

MINUTES
BOARD OF TRUSTEES
UNITARIAN UNIVERSALIST ASSOCIATION

June 18-19, 2013

Pursuant to notice duly given, a meeting of the Board of Trustees of the Unitarian Universalist Association was held on Tuesday, June 18 and Wednesday, June 19, 2013 at the Marriott Hotel in Louisville, KY.

MEMBERS

PRESENT: Allen, Averett, Bartlett, Brody, Carlson, Courter, Cullen, Friedman, Grubbs, Harrison, Jackoway, Kreicker, Laskowski, Lund, Loughrey, Manley, Morrill, Phinney, Pupke, Raible-Clark, Ritchie, Shanti, Stewart, Tino, and Morales

MEMBERS

ABSENT:

ALSO

PRESENT: Brennan, Limpert, Montgomery, Moran, Rigdon, and observers

Gini Courter, Moderator, called the meeting to order at 8:30 am on Tuesday, June 18, 2013. Sarah Stewart provided opening words. Trustees and visitors were introduced and the agenda was approved.

APPROVAL OF BOARD MINUTES

The minutes of the April 20-21, 2013 meeting of the Board of Trustees were approved as written.

ACCEPTANCE OF ASSOCIATE MEMBERS

By unanimous consent, the Unitarian Universalist Service Committee and the Unitarian Universalist Women's Federation were accepted as Associate Members of the UUA.

ACTIONS REGARDING OFFICERS OF THE ASSOCIATION

The following motions were approved by unanimous consent:

To appoint Karen Wheeler to the non-salaried position of Assistant Treasurer of the Association effective July 1, 2013, to serve until her successor shall be duly chosen and qualified, with the duties set forth in the Association's Bylaws.

To thank Kathleen Montgomery for her many years of service as Recording Secretary of the Association, and to remove her from that position, at her request, effective at the end of the day on June 23, 2013.

To appoint Harlan Limpert to the non-salaried position of Clerk of the Association effective June 24, 2013, to serve until his successor shall be duly chosen and qualified, with the following duties: the Clerk shall keep an accurate record of all meetings of the Association and the Board of Trustees, shall perform such other duties as may be assigned by the Board, and shall perform the duties of a Clerk under Massachusetts law.

SECRETARY'S REPORT

Tom Loughrey, Secretary, reported on plans for UUA elections to be held at the 2013 General Assembly.

PRESIDENT'S REPORT

President Peter Morales reported on Fulfilling the Call, A Model for UU Ministry in the 21st Century, saying that he believed it would prove to be a transformative document. He also updated the Board on plans for the new UUA headquarters building at 24 Farnsworth Street in Boston.

TREASURER'S REPORT

Tim Brennan, Treasurer and Chief Financial Officer, noted that there are only two differences from the budgets previously submitted on April 2 as follows:

- Endowment income has been increased by \$100,000 to reflect funds drawn from unrestricted reserves to pay for a consultant to assist the board and staff in measuring and reporting on performance against the Ends.
- Board & Volunteer Leadership has been increased by \$100,000 to reflect the expense allowance for the consulting services.

FINANCIAL ADVISOR'S REPORT

Financial Advisor Dan Brody presented his last report to the Board of Trustees. He discussed issues that he worked on during his time in office, including creation of the UU Health Plan, adoption of a new endowment spending policy, selection of TIAA-CREF as the record-keeper for the UU Retirement plan, creation of the Retirement Plan Committee, adoption by the Board of a Conflict of Interest Policy and a Whistleblower Protection Policy, creation of the UU Common Endowment Fund LLC, and adoption of a plan for paying for the costs of fundraising campaigns. He noted one major piece of unfinished business: resolving the status of the Liberal Religious Charitable Society.

REPORT ON DISTRICTS

Kathy Burek, President of the District Presidents' Association, reported on the status and changes in the districts of the Association as well as the discussions concerning regionalization and the proposed bylaw changes enabling regions and establishing the MidAmerica Region.

EXECUTIVE SESSION

The Board voted to go into Executive Session to discuss committee appointments and personnel matters. When it returned to regular session it announced that committee appointments would be entered into the regular minutes of the meeting that the personnel matter would remain confidential.

COMMITTEE APPOINTMENTS

M (Pupke), S, and
VOTED AND APPROVED:

To appoint the following trustees, effective June 24th, to the Finance Committee:

Tim Brennan (treasurer)
Ed Merck (financial advisor)
Sarah Stewart (chair)
Natalia Averett
Lew Phinney (continuing)
Susan Weaver
James Snell

M (Bartlett), S, and

VOTED AND APPROVED:

To make the following committee appointments to terms beginning at the close of General Assembly 2013:

The Rev. Jackie Clement to the Journey Toward Wholeness Transformation Committee

Kevin DeBeck to the General Assembly Planning Committee

Elisabeth McGregor and Suzyn Smith Webb to the Election Campaign Practices Committee (to be effective only if proposed bylaws are adopted)

DISCUSSION OF ENDS

Discussion was held concerning the Board's work on a new Ends statement for the Association.

M (Harrison), S, and
VOTED AND APPROVED:

To adopt the following Ends statement for the Association:

Unitarian Universalist Association Board of Trustees
Ends Statement
June 2013

1.0 Global End

A healthy Unitarian Universalist community that is alive with transforming power, moving our communities and the world toward more love, justice, and peace in a manner which assures institutional sustainability.

- 1.1 Congregations and communities are covenanted, accountable, healthy, and mission driven.
- 1.2 Congregations and communities are better able to achieve their missions and to spread awareness of Unitarian Universalist ideals and principles through their participation in covenanted networks of Unitarian Universalist congregations and communities.
- 1.3 Congregations and communities are intentionally inclusive, multigenerational and multicultural.
- 1.4 Congregations and communities engage in partnerships to counter systems of power, privilege and oppression.
- 1.5 Congregations and communities have and use Unitarian Universalist Association resources to deepen the spiritual and religious exploration by people in their communities, to enhance the ministry of their members and to improve their operations.
- 1.6 There is an increase in the number of people served by Unitarian Universalist congregations and communities.

- 1.7 There is an increase in the number of Unitarian Universalist congregations and communities.
- 1.8 There is an increase in the number of inspired ordained and lay religious leaders equipped to effectively start and sustain new Unitarian Universalist congregations and communities.
- 1.9 Unitarian Universalist institutions are healthy, vital, collaborative partners invested in the future of Unitarian Universalism, its principles and theologies.

BOARD DISCUSSION OF GENERAL ASSEMBLY

The Board discussed their work at the upcoming General Assembly, heard presentations of items to come before the Assembly for decision, and discussed their roles and commitments.

M (Kreicker), S, and

VOTED AND APPROVED: To empower a trustees to speak for the Board at Professional Days with the understanding that Clyde Grubbs will have that authority on Tuesday and Sarah Stewart will have that authority on Wednesday.

DISCUSSION OF RETIREMENT PLAN

Richard Nugent, Director of Church Staff Finance, joined the Board to discuss changes in the UUA Retirement Plan.

M (Pupke), S, and

VOTED AND APPROVED:

To adopt the following changes in the UUA Retirement Plan as proposed by the Retirement Committee.\:

DRAFT RESOLUTIONS OF THE BOARD OF TRUSTEES OF THE UNITARIAN UNIVERSALIST ASSOCIATION

WHEREAS, the Unitarian Universalist Association (the “UUA”) maintains the Unitarian Universalist Organizations Retirement Plan (As Amended and Restated Effective as of January 1, 2000) (the “Plan”) for the exclusive benefit of eligible employees of its participating congregations, eligible ordained community ministers and eligible ordained self-employed ministers; and

WHEREAS, as the sponsor of the Plan, the UUA has certain powers, rights and duties with respect to the Plan, including, without limitation, the authority to amend, modify or terminate the Plan and to appoint one or more persons to administer the Plan; and

WHEREAS, the UUA now deems it desirable to amend and restate the Plan to reflect various changes to the Plan;

NOW, THEREFORE, IT IS RESOLVED that the Board of Trustees of the UUA, on behalf of the UUA, hereby approves the amendment and restatement of the Plan, in the form attached hereto, to be effective January 1, 2014, and authorizes Timothy Brennan to sign the amendment and restatement of the Plan on behalf of the UUA.

IT IS FURTHER RESOLVED that, effective upon the adoption of these resolutions, the UUA Retirement Plan Committee shall be the plan administrator and named fiduciary of the Plan, and shall have the authority to exercise, in accordance with applicable law and the terms of the Plan document, certain powers, rights, and duties of the plan administrator and named fiduciary of the Plan, including but not limited to the following:

- The power and duty to resolve any question, ambiguity, inconsistency or omission involving the general administration or interpretation of the Plan; and
- The power to approve, on behalf of the UUA, the adoption of the Plan by any Unitarian Universalist congregation, unaffiliated employer of an ordained Unitarian Universalist community minister and ordained Unitarian Universalist self-employed minister, and to later disapprove and revoke such adoption; and
- The power to amend the Plan to make changes required by legislative or regulatory requirements; and
- The power to amend the participation agreement to reflect the terms of the Plan and the rights and duties of each participating employer that adopts the Plan for the benefit of its eligible employees; and
- The power to monitor the number and type of investment options provided under the Plan, evaluate individual investment option performance, and add, replace or delete investment options under the Plan.

IT IS FURTHER RESOLVED that the Committee is hereby authorized to take any and all actions as it deems necessary or desirable to carry out the intent and the purposes of the foregoing resolutions.

* * *

I, Tom Loughrey, Secretary of the UUA, certify that the foregoing is a correct copy of resolutions duly adopted by the Board of Trustees of the UUA and that the resolutions have not been changed or repealed.

Dated this 18th day of June, 2013.

Secretary as Aforesaid

M (Pupke), S, and
VOTED AND APPROVED

To accept the following revised charge to the Retirement Plan Committee.

Revised Charge to the Retirement Plan Committee

A. Responsibilities

- i. To serve as fiduciaries for the Unitarian Universalist (UU) Organizations Retirement Plan, and
- ii. To serve as the committee referenced in Section 1.4 of the document governing the UU Organizations Retirement Plan, including making recommendations to the Board regarding:
 - a. the UU Organizations Retirement Plan Document
 - b.
 - c.
 - d. the company serving as record keeper , and
 - e. other issues related to the UU Organizations Retirement plan.

B. Appointment and Terms

The committee shall have seven members, as follows:

- i. Three individuals with expertise in retirement plan management, mutual funds, investment management, or related fields
- ii. One individual who is a religious professional serving a UUA member congregation
- iii. One individual who is a retirement plan participant who is either a retiree or the partner/spouse of a retiree
- iv. The **UUA** Treasurer
- v. The **UUA** Financial Advisor

Except for the Treasurer and the Financial Advisor, who shall serve on the committee as long as they hold office, committee members shall serve for not more than four consecutive terms of two years each.

C. Meetings

The committee is expected to meet three to four times annually. Meetings may occur by phone.

GOVERNANCE WORKING GROUP REPORT

M (Harrison), S, and
VOTED AND APPROVED:

To approve the following changes to Board Governance Policies.

To delete the current 3.8 and replace it with:

3.8 Board Committee Structure

A. The board has the responsibility for appointing and monitoring certain committees and entities. Section 7.1 of our Bylaws mandates the following board-appointed committees:

1. Executive Committee
2. Ministerial Fellowship Committee
(The MFC has created sub-committees on candidacy that also require board appointments)
3. Finance Committee
4. Investment Committee of the Unitarian Universalist Common Endowment Fund, LLC (UUCEF LLC) [[Charge to the Investment Committee](#)]

The Bylaws of the UUCEF LLC specify the qualifications of members of the UUCEF Investment Committee, and further describe the specific responsibilities of the committee.

The Board of Trustees appoints the members of the UUCEF Investment Committee and has other powers over the UUCEF LLC, as described in the Certificate of Organization, the Operating Agreement, and the Bylaws of the UUCEF LLC.

5. Religious Education Credentialing Committee; and
6. Audit Committee [[Audit Committee Charter](#)]

Additional board-appointed committees were created in response to General Assembly actions:

7. Open UUA Committee (Rule G-2.1)
8. Journey Toward Wholeness Transformation Committee (1997 Business Resolution)
9. Election Campaign Practices Committee (Rule G-9.13.10)

The Board itself has created the following entities:

10. Appointments Committee
[\[Charge to the Appointments Committee\]](#)
11. Moderator Nominating Committee
Not later than 26 months before the beginning of a General Assembly at which an election for Moderator will be held, the board shall appoint a Moderator Nominating Committee to assist the board in carrying out its responsibilities under Section 9.5 of the Bylaws and Section 3.6.1.A of these policies. The committee shall consist of five members, including not more than two trustees.
12. Committee on Socially Responsible Investing
[\[Charge to the CSRI\]](#)
13. Retirement Plan Committee
[\[Charge to the RPC\]](#)
14. Employee Benefits Trust
[\[Charge to the Health Plan Trustees\]](#)
15. Council on Cross-Cultural Engagement
[\[Charge to the CCCE\]](#)

B. The board-appointed entities and committees identified in this policy should report to the board no less than once a year. Each report should address the committee's performance against the committee charge, and demonstrate compliance with policy 3.7.8, which requires standards, processes and plans related to antiracism, anti-oppression and multi-culturalism. As reflected in policy 2.13 (Support to the Board), the board will ensure that adequate staff support is provided to facilitate compliance with 3.7.8 and Open UUA guidelines. The board shall consider and take appropriate action on committee recommendations.

To add to the Appointments Committee charge:

B. Considerations in Making Recommendations

5. The committee shall recommend for appointment only persons who are either members of congregations or youth active in their congregations as confirmed by their congregations' boards.

To adopt new policy 2.13.12:

Fail to provide adequate staff support for committees' compliance with Open UUA guidelines and policy 3.7.8 antiracism, anti-oppression multiculturalism requirements.

To replace current: 2.3.3 (Fail to consider diversity in appointments to staff committees and task forces) **with:** Fail to ensure staff-appointed committees and task forces reflect the full diversity of the Association, especially in regard to historically marginalized communities, but also balancing amongst size of congregation, lay and ordained, geography, age (including youth and young adults), and gender, among others. The President shall not fail to consult with groups

and organizations, including those traditionally underrepresented in Unitarian Universalist leadership, to help inform the appointment process.

- A. The President shall not fail to implement an open application process for all staff-appointed committees and board-appointed committees for which the staff recommends appointments.

To delete the language in 2.7.1 as indicated:

2.7 Financial Condition and Activities

The President shall not cause or allow conditions that would jeopardize the Association's fiscal health. Further, without limiting the scope of the foregoing by this enumeration, the President shall not:

1. Fail to cooperate fully with the annual audit of the Association's financial statements, or to sign the financial statements and certify that they fairly represent the financial condition and operations of the Association. ~~Subject to the limitation that the audit does not provide absolute assurance because not all transactions are tested and because audit procedures are determined based on our risk assessments, the audit shall address whether:~~
 -
 - ~~○ the financial statements have been prepared in compliance with Generally Accepted Accounting Principles (GAAP);~~
 -
 - ~~○ financial procedures and staff responsibilities have been documented;~~
 -
 - ~~○ any secured debt over \$50,000 has been issued without prior Board approval;~~
 -
 - ~~○ Association resources, including staff time, have been used in such way as to be of primary benefit to a private purpose rather than to the Association and its mission;~~
 -
 - ~~○ Association funds, funds received by the Association in connection with charitable gift annuities and similar instruments, and funds held in trust by the Association for the benefit of member congregations and other entities have been received, held, and disbursed in accord with applicable law, trust documents, and prudent financial management practices;~~
 -
 - ~~○ Board-restricted funds have been used for purposes other than those specified by the Board;~~
 -
 - ~~○ financial obligations have been met in a timely manner, and~~
 -

~~financial operations have been carried out in a way that complies with the requirements for maintaining the Association's nonprofit, charitable tax status under federal and state laws.~~

To adopt policy 2.7.9:

2.7 Financial Condition and Activities

The President shall not cause or allow conditions that would jeopardize the Association's fiscal health. Further, without limiting the scope of the foregoing by this enumeration, the President shall not:

. . . .

9. Enter into any secured debt over \$50,000 without prior Board approval.

Proposed policy Changes to executive session policies

3.1.9.5 Conduct its business in public, except when the Board decides by majority vote to deal with the following kinds of matters in Executive Session:

- volunteer or staff personnel matters of a delicate nature
- sensitive legal matters
-
- property acquisition or disposition
- business of the above nature involving a member
- governance issues involving the relationship between the Board and the President.

3.1.9.5.2 Participants in Executive Session will normally be limited to Board Members, the Youth Observer, Officers, the Chief Operating Officer, and the Chief of Program and Strategy. The Board may decide by majority vote to include others in an Executive Session, and may decide by a two-thirds vote to exclude any of the normal participants from an Executive Session if their presence would be detrimental.

5.0 The Committees of the Association shall be accountable to the General Assembly. In between meetings of the General Assembly, the Board acts on behalf of the Assembly as per the bylaws. Committees of the Board are accountable to the Board at all times.

5.1 General Assembly Planning Committee. The General Assembly Planning Committee (GAPC) is responsible for the arrangements, programs and meetings to be held in connection

with General Assembly, subject to the overall policy and direction established by the General Assembly

Further, it was recommended that 5.0 be moved to policy 3.8 as section C, going before "motion 2" in the document sent in the board packet.

And it was further recommended that the sub-policy 5.1 about the GAPC be dropped at this time.

Action on Monitoring Reports

M (Harrison), S, and
VOTED AND ACCEPTED:

To take the following action on monitoring reports:

Monitoring Report on Policy 2.2 Move to accept the report.

Monitoring report on Policy 2.2.1 - Move to accept the report and to require that the next time that this report is monitored the operational definition be written to be consistent with the global policy 2.2, which means that a reasonable operational definition would cover more than professional misconduct.

Monitoring report on Policy 2.2.2 – Move to accept the report and to require that the next time this policy is monitored that the operational definition address all elements of the congregational loan policy.

Monitoring report on Policy 2.7.6 – Move to accept the report.

Monitoring report on Policy 2.8 – Move to accept the report and to require that the operational definition submitted the next time this report clarify what the auditors are testing and to provide data that will demonstrate compliance.

Monitoring report on Policy 2.12 – Move to accept the report and to require that the operational definition be corrected the next time this policy is monitored to bring it into compliance with Policy 3.1.10, which proscribes a process for adding individuals to the board@uua mailing list.

Move to revise the monitoring schedule for Policy 2.12 to require monitoring in April of the year following election for Moderator or President. The next report should therefore be submitted in April, 2014.

Operational Definition for Policy 2.13 – Move to accept the operational definition, noting that with the review of strategy being undertaken in preparation for the Ends Monitoring Report scheduled for December, 2013, the Board expects that the strategic plan submitted as part of compliance with Policy 2.13 will be the Ends Monitoring Report.

Operational Definition for Policy 2.13.3 - Move to accept the operational definition.

Operational Definition for Policy 2.13.5 – Move to accept the operational definition, noting that the Administration clarified that a sentence was missing from the operational definition that would provide for feedback to be solicited from the Board (as was assumed in the rationale). This should be corrected when this policy is monitored.

Operational Definition for Policy 2.13.7 – Move to accept the operational definition and to change the monitoring process from direct inspection to internal report.

Operational Definition for Policy 2.13.8 – Move to accept the operational definition as written, noting that this policy is to be monitored by internal report rather than by direct inspection.

Operational Definition for Policy 2.13.8.1 – Move to require that a revised operational definition along with supporting data be submitted by March 20, 2014. The revised operational definition should provide a mechanism for gathering feedback from committees as to whether and how they have complied with this policy. This will enable the Board to consider such information as part of the appointments process in 2014. The Board notes that this policy is to be monitored by internal report rather than by direct inspection.

Move to require that reports called for in the operational definitions for Policy 2.13 be submitted to the Board by March 20, 2014. This will enable the Board to do the direct inspection for Policy 2.13 at the April, 2014 Board meeting. In addition, the incoming Vice Moderator will ensure that those Board members who will no longer be on the Board after this meeting have a mechanism to provide information to the incoming Board regarding their experiences regarding the Administration's support of the Board as defined by these policies.

FINANCE COMMITTEE REPORT

M (Pupke), S, and

MOVED AND APPROVED:

To set the salary of the President of the U.U.A, as proposed in the budget, at the amount of \$222,916.10. The Board assigns to the Audit Committee a review of the top ten compensated positions of the Association for report to the Board of trustees

not later than April of 2014.

M (Pupke), S, and

MOVED AND APPROVED:

To adopt the proposed budget of the association for FY2014.

CLOSING

Jackie Shanti provided closing words and the meeting was adjourned at 3:15 pm on Wednesday, June 19, 2013.

Respectfully submitted,

/s/ Kathleen Montgomery
Recording Secretary

BOARD OF TRUSTEES SCHEDULE

*The board normally meets as follows in **January** and **April**:*

Thursday: Committee Day: Right Relationship Monitoring Committee; Committee on Committees; and Finance Committee meet. Whole board activities begin with Thursday dinner.

Friday: Working Group Day

Saturday: Board meeting

Sunday: Board meeting followed by Coordinating Council meeting

*In **June**, the Board meets before and after the General Assembly. The schedule allows Board member participation in UUMA Ministry Days. Working groups normally do not meet at the June meeting. In election years (odd years), newly elected trustees must attend Anti-Racism / Anti-Oppression training for leaders following General Assembly.*

*In **October**, the Board meeting is one day longer, with Committee Day on Wednesday. In October of odd-numbered years (2009, 2011...) the Board meeting is preceded by a retreat for new board members beginning on Tuesday or Wednesday.*

October 2013, Boston, MA

Wednesday, October 16 - Committees

Thursday, October 17

Friday, October 18 – Working Groups

Saturday, January 19 – Sunday, January 21 - Board of Trustees meeting
(Board packet deadline: **September 17, 2013**)

January 2014, San Diego, CA

Thursday, January 23 - Committees

Friday, January 24 – Working Groups

Saturday, January 25 – Sunday, January 26 – Board of Trustees meeting
(Board packet deadline: **December 16, 2013**)

April 2014 Boston, Providence, RI:

Thursday, April 10 - Committees

Friday, April 11 – Working Groups

Saturday, April 12 – Sunday April 13 – Board of Trustees meeting
(Board packet deadline: **March 10, 2014**)

June 2014, Providence, RI:

Tuesday, June 24 – Wednesday, June 25 – Board of Trustees meeting

Wednesday, June 25 – Sunday June 29 – General Assembly

Monday, June 30 – Board of Trustees meeting

(Board packet deadline: **May 19, 2014**)

