

USG BOARD AGENDA / MINUTES
February 27, 2018

Attendees: Susan Smith, Eva Finney, William Morrow, Jessica Slivak, Michael Campbell, Eli Searce, Debbie Ward, Joanne Davis; Kent Matthies, Gloria Guldager

Not present: Jenn Leiby

Guests: John Pron, Bill Dowdall

General Background:

- See Appendix 1: MET Report

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1. Approval of January Minutes

- The January 2018 minutes were approved.

2. Elevator Update and Funding Approval

- Background: See Appendix 2
- A revised proposal has been received for an elevator and additional storage. The revised design has no external entrance. However, the current design does allow for installing an external entrance in future. The external wall surface will be stucco.
- The revised cost estimate for elevator work is \$532,285. The driveway estimate is \$38,680. The total of \$570,965 for both the elevator and driveway work comes in just below the estimated revenue of \$571,000. Note that the \$571,000 revenue estimate contains \$56,000 from an anticipated Chalice Lighter Grant (not yet awarded).
- ****Obtain revised cost estimate for elevator work and 95% construction documents from Bill Dowdall**
- The Board expressed concern that the contract be worded to protect USG from potential cost overruns.
- A Chalice Lighter Grant will be submitted on 1-Mar-2018 for the elevator portion of the project. The Chalice Lighter Grant committee will review USG's application in April 2018 and the grant would be awarded in May 2018.
- Approval of the budget by the Board will allow 1) submission of Chalice Lighters Grant and 2) the architect/builder to obtain second bids on some of the work that only has one bid at the moment.
- If the application for Chalice Lighters Grant is not submitted by 1-Mar-2018, the next opportunity for submission would be September 2018. If a Chalice Lighters Grant is not received, work would be on hold until additional funds are found.
- **Decision: The Board approves the submission of an application to Chalice Lighters for \$106,000 based on the total cost of the elevator project (including the monies already spent.) The Board approves the concept contained in the 95% construction documents submitted by John Hubert Associates LLC dated 27-Feb-2018, provided that the final contract price as determined by church counsel does not exceed \$481,122.**

3. Ordination Requests - Connie Simon and McKinley Sims

- Background: See Appendix 3
- USG has received two ordination requests, one from Connie Simon and one from McKinley Sims. USG would be co-ordaining Connie Simon and McKinley Sims with two other UU congregations. Kent has committed to raising the funds for the ordinations (cost to be determined, but possibly ranging from \$500-\$1500 each).
- **Decision: The Board approves USG co-ordaining Constance Simon and McKinley Sims.**

4. DSD Search

- Scott Wolkenberg, Barbyose Sanders, Janet Haas, Gerry Whelan, and Jess Slivak will be on the DSD Search Committee in addition to Kent Matthias. Application deadline is initially set for 15-Mar-2018. Possible start date for the new DSD is 1-Jul-2018. Priority will be finding the best person to run spiritual development for young children through high school-aged youth.

5. Financial Policies – Review and Approval

- Background: See Appendix 4
- The Board discussed the provision in the USG Finance Policy to “assure an audit of the financial activities of the church on a regular basis.”
 - “The Board, with the assistance of the Treasurer and an ad hoc team that may be appointed for this purpose, shall assure an audit of the financial activities of the church on a regular basis; develop procedures for audits and assure compliance with procedures; and report the results to the Board on a regular basis.”
- The Board learned that regular audits of financial activities have not been happening.
- **Decision: The Board agreed that regular audits of the church’s finances should be conducted.**
 - **Action: Michael Campbell to investigate the different levels of audits and report back to the Board.**
 - **Action: Once the Board is apprised of the different levels of audits, the Board (Susan Smith) and MET will meet with the Treasurer to discuss operationalizing the intent to conduct audits on a regular basis.**
- **Decision: The Board approves the revised Financial Policies as amended in Appendix 4.**

6. Financial Task Force Recommendations - Eva

- Background: See Appendix 5
- *Deferred to next month*

7. Attendance and Participation Trends - Kent

- Background: See Appendix 6
- *Deferred to next month*

8. GMTF Appointment – Lee Meinicke

- **Decision: The Board approves the appointment of Lee Meinicke as a member of GMTF.**

9. Senior Minister’s Performance Evaluation

- The Minister’s self-evaluation will be submitted in April 2018.

10. Strategic Planning

- USG's strategic plan was completed 12 years ago and we are due to refresh the plan. This will be forthcoming in future Board meetings.

11. Congregational Awards

- Congregational Award recipients will be discussed in upcoming Board meetings, in advance of the Annual meeting.

Appendix 1: MET Report

Ministry Executive Team
Report February 2018

DSD Search Process

Rev. Kent met with Susan Smith, Jenn Leiby, and Delores Hill to begin planning the DSD search process. This group, with input from the Board and MET, developed a list of names of candidates to serve on the DSD Search Committee whose members will include Rev. Kent, a representative from the Board, and 4 lay people. Several individuals on the list are being contacted and, to date, Janet Haas, Barbyose Sanders, and Gerry Whelan have agreed to serve on the committee. In addition, the DSD job opening has been posted on the UUA and LREDA (Liberal Religious Educators Association) websites.

Personnel Assessment

Annual performance reviews of USG staff have begun and will be completed by May 1, 2018. Rev. Kent will meet with Jason Bender, Mark Daugherty and Gloria to review and discuss performance appraisal; Gloria will meet with Carolyn Scott and Mike Rogers.

As part of the budget development process and to help us assess employee compensation, MET has asked Betsy Gabriel to gather information from the UUA regarding fair compensation for church employees.

Black Lives of Unitarian Universalism (BLUU)

At the January 28th service, USG raised \$3,125 for BLUU. This exceeded our goal of \$2,980 (per UUA suggestion of \$10 per congregant).

Rev. Kent will reach out to a BLUU representative to explore the possibility of inviting someone from BLUU leadership to visit for a session with USG leaders with the goal of deepening our understanding of BLUU goals and programs.

All-church Dinner Update

The All-church Dinner, originally scheduled for June 9, 2018, has been rescheduled to May 5, 2018. We moved the date up because of the revised timeline for the elevator construction start date. The event is being coordinated by Nicole Miller Marks and Melissa Guerriero.

Appendix 2: Elevator

Elevator Update

From: <wpdowd@aol.com>
Date: Tue, Feb 27, 2018 at 10:58 AM
Subject: Elevator Update
To: susanbsmith11@gmail.com

Elevator Update

The committee and architect have spent the last two months reengineering the elevator addition. The original design was simply too expensive. The original idea was to have an ADA compliant elevator that served all three levels. At the May 2016 Membership meeting, our members also expressed the need for additional storage space and the desire to have an outside entrance. The first plan and design included both storage and the outside entrance, but the cost exceeded our budget. We needed to eliminate several items to bring the cost down to what we can afford. Here are some of the items that we eliminated: The outside entrance along with the walkway, terrace. terrace stairs, retaining walls and lighting, replacing copper roofing with EPMD membrane roofs, eliminating the clearstory roof, eliminating both air conditioning and steam heat, and having stucco exterior walls. By doing this, we are able to keep the ADA compliant elevator and storage space while bringing the cost down to figure that's very close to the budget.

I will be meeting with our architect this afternoon in order to get the updated cost and what additional modification is possible if needed. I have attached two new renderings-views of both outside and inside. The inside view is from the north wall looking past the elevator into the entrance to the main building next to the Daskam room. The outside view has the addition in white with the Daskam room to the left in grey and the Sullivan past the addition also in grey.

Bill Dowdall

External Stucco



Interior



Appendix 3: Ordination Requests

Connie Simon

Connie Simon

6655 McCallum Street, Philadelphia, PA 19119 ~ 215.820.6959 ~ Connie@CMSimon.com

January 27, 2018
Susan Smith
President, Board of Trustees
Unitarian Society of Germantown
6511 Lincoln Drive
Philadelphia, PA 19119

Dear Susan:

I am writing to request that the congregation of the Unitarian Society of Germantown ordain me as a Unitarian Universalist minister in a ceremony to be held at the First Unitarian Church of Philadelphia on June 10, 2018.

The Minister of Divinity program at Meadville Lombard Theological School is a threeyear program designed to supplement classroom learning with practical, hands-on training. Rev. Kent Matthies has served as my “Teaching Pastor” since 2015. During my first year of seminary, we met monthly to discuss the “big picture” of ministry and my discernment process. He introduced me to the congregation in May 2016, explaining that I would be with you as a part-time intern for the next two church years beginning in August 2016 and ending in June 2018.

So much has happened to us during those two years! You welcomed me with open arms and open hearts, allowing me to become part of the community and inviting me into your lives. Within the safety of our beautiful building, I’ve honed my worship, leadership and pastoral care skills. With your guidance, I’ve done some things well and I’ve made some mistakes. Together, we’ve had successes and challenges as we continue to grapple with issues of racial and social justice, the upheaval of our denominational leadership during Rev. Kent’s sabbatical, and the death of several beloved members of the USG community. Through it all, we’ve held one another in love. The staff, leadership and congregation endured my endless questions and requests for information as I worked on weekly school projects. Rev. Kent and my Intern Committee (Charles Gabriel, Parvathy Menon, Tom Ott and Debbie Ward) completed innumerable forms and evaluations for my school and the UUA. You made sure I took care of myself, got enough sleep, ate well and was well-prepared as you sent me off to the UUA Ministerial Fellowship Committee. I know that a huge portion of my success there was due to the love and support of the USG community.

Because of you, I am ready to graduate and begin my own ministerial career. I can think of no greater honor than to celebrate our time together with a dinner on Saturday, June 9 and to be co-ordained by USG and the First Unitarian Church of Philadelphia on Sunday, June 10 and hope that you will vote affirmatively on my request.

Please let me know if you have questions or need additional information.

In faith and love,
Constance M. Simon
Intern Minister, Unitarian Society of Germantown
Candidate for Unitarian Universalist Ministry
M. Div. Student, Meadville Lombard Theological School
215.820.6959
Pronouns: She/Her/Hers

cc: Rev. Kent Matthies, Senior Minister

Charles Gabriel, Intern Committee
Parvathy Menon, Intern Committee
Tom Ott, Intern Committee
Deborah Ward, Intern Committee

McKinley Sims

Rev. Kent Matthies and Susan Smith, President of the Board at the Unitarian Society of Germantown,

My name is McKinley Sims, a fellowshipped minister in the Unitarian-Universalist tradition, endorsed by the Ministerial Fellowship Committee of the UUA, and former Student Minister at USG in the 2014-15 church year. I am currently serving at St. Elizabeths Psychiatric Hospital in Washington, DC as a Psychiatric Chaplain Resident, but I look back fondly on my time in Germantown.

My time at USG was the best learning experience I could've asked for. The year was so encouraging and such a validating ministry experience; I would not be seeking to fulfill a call in the UU tradition if not for the wonderful congregation at USG. Because of this, I am asking for the Unitarian Society of Germantown's blessing of Ordination in a co-ordaining ceremony with the church I served in Fairfax, Virginia. I would be honored and humbled to represent the UU faith and USG in particular as I move forward with this calling.

Please let me know if USG would see fit to ordain me in the coming months. I will happily provide whatever information you deem necessary to make it possible. Thank you so much for your time, have a beautiful day!

Yours in faith,
McKinley

McKinley L. Sims, M.Div.
Chaplain Resident
St. Elizabeths Hospital
Department of Behavioral Health

Appendix 4: Financial Policies

USG Finance Policy

UNITARIAN SOCIETY OF GERMANTOWN FINANCE POLICY
Approved by the Board of Trustees 2/24/2015
Revised by the Governance and Ministry Task Force 9.4.17
Further revised by the Ministry Executive Team 11.14.17

Submitted to the Board of Trustees for review 1.17.2018

Purpose: The Finance Policy will provide for adequate controls in the financial activities of the Unitarian Society of Germantown (USG) and responsible stewardship of USG's financial assets.

Scope: The Finance Policy shall govern: (1) the acquisition and receipt of money; (2) managing money and financial assets; (3) the expenditure of money; and (4) financial reporting and communications. Any additional policies in the area of finance shall be prepared by or in consultation with the Ministry Executive Team and Treasurer, and approved by the Board of Trustees (Board). Financial procedures should be prepared by the Ministry Executive Team and reviewed by the Treasurer.

Responsibilities: The Board has overall responsibility for the financial health of the church. The Board shall appoint a Treasurer. The Treasurer and the Ministry Executive Team shall have the financial duties designated by the Board and described herein.

Effect on previous policies: This Finance Policy incorporates, and therefore supersedes, prior policies to the extent they are inconsistent with this Finance Policy. Many prior policies include procedures. Those procedures shall provide a reference for the development of ongoing procedures under this Finance Policy.

I. The acquisition and receipt of money

The Ministry Executive Team, in conjunction with Councils and Committees under its purview, shall:

1. Conduct an annual pledge/stewardship campaign.
2. Appropriately follow up on unpaid pledges
3. Pursue rental income.
4. Pursue income from sources other than pledges or rentals, both from within and outside the congregation.
5. Pursue grants as appropriate. Grants in USG's name must be requested by USG, and funds from grants must be payable to USG.
6. Ensure that gifts (non-pledge contributions) of \$1,000 or more are specially acknowledged, and that restricted gifts are utilized in accordance with the donor's requirements and tracked appropriately.

There shall be procedures to govern all the above. The procedures shall contain appropriate controls to assure there is no misappropriation of funds.

II. Managing financial assets

Accounts:

1. The Ministry Executive Team will allocate responsibilities for the design, implementation and maintenance of financial systems.
2. The Ministry Executive Team will be responsible for overseeing an appropriately credentialed bookkeeper or other individual(s) with appropriate expertise and experience to perform all bookkeeping-related functions of the church, including accounts receivable and payable, account reconciliation, payroll, taxes, etc.
3. The Board, with the assistance of the Treasurer and an ad hoc team that may be appointed for this purpose, shall assure an audit of the financial activities of the church on a regular basis; develop procedures for audits and assure compliance with procedures; and report the results to the Board on a regular basis.

Developing the budget:

The Board may provide the Ministry Executive Team with such requirements and limitations as it deems appropriate for the fiscal year for which the budget is being prepared.

The Ministry Executive Team shall be responsible for preparing an annual budget that complies with the Board's requirements and limitations, and provides a foundation for fiscally sound planning and management. Accordingly, the Ministry Executive Team shall:

1. Develop a budget that:
 - a. Is guided by the Board's stated expectations and limitations as well as the current strategic initiatives
 - b. Contains sufficient information to enable credible projection of revenues and expenses, tracking of cash flow, and disclosure of planning assumptions
 - c. Includes input from active committees and councils, and reflects iterative discussions with committees and councils when making adjustments that affect their budget requests
 - d. Prioritizes Board-stated strategic initiatives in the allocation among competing fiscal needs
 - e. Includes the Treasurer in the budgeting process and states any assumptions or views by the Treasurer needed to provide context
2. Present an annual budget to the Board in a timely manner to allow for discussion, input from the congregation as determined by the Board, revision and final Board approval before the beginning of the fiscal year to which the budget applies.

Conducting operations within budgetary requirements:

The Ministry Executive Team shall:

1. Conduct operations within the approved budget for the designated program area or function.
 - a. The Ministry Executive Team may transfer unspent and uncommitted funds from one program area to another, in order to allow consideration of changing needs and circumstances, provided that the program or function that would be affected by the change is consulted in advance.
 - b. The Building and Grounds Committee may reallocate budgeted funds among line items within their purview.
 - c. When funds are re-allocated, there shall be approval and notification procedures to ensure that an accurate and up to date budget is maintained.
2. Keep the Treasurer apprised of the current financial condition of the church and provide the Treasurer additional information on request.
3. Consider any requests for additional funding made by programs or functions.
4. Confirm that income and operational expenditures do not deviate materially from the approved budget. If they do, the Ministry Executive Team shall promptly inform the Board, so that the Board can consider any needed adjustments.
5. If the Ministry Executive Team determines that the overall budget does not contain sufficient funding for the current fiscal year (e.g. due to a deficit in pledges or other expected income, an emergency, or unforeseen new expenses crucial to the mission and goals), it will work to find areas to cut expenses and/or identify additional ways to raise funds in consultation with the Treasurer and/or other church

committees. The Board will be informed and consulted throughout the process. Any material alterations to the current year's budget must be approved by the Board.

6. Assure that payroll and debts are settled in a timely manner.
7. Assure timely filings and payments of taxes and other governmental obligations.
8. Assure that the church carries appropriate insurance at all times, in categories and levels approved by the Board.

Special project accounts:

Committees and working groups have need of an institutionally recognized procedure for accumulating and disbursing funds for USG projects. These accounts may span multiple budget years. It is recognized that these off-budget activities are both inevitable and desirable. Accordingly, there shall be procedures to:

1. Facilitate the development of funds for activities in the congregation.
2. Standardize the treatment and practices associated with these accounts.
3. Hold, account for, and expend those funds safely and expeditiously. The procedures shall contain appropriate controls to assure there is no misappropriation of funds.
4. Allow a comprehensive institutional overview of these financial assets, obligations and activities.
5. Separate off-budget funds being held from Operating and Endowment accounts.
6. Assure that, subject to the agreement of the account holder, completed project accounts are closed on the completion of the project and remaining funds are transferred to an appropriate account, to be determined by the ~~Finance Council~~ Treasurer.

Investment accounts:

1. The Board shall assure that ~~an outside a non-USG~~ investment manager is engaged to oversee the investment of the General Endowment and other components of the Consolidated Investment Fund.
2. The Treasurer, under the direction of the Board, shall monitor and evaluate the performance of the outside investment manager; report its findings to the Board; and recommend instructions to, or changes of, the investment firm as needed.
3. There shall be appropriate controls to ensure that there is no misappropriation of investment funds.

Closing the fiscal year:

1. Procedures will govern the coordination of all purchasing activities, budget and financial transactions to assure closing of the fiscal year in a timely manner.
2. The fiscal year shall be closed within 90 days of the end of the fiscal year.

III. The expenditure of money

1. The Ministry Executive Team shall create and regularly update an Expenditure Authority Chart that will state who is authorized to make expenditures in what amounts and subject to what approvals. The Board shall approve the Expenditure Authority Chart and any substantive updates other than changes in the identity of the account holder.
2. Authority to approve and effectuate requested expenditure of funds from Operating or Project Accounts is a function of the Ministry Executive Team, which is responsible for both the Operating and Project Accounts.

3. Authority to approve payments or transfers from the Investment Accounts lies with the Board. Effectuation of expenditures or transfers to/from those accounts is the function of the Treasurer.
4. The Treasurer shall be appointed by the Board of Trustees. The Board shall make known the identity of the holder of this office. The Ministry Executive Team shall notify the Church's banks and investment advisors as appropriate.
5. All expenditures by check of \$5,000 or more shall require two signatories, with the second being a member of the Executive Committee of the Board of Trustees (President, Vice President, Secretary) if the expenditure is from the CIF, or a member of the Ministry Executive Team if the expenditure is from an Operating or Special Project Account. There shall be procedures to assure that the second signature shall be obtained within seven days of the first signature in order to assure timely payment.
6. Major capital improvement projects at the Unitarian Society of Germantown which utilize funds other than those in the operating budget or funds from the Maintenance Reserve Fund must be reviewed and approved by the Board prior to any contracting or work, unless otherwise authorized by the Board.

IV. Financial reporting and communications

For all financial reports described below, the complete financial status (operating accounts, special project accounts and investment accounts) shall be included.

Monthly

The Ministry Executive Team will follow the status of USG's finances. The Ministry Executive Team will address outstanding issues and report them to the Board as appropriate.

Quarterly

The Ministry Executive Team, working with the Treasurer, will prepare a report each quarter which summarizes the status of USG's operating budget, special project accounts, balance sheets, and investment accounts. The report will highlight any issues the Board needs to address and will be circulated to committee chairs.

The Board will share the Quarterly Finance Report with the congregation via the website.

Annually

The Treasurer, working with the Ministry Executive Team, the bookkeeper and the Church Administrator, will be responsible for closing the books at year end no later than 90 days after the end of the fiscal year. The final year-end reports will be distributed to the Board and the Congregation. The Board, MET and the ~~Finance Council~~ Treasurer will present detailed financial information to the congregation at the annual meeting.

**UNITARIAN SOCIETY OF GERMANTOWN BACKGROUND TO FINANCE POLICY approved by the Board of Trustees
2/24/2015**

This document is intended to provide context for the USG Finance Policy that was approved by the Board of Trustees on 2/24/2015, as revised. This document is not part of the Finance Policy.

This Finance Policy was prepared at the request of the Board of Trustees (Board) and the Governance & Ministry Task Force (G&M) to govern financial matters at USG under the governance system that became effective July 1, 2014. The sub-team that worked on the policy was comprised of Marina Patrice Nolan (Board VP and G&M), Rudy Sprinkle (Financial Secretary), Michael Campbell (Chair, Finance Council), Scott Murray (G&M), Beth Lazer (G&M, MET), Kent Matthies (Minister, MET), Gloria Guldager Smith (G&M, MET) and Andrea Parry (G&M). It was reviewed by the complete G&M task force and the Finance Council, and their comments were incorporated. Additional revisions requested by the Board were also made.

The Finance Policy relies heavily upon existing USG policies. It attempts to excerpt current USG financial policies from documents that combine policy and procedure, and to use the current policies/procedures as a basis for identifying areas in which procedures will be required under the Finance Policy. It is assumed that the existing USG procedures will be utilized after they have been modified as needed in the context of USG's revised governance structure. The current USG financial policies are available at <http://usguu.org/policy/budget-finance-and-church-funds>.

The Finance Policy does not address criteria for the selection of contractors or service providers (e.g conflict of interest, efforts to use minority or women contractors, competitive bidding). There should be a separate overall policy concerning avoidance of conflicts of interest. Other than this, the decision as to how contractors should be chosen may differ for Building and Grounds, which entails special considerations, and other committees. To the extent the Board should decide that these things should be matters of policy rather than procedure, we respectfully suggest that the committees and councils affected be consulted before a decision is made.

This document also borrows from the Finance sections of the UU Church of Delaware County Executive Limitations. UUCDC has a policy governance structure, in which the Board has adopted a global delegation policy that delegates to the Minister (or executive team) the authority to run church operations in any manner that does not violate the Executive Limitations. Thus, the UUCDC document is worded in the negative, as prohibitions against what the Minister may not do. In doing this draft, we have assumed that USG will not have a global delegation policy. Thus, this draft attempts to state what the Board wishes to be done, rather than what is prohibited.

In addition, the Executive Limitations of other churches with a policy governance structure available through the UUA website were consulted:

- Dallas -<http://www.dallasuu.org/images/docs/policies.pdf>
- San Francisco -<http://www.ozdachs.com/sfuu/governance.htm>
- Unity Church, St. Paul, MN, mission and ends -<http://www.unityunitarian.org/mission-and-ends.html>
- Unity Church, St. Paul, MN, policies, but you have to download the pdf -
<http://www.unityunitarian.org/board-of-trustees.html>
- First U church, Oakland, CA -http://www.uuoakland.org/about/official_church_documents/

Role of Treasurer and abolition of Finance Council

USG – Role of Treasurer and abolition of Finance Council – Review of policies

Draft 9/4/2017

Approved by the MET 12.15.2017

Submitted for Board review 1.17.2018

USG Policies are available in an on-line policy manual on the USG website accessible to members (under Members/ Policies and Procedures, <http://usguu.org/members-online/policies-and-procedures/>). The following policies need revision in light of the expanded role of the USG Treasurer (approved by the Board on 11/29/2016) and the concomitant abolition of the Finance Council.

Policy Manual Heading	Policy/ Language to be revised	Proposed revision	Comments
Governance	<p>Oversight by the Board of Trustees Policy 2.23.16 “The Board of Trustees has responsibility for overseeing all USG functions and activities. It shall execute this responsibility in the following manner:</p> <ul style="list-style-type: none"> • “The Board shall ensure that the Finance Council, under the direction of the Ministry Executive Team, has in place and utilizes appropriate procedures for the financial management of USG.” 	<ul style="list-style-type: none"> • The Board shall ensure that appropriate procedures for the financial management of USG are developed and utilized by the Ministry Executive Team and the Treasurer. 	
Groups Appointed by the Board or Elected by the Congregation	Finance Council Charter 11.25.14	Needs to be removed from website	Board voted to abrogate the Finance Council on 11/29/2016, when it approved an expanded role for the Treasurer. It has been removed from the website on request.
Groups Appointed by the Board or Elected by the Congregation	Treasurer’s Responsibilities	Suggest defining Treasurer’s responsibilities in a document readily accessible to all members. There is nothing in the policy section. Is this easily	Board adopted expanded role for Treasurer on 11/29/2016.

Policy Manual Heading	Policy/ Language to be revised	Proposed revision	Comments
		available elsewhere on the website?	

Policy Manual Heading	Policy/ Language to be revised	Proposed revision	Comments
<p><i>Financial and Contracting Updated Policies</i></p> <p><i>[Note: Policies Under Review will be reviewed by MET. Procedures set forth in those policies can be utilized in development of current financial procedures. After review, the policies will be abrogated, as they have been superseded by the Finance Policy approved by the Board on 2/25/2015.]</i></p>	<p>Finance Policy 2.25.15</p> <p>Various language is outdated.</p>	<p>See separate markup of Finance Policy.</p>	<p>See the Backgrounder to the Finance Policy, which describes its development, for additional clarity on what was contemplated and who was involved.</p>
<p><i>Financial and Contracting Updated Policies</i></p>	<p>Maintenance Reserve Fund Policy 5.26.15</p> <p>Procedures/ Approval Levels:</p> <p>....</p> <p>All expenditures will require notification to the Finance Council Chair. Finance Council is responsible to assure that funds can be made available in a timely fashion once a project is identified and communicated.</p>	<p>All expenditures will require notification to the Ministry Executive Team. The Ministry Executive Team, working with the Treasurer as appropriate, is responsible to assure that funds can be made available in a timely fashion once a project is identified and communicated.</p>	
<p><i>Membership, Committees and Programs</i></p>	<p>Council and Committee Chair Selection Policy 4.26.16</p> <p>3. For the following committees and councils, approval of the Board President is required before someone is asked to serve</p>	<p>Suggest deleting</p> <ul style="list-style-type: none"> • Finance Council and Investment Committee 	

Policy Manual Heading	Policy/ Language to be revised	Proposed revision	Comments
	as chair. The Board President shall give other Board members a chance to comment, but may require that they respond within three days or forgo comment: • Finance Council and Investment Committee		

Appendix 5: Financial Task Force Recommendations

-----Original Appointment-----

From: Finney, Eva M.
Sent: Thursday, January 04, 2018 1:47 PM
To: Finney, Eva M.; Bill Morrow; Mark Bernstein; sbockius43@gmail.com; Kent Matthies; admin@usguu.org; Dennis Brunn; Michael Campbell
Cc: Bernstein,Mark
Subject: Meeting: USG budget priorities and approval/authorization requirements
When: Sunday, January 28, 2018 12:00 PM-2:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: USG - Sullivan Chapel 1 & 2

Attendees: Eva Finney, Bill Morrow, Mark Bernstein, Susan Bockius, Kent Matthies, Gloria Guldager, Dennis Brunn
Absent: Michael Campbell

MINUTES

SCOPE

- A. Provide guidelines to MET for budget prioritization, particularly with respect to:
 - 1. Question: Should any committee be permitted to carry forth from year to year budgeted but unspent funds?
 - 2. Question: Is the budget priority to protect and grow the CIF or eliminate the annual operating budget deficit?

- B. Provide guidelines for how to move monies around between various CIF and operating funds, particularly with respect to:
 - 1. Question: Should endowment funds budgeted to cover the “deficit” (i.e., line 4040 General endowment transfer to cover deficit) be transferred into the Operating Account during the last 30 days of the fiscal

- year when, in the opinion of MET and the Treasurer, it appears that actual income will exceed actual expenses for the year?
2. Question: With respect to moving funds into the Edna Jones Fund, what is the purview of MET and what is the purview of the Board?

DEFINITIONS:

- Endowment Fund = the following funds: General, Music, Edna Jones, Memorial, Nicky Brown, and Sullivan Assistance
- CIF Funds = the totality of Endowment Funds

BACKGROUND NOTES:

- Only the Board can authorize to move CIF funds from one Endowment Fund to another, or to the Operating Account.
- Cash-basis accounting: all transactions need to be completed prior to 30-Jun to count for the prior financial year.

RECOMMENDATIONS:

- A. Provide guidelines to MET for budget prioritization, particularly with respect to:
 1. Question: Should any committee be permitted to carry forth from year to year budgeted but unspent funds?
 - **Recommendation:** As a policy matter, no committee is permitted to carry forward, from year to year, its budgeted but unspent funds.
 2. Question: Is the budget priority to protect and grow the CIF or eliminate the annual operating budget deficit?
 - **Recommendation:** It is the priority to eliminate the annual operating budget deficit (as opposed to protecting and growing the CIF).
- B. Provide guidelines for how to move monies around between various CIF and operating funds, particularly with respect to:
 1. Question: Should endowment funds budgeted to cover the “deficit” (i.e., line 4040 General endowment transfer to cover deficit) be transferred into the Operating Account during the last 30 days of the fiscal year when, in the opinion of MET and the Treasurer, it appears that actual income will exceed actual expenses for the year?
 - **Recommendation:** If it appears that actual income will exceed actual expenses for the year, endowment funds budgeted for line 4040 (General endowment transfer to cover deficit) should not be transferred into the Operating Account, absent Board directive.
 2. Question: With respect to moving funds into the Edna Jones Fund, what is the purview of MET and what is the purview of the Board?
 - **Recommendation:** It is the Board’s purview to determine which funds, if any, are moved into the Edna Jones Fund.

Appendix 6: Attendance and Participation Trends

Attendance and Participation Analysis
Unitarian Society of Germantown
By Kent Matthies, Minister
Jason Bender, Director of Spiritual Development
Kay Weiser, Ministry Executive Team
February 20, 2018

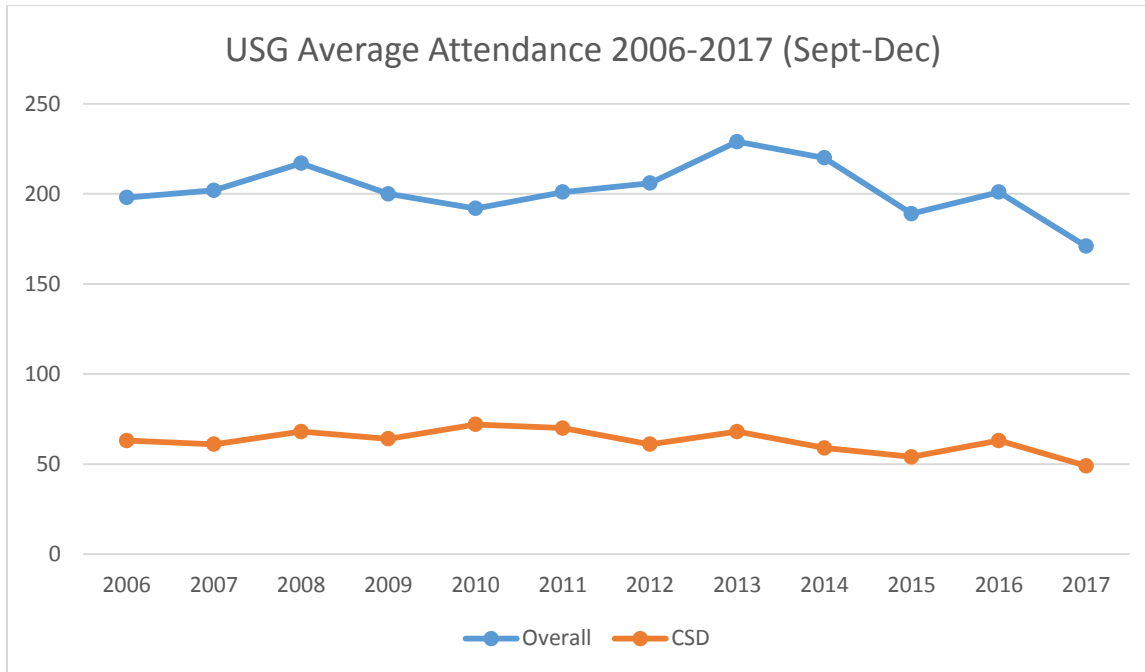
In church life attendance and participation are important. Of course, numbers never tell the entire story. Quality spiritual experiences, which transform lives, can and do happen all the time in small groups. How much good USG people do for and in the world outside the church is tremendously important.

However, we also know that people vote with their feet and bodies. When people believe that programs will have a quality impact on their lives or the lives of others they tend to come to church.

Hence, we take the time to look at how many total people come to worship and children's spiritual development on Sunday mornings. We count every person. This includes worship leaders, choir members, ushers, CSD teachers and child care workers.

Here are the total average numbers for every Sunday of September – December of twelve consecutive years (2006-2017).

2006	198	
2007	202	
2008	217	
2009	200	
2010	192	
2011	201	
2012	206	
2013	229	2013, 2014, 2015 two worship and CSD services
2014	220	
2015	189	
2016	201	
2017	171	



From 2006-2012 we saw significant growth in Sunday morning attendance. By adding an additional service we saw opportunities to expand the shapes and forms of worship and children’s spiritual development. This included the addition of the USG Band (UUrban Mystics), the large screen, and innovative ways of doing children’s chapel and children’s social justice Sundays.

With all this in mind we during the church years of 2013-14, 2014-15, and 2015-16 USG provided two worship and children’s spiritual development services. Near the end of 2015-16 we came to believe that the cost-benefit analysis of people and money investment did not bear out the rationale of continuing with two worship and CSD services. Hence, in the fall of 2016 we began again with only one worship service and CSD offering. During the fall of 2017 Kent and others became aware and concerned about dropping attendance numbers.

SIGNIFICANT FACTORS TO CONSIDER:

We believe that overall we have a strong, healthy church, meeting many of the spiritual needs of a wide variety of people. We also believe that we are called to more fully grow into our effectiveness of living out this mission. With this in mind here are some possible contributing factors for why attendance is down.

- USG Program Staff has experienced significant turn over through the last years.
 - 11-12 Eric Dupree DRE, .6 FT, Sandy Campbell RE Assistant.2 FT
 - 12-13 Jody Wheldon, DSD FT, Joan Javier Duval Intern Minister FT
 - 13-14 Daniel Gregoire, DSD, FT, Joan Javier Duval .5 Consulting MInister
 - 14-15 Daniel Gregoire Assistant Minister FT, McKinley Sims, Student Minister .5
 - 15-16 Daniel Gregoire Assistant Minister FT
 - 16-17 Jason Bender DSD FT, Connie Simon Intern Minister .5 FT
 - 17-18 Jason Bender DSD FT, Connie Simon Intern Minister .5 FT

- USG went back to having one worship service and CSD offering per Sunday. A number of people appreciated going back to one service (we can all see one another). However, going back to one service probably reduced overall number of people coming to church on Sunday morning.
- People in wider society are busier than ever.
- USG has a large percentage of younger retired people with resources who travel lots.
- Many studies show that throughout the United States overall attendance is down at religious organizations in general and UU churches in particular.
- USG has grown in quality and quantity of every day spiritual and justice programs. People who will only come once per week to church may be coming Tuesday night for small group ministry and not on Sunday morning.
- Donald Trump was elected President in November of 2016. Our church – like many other UU congregations – experienced a “Trump bump” in attendance for a number of weeks and months after the election. However, the majority of those “Trump bump” attendees did not convert into consistent and long-term regular attendees.
- Kent was on sabbatical from Feb. 15-Aug 15 of 2017. A segment of our community may not be enthused about his return to regular preaching. Alternately, and not contradictory to the previous point, a segment of USG may be slow to come back to momentum of participating in post-sabbatical time.
- The UUA and USG have focused intensively on anti- White Supremacy efforts during 2017. Our denomination has experienced one of the bigger internal crisis in decades. This all may have an overall negative impact on attendance.
- Over the last year we have heard many people say that USG feels more like a social justice organization than a spiritual community. Folks may be wishing for more spiritual grounding in worship than they are experiencing.

NOTES SPECIFICALLY FROM JASON BENDER, Director of Spiritual Development

The following is the average CSD attendance for September through December of indicated years:

2006: 63

2007: 61

2008: 68

2009: 64

2010: 72

2011: 70

2012: 61

2013: 68 (2 CSD Offerings)

2014: 59 (2 CSD Offerings)

2015: 54 (2 CSD Offerings)

2016: 63

2017: 49

While attendance in CSD is the lowest this year (2017) than it has been in the past 12 years, it is still within the parameter of normal church activity. This assumption is based upon the historical ebb and flow of attendance from year to year, which seems to hover around an average attendance of 63 participants.

There are many reasons that CSD attendance might be unable to grow the way we might like it to. With the exception of the last point about dedicated space for RE programs, the following assessment is based upon general observations of UU churches that I’ve either worked at, or discussed with other RE professionals, over the past 6 years. These include:

- There is no commitment required from parents, financial or otherwise, for most CSD classes. In some classes such as Coming of Age (COA), where we have set expectations about participation from the beginning, we've seen high and steady attendance rates throughout the course of the year. This requires ongoing communication between parents and the teaching team, which is an added layer of work for the teaching team that typically receives push back.
- CSD is completely run by volunteer teachers, most of whom do not have a teaching background. Typically, congregates who are teachers by trade choose not to participate in CSD, because they are teaching children all week long, and Sunday morning is time for them to take a break. This means that volunteer teachers are mostly on their own in terms of learning how to manage a classroom and deliver a lesson. The teacher workshops that we've implemented the past two years have begun to address this issue, but it is not enough.
- Peoples' lives have only gotten busier. For children (the student), this means that Sunday school is now competing with sports, homework and time with friends. For Adults (the volunteer teacher), it means less time to put into crafting meaningful lessons.
- The class structure is not conducive for community building or for creating scaffolded lessons (lessons that are built off one another). The reasons are multiple. Each class is 45-minutes (at most) and meets 4 times per month (at most). If the same teacher taught the same kids for the same amount of time each week, this class structure might be adequate (as we've seen happen in both Coming of Age and Youth Group). However, to address the issue of "limited volunteer time" we've created teaching teams of at least 4 teachers per class. This means that teachers rotate week-to-week, which in turn means they see their students 1-2 times per month at most. Couple this with sporadic attendance by children (for reasons mentioned above), the class as a community gets totally fragmented as do the lessons. It's very difficult to create a meaningful classroom experience given these dynamics.
- Children go to school all week long, and the last thing they want to do with their weekend is more school. We use the free curriculum from the UUA, which is highly academic. Thus, our classrooms tend to look and feel like school. We use this curriculum because it is easy for volunteer teachers to use. Most often, volunteer teachers don't have the time or know-how to craft individualized lessons for their class, which would be ideal. Moreover, we do not have the staff time available to commit to writing our own curriculum that may be more in line with both students and teachers needs.
- Physical meeting space is constrictive. Because we share our CSD meeting space with many other groups, we cannot run programs like "maker space", which is a program that might help us move away from making Sunday morning feel like school. To implement "maker space" in the Sullivan wing and Assembly room, we would need a significant investment in storage space and materials probably in the neighborhood of \$5000.

CONCLUSIONS

This report is meant to provide information, ideas and questions for further conversation. We invite your input. Our goal is to create the most accurate, clear-eyed view of the state of the church. With increased clarity we will now move into an effective, creative planning process for future USG efforts. How can we make a roadmap of ministries and programs to most effectively meet the spiritual needs and aspirations of the members and friends of USG and the wider community?