

Executive Limitations

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EXECUTIVE LIMITATIONS (EL)

Through its Executive Limitations policies the Governing Board defines the boundaries within which the Executive Team can operate to implement the Board's Ends policies. The Policy Governance method encourages negative wording for Executive Limitation policies (they are sometimes called the "don't do it" policies). These policies define behaviors, actions, and conditions that are not acceptable; they set boundaries. The Executive Team is free to use any operational means that are reasonable interpretations of the boundaries.

EL-1. Global Executive Team Constraint (Approved 3-21-06; Reviewed & Amended 9-17-2019)

The Executive Team shall not participate in or allow illegal activity in the administration of the organization. The Executive Team shall not fail to make its best effort to uphold (1) the Unitarian Universalist principles, (2) the Fellowship Bylaws, Mission and Ends policies, and (3) commonly accepted business and professional ethics and practices.

The Executive Team or their express designees shall not:

1. Fail to use its best efforts to mobilize the Congregation and staff to fulfill the Fellowship's Ends and Unitarian Universalist principles.
2. Fail to use its best efforts to welcome the outside community into the Fellowship's sanctuary and activities.

EL-2. People and Personnel

EL-2A. Treatment of Congregants (Approved 3-21-06; Amended 6-26-14; Amended 9-17-2019)

Spirit: To establish standards for the treatment of members, friends and visitors.

With respect to interactions with and among congregants, the Executive Team shall not deliberately cause or allow conditions, procedures, or decisions that are unsafe, unnecessarily intrusive, or that fail to provide appropriate confidentiality or privacy.

Accordingly, the Executive Team shall not:

1. Violate the confidentiality of member pledge information, except as required by members of the Governing Board, Stewardship Team or Board Committees as required to carry out their responsibilities.
2. Fail to steward facilities that provide a reasonable level of safety, upkeep, access and functionality.
3. Fail to maintain and enforce procedures to ensure the safety of congregants and children while at the Fellowship or at Fellowship functions.
4. Fail to establish, publicize and follow written policies for processing member grievances and suggestions.
5. Fail to limit the use of the membership directory to members and friends of the Fellowship for Fellowship business only.

EL-2B. Treatment of Staff and Volunteers (Approved 3-21-06; Amended 9-16-06 Amended 6-26-14; Amended 9-17-2019)

Spirit: To establish standards for the treatment of staff and volunteers.

With respect to the treatment of paid staff and volunteers, the Executive Team may not deliberately cause or allow conditions that are unsafe, unfair or unprofessional.

Accordingly, the Executive Team shall not:

1. Discriminate against existing or potential staff based on age, race, religion (except in regard to ministers), color, gender, national origin, ancestry, physical or mental challenge unrelated to job performance, sexual orientation, marital status or any protected category.
2. Fail to provide job descriptions of Executive Team members for Board approval, as required by the Bylaws, Article VIII, Section 2.A.5. Such approval will be requested whenever a change is made to these job descriptions.
3. Operate without written and publicized personnel policies that clarify personnel rules for paid and volunteer staff, and provide for effective handling of grievances.
4. Fail to ensure that paid staff members receive written reviews at least annually.
5. Prevent staff from grieving to the Board for review and final resolution when (a) internal grievance procedures have been exhausted and (b) the employee alleges that Board policy has been violated.

EL-2C. Compensation and Benefits (Approved 3-21-06; Amended 3-17-2020)

Spirit: To establish fair compensation for employees and protection of the Fellowship from unfunded liabilities.

With respect to employment, compensation, and benefits to employees, consultants, contract workers, and volunteers, the Executive Team may not jeopardize fiscal integrity or public image.

Accordingly, the Executive Team shall not:

1. Change individual Executive Team members' compensation, benefits, or allocated professional expenses without approval of the Governing board.
2. Promise or imply permanent or guaranteed employment. Employees must be hired in an "at will" status.
3. Establish current compensation and benefits that:
 - a. Deviate materially from the nonprofit or geographic market for the skills employed.
 - b. Create obligations for more than one year or exceed available funding.
4. Establish deferred or long-term compensation and benefits that:
 - a. Cause unfunded liabilities to occur or in any way commit the organization to benefits that incur unpredictable future costs.
 - b. Provide less than the established basic level of benefits to all full-time employees.
 - c. Allow any employee to lose benefits already accrued from any forgoing plan.

EL-3. Financial Management

EL-3A. Planning and Budgeting (Approved 3-21-06; Amended 6-26-14; Amended 11-19-2019)

Spirit: To establish that a reasonable budget is prepared and followed.

Financial planning for any fiscal year or the remaining part of any fiscal year may not risk financial jeopardy.

Accordingly, the Executive Team shall not:

1. Allow budgeting that contains too little information to enable credible:
 - a. Projection of revenues and expenses,
 - b. Separation of capital and operational items,
 - c. Tracking of cash flow,
 - d. Disclosure of planning assumptions.
2. Fail to review and reduce as possible the amount of non-salary expenditures during the course of the year if it is projected that a year-end deficit is likely to occur.
3. Fail to present a proposed budget for Board review before the Annual Meeting of the congregation.

EL-3B. Financial Condition and Activities (Approved 3-21-06; Amended 6-26-14; Amended 11-19-2019)

Spirit: To establish boundaries for indebtedness and deviation from budgeted expenditures.

With respect to the ongoing financial condition and activities, the Executive Team shall not fail to follow the spirit of the approved budget and shall not allow the development of fiscal jeopardy.

Accordingly, the Executive Team shall not:

1. Incur debt the organization in an amount greater than can be repaid by otherwise unencumbered revenues within 90 days.
2. Fail to settle payroll and debts in a timely manner.
3. Expend any endowment or designated funds other than for the purposes defined for each fund.
4. Shift funds from Endowment to temporarily cover cash flow.
5. Commit the Fellowship to the expenditure of unbudgeted funds except as described in the By-Laws.
6. Allow tax payments or other government-ordered payments or filings to be overdue or inaccurately filed.
7. Fail to appropriately follow-up on unpaid pledges and non-pledge receivables.
8. Authorize a line of credit without the approval of the Board.

EL-3C. Future Expenditures (Approved 3-2-06; Amended 11-19-2019)

The Executive Team may not commit to the expenditure of funds in future fiscal years without the review and approval of the Board if the cost of annual contract will increase by more than 5%.

EL-3D. Gifts (Approved 3-21-06; Amended 6-26-14)

The Executive Team shall not accept any gift with restrictions that would significantly obligate the organization. The Executive Team shall not accept any gift that does not comply with the Endowment and Gift Acceptance Policies.

EL-4. Asset Management

EL-4A. Asset Protection (Approved 3-21-06; Reviewed & Amended 3-17-2020)

Spirit: To establish protection of financial and physical assets of the Fellowship.
The Executive Team shall not allow the assets to be unprotected, inadequately maintained, or unnecessarily risked.

Accordingly, the Executive Team or their express designees shall not:

1. Fail to insure against theft and casualty losses at replacement value less reasonable deductible and/or co-insurance limits.
2. Fail to insure against corporate liability and personal liability of Board members, staff and volunteers taking into account pertinent statutory provisions for indemnification and exemptions applicable to Wisconsin non-profit organizations.
3. Allow personnel access to material amounts of funds without fiscal controls and oversight.
4. Fail to establish and follow a sound cash-handling procedure.
5. Subject facilities and equipment to improper wear and tear or insufficient maintenance.
6. Unnecessarily expose the organization, its Board, or staff to claims of liability or risk the nonprofit status.
7. Receive, process, or disburse funds under controls insufficient to meet the (Board) appointed auditor's standards or other government standards.
8. Invest operating capital in insecure instruments, including uninsured checking accounts and bonds or CDs of less than A rating.
9. Fail to protect intellectual property, information, and files from significant damage. Ministers of the Fellowship are the sole owners of their intellectual property.

EL-5. Communication to and Support of the Board (Approved 3-21-06; Affirmed 1-21-2020)

The Executive Team shall not fail to inform and support the Board as needed for the successful governance of the organization.

Accordingly, the Executive Team shall not:

1. Fail to submit monitoring data required by the Board in a timely, accurate, and understandable fashion, directly addressing provisions of Board policies.
2. Fail to inform the Board of relevant trends, anticipated adverse media coverage, material external and internal changes, and most importantly, changes in assumptions upon which any Board policy has previously been established.
3. Fail to report in a timely manner an actual or anticipated non-compliance with any policy of the Board.
4. Fail to deal with the Board as a whole except when (a) fulfilling individual requests for information or (b) responding to officers or committees duly charged by the Board.
5. Fail to supply information on all items delegated to the Executive Team yet required by law or contract to be Board-approved, along with the monitoring assurance pertaining thereto.
6. Fail to advise the Board if, in the Executive Team's opinion, the Board is not in compliance with its own policies on Governance Process and Board-Executive Team Linkage.
7. Fail to recommend changes in Board policies as the need arises.

EL-6. Practices

EL-6A. Code of Conduct (Approved 3-21-06; Amended 9-17-2019)

The Executive Team shall not fail to have a procedural policy against misconduct and dishonesty including but not be limited to:

1. Theft or other misappropriation of assets, including assets of the corporation or others with whom the Fellowship has a business relationship.

2. Misstatements and other irregularities in corporation records, including the intentional misstatement of the results of operations.
3. Forgery or other alteration of documents.
4. Fraud and other unlawful acts.

EL-6B. Teamwork (Approved 3-21-06; Amended 9-17-2019)

Executive Team members shall not:

1. Fail to speak as one voice after the Executive Team reaches a decision on a particular matter.
2. Fail to include and consult with each other on all significant issues.

EL-6C. Continuous Operation (Approved 3-21-06; Affirmed 9-17-2019)

In the event a member of the Executive Team is unable to participate due to absence or emergency, the remaining team members will not fail to continue all operations while the Board considers the need for a replacement.

EL-6D. Removal and Replacement (Approved 3-20-07; Affirmed 9-17-2019)

Executive Team members shall not:

1. Dismiss another member of the Executive Team without the approval of the Board.
2. Fill a vacant Executive Team position without the approval of the Board.