

Governing Policies



Board of Trustees
The Unitarian Church of All Souls
New York, New York
June 2024

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Introduction to All Souls Board of Trustees Governance Policies

The Board of Trustees of The Unitarian Church of All Souls has adopted a framework of roles and responsibilities that outlines accountability within the church. Under this governance, the Board holds itself accountable to the members, children, and youth of the congregation; articulates the values, mission, ends and goals on behalf of the congregation; delegates certain responsibilities to the senior minister to lead the congregation and staff toward achieving our ends and goals; holds the senior minister accountable for making progress to advance our ends and goals; and explicitly monitors the church's progress in fulfilling its purpose. The board's role is oversight of the mission and finances (the ends), and the senior minister's role is to lead the congregation and staff in achieving the ends (the means).

This document contains the governing policies of the Board of Trustees. Governing policies fall into four categories:

1. **Ends or Purpose** policies outline the work of our church – the differences we intend to make in the world.
2. **Goals policies** outline the objectives we must accomplish to achieve a thriving and sustainable All Souls congregation.
3. **Governance Process** policies outline the Board's own values and internal work process.
4. **Board - Senior Minister Relationship** policies clarify the Board's delegation to the senior minister of the means to achieve the ends.
5. **Senior Minister Limitations** policies proscribe specific actions and thereby grant freedom and latitude to pursue the ends in all ways that are not proscribed. These policies provide the framework for the board to monitor progress toward achieving the ends.

Appendix 1 contains links to the **New York State mandated policies** adopted and approved by the Board. **Appendix 2** contains the Board's prescriptive policies.

All other church policies are operating policies, which are created and managed by the staff. Operating policies can be found on the All Souls website and may be obtained from the staff.

This February 2023 version of board policies supersedes all previous versions of board policies and any previous board restatements regarding the management of the business and property of the society.

Policy 1: Ends or Purpose

Introduction:

The Board has the fiduciary responsibility for the financial and non-financial assets of All Souls Church. The most important non-financial asset of the church is our mission – our purpose and work. Thus, the Board must ensure that the church’s resources are properly aligned with our mission. The first step is for the Board to articulate the congregation’s values (the core principles we will carry forward in everything we do), the mission (the broad ways the congregation will express these values), the ends (refinements of the mission as to the specific benefits the church will create in the world), and our goals to achieve a thriving and sustainable All Souls congregation.

The Board articulates the values, mission, ends and goals in dialogue with and on behalf of the congregation. In the fall of 2015, the Board conducted an appreciative inquiry (Vision 2020), asking the congregation: *What possibilities can we create together here at All Souls for transforming ourselves, our congregation, our neighborhood, and our world?* Based on the congregational input from Vision 2020, the trustees articulated our values, mission, and ends. After the trustees reviewed the work with the congregation, the trustees revised and approved the values, mission, and ends in September 2016.

The work of the Board includes regular linkage to the congregation to whom the Board holds itself accountable. The Board must ensure that the work of the church continues to be aligned with the congregation. Thus regular dialogue with and feedback from our congregation is a crucial part of the Board’s work.

Policy 1.1: Mission

All Souls is an open and welcoming religious community that nurtures possibilities and builds connections to forge redemptive change in ourselves, our city, and our world.

Approved September 18, 2016

Policy 1.2: Ends

Within Ourselves as Individuals

Participants find sanctuary and religious challenge to move toward spiritual maturity.
We:

- Connect to the transcendent through worship and music that enriches and challenges.
- Open ourselves to receive and offer compassionate spiritual care.
- Discover and deepen our personal sense of spiritual calling.
- Articulate a compelling vision of our Unitarian Universalist identity.
- Pursue lives of meaning and purpose.

Among the People of All Souls

We connect to one another with love and kindness. We:

- Welcome and include all who come into contact with the church community.
- Find new possibilities in one another as we connect across differences and generations.
- Embrace religious education that strengthens the Unitarian Universalist identity of our children, youth, and adults of all ages.
- Maintain an attractive, accessible, fully-utilized facility appropriate for our needs.
- Generously support All Souls with our treasure, talent, and time.

Beyond All Souls

We strive to create the world that ought to be. We:

- Gather people with diverse perspectives to engage issues that are challenging and difficult.
- Demonstrate the vitality of faith in our lives.
- Promote and develop Unitarian Universalism in our city, the nation, and the world.
- Serve our neighbors and our broader community.
- Collaborate with partners to create a more just and compassionate world.

Approved September 18, 2016

Policy 1.3: Goals

- **DIVERSITY: Expand our Embrace of Diversity, Equity, and Inclusion**

Fostering a community of diversity, equity and inclusion is an essential part of our daily life and programming at All Souls. We do this by actively participating in anti-racist, intersectionally-aware education, and action.

- **MEMBERSHIP AND COMMUNITY: Widen the Circle of Our Community**

Our community will be increasingly multi-modal, incorporating both in-person and virtual forms of community. Developing this community in a way that these modes complement and extend each other rather than competing presents us with an unprecedented opportunity to build the spiritual community of the future.

- **CONGREGATIONAL EXPERIENCE: Explore New Avenues of Congregational Engagement**

We will discover new ways to inspire our current membership to have a meaningful experience in our All Souls community. We will expand our capacity

not only to attract a broad diversity of spiritual seekers but also to engage them in ways that meet their needs and inspire their ongoing participation to ensure our vitality in years to come.

- **RELIGIOUS EDUCATION: Respond to the Changing Needs of Families in Religious Exploration**

Religious Education is vital to our church and crucial to the long-term viability of All Souls. The traditional approach to religious education has fallen victim to significant changes in school expectations, family life, and other cultural changes. To engage in the spiritual formation of our children and youth, and members of every age, we continue to innovate in order to build an effective, engaging, and meaningful approach to lifespan faith formation.

- **SOCIAL JUSTICE: Embolden Our Members to Act for Justice**

As Unitarian Universalists, our faith calls us to widen the circle of our concern and care, and to create communities of social justice, responding to the urgency of our climate crisis and the many demands of transformational love. Our work begins in our own community – deepening our commitment to justice, equity, and inclusion through regular and broad participation in our justice work of all kinds – and extends outward as we build partnerships with frontline communities.

- **FINANCIAL SUSTAINABILITY: Grow Our Endowment**

We will develop effective ways to grow the endowment such as encouraging our members to make provisions in their estate plans, commencing successful planned giving campaigns, and managing annual budget surpluses.

Input provided By Congregation and Approved by All Souls Board of Trustees, Ministers and Staff 9/25/22

Policy 1.4: Values

All Souls Church strives to embody the following values in all its work:

- · Possibility
- · Connection
- · Transformation

Approved September 18, 2016

Policy 1.5: Moral Accountability and Responsibility

As elected representatives of the members of the congregation, the Board is morally accountable to:

- · The members of the congregation

- · The children and youth of All Souls Church
- · The past members of the congregation
- · The future members of the congregation

The Board is morally responsible to:

- · The staff of All Souls Church
- - The Congregation
- · The intended beneficiaries of the ends

Approved January 8, 2017

2. Governance Process

Introduction: Governance Process policies describe the Board's values, work, and internal processes.

Policy 2: Governance Process: The Board is responsible to the congregation to ensure that All Souls:

- Upholds its values, furthers its mission, and ensures its vitality while maintaining an efficient and effective use of resources.
- Operates legally, ethically, and responsibly.

Approved January 8, 2017

Policy 2.1: Governing Style: The Board will govern as a body lawfully and ethically, with an emphasis on strategic vision. Accordingly:

2.1.1 The Board will cultivate a sense of group responsibility and cohesiveness. The Board will initiate governing policy and will use the expertise of individual members to enhance the effectiveness of the Board as a body.

2.1.2 The Board will govern through written policies reflecting the congregation's values and perspectives. The board's focus will be on the desired ends, rather than the administrative or programmatic means of attaining those ends.

2.1.3 The Board will strive to govern with excellence which includes discipline in 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 trustees in the Board's governance process and periodic Board discussion of process improvements. The Board will observe policies in force, but may modify its policies as appropriate to ensure that the best interests of the Congregation are always met.

Approved January 8, 2017

Policy 2.2: Board Job Contributions: The Board is elected to represent the congregation as a whole and maintain dialogue with the congregation to create long-term visioning, write and review governing policies, and monitor organizational performance, without violating church bylaws or applicable law.

The Board will facilitate the link between the senior minister and the congregation. Informed through systematic, intentional conversation with the congregation as a whole, the Board will operate consistently with policies that realistically address at the broadest levels each category of organizational decision:

1. **Ends:** Identify organizational products, effects, benefits, recipients, and their relative cost.

2. **Goals: Achieve objectives and associated outcomes critical for the sustainability of organization**
3. **Governance Process:** Specification of how the Board conceives, carries out, and monitors its own tasks.
4. **Board - Senior Minister Relationship:** Define how authority is delegated, who is accountable, and how performance is monitored.
5. **Senior Minister Limitations:** Define the legal and ethical boundaries within which activity and decisions must take place.

The Board will ensure organizational performance in compliance with the ends policy and the senior minister limitations policy.

Approved January 8, 2017

Policy 2.3: Agenda Planning and Board Meetings: The Board will maintain an annual calendar, will follow a meeting agenda to advance and fulfill the work of the Board, and will conduct meetings in as open a manner as possible.

2.3.1 Annual Calendar: The Board will maintain an annual calendar that re-explores ends policies with congregants in regular dialogue, that systematically monitors and reviews Board policies as per the monitoring calendar, and that provides educational opportunities to enhance the Board's performance.

2.3.2 Meeting Agendas: Advance preparation for Board meetings is essential. A trustee may submit a request for an agenda item to the executive committee (defined in Policy 2.4.3) no later than seven days before the Board meeting. The executive committee is responsible for planning and distributing the Board meeting agenda no later than two days prior to the meeting. If necessary, items not on the agenda may be discussed in executive session.

2.3.3 Board Meetings: The Board endeavors to make its deliberations transparent to the congregation. The Board conducts business and holds votes on motions, as often as possible, in public meetings.

2.3.3.1 Executive Session: Consistent with the Unitarian Universalist Association's guidelines, executive session is confined to the elected trustees. The Board may invite guests to assist on specific topics. Appropriate topics for executive session include personnel matters, discussion of specific individuals including committee appointments, legal discussion and advice, contracts and negotiations with outside parties and vendors, and especially difficult congregational issues. Motions and votes are taken out of executive session and are recorded in the minutes. The discussion in executive session may be recorded if a majority of the Board so determines.

Approved January 8, 2017. Amended October 16, 2018

Policy 2.4: Officers' Roles: The purpose of officer roles is to ensure the Board's efficiency and effectiveness.

2.4.1 Board President –The Board president is responsible for ensuring that the Board's processes are efficient and effective, comply with the bylaws' requirements, and are consistent with the Board's policies, including the mission and ends of the church. The president's responsibilities include:

2.4.1.1 Chairing meetings of the Board:

2.4.1.1.1 Meeting discussion content will be only those issues that, according to Board policy, clearly belong to the Board.

2.4.1.1.2 Deliberation will be timely, open, orderly, and thorough.

2.4.1.1.3 Information and deliberation that is relevant neither to Board decisions nor monitoring performance will be avoided or minimized, and always noted as such.

2.4.1.2 Articulating the Board's positions to members of the church or outside parties. The president may delegate this authority, but remains accountable for its use.

The president, as an individual, has no authority to make decisions about policies created by the Board within the ends policy and the senior minister limitations policy. Therefore, the president has no individual authority to supervise or direct the senior minister.

2.4.2 First and Second Vice Presidents – The first and second vice presidents, respectively, will assume the role of the president in the event the president is unavailable or must recuse himself or herself from Board deliberations.

2.4.3 Executive Committee (or Standing Committee in the bylaws) – The executive committee consists of the president and two members of the Board, who will be the two vice presidents, unless the Board selects other members to serve with the president. Under the bylaws, the executive committee makes decisions on behalf of the Board in situations where a meeting of the full Board is not practicable; such instances will be very rare. As per Policy 2.3.2, the executive committee plans the agenda of Board meetings, and as per Policy 2.7.1, the executive committee initiates the process of Board response to inquiries and complaints.

2.4.4 Clerk – In addition to the responsibilities specifically assigned under the bylaws, the clerk will provide assistance and advice to the Board and perform such service to the Board and congregation as the Board will request.

2.4.5 Secretary and Assistant Secretaries – In addition to the responsibilities specifically assigned under the bylaws, the secretary, with assistance from the assistant secretaries, if any, is responsible for ensuring minutes of the Board’s meetings are timely recorded, accurate, and promptly available to members of the church. The Secretary will also be responsible for assembling and distributing the Board meeting packages in preparation of monthly Board meetings.

2.4.6 Treasurer – In addition to the responsibilities specifically assigned under the bylaws, the duties of the treasurer are subject to the discretion of the Board in consultation with the senior minister and the director of finance and administration.

Approved January 8, 2017. December 15, 2019

Policy 2.5: Trustees’ Code of Conduct: Service on the Board is a spiritual practice and trustees commit to serve together in a covenantal relationship. This commitment includes ethical, businesslike, and lawful conduct, the proper use of authority, appropriate decorum, and a spiritual mindset when acting as Board members. Accordingly:

2.5.1 Trustees must be loyal to the interests of the congregation as a whole. When acting in the role of an All Souls trustee, this loyalty should supersede all other loyalties in order to avoid conflicts of interest.

2.5.1.1 Trustees will disclose their interests in or involvement with other organizations, vendors, or any other associations that might produce a conflict of interest or the appearance of a conflict of interest. (Refer to Conflict of Interest Policy in the Appendix.)

In the event of a conflict of interest, the individual will be recused. In the event of perceived conflict of interest, the Board will decide whether or not the conflicted trustee will participate in discussions, deliberations, or decisions about the related matter.

2.5.2 Trustees may not attempt to exercise individual authority over the church.

2.5.2.1 Trustees will not express individual judgments of the senior minister’s or staff’s performance, except for participation in board deliberation about whether the senior minister has achieved any reasonable interpretation of board policy.

2.5.2.2 Trustees’ interaction with the senior minister or with the staff must recognize the lack of authority vested in individual trustees, except when explicitly authorized by the Board.

2.5.2.3 Trustees’ interaction with the public, press, or other entities must recognize the same limitation and the lack of authority of any trustee except the president to speak for the Board, except to repeat explicitly-stated Board decisions.

2.5.2.4 Trustees will not work with individuals or groups within the congregation in order to undermine Board decisions.

2.5.3 Trustees will respect the confidentiality appropriate to issues of a sensitive nature.

2.5.3.1 All deliberations in executive session are confidential, unless expressly noted otherwise.

2.5.4 Trustees will support the legitimacy and authority of the final determination of the Board on any matter, irrespective of the trustee's personal position on the issue.

2.5.5 Trustees are encouraged to continually self-monitor their individual performance as trustees in light of policies, the qualifications listed in the current trustee position description, and any other current Board evaluation tools.

Approved January 8, 2017

2.5.6 In the event that a complaint is made of a Board member deemed to have violated any of the Board of Trustee's Code of Conduct policies and/or the Board Covenant as described in the Governing Policies Document, the Board, if it deems the complaint valid, by majority vote, may vote to discipline the violating Board member with a censure that will be documented in the Board minutes, and/or removal of the Board member from any participating committees, and/or exclusion from confidential Board discussions.

Approved June 13th, 2024

Policy 2.6: Committee Principles: The Board may establish committees, which may or may not include trustees, to help carry out its responsibilities. Such committees will be used only as necessary and will not interfere with the Board's ability to speak with one voice. Board-established committees are expected to collaborate with the ministers, the staff, and members of the congregation and shall not speak on behalf of the Board without prior Board authorization. Every such committee will receive a charge from the Board that clearly states the committee's responsibilities, authority, and time limitations.

2.6.1 Board committees exist to help the Board do its job. Committees generally will assist the Board by preparing policy alternatives and implications for the Board to consider, rather than make decisions. The board will not create committees to advise or oversee the senior minister or the staff.

2.6.2 Board committees will not speak for the Board except when formally given such authority, and then only for specific and time-limited purposes.

2.6.3 Trustees who participate on Board committees will be proactive in providing the Board with oral or written reports (as appropriate) regarding information, developments, or considerations that are germane to the Board's work.

2.6.4 This policy applies to any committee, task force, group formed by Board action, but does not apply to committees established by the senior minister or the staff.

Approved January 8, 2017. Amended November 3, 2019.

Policy 2.7: Inquiries and Complaints: The Board of trustees is responsible for the church's mission, governing policy, long-term goals, and oversight; and the senior minister is responsible for the church's ministry, programming, operations, end statements, and goals. Members of the congregation and staff should direct inquiries and complaints to the responsible party, who will address the issue in good faith. The Board addresses solely those issues that relate to the Board's responsibilities and performance and to actual or potential Board policies, and the Board refers all other matters to the appropriate parties. Board-related inquiries and complaints from members of the congregation and staff will be addressed and responded to in an expeditious manner.

2.7.1 [See the diagram of the complaint procedure process that follows.] When a trustee receives a complaint, the trustee first determines the type of complaint in order to make the appropriate referral. The trustee will inform the complainant about the full complaint process at the outset of the complaint. The trustee will inform the complainant that the church will adjudicate complaints in good faith without retaliation and that the church has a limited ability to adjudicate anonymous complaints

2.7.1.1 **Whistleblower complaints:** Whistleblower complaints are complaints that involve potentially illegal or unethical activity. Whistleblower complaints are covered by the church Whistleblower Policy found on the church website, **not** by Policy 2.7. A trustee receiving a whistleblower complaint will refer to the Whistleblower Policy. If the trustee is uncertain whether or not the complaint is a whistleblower complaint, the trustee will confer with the Board's executive committee.

2.7.1.2 **Board policy complaints:** Board policy complaints¹ are complaints where the Board's Governing Policies (not covered by the Whistleblower Policy) may have been violated, or where a new or amended policy is needed, or when the trustee is uncertain. The trustee

¹ In determining whether or not a complaint is a violation of Board policy, trustees should distinguish between a condition that the senior minister needs to resolve versus an unacceptable condition that the senior minister has allowed to persist once it had been brought to the senior minister's attention. For example, a member's complaint about treatment by a staff member should be referred to the senior minister. A member's complaint that the senior minister allowed unacceptable treatment to persist once it had been brought to the senior minister's attention is a violation of Board policy and should be directed to the Board.

will request that the complainant put the complaint in writing. The trustee will promptly give the written complaint to the Board's executive committee.

2.7.1.3 **Congregant-to-staff complaints**: Congregant-to-staff complaints are complaints by members of the congregation about All Souls' ministry, programming, operations, or staff (that are not violations of the Whistleblower Policy or Board policy). [See footnote 1.] The trustee will refer the complainant to the Staff Grievance Policy found on the website and will suggest that the complainant attempt to resolve the complaint directly with the appropriate parties. The trustee will explain that the matter is not a Board concern.

- If the complainant is satisfied with the response, the trustee will dismiss the matter as a Board concern.
- If the complainant is not satisfied with the response, the trustee will request the complainant put the complaint in writing and will promptly give the written complaint to the Board's executive committee.

2.7.1.4 **Staff-to-staff complaints**: Staff-to-staff complaints are complaints by church employees about All Souls' ministry, programming, operations, or other staff members (that are not violations of the Whistleblower Policy or Board policy). [See footnote 1.] The trustee will refer the complainant to the church Employee Handbook and will suggest that the complainant speak to the appropriate supervisory personnel. The trustee will explain that the matter is not a Board concern.

- If the complainant is satisfied with the response, the trustee will dismiss the matter as a Board concern.
- If the complainant is not satisfied with the response, the trustee will request the complainant put the complaint in writing and will promptly give the written complaint to the Board's executive committee.

2.7.2 When executive committee receives a written complaint, it will decide whether full Board action is required and if the matter is urgent.

- If the executive committee decides that full Board action is required and that the matter is urgent, the Board chair will promptly call a special meeting of the Board. The Board chair will promptly inform the senior minister about the complaint.
- If the executive committee decides full Board action is required but that the matter is not urgent, the Board chair will place the item on the next meeting agenda. The Board chair will promptly inform the senior minister about the complaint.

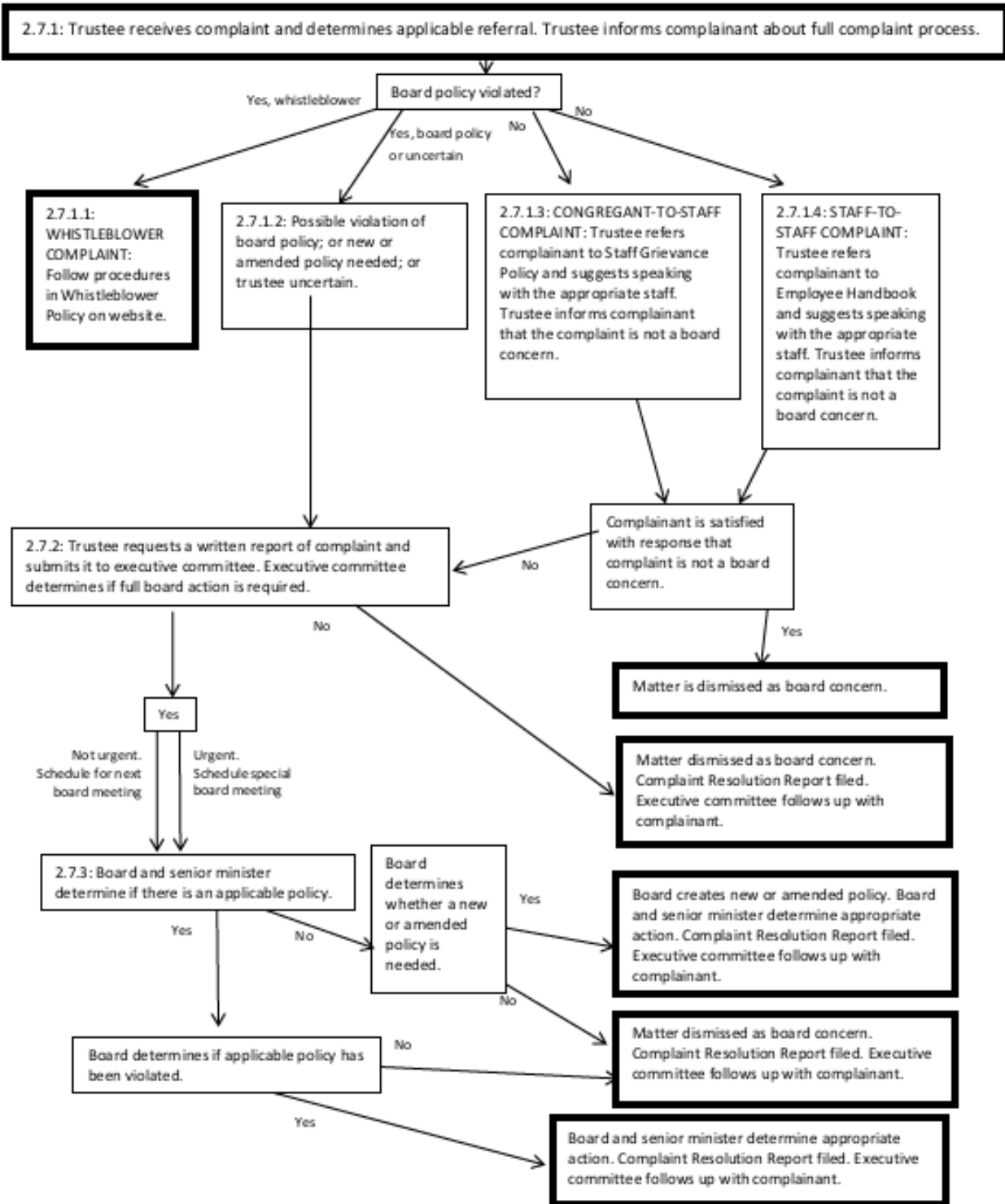
- If the executive committee decides full Board action is not required, the matter is dismissed as a Board concern. A Complaint Resolution Report is drafted by the trustee who registered the complaint, edited by the executive committee, distributed to the Board and senior minister, and filed with the Audit Committee chair. The executive committee follows up promptly with the complainant.

2.7.3 If the matter comes before the full Board, the Board will determine if there is applicable policy or if a new or amended policy may be needed.

- If there is an applicable Board policy, the Board and the senior minister will determine the action to be taken regarding the complaint. A Complaint Resolution Report is drafted by the trustee who registered the complaint, edited by the executive committee, distributed to the Board and senior minister, and filed with the Audit Committee chair. The executive committee will follow up promptly with the complainant.
- If the Board determines that a new or amended policy is needed, the Board will create a new policy or amend an existing policy that makes the complaint explicitly unacceptable in the future. The Board and senior minister will determine the action to be taken regarding the complaint. A Complaint Resolution Report is drafted by the trustee who received the complaint, edited by the executive committee, distributed to the Board and senior minister, and filed with the Audit Committee chair. The executive committee will follow up promptly with the complainant.
- If the Board decides a current Board policy has not been violated and that a new or amended policy is not needed, the matter is dismissed as a Board concern. A Complaint Resolution Report is drafted by the trustee who registered the complaint, edited by the executive committee, distributed to the Board and senior minister, and filed with the Audit Committee chair. The executive committee will follow up promptly with the complainant.

Policy 2.7: Complaint Procedure

Approved January 8, 2017. Amended October 14, 2018



3. Board - Senior Minister Relationship

Introduction: Board - Senior Minister Relationship policies describe the Board's collaboration with and delegation of managerial responsibility to the senior minister. The Board holds the senior minister accountable for advancing the mission, ends, and goals of the church within specific limitations. The Board will annually receive from the senior minister written plans to advance the ends and goals. The Board will monitor the senior minister's progress toward advancing the ends and goals and complying with the limitations as part of the Board's oversight process.

Policy 3: Board - Senior Minister Relationship: A clear distinction between the Board's function and the senior minister's function is essential for effective governance of the church. This distinction clarifies who makes decisions, leads to transparency in decision-making, and builds trust among members and between members and staff. Thus, the Board delegates solely to the senior minister the authority for the church's operations and the duties and conduct of paid staff and volunteers. The senior minister, as the chief executive officer of the church, will demonstrate leadership that is nurturing, responsive, visionary, and empowering. The Board will hold the senior minister accountable for the advancement of the ends and goals.

Approved January 8, 2017

Policy 3.1: Unity of Control: Only decisions of the Board acting as a body and stated in officially passed motions are binding on the senior minister. Accordingly:

3.1.1 Decisions or instructions of individual trustees, officers, or committees are not binding on the senior minister except in rare instances when the Board has specifically authorized such exercise of authority.

3.1.2 In the case of trustees or committees requesting information or assistance without Board authorization, the senior minister will caucus with the Board if (s)he determines that such requests require, in the senior minister's opinion, a material amount of staff time or funds or are disruptive.

Approved January 8, 2017

Policy 3.2: Delegation to the Senior Minister: The Board will work with the senior minister through written policies that prescribe the organizational ends and goals to be achieved and actions to be avoided, allowing the senior minister to use any reasonable interpretation of these policies, including the engaging, discharging, and setting the compensation and benefits of the employees of the church (other than an associate minister) within these policies.

3.2.1 The Board may develop ends policies and goals instructing the senior minister to achieve certain results, for certain recipients, within the budget. These policies should be developed systematically from the broadest, most general level to more defined levels. All issues that are not ends issues as defined here are means issues.

3.2.2 The Board may develop senior minister limitations policies that limit the latitude the senior minister may exercise in choosing the organizational ends or goals. These limitations policies should describe those practices, activities, decisions, and circumstances that would be unacceptable to the Board even if they would be effective. These policies will be developed systematically from the broadest, most general level to more defined levels.

3.2.3 As long as the senior minister uses any reasonable interpretation of the ends policy and the senior minister limitations policy, the senior minister is authorized to establish any further policies, make any decisions, take any actions, establish any practices, and develop any activities.

Approved January 8, 2017

3.2.4 Accountability of the Senior Minister: The Board holds the senior minister accountable for organizational operations, achievement of ends and goals, and conduct. All authority and accountability of paid staff and volunteers is considered by the board to be the authority and accountability of the senior minister. Accordingly: The Board will refrain from giving instructions to persons who report directly or in directly to the senior minister .

The board will refrain from evaluating, either formally or informally, any staff other than the senior minister.

Approved January 8, 2017

Policy 3.3: Monitoring Senior Minister Performance: The Board is responsible for monitoring of the senior minister's job performance and will exercise such authority with respect and transparency. The Board will review at least annually the senior minister's performance as measured by the organization's end statements and goals. The senior minister will submit a quarterly report to the Board on the performance outcomes against ends and goals.

Approved January 8, 2017

Policy 3.4: Disciplinary Policy: As part of the Board's responsibility to ensure appropriate organizational performance (Policy 2.2 - Board Job Contributions), the Board will ensure appropriate disciplinary action is undertaken when a Board policy is violated. Accordingly:

3.4.1 The senior minister is responsible for disciplining all other staff members.

3.4.2 In regard to possible discipline of the senior minister, the Board's operating assumption will be that good faith decisions of the senior minister deserve the Board's respect and consideration. The Board will pursue the following process if it determines that the senior minister has violated a Board policy. If the Board determines that the violation is egregious, an alternative process will be designed, commensurate with the severity of the violation.

3.4.2.1 After consultation with the full Board, the Board president will discuss the violation or improper conduct with the senior minister to find a way to resolve the problem. If asked by the Board, the senior minister will submit to the Board a written plan to remediate the violated policy and present the plan for approval at the next Board meeting.

3.4.2.2 If, after a specified time, the consultation or/and the remediation plan do not resolve the problem, the Board may give a written warning to the senior minister. The written warning should outline the problem, suggest expected courses of corrective action, and advise of possible consequences.

3.4.2.3 If the problem is not resolved by the written warning, the Board may take further action it deems appropriate, including but not limited to, recommending to the congregation to vote to dissolve the called relationship of the senior minister.

Approved January 8, 2017

Policy 3.5: Senior Minister Compensation: All Souls Church is committed to offering fair and competitive compensation to its senior minister, based on applicable regional and national salary and benefit information. Accordingly:

3.5.1 Senior minister total compensation consists of salary, benefits, and housing allowance, as outlined in the Letters of Agreement.

3.5.2 The Board will annually review the senior minister's total compensation and consider cost of living adjustments and merit increases relative to current financial conditions.

3.5.3 The Board will maintain records of senior minister compensation adjustments.

3.5.4 The senior minister's recommendation about the compensation of other called ministers will be subject to approval by the Board and final approval by the congregation. Compensation for all other staff will be set by the senior minister, after consultation with and approval by the board Personnel Committee.

Approved January 8, 2017. Amended December 15, 2019

4. Senior Minister Limitations

Introduction:

Senior Minister Limitations policies describe what the senior minister may not do to advance All Souls' mission, ends and goals. The Board proscribes inappropriate, unsuitable, and unlawful actions, rather than prescribes allowable actions. Limitation (proscription) gives the senior minister, and by extension the congregation, the greatest degree of freedom in advancing the mission, ends, and goals of the church. Anything that is not specifically prohibited is allowed in this system. The Board monitors compliance with the limitations as part of the process to hold the senior minister accountable for advancing the mission, ends, and goals of the church. The Board will receive regular reports about compliance with the limitations.

Limitations policies are the key means by which the Board ensures that the church's finances are prudently managed. The senior minister may not fail to submit financial plans, may not fail to submit answers to Board requests, may not expose the church to financial jeopardy, and may not fail to submit compliance reports.

Policy 4: Senior Minister Limitations: The senior minister will not cause or allow any organizational practice, activity, decision, or circumstance that is unlawful, irresponsible, in violation of commonly-accepted business practices and professional ethics, or inconsistent with All Souls' core values and mission or with the Unitarian Universalist principles.

Approved January 8, 2017

Note: Prescriptive policies relating to the senior minister are in **Appendix B. The Charge to the Personnel Committee** clarifies the Board's role in hiring, termination, salaries, benefits, and severance. The **Senior Minister Expenses Policy** outlines procedures and limits regarding the senior minister's expenses.

Policy 4.1: Treatment of Members, Visitors, and Friends: With respect to interactions with and among members, friends, and visitors, the senior minister will not cause or allow conditions that are unsafe, unjust, disrespectful, prejudiced, discriminatory, unnecessarily intrusive, or that fail to provide the appropriate confidentiality or privacy. Accordingly, the senior minister will not:

- 4.1.1 Elicit information for which there is no clear necessity.
- 4.1.2 Use methods of collecting, reviewing, transmitting, or storing congregant information that fail to protect against improper access to the material.
- 4.1.3 Fail to operate facilities with appropriate accessibility and privacy.
- 4.1.4 Fail to establish, publicize, and follow written policies for processing congregant grievances and suggestions.
- 4.1.5 Fail to provide and maintain mechanisms for communication of congregational activities, actions, and information to congregants.

Approved January 8, 2017

Policy 4.2: Staff/Volunteer Treatment: With respect to the treatment of paid staff and volunteers, the senior minister may not cause or allow conditions that are unsafe, disrespectful, or unprofessional. The senior minister also may not cause or allow jeopardy to the fiscal integrity or the public image of All Souls Church. Accordingly, the senior minister will not:

4.2.1 Discriminate (as defined by city, state, and federal laws) among existing or potential individuals on a basis other than individual performance, qualifications, or job-related criteria.

4.2.2 Fail to make available to the staff a written copy of the personnel policies that comply with all laws, protect the church's "at will" employment status, and inform the staff that employment is neither permanent nor guaranteed.

4.2.3 Fail to provide annual staff evaluations and provide for effective handling of grievances, conflicts, and disciplinary action.

4.2.4 Allow harassment, preferential treatment, or other wrongful conditions.

Approved January 8, 2017

Policy 4.3: Emergency Senior Minister Succession: In order to protect the church and Board from sudden loss of executive leadership, the senior minister must not fail to designate at least one other executive familiar with Board and executive issues and processes to assume the senior minister's executive responsibilities.

Approved January 8, 2017

Policy 4.4: Compensation and Benefits: The senior minister will not set employment terms, compensation, and benefits to employees, consultants, and contract workers without balancing principles of fair compensation with the financial means of the congregation.

The senior minister will not:

4.4.1 Promise or imply permanent or guaranteed employment.

4.4.2 Establish current compensation and benefits that:

4.4.2.1 Deviate materially from the local market for the skills employed to the extent feasible given the congregation's finances.

4.4.2.2 Create contractual obligations over a term longer than revenues can be safely projected.

4.4.2.3 Establish compensation and benefits so as to cause unpredictable or inequitable situations.

4.4.3 Change his or her own compensation and benefits.

Approved January 8, 2017. Amended October 18, 2018. Amended December 15, 2019.

Note that the Board's oversight role in employment-related matters is clarified in **Appendix 2** in the **Charge to the Personnel Committee**, which is reviewed annually. The **Senior Minister Expenses Policy** outlines procedures and limits on senior minister expenses.

Policy 4.5: Financial Planning and Budgeting: With respect to financial planning and budgeting, the senior minister may not jeopardize the fiscal integrity of All Souls Church or the mission, ends, or goals of the congregation. The senior minister may not:

4.5.1 Plan the expenditure in any fiscal year of more funds than are reasonably projected to be available in that period.

4.5.2 Budget drawdown from the church's investment accounts in excess of the Board-approved allocation rate.

4.5.3 Fail to communicate on at least a quarterly basis:

4.5.3.1 A reasonable projection of revenues, expenses, and cash flow.

4.5.3.2 The separation of capital from operational revenue and expenses.

4.5.3.3 The underlying planning assumptions.

Approved January 8, 2017

Policy 4.6: Financial Condition: With respect to the ongoing financial condition of the church, the senior minister may not cause or allow the development of financial jeopardy or a material deviation from the priorities established. Accordingly, the senior minister may not:

4.6.1 Allow financial results to deviate materially from the Board-approved budget, unless authorized by the Board.

4.6.2 Enter into any loan obligation without prior Board approval.

4.6.3 Commit the church to any contract outside of approved authority.

4.6.4 Fail to settle payroll and debts in a timely manner.

4.6.5 Allow tax payments or other government-ordered payments or filings to be overdue or inaccurately filed.

- 4.6.6 Designate funds in a manner inconsistent with the donor's intentions or with generally-accepted accounting practices.
- 4.6.7 Fail to establish, maintain, and communicate an appropriate gift acceptance policy for both restricted and unrestricted gifts that includes provisions for donor-designated purposes and allows for the acceptance or rejection of gifts.
- 4.6.8 Accept or disburse gift income that is contrary to the church's mission, values, ends, goals or with our Unitarian Universalist principles.
- 4.6.9 Fail to pursue unpaid pledges and non-pledge receivables after a reasonable amount of time.
- 4.6.10 Cause or allow any unbudgeted expense without prior verbal followed by written Board approval, except in case of emergency.
- 4.6.11 Cause or allow expenses to exceed the budgeted amount without prior verbal followed by written Board approval, except in case of emergency. (The director of finance and administration will apprise the senior minister and the Board of any budget overrun of over \$2,500.00 with respect to any individual line item prior to the overrun being incurred unless in an emergency situation.)

Approved January 8, 2017. Amended December 15, 2019

Policy 4.7: Asset Protection: With respect to proper stewardship, the senior minister may not allow the church's assets to be unprotected, inadequately maintained, or unnecessarily risked. The senior minister work with the Board to ensure:

- 4.7.1 The establishment and implementation of appropriate plans and procedures for operational risk management, safety, and security.
- 4.7.2 Insure against theft, cyber threats, and casualty losses at replacement value less reasonable deductible and/or co-insurance limits.
- 4.7.3 Insure against congregational liability and personal liability of trustees and staff relating to congregational business.
- 4.7.4 Unbonded personnel do not have access to material amounts of funds.
- 4.7.5 Prevent facilities, premises, and equipment from suffering improper wear and tear or insufficient maintenance.
- 4.7.6 Provide for building security.
- 4.7.7 The organization, the Board, or staff do not suffer to claims of liability or risk to the organization's non-profit status.
- 4.7.8 Endanger the church's public image or credibility.

4.7.9 Reasonably protect information, files, archives, art, and artifacts from loss or significant damage, or fail to maintain appropriate documentation and retention standards.

4.7.10 Do not receive, process, or disburse funds with insufficient controls.

4.7.11 Do not invest or hold operating capital in insecure instruments, including uninsured checking accounts and bonds of less than AA rating, or in non-interest-bearing accounts except where necessary to facilitate ease in operational transactions.

4.7.12 Do not make any purchases wherein normally prudent protection has not been given against conflict of interest without approval from the Board.

4.7.13 Do not fail to transfer any bequests to the investment accounts.

Approved January 8, 2017

Policy 4.8: Communication to the Congregation: The senior minister will not withhold regular and consistent communication to the congregation about the programs and ministries of the church.

4.8.1 The senior minister will not withhold or fail to make readily accessible a complete and current set of the governing policies and appropriate operational policies.

Approved January 8, 2017. Amended April 14, 2019

Policy 4.9: Communication and Support to the Board: The senior minister will not cause or allow the Board to be uninformed, misinformed, or unsupported in its work. With respect to communication and support to the Board that is conveyed between Board meetings, the senior minister will not fail to give notice to the president which shall constitute notice to the Board. Accordingly, the senior minister may not:

4.9.1 Fail to submit monthly dashboard performance information that is not timely, accurate, or understandable.

4.9.2 Fail to report in a timely manner any actual or anticipated non-compliance with any church policy, or fail to recommend policy changes whenever the need for such changes comes to the senior minister's attention.

4.9.3 Withhold from the Board advice that, in the senior minister's opinion, the Board is not in compliance with the church's bylaws or its own policies.

4.9.4 Withhold from the Board notice of all significant changes to applicable regulations and administrative policies.

4.9.5 Provide insufficient staff perspectives and external points of view as needed for fully-informed Board decisions.

4.9.6 Be remiss in supporting the Board in organizing congregational meetings. The staff will support the Board in virtual and in-person congregational meetings such as Board Dialogues, Financial Dialogues, and other congregational meetings as needed. The Board will provide additional financial resources to purchase equipment and hire staff to provide this support.

4.9.7 Fail to provide timely notice to the Board regarding the engagement, discharging, or resignation of any key employee of the church. Key employees are those full-time and part-time employees with substantial congregational contact, including the ministers, choir director, organist, RE assistant, director of growth, director of finance and administration, events manager, facilities manager, membership coordinator, or other employees as judged appropriate or necessary by the senior minister.

Approved January 8, 2019. Amended April 14, 2019. Amended December 15, 2019

Appendix 1: New York State Mandated Policies

New York State requires the Board of Trustees of All Souls Church to maintain specific policies and to review them annually. The Board is responsible to ensure that these policies remain consistent with the Board's governing policies.

Appendix A: Conflict of Interest Policy

www.allsouls-nyc.org/wp-content/uploads/2018/12/ALL-SOULS-CONFLICT-OF-INTEREST-POLICY-2014.pdf

- The Conflict of Interest Policy is reviewed annually at the February Board meeting.
- It is the practice of All Souls Church that all trustees, all financial committee members, and all officers annually sign the policy at the February meeting. Any conflicts must be noted in the Board's minutes.
- It is the practice of All Souls Church that the director of finance and administration ensures that all appropriate employees, all financial committee members, and all officers sign the policy annually and that new appropriate employees sign the policy when employed.

Appendix B: Whistleblower Policy

The Unitarian Church of All Souls in the City of New York (“All Souls”) expects its trustees, officers, staff members, and volunteers to observe the highest standards of professional and personal ethics in the conduct of their duties and responsibilities on behalf of All Souls. As trustees, officers, staff, and representatives of All Souls, each of us must practice honesty and integrity in fulfilling our responsibilities and must comply with all applicable laws, regulations, and policies of All Souls. In this spirit, All Souls encourages its trustees, officers, staff, and volunteers to identify any instances in which these standards may be compromised.

Definitions

This Whistleblower Policy (the “Policy”) has been established to provide a means for the trustees, officers, staff members, and volunteers of All Souls to raise good faith concerns about behavior by or within the Church that is or appears to be illegal, fraudulent, dishonest, unethical, or in violation of any policy that has been adopted by All Souls (a “Suspected Violation”). For purposes of this Policy, the “Whistleblower” is the trustee, officer, staff member, or volunteer who reports any Suspected Violation.

Examples of Suspected Violations that should be reported under this Policy include, but are not limited to, violations of federal, state, or local laws or regulations (e.g., New York Not-for-Profit Corporation Law or Internal Revenue Service regulations); fraudulent financial reporting or actions that may lead to such fraudulent reporting; providing false information to or withholding material information from All Souls’ auditors; sexual, racial, or disability-based harassment; or planning, facilitating or concealing any of the above. This is not intended to be an exhaustive list but rather a guide to the types of improper behavior covered by this Policy. In addition to actions that have been taken by others that the Whistleblower believes in good faith to be subject to reporting, actions that have not been taken, and which the Whistleblower believes are required to be taken to be in compliance with laws or policies adopted by the All Souls, are also within the scope of this Policy.

Reporting Responsibility

A copy of this Policy shall be distributed to all trustees, officers, and staff members of All Souls, and to all volunteers who regularly provide services to All Souls.

All trustees, officers, staff, and volunteers of All Souls are covered under this Policy, and it is the responsibility of all trustees, officers, employees, and volunteers to comply with this Policy and to report Suspected Violations in accordance with the procedures set forth in this Policy.

Compliance Officer

The Executive Committee of the Board of All Souls², or their designee (the “Compliance Officer”), is responsible for investigating and, as discussed below under Handling of Reported

² The members of the Executive Committee are the President, First Vice President, and Second Vice President of the Board of Trustees, as listed on the Board page of All Souls’ website. The entire Board may be contacted by email at Board@allsoulsnyc.org.

Violations, overseeing the resolution of all reported complaints concerning Suspected Violations. In the event that Executive Committee designates another individual as the Compliance Officer, All Souls shall notify its trustees, officers, staff, and all volunteers who regularly provide services to the church regarding such designation.

Procedure for Reporting Suspected Violations

Any person may report a Suspected Violation, either in written or oral form. The complaint submitted by the Whistleblower should include whatever documentation is available to support a reasonable basis for the allegation(s) and to assist in investigating the complaint. Complaints of Suspected Violations may be made anonymously. Any anonymous complaint should be detailed to the greatest extent possible, as follow-up questions will not be possible, making the investigation and resolution of such complaints difficult.

Although the Whistleblower is not expected to prove the truth of the allegation(s) asserted in the complaint, the Whistleblower must demonstrate reasonable grounds for concern. No investigation will be made of unspecified wrongdoing or vague and overbroad allegations. The Whistleblower is not responsible for investigating the activity or for determining fault or corrective measures.

A Whistleblower should direct all reports, either in written or oral form, to the Compliance Officer. However, if the Compliance Officer is the subject of the Suspected Violation, or if a Whistleblower is not comfortable reporting a complaint concerning a Suspected Violation to the Compliance Officer or is unsatisfied with the response, the Whistleblower, if a staff member, is encouraged to instead speak with the staff member's supervisor or anyone in management with whom the staff member is comfortable. In such case, the manager to whom such Suspected Violation is reported shall in turn report such Suspected Violation to the Compliance Officer, unless the Compliance Officer is the subject of the complaint, in which case the manager shall submit the report to another member or members of the Board of Trustees other than the Compliance Officer. If the Whistleblower is not a staff member and the Compliance Officer is the subject of the Suspected Violation, the Whistleblower is encouraged to speak instead to another member or members of the Board of Trustees other than the Compliance Officer.

Acting in Good Faith

Anyone filing a complaint concerning a Suspected Violation must act in good faith and have reasonable grounds for believing the information disclosed may evidence a Suspected Violation.

Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowing them to be false will be viewed as a serious disciplinary offense.

No Retaliation

No trustee, officer, staff member, or volunteer of All Souls who in good faith reports any Suspected Violation (whether reported to All Souls, its agents, or its auditors or to any law enforcement officials, government or regulatory agency), or who cooperates with an investigation of a complaint (whether conducted by All Souls, its agents, or its auditors or by any law enforcement officials, government, or regulatory agency), shall suffer intimidation,

harassment, discrimination, or other retaliation or, in the case of a staff member, adverse employment consequences. Any person who retaliates against someone who has reported a Suspected Violation in good faith is subject to appropriate discipline and corrective action, up to and including termination of employment in the case of an employee.

A Whistleblower's right to protection under this Policy does not provide the Whistleblower with immunity for participating or being complicit in the Suspected Violation that is the subject of the complaint or ensuing investigations.

Confidentiality

Any investigation will be conducted in a manner that conceals and protects the Whistleblower's identity to the greatest extent practicable given legal requirements, consistent with the need to conduct a fair and adequate investigation and take necessary corrective action.

Procedure for Handling of Reported Violations

Unless the complaint is submitted anonymously or there are overriding legal or public interest concerns, the Whistleblower will be provided with an acknowledgement of receipt of the Whistleblower's complaint within ten (10) business days.

All complaints will be promptly investigated by, or under the direction of, the Compliance Officer. If the Compliance Officer is the subject of the complaint, the Executive Committee shall designate someone to act in the place of the Compliance Officer and all references to the Compliance Officer in this Policy with respect to such complaint shall be applicable to such designee. Upon the completion of an investigation, the Compliance Officer shall submit a written report of the Compliance Officer's findings and conclusions to the Executive Committee.

Following investigation, All Souls will take appropriate remedial and disciplinary action as it deems justified by the circumstances, including, but not limited to, terminating employment, Board membership or volunteer status, seeking restitution, or referral to regulatory or criminal investigation. The Executive Committee may resolve any complaint without consulting others or, depending on the Committee's determination of the seriousness or severity of the complaint, refer the matter to the Board of Trustees for action.

On an annual basis, the Compliance Officer shall provide to the Board of Trustees and the Audit Committee a written report identifying all complaints reported under this Policy during the preceding year or indicating that no such complaints were reported. Records of all complaints shall be maintained in accordance with All Souls' document retention policy.

Any questions, concerns or suggestions regarding this Policy also should be addressed directly to the Compliance Officer or the Board of Trustees.

Adopted by the All Souls Board of Trustees on: July 8, 2014. Amended March 8, 2020 and April 25, 2021.

Appendix C: Investment Policy

INVESTMENT POLICY STATEMENT

June 15, 2020

Updated October 1, 2023

Introduction

The purpose of this investment policy statement (“IPS”) is to outline an investment philosophy that reflects the Endowment’s (hereinafter defined) objectives, investment guidelines and performance measurements, and the reporting guidelines, the monitoring requirements and the responsibilities and authorities of the Investment Manager for the Endowment funds of The Unitarian Church of All Souls, New York City described in Appendix I (collectively, the “Endowment”, and the “Church”, respectively).

Investment Objectives

In light of the Church’s policy of drawing funds annually from the Main Endowment (as defined in Appendix I) to support the Church’s operating budget, it will be desirable, in order to maintain the Endowment at its real value over time, to achieve an inflation-adjusted average long-term rate of return equal to this annual drawdown rate. Bequests and other contributions could generate real growth in the Endowment’s value. The Endowment will be managed in accordance with the standards for prudent investing set forth in the New York Prudent Management of Institutional Funds Act (“NYPMIFA”) as reflected in Appendices II and III.

The investment objective of the Church is to generate a long-term total investment return derived from both income and capital appreciation which outpaces the rate of inflation, while observing appropriate risk parameters, to ensure the ability of the Church to meet its objectives. The guidelines and policies outlined below are designed to achieve this objective.

Time Horizon

The time horizon is essentially long-term. Since short-term market fluctuations are inevitable and should be viewed with appropriate perspective, the investment guidelines are based on an investment horizon of greater than five years, using a moving five-year performance evaluation period. Similarly, the Church’s strategic asset allocation is based on this long-term perspective.

Total Return & Evaluation Benchmark

The assets will be managed on a total return basis with the return resulting from both income and capital appreciation. Over a rolling five-year period total return is expected to be consistent with the performance of a policy index based on the strategic asset allocation of the Endowment to various broad asset classes.

Liquidity

Sufficient liquidity should be maintained to cover the Church's obligations. Funds will be invested so that such investments can be readily converted to cash or reserves without constraint or penalty. In this regard, it is understood that the Church shall be responsible for informing the Investment Manager of unusually large anticipated expense obligations of the Church to be funded from the Endowment, including the Main Endowment.

Risk Tolerance and Asset Allocation

Risk may be defined in terms of how much the return on an asset or portfolio is likely to vary over time, or the chance the investor will suffer a loss. The Church realizes that a tradeoff exists between risk and portfolio return.

The risk of the total portfolio primarily depends on the allocation to different asset classes with stocks being riskier than bonds and reserves. The recommended asset allocation currently is 60% stocks and 40% bonds. A long-term target allocation of stocks will generally be between 55% and 65% of the portfolio. A long-term target allocation of bonds will generally be between 35% and 45% of the portfolio. The Investment Committee will inform the Board of Trustees if it believes these asset allocations should change. Updated October 1, 2023.

Eligible Investments

The Church has instructed that assets included in the Endowment will be invested in various diversified funds provided by or overseen by the Investment Manager. These assets will be allocated in a manner to meet the Church's investment objectives.

Investment Performance

The performance of the Investment Manager will be judged on the aggregate real rate of return (net of fees) within prescribed risk tolerances as well as against the performance benchmarks for the respective investment categories.

Investment Reporting

The Investment Manager will provide monthly statements of the Endowment's assets and activities and quarterly analyses of portfolio performance. The Investment Committee will review the Investment Manager's performance at least once each quarter for compliance with the objectives and guidelines of the IPS as well as material changes in the Investment Manager's investment philosophy, organization and/or personnel.

The Board of Trustees of the Church ("Board"), the Investment Committee and the Investment Manager will review the IPS annually to assure the continued accuracy and relevance of the objectives, guidelines and performance and the assumed capital market environment. The IPS may be modified from time to time to reflect any changes deemed necessary.

The Board will review and provide annually to the Investment Manager the anticipated cash distribution requirements for the Endowment.

The Chair of the Investment Committee or another Investment Committee member will report on the Endowment's performance at the Church's annual meeting.

Selection

One Investment Manager will be selected to manage the Endowment's assets. The selection of the Investment Manager must be based on the standards for prudent investing set forth in NYPMIFA and in Appendix III. The following elements, among others, will be considered in selecting an Investment Manager: background, experience, investment philosophy, investment style, past performance, efficiency, and client service. As of the date of the IPS the Church has selected The Vanguard Group as Investment Manager.

Responsibility

The Investment Manager will be responsible for informing the Investment Committee of all significant and/or material matters and changes with respect to its investments, including, but not limited to, the following: investment strategy, portfolio structure, ownership of the management firm, organizational structure of the management firm and any related entities, financial condition of the management firm and any related entities, and any and all material legal, SEC and other regulatory agency proceedings affecting the Investment Manager.

The Investment Manager will be responsible for voting all proxies and related actions in a manner consistent with NYPMIFA and the IPS. The Investment Manager will keep detailed records of its voting of proxies and related actions and comply with all regulatory requirements.

Investment Policy Appendix I

**The Endowment Fund of the Unitarian Church of All Souls
Subject to
This Investment Policy Statement**

The Unitarian Church of All Souls Endowment Fund (the “Main Endowment”)

The Music Fund and the Capital Campaign Fund are not part of the Endowment as defined herein.

Investment Policy Appendix II

Responsibilities of the Board and the Investment Committee

1. In exercising their responsibilities, members of the Board will act in good faith and with the care that an ordinarily prudent person in a like position would exercise under similar circumstances. Any members of the Board with special skills or expertise have a duty to use those skills or that expertise in managing and investing the Church's Assets.
2. The standard of care set forth in paragraph 1 above shall be applied to any party to whom investment-related responsibilities are delegated, including but not limited to the Investment Committee and the Investment Manager.
3. In making decisions regarding the investment and management of the Church's Assets, the Board and the Investment Committee will consider the charitable purposes of the Church and the following factors, to the extent relevant:
 - a. General economic conditions
 - b. Expected total return of the portfolio from income and the appreciation of investments
 - c. The other resources of the Church
 - d. The needs of the Church and of particular investment funds to make distributions and preserve capital
 - e. The importance of diversification
 - f. Liquidity considerations
 - g. The impact of management or administration costs
 - h. Risk management
4. Management and investment decisions about an individual asset must be made not in isolation but rather in the context of the Church's portfolio of investments as a whole and as part of an overall investment strategy having risk and return objectives reasonably suited to the Church.
5. The portfolio will be diversified unless the Board prudently determines that, because of special circumstances, the purposes of the portfolio are better served without diversification.
6. In managing and investing the portfolio, the Church will incur only costs that are appropriate and reasonable in relation to the Church's assets, its purposes, and the skills available to it, and will make a reasonable effort to verify facts relevant to the management and investment of the portfolio.

Investment Policy Appendix III

Responsibilities of the Board and the Investment Manager

1. The Board will act in good faith and with the care an ordinary prudent person in a like position would exercise under similar circumstances in selecting, continuing, or terminating the Investment Manager, establishing the scope and terms of the Investment Manager's responsibilities, and monitoring the Investment Manager's performance and compliance with such scope and terms.
2. The Board will take reasonable measures to assess the independence of the Investment Manager, both before and after the Investment Manager is appointed by the Board. The Investment Manager must be selected based on competence, experience, past performance, and proposed compensation, without regard to business or personal relationships. Any actual or potential conflict of interest possessed by a member of the Board or the Investment Committee with respect to the Investment Manager must be disclosed and resolved pursuant to the Church's conflict of interest and disclosure policy.

Appendix 2: Board Prescriptive Policies

Appendix D: Charge to the Personnel Committee

Personnel Committee
The Unitarian Church of All Souls
All Souls Board of Trustees

The Personnel Committee is responsible for the top-level of collaboration and communication on staff matters between the Board and senior minister.

The Personnel Committee responsibilities are:

- annual review of all staff salaries as part of the annual budget process and as the Committee deems necessary
- review of suggested salary increases/decreases of key staff (footnote 2) prior to proposal in the budget
- review of changes in staff positions prior to proposal in the budget
- review of any proposed adjustments to key staff or salaries proposed after budget proposal or implementation
- review of new employee and contractor contracts paying \$25,000 or more in a fiscal year, prior to distribution to proposed employee, including any called ministers prior to call
- review of any severance agreements prior to presentation to employee
- Comprehensive review of all called minister contracts every three years (footnote 3) for Board approval
- On-Boarding with Board and Board committees of key employees, as deemed necessary by the Committee
- Mentoring of key employees, as deemed necessary by the Committee
- As per strategic review recommendation, organize annual staff-Board social function and annual participation on Board-related topics in staff meetings (e.g., discussion of Whistleblower Policy, policy-based governance, etc.)

The Personnel committee will fulfil all its responsibilities in a confidential manner before communicating its report to the board. Members of the Personnel Committee will be typically selected annually in February-March as part of the Board overall review and appointment of Board committees. Because of the confidential nature of the Committee work, members of the Committee must be approved by the senior minister.

Notice to the Committee chair is considered to be when the senior minister gives notice to the Personnel Committee.

¹ Salary information will not be routinely shared with the entire board. Salary information may be shared only with current trustees when the Committee deems it essential.

² Key staff positions are senior minister, associate minister, ministers, music director, organist, growth director, business manager, facilities manager, RE assistant, membership/stewardship assistants, communications assistant, or equivalents.

³ As per UUMA recommendations.

Appendix E: Senior Minister Expenses Policy

- All expenses to be assigned to the Ministerial Expense budget line must be paid using an All Souls credit card issued in the respective minister's name. For all expenditures, a receipt must be submitted to the Director of Finance and kept on file in accordance with best practices. A monthly credit card statement will not be considered a receipt. The credit card will be managed with an annual spending limit equivalent to the budgeted allowance as defined in the respective minister's engagement agreement. In the rare case of expenses that are impossible to pay through this credit card, a minister may request a check written on a church account; a receipt must be submitted and filed as above. Expenses allowable for charge to the Ministerial Expense line will correspond to those outlined by the UUA (as described here: <https://www.uua.org/leadership/library/money-matters/professional-expense>).
- Expenses to be charged to budget lines other than Ministerial Expense must be paid using the All Souls credit card that is issued in the name of the Director of Finance or staff member of equivalent function. Again, receipts must be retained in the church files for all expenditures.
- With respect to coverage that may be mandated by a minister's engagement agreement of any health and medical expenses not covered by insurance, the church will address these according to UUA recommendations "through a Section 125 flexible benefit plan or a health reimbursement arrangement." The church's maximum responsibility will be equal to the amount defined as the family out-of-pocket maximum for the medical insurance policy then in effect.

Approved May 10, 2021

Appendix F: Board Covenant

The All Souls Board is the official body, elected from the congregation to realize our mission by establishing policy, continuing a vision process, and overseeing the direction and operations of our church by following our governance policies. Because as a Board we seek to serve this congregation well and to further its ministry to our members and to the wider community; And because as a Board we value the best interests of the congregation, *We promise to do our best to:*

- keep mission as our focus
- assume good faith on the part of all
- support one another in a spirit of honesty, respect, and kindness
- follow our Unitarian Universalist covenant and principles
- represent the best interests of the congregation
- maintain a sense of humor and humility
- participate fully at Board meetings
- listen deeply and mindfully to each other
- speak respectfully to others, even to those whose ideas differ from ours
- work cooperatively to build consensus and support decisions of the Board
- be respectful of each other's time
- support the Executive Team and staff in adhering to our governance policies.
- celebrate diversity of thoughts within the group yet work toward consensus
- celebrate our accomplishments
- be trustworthy keepers of confidences
- communicate decisions to the congregation in a complete and timely manner
- do our best to bring attention to voices not heard
- respect requests from each other for discussion and evaluation of unforeseen issues, endeavor to reach a consensus, and take the most ethically robust course of action
- agree to be called back into covenant if we fail to observe the preceding items

Adopted by the All Souls Board of Trustees – November 20, 2022