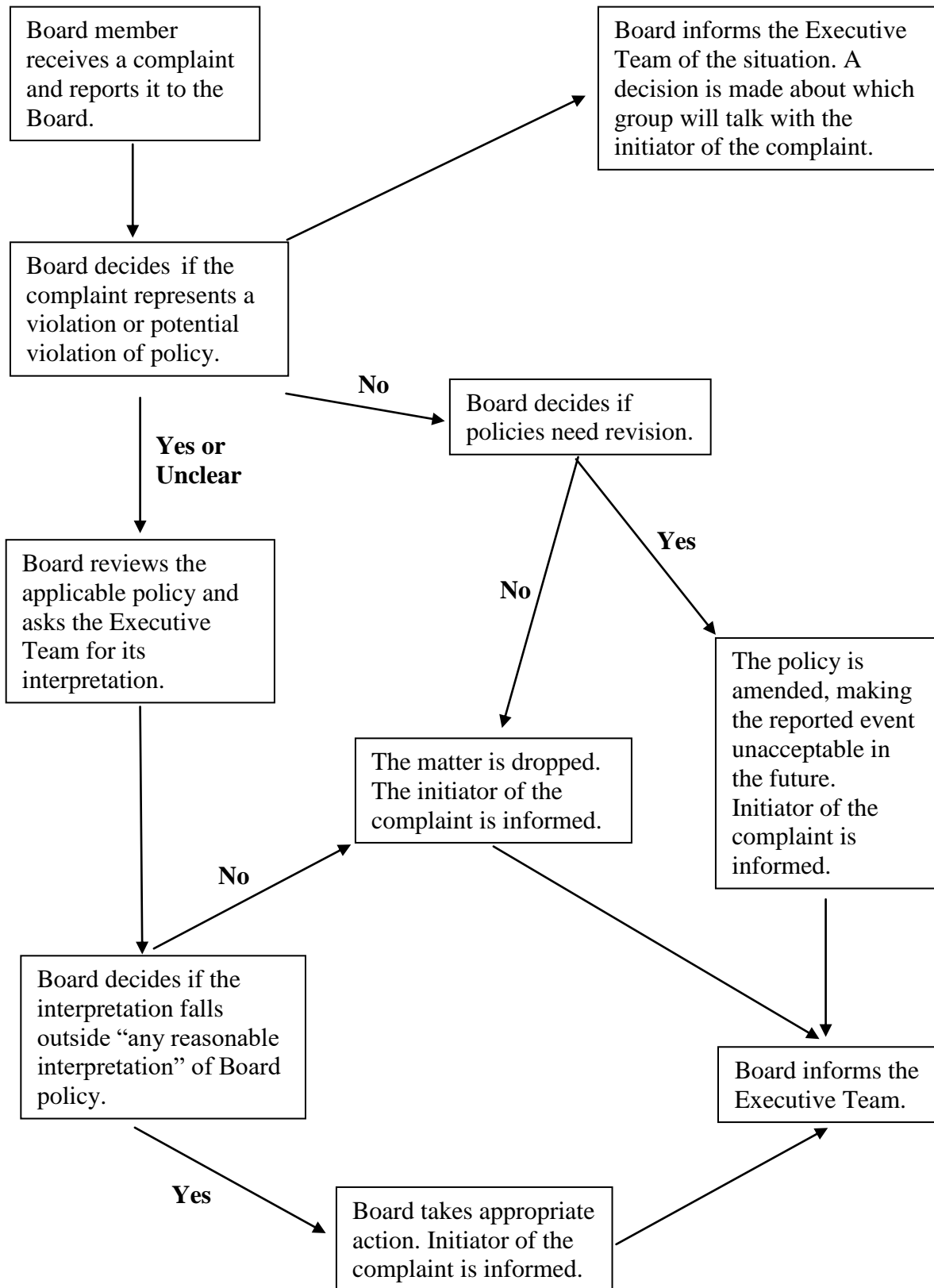
- A. Board skills, methods, and support will be sufficient to assure governing with excellence.
- B. Training and retraining will be used to orient new member and candidates for membership, as well as to maintain and increase existing member skills and understandings.
- C. Costs will be prudently incurred.

GP-10. Complaint and Inquiry Process (Approved 3-21-06)

The Board will address any complaints or concerns the Board or its members receive solely in relationship to Board policies. A “Board Complaint and Inquiry Process Guideline” is outlined on the following page.

Concerns received unrelated to Board policy will be conveyed to the Executive Team and utilize the Healthy Congregation procedures to resolve.

Board Complaint and Inquiry Process Guideline



GP-11 Board Committees (Approved 3-20-07)

The Board shall develop appropriate job descriptions for all Board committees.

GP-11A. Audit Committee (Approved 3-20-07; Amended 6-26-14)

1. Appointed by and reports to the Board.
2. Composed of at least two members, having as broad expertise in accounting procedures as possible.
3. Designs, maintains and implements audit procedures designed with the following goals:
 - a. To obtain independent assurance that all financial records fairly represent the financial condition of the Fellowship.
 - b. To ensure that the year's financial activity has been properly recorded in accordance with UUA recommended accounting procedures.
 - c. To ensure adherence with the Financial Procedures Manual.
 - d. To maintain confidence in the integrity of the congregation's financial system and the persons responsible for handling the finances.
4. Conducts internal audits within one month of the end of the 1st, 2nd and 3rd quarters of the FY. Prepares a full audit within 2 months after closing of the books for the FY.
5. Supervises and oversees an audit by an outside accounting firm.
6. Provides reports of its audits to the Board Treasurer.
7. Gives the Board a process update, at least quarterly, that describes how the different financial functions are working together to ensure the financial integrity of the Fellowship's funds.
8. Evaluates internal controls and reviews the procedures of each financial function annually and recommends any changes to the Board.

GP-11B. Planned Giving Committee (Approved 6-19-07, Amended 1-19-16)

1. Elected by the congregation and reports to the Board.
2. Exists to enhance the mission of the Fellowship by encouraging, receiving and administering gifts to the Fox Valley Unitarian Universalist Fellowship Endowment Funds.
3. Has composition of members as indicated in the By-Laws.
4. Meets at least quarterly with a quorum consisting of three members.
5. Provides complete and accurate records to the Governing Board Treasurer.
6. Reports quarterly to the Governing Board, providing a written summary of Endowment Fund activities and making recommendations regarding fund management.

7. Provides a written summary of Endowment Fund activities at each Annual Meeting of the Fellowship.
8. Maintains written operating procedures which are in accord with Fellowship Bylaws and resolutions adopted by the Congregation.
9. Provides a current set of operating procedures to all committee members, the Governing Board Treasurer and the Fellowship Secretary who maintains the archives.
10. Educates the congregation and promotes awareness of planned gifts through regular publicity and events that highlight the importance of planned giving.

GP-11C. Leadership Development Committee (Amended 1-19-16)

1. Elected by the congregation and reports to the Board.
2. Has composition of members as indicated in the By-Laws.
3. Anticipates succession needs for volunteer positions and identifies future volunteer leaders, in concert with staff and current volunteer leadership.
4. Prepares slate of candidates for the Governing Board, the Leadership Development Committee, and the Planned Giving Committee; presents these at least two weeks in advance of the annual meeting; and conducts these elections at the annual meeting.
5. Submits names to fill vacancies on the Governing Board.
6. Assists the Executive Team as needed to fill other committee leadership positions.
7. Identifies and addresses development needs of present and prospective leaders with appropriate training and development opportunities.
8. Reports to the Governing Board at least three times annually, in person or in writing.

Format for Recording Dates of Original Approval and Amendments to Policies. (Approved 6-19-07; Amended 6-26-14)

1. Main headings followed by sub-policies (e.g., EL-6) have no date affixed.
2. Sub-policies have the dates of original approval and subsequent amendments placed within parentheses following the policy title. All dates are retained in sequence.
3. Main headings that stand alone with no sub-policies (e.g., BE-5) are dated as in 2.
4. The footer contains only the page number at the right.
5. Amended policies physically replace prior policies in the complete Policy Set.
6. The Fellowship Secretary maintains an electronic archive of the original policy and the amendments to the policy.

Endowment and Gift Acceptance Policies

Fox Valley Unitarian Universalist Fellowship - Endowment and Gift Acceptance Policies

The Endowment

The Planned Giving committee serves as the steward of the Fox Valley Unitarian Universalist Fellowship Endowment Fund (the “Endowment”). The goal is to grow the fund through contributions as well as achieve a market return in alignment with socially responsible investment.

Before any distributions from the Endowment are considered, the value of the Endowment must exceed 20% of the current fiscal year’s operating budget (for example, an \$800,000 operating budget would require the Endowment be at least \$160,000). A Mission Account will be created when this threshold has been reached. The Mission Account will fund activities that strengthen the mission of the Fellowship including special projects and social actions.

At the beginning of each calendar year the Planned Giving Committee will evaluate annual earnings and recommend an amount for distribution. The distribution recommendation will be made each year prior to March 1 so that the Board and Executive Team can be aware of any Mission Account funds available for use in the next fiscal year’s budget. The maximum available for distribution will be an amount equal to the change in value of the account over the past year (Jan 1 to Dec 31), excluding any contributions, such that the balance does not drop below the 20% threshold.

Funds in the Mission Account will carry over from fiscal year to fiscal year if the Board chooses not to spend them. Monies not designated for the Mission Account will be returned to the Endowment and become part of the principal. Should the Endowment drop below the 20% threshold (increased budget, negative earnings, decrease in asset value), additions to the Mission Account shall cease until the threshold is again reached. Once designated for the Mission Account, funds will not be returned to the endowment fund even in the case of the endowment not meeting the 20% threshold.

Gift Allocation

1. It is the goal of the Executive Team, Governing Board, and Planned Giving Committee to honor donor intent regarding use of funds when receiving gifts.
2. When an intent (such as Endowment or some other special fund) is designated, it will be honored provided the Fellowship currently accepts gifts into that fund.
3. Gifts that are given without intent, but which come from an estate, will, or bequest, will be allocated to the Endowment regardless of amount.
4. When gifts below \$5,000 are given without intent, and do not come from an estate, will, or bequest, they will be treated as unpledged income, and will not be allocated to the Endowment.
5. When gifts of \$5,000 or more are given without intent, and do not come from an estate, will, or bequest, the Governing Board will determine best use of the gift.

Gift Acceptance

Certain gifts to the Fellowship may require a review process.

1. The Planned Giving Committee will review gifts that:
 - a. have designations
 - b. require an appraisal
 - c. have limited market value
 - d. have social and/or ethical issues
 - e. have environmental concerns
 - f. request naming rights
 - g. may not be consistent with the Fellowship's mission or goals, or
 - h. raise other concerns
2. The Planned Giving Committee will review such gifts in collaboration with the Executive Team or its designated representative. A recommendation will be submitted to the Governing Board accompanied by an explanation for the recommendation.
3. The Governing Board will determine whether to accept the gift based on the information provided by the Planned Giving Committee, Executive Team, the donor/estate and other involved parties.
4. The Governing Board may choose to work directly with the donor if there is mutual interest in modifying the gift/proposal to meet the Fellowship guidelines.
5. Donors of gifts with any designations will be asked to complete a donor intent form in consultation with the Business Administrator or a member of the Planned Giving Committee. The form will state that "If the designated purpose of the gift becomes dated through changes in uses of the Fellowship's property and spaces, or due to obsolete program priorities, the Governing Board reserves the right to re-purpose the gift, while honoring the spirit of the original designation."
6. Gifts to the Fellowship designated for the "Ministers' Discretionary Fund" may be reported by the Ministers to the Board at their discretion and request, but are not accepted, managed or overseen by the Planned Giving Committee.

Gift Acknowledgment

1. An acknowledgment for legal and tax purposes, in the form of the quarterly giving statement, shall be sent to the donor from the Business Administrator.
2. The chair of the Planned Giving Committee, the minister(s) and/or Governing Board President may send a note of appreciation and recognition to the donor.
3. The Governing Board president will send a letter of regret when a gift must be declined which will include an explanation of the decision.
4. The Business Administrator will add the donor's name to the Acorn Society list, if not already a member.
5. No rooms or items within the Fox Valley Unitarian Universalist building shall be named in recognition of gifts of any size.

Tangible Gifts

Tangible gifts to the Fellowship are welcome and appreciated. Tangible gifts are received for the benefit of the Fellowship and will be used in accordance with the Board's Ends, accordingly:

1. Tangible gifts can include, but are not limited to, fine arts, real estate, and other property.
2. All tangible gifts become the property of the Fellowship once accepted.

3. Decisions regarding the use, placement, maintenance, repair, restoration or liquidation of tangible gifts with a value of \$1000 or less are vested with the Executive Team. The Executive Team shall not fail to notify the Governing Board about the acceptance or liquidation of these tangible gifts.
4. The Executive Team shall not fail to notify the Governing Board of the offers of tangible gifts with a value greater than \$1000. The Board may vote the acceptance and liquidation of these tangible gifts and it may create additional policies to further describe the use of these tangible gifts.
5. The Executive Team shall not accept tangible gifts as payment of a pledge.
6. The Executive Team shall not fail to have any official documents relating to the transfer of real or personal property signed by a designated officer of the Fellowship determined by the Board.
7. The Executive Team must not fail to express appreciation on behalf of the Fellowship to the donor of any tangible gift, and when appropriate, request that the Planned Giving Committee or the Governing Board contributes to the show of appreciation.

Gift Record Keeping

1. A donor intent form is recommended for gifts not intended for the Endowment.
2. The Business Administrator is responsible for maintaining complete and accurate records and informing the Planned Giving Chair of all gifts received to the Endowment.
3. The Audit Committee will perform an audit of the Endowment every other year as part of its audit cycle. The audit report will be shared with the Planned Giving Committee chair.
4. The principal of the Endowment may not be used for any purpose except in the case of extraordinary circumstances. In the event of extraordinary circumstances, when all other options have been exhausted, the Governing Board may recommend borrowing from the Endowment. Any borrowing must be approved by a congregational vote and be accompanied by a repayment plan.

The Planned Giving Committee receives its authority to act from the “Resolution to Implement the Endowment Fund” adopted by the congregation May 21, 2000.

Revised/Updated: Planned Giving Committee

Signed: ___ Pat McQuillan _____ Date: _ 04/18/2017

Reviewed/Approved: FVUUF Governing Board

Signed: ___ Heather Urness _____ Date: _ 04/18/2017

Gift Allocation Decision Tree

