



# BOARD POLICY BOOK

as of October 2025

**Color key:**

**Black = Policies approved by the Board of Trustees**

**Red = Policies to be developed**

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## INTRODUCTION

Using the authority the Society has given it through the Bylaws, the Board of Trustees has adopted the following policies. Written policies of the Unitarian Universalist Society of Schenectady define the Board’s own role and the roles of others, delegate authority, give guidance, and create accountability. Policies provide a framework for decisions to be made by individuals and by the various groups within the congregation away from the Board table. By policy, the Board fixes responsibility for making decisions, protects the congregation’s human and material resources, and sets standards for the conduct of the congregation’s work. As policies continue to be created and refined, this Policy Book will be updated and made readily available to the congregation.

*Affirmed March 20, 2017*

## USS MISSION

Connecting in spiritual community, we  
celebrate life with joy  
grow in compassion  
create justice

## USS VISION

The vision of the Unitarian Universalist Society of Schenectady:

- We will boldly live our Unitarian Universalist Principles, within our church and in service to the larger community
- We will nurture mind and spirit through lifelong learning, engagement and growth
- We will create a community that welcomes, embraces and supports all
- We will worship in ways that comfort, inspire and challenge

# 1. BOARD GOVERNANCE

## 1.1. Philosophy of Governance

The congregation elects a Board of Trustees to serve as its governing body and calls a Minister(s) to serve as its spiritual, program, and administrative leader. Leaders at all levels of the congregation are expected to practice open decision-making, healthy conflict management, and mutual support in their respective roles.

The Board of Trustees is committed to activities and processes within the Society that:

- Clearly separate governance and management functions;
- Clearly define roles, responsibilities, and lines of authority;
- Empower staff and volunteers and hold them accountable;
- Allow for organizational agility, clarity and direction; and
- Allow the Board to focus its attention on discernment, strategy and oversight.

While fulfilling the specific roles and responsibilities spelled out for it in the congregational Bylaws, the Board intends to govern primarily by:

- Discerning and promoting the long-term mission, vision and well-being of the congregation;
- Setting goals and making strategic choices;
- Creating and sharing written policies to guide the congregation's ministry; and
- Monitoring and evaluating the congregation's leadership, including the Board itself.

*Affirmed October 19, 2015*

## 1.2 Policy Development and Adoption

In order to meet the commitments set forth in its Philosophy of Governance, the Board of Trustees will take steps to ensure that the policies in its Board Policy Book are clear, useful and reviewed on a regular basis.

Proposals for new policies or for amendments to existing policies will typically come from the Board itself or from the Governance Advisory Committee. Other church groups, members or staff who wish to propose a change in policy should contact the Governance Advisory Committee to describe their proposal and why it may be needed. The Governance Advisory Committee may research and edit the proposal and, if in agreement, forward it to the Board for consideration.

Proposals for new policies or for amendments to existing policies must be introduced at one meeting of the Board of Trustees for discussion only and voted upon at a subsequent meeting of the Board. This is designed to give time for reflection and evaluation, and for stakeholders to share any comments with the Board.

A new or amended policy must be approved by a majority vote of the Board.

*Affirmed September 19, 2016*

## 1.3 Board Meetings

The Board of Trustees shall hold regular meetings in accordance with the bylaws. These meetings shall be scheduled and publicized to the congregation in advance. Notice of any special meetings of the Board shall be posted at the church and on the church website. With the exception of executive sessions which involve discussion of personnel, legal and/or real estate matters, all meetings and the records thereof shall be open to Members of the Society.

At times when it is not possible or practical for all Board members to meet in person, a meeting of the Board may be conducted with participation by electronic conference media. Such a meeting will be governed by all of the rules that pertain to regular meetings of the Board, including the recording and approval of minutes. In instances of time urgency, the President may call for a vote of the Board by email with the consent of all Board members. Any action so taken must be ratified at the next Board meeting. If any Board member does not have email, the President will use an alternative means of contact to secure that member's vote.

*Affirmed September 19, 2016*

### **1.3.1 Agenda Setting**

The agenda for the Board of Trustees meetings shall be established in a collaborative process led by the President, with participation of other members and the minister(s). The agenda shall be provided to Board members at least two days in advance of the meeting.

### **1.3.2 Use of Consent Agenda**

The consent agenda contains actions the board will take without discussion, in order to deal efficiently with necessary information and routine actions to be taken by the Board. Usual Consent Agenda items will include minutes of the previous meeting (for formal approval) and reports from Board Advisory Committees, Ministry Teams and Staff (for acceptance). Any Board member may request that any item be moved from the Consent Agenda to the Discussion/Action agenda.

### **1.3.3 The Board Packet**

The board packet, to be provided at least two days prior to the meeting, will contain the following:

- A reminder of the time and place of the meeting.
- A listing of consent agenda items
- A listing of discussion/action agenda items, preferably one to three in number.
- A page or two of background information about each discussion item.

### **1.3.4 Discussion/Action Items**

The Board will have decisions to make and business to conduct in conjunction with its fiduciary responsibility, as well as open questions to consider for planning purposes. These items may include consideration of background information presented by a task force, committee or team; they may continue over more than a single meeting, and may include a decision for implementation.

### **1.3.5 Decision Implementation**

When the Board votes on an item of business, the minutes will record individual or group responsibility for follow-up or implementation, and a time frame for implementation.

### **1.3.6 Oversight and Monitoring**

The Board agenda will routinely include activities related to planning, oversight and monitoring of congregational activities, including scheduled reporting and review of Advisory Committee and Team activities.

*Affirmed March 20, 2017*

## 1.4 Board of Trustees Work and Work Products

The Board of Trustees will fulfill the specific roles and responsibilities spelled out for it in the congregational Bylaws.

As described in the policy on Philosophy of Governance, the Board will govern primarily by discerning mission; planning for the future; holding leaders of the congregation, including the Board's own members, accountable for their performance; and partnering with the Minister(s), staff and congregation.

The Board will also make use of its various Advisory Committees to assist it in its responsibilities, as described in the policy on Advisory Committees.

The Board's work and work products can be summarized as follows:

Providing leadership in a changing environment by:

- Creating and updating the congregational Mission and Vision.
- Reviewing, updating and creating policies to guide decisions and actions.
- Engaging in discernment about the future.
- Strategic planning, including environmental analysis, long-range projections, and annual goal-setting.

Assuring the financial sustainability of the congregation through:

- Strategic short- and long-term financial planning.
- Creating an annual budget for congregational approval and assuring effective programs of giving.
- Authorizing capital campaigns.

Providing oversight and monitoring by:

- Assuring compliance with state and federal law.
- Evaluating congregational performance on Mission and Vision.
- Evaluating the Board's own performance on key tasks.
- Collecting updates and data from the various Board Advisory Committees and Task Forces.
- Evaluating the Minister's(s') performance in a model of partnership.

Ensuring engagement of the congregation by:

- Reporting to the congregation.
- Providing opportunities for open communication, discernment and partnership.

*Affirmed October 29, 2016. Revised December 14, 2020*

## 1.5 Duties of Board Officers

In addition to any duties defined by the bylaws, the officers have the following responsibilities:

- The Board President prepares the Board's agenda, facilitates or arranges for facilitation of Board meetings, and works in partnership with the Minister(s) to ensure productive partnership between the Board and staff.
- The Vice President assists and substitutes for the Board President upon request.
- The Secretary ensures the safety and accuracy of Board records, including the minutes and Board policies. In cooperation with the staff, the Secretary sees that minutes and Board policies are promptly posted on the church website.
- The Treasurer supports fulfillment of the Board's financial oversight responsibilities by working with the staff to ensure that appropriate financial reports are made available to Board members on a timely basis. The Treasurer serves on the Finance Advisory Committee and is responsible for directing the annual financial audit or review.

*Revision Affirmed February 21, 2017*

## **1.6 Board Covenant and Shared Practices**

The Board will annually create a covenant together heading into a new church year. The covenant will include the promises we make to ourselves and one another in how we want to treat each other, how we will engage our work, as well as how we will find our way back to right relationship when we break our covenantal agreements. We will also agree to particular shared practices with attention to explicitly defining time, communications, attendance, and back-up plans with one another.

### **2025-26 Board Covenant**

#### **We, the UUSS Board of Trustees, covenant to:**

- Be fully present.
- Use our skills and gifts in service to the UUSS mission and our Board work.
- Honor confidentiality when and where it's needed.
- Be our authentic selves.
- Encourage each other to be courageous in the face of fear and danger.
- Speak with one voice once a decision is made.
- Recognize we are humans who require flexibility and that humor, laughter, and movement can help us be better engaged in our meetings.
- Be patient with others and with ourselves.
- Be intentional about the pace of our work.
- Do what we say we are going to do.
- Be open to ideas, especially when they are new or different from our own.
- Practice active listening to hear what we each are saying.
- Build trust in each other and with the congregation.
- Continue to build strong connections with each other.
- Set clear and reasonable deadlines for our tasks and respect those deadlines.
- Recognize that things will not always go as planned.
- Have faith that each of us is doing the best we can at any given moment.
- Reserve Sunday mornings for worship and refrain from discussing Board matters before noon on Sunday.

#### **When we break our covenant, we will:**

- Have the courage to name when our covenant is broken.
- Pause and take a breath.
- Respond in a deliberate, non-reactive way.
- Ask questions to have a more complete understanding of the situation.
- Acknowledge our errors, keeping in mind the intention vs. the impact.
- Apologize and ask for forgiveness.
- Try to make amends.
- Clarify any expectations after the fact.
- Offer forgiveness when it is possible and appropriate.

- Recognize that it can take time to rebuild trust.
- Tend to our relationships.

*Revised and approved: September 9, 2025*

## **1.7 Board Advisory Committees**

The Board of Trustees establishes Advisory Committees to assist the Board to govern and generally not for administration, program management, or to make decisions on the Board's behalf. Advisory Committees facilitate the Board's development of policy revisions and procedures for monitoring and oversight of its own functions, as well as for those of paid and volunteer staff, and Ministry Teams of the Society.

The Board may also establish finite-termed Task Forces to accomplish specific objectives as defined by the Board.

Advisory Committees and Task Forces will communicate with the Board regularly, and will not speak or act for the Board except when given specific authority to do so.

Advisory Committees and Task Forces established by the Board may include one or more Trustees as voting members. The Board will appoint Committee and Task Force chairs and will approve their members.

When seeking to add members to their Advisory Committee, committee chairs are empowered and encouraged to identify candidates from among UUSS members. Before bringing a candidate's name to the Board for approval, the chair should have an exploratory discussion with the potential candidate and should inform them that the Board has final approval.

The Board may decide to change the exact number, nature and responsibilities of the Advisory Committees as appropriate and necessary to take into account the current needs of the Board and availability of volunteers to participate. The Board will strive to keep these changes to a minimum and to align them with the church year to the extent possible. The Advisory Committees listed herein are current as of the last update of the Policy document. It is not required to update the Policy document to reflect each change to the Advisory Committees but it will be brought in sync at the beginning of each church year.

### **1.7.1 Governance Advisory Committee**

The overall purpose of the Governance Advisory Committee is to enable the Board of Trustees to live up to the performance expectations that it has set for itself. The committee's work may include:

- Developing and maintaining the Board policy manual.
- Reviewing and proposing revisions to policies as needed.
- Determining the need for a review of the Society Bylaws.
- Reviewing issues to determine if they are matters of management (within the purview of the Head of Staff) or of policy (within the purview of the Board).
- Proposing a slate of nominees for election to the Board.
- Planning and implementing an orientation for new Board members.
- Assisting the Trustees with the annual Board self-evaluation process.
- Assisting the Trustees with the annual Head of Staff evaluation process.

### **1.7.2 Finance Advisory Committee**

The overall purpose of the Finance Advisory Committee is to assist the Board in its oversight of the congregation's finances. The committee's work may include:

- Ensuring that routine financial reports are clear and helpful.
- Working with staff to respond to requests for information from the Board.
- Working with staff and stakeholders to prepare a draft budget annually.
- Developing and reviewing church financial policies, as well as procedures to implement those policies.
- Coordinating the internal or external annual financial review.
- Ensuring that Board members have an adequate understanding of the congregation's financial status.

### **1.7.3 Human Resources Advisory Committee**

The overall purpose of the Human Resources Advisory Committee is to assist the Board in developing and reviewing policies and related procedures pertaining to employment of the congregation's paid staff. The committee's work may include:

- Advising the Board of changes to applicable labor laws, rules and regulations.
- Gathering information on matters such as fair compensation, benefit options, and best practices.
- Reviewing requests for staff changes, including proposals for new positions.
- Recommending policies and procedures on topics including:
  - Hiring staff
  - Staff development and evaluations
  - Code of conduct and the handling of employee discipline
  - Time off policies, medical or personal leave time
  - Schedules and time keeping
  - Compensation and benefits
  - Computer, email, phone, social media usage and security
  - Grievance procedures
  - Termination and resignation

### **1.7.4 Investments Advisory Committee**

The overall purpose of the Investments Advisory Committee is to manage and invest the assets of the congregation that are the result of bequests, as well as any other assets that the Board of Trustees asks the committee to invest on its behalf. The committee's work may include:

- Maintaining clear records of monies from bequests and gifts in separate endowed and non-endowed Trust Funds to the degree necessary to fulfill any restrictions that were placed on the bequests and gifts by their donors.
- Recommending Trust Fund investment and spending policies to the Board of Trustees.
- Reviewing the performance of investment advisors.
- Monitoring state and federal laws to ensure that the Board is fulfilling its fiduciary responsibilities as regards the handling of the Trusts Funds.
- Recommending the amount of the annual distribution from the various Trust Funds to the Board of Trustees, and developing procedures for making these distributions in accordance with any stipulations from the donors.

- Periodically submitting a report to the Board of Trustees of all assets under the committee's management.
- When a bequest is offered to the Society, working with the donor, executor or other representative to clarify the terms of said bequest and then submitting the bequest to the Board of Trustees for approval and formal acceptance.

*Revised and approved: October 12, 2022*

## **1.8 Conflicts of Interest**

This policy reflects the Board's determination

- 1) to prevent the personal interest of elected or appointed Trustees from interfering with the performance of their duties to the Society, and
- 2) to prevent such members from receiving personal, financial, or professional gain at the expense of the Society.

Elected and appointed Trustees are therefore required to disclose any competing financial, professional, or personal obligations or interests that do or might interfere with their ability to perform their required duties in a fair and objective manner.

A conflict of interest is defined as a conflict between the private interests and official responsibilities of a member of the Board of Trustees. This includes, but is not limited to, the following:

- Financial interest: receiving personal gifts or loans from third parties dealing or competing with the church; having any kind of financial interest in any third party dealing with the church.
- Personal interest: relationship to another Board member, employee, or contractor of the church by blood, adoption, marriage, or domestic partnership.
- Professional Interest: holding office, serving on the board, participating in management or ownership, or being otherwise employed (or formerly employed) by any third party dealing with the church; using church time, personnel, equipment, or supplies for other than church approved activities, programs, and purposes; being in a position with another organization that leads to approaching the same donors on behalf of both organizations.

*Affirmed December 21, 2015*

## **1.9 Accountability and Removal of Board Members**

The Board commits itself and its members to ethical, professional and lawful conduct, including proper use of authority and appropriate decorum when acting as Board members and officers. The Board has the right to hold members accountable, including when they fail in their duties or disrupt the body's work, with a maximum sanction of expulsion from the Board.

Examples of inappropriate conduct include, but are not limited to:

- Concealing or ignoring conflicts of interest.
- Violating confidentiality regarding matters discussed in executive session.
- Exerting unapproved individual authority over the organization.
- Making unapproved public statements to outside entities.
- Being repeatedly absent from board meetings.
- Violating the Bylaws.
- Violating the Board Covenant in a serious and/or continued manner.

Before a vote to remove a Board member, the Board shall provide written advance notice to the member of its intent and offer the member the opportunity for a hearing before the Board. Removal of a Board member shall require a vote of at least two-thirds of the remaining Board members.

*Affirmed July 18, 2016*

## **2. DELEGATION TO THE STAFF**

### **2.1 Global Delegation to the Head of Staff**

The Board hereby delegates all of its authority to manage the work and resources of the church, except as expressly limited by these policies, to the Minister(s) as Head of Staff. The Board and the Minister(s) shall work collaboratively to carry out the Mission of the church.

#### **2.1.1 Program Staff Team**

The Minister(s) manages the work of the church in collaboration with a Program Staff Team. In addition to the Minister(s), the Program Staff Team may include the Church Administrator, the Director of Lifespan Religious Education, the Director of Music, and the Congregational Life Coordinator, all of whom report directly to the Minister(s).

The Board expects the Program Staff Team, individually and jointly:

- To lead and unify the paid and volunteer staff in directing their efforts toward the fulfillment of the UUSS Mission and Vision.
- To exercise judgment and consult appropriately in ensuring compliance with the Bylaws, Board policies, and applicable laws and regulations.
- To uphold a high standard of ethical and professional conduct.
- To accomplish goals adopted by the Board, by developing annual goals for its work as a team.

#### **2.1.2 Staff Accountability**

All staff members are ultimately accountable to the Minister(s), who is(are) accountable to the Board, for their performance.

#### **2.1.3 Creation of Ministry Teams**

Ministry Teams are created as means to carry out the mission of the church and to achieve its desired outcomes. Ministry Teams are established under the authority of the Minister(s). Each team will respond to an identified strategic or tactical need, and teams may be formed at the suggestion of interested members or staff. Anyone interested in establishing a Ministry Team should consult the Minister(s) or the appropriate staff member.

*Affirmed March 20, 2017; Revised Nov. 13, 2017*

## **2.2 Limitation of Global Delegation Related to Personnel Decisions**

The Board expects the Minister(s) to take the lead in the selection, hiring, supervision, and discharge of all paid staff.

### **2.2.1 Hiring Program Staff**

Before filling a Program Staff position, the Minister(s) must create a Hiring Team representative of key stakeholders. After receiving the Hiring Team's recommendations, the Minister(s) selects and presents a candidate to the Board for the hiring decision.

### **2.2.2 Hiring Non-Program Staff**

Hiring decisions for Non-Program Staff are made by the Minister(s), who must consult with key stakeholders, including the direct supervisor for the position, before making these decisions.

### **2.2.3 New Positions**

New permanent staff positions are created through the budget process and approved by the Board. The Minister(s) may create and fill temporary positions, provided that they can be funded within established budgetary limits.

### **2.2.4 Employment at Will**

All paid staff are employees at will, unless the Board approves the terms of a contract that states otherwise.

### **2.2.5 Termination**

Prior to discharging a paid staff member, the Minister(s) must ensure that the decision complies with applicable laws, Board policies, contracts, and the Employee Handbook. The Minister(s) must promptly notify the Board when an employee is under consideration for termination. Before terminating a staff member, the Minister(s) must discuss the matter with the Board; however, the ultimate decision rests with the Minister(s).

*Affirmed September 19, 2016; Revised Nov. 13, 2017*

## **3. CARE FOR PAID STAFF**

UUSS intends to be a fair, ethical, and attractive employer; to achieve high staff morale and productivity; and to protect members of the staff from all forms of injustice and abuse related to their employment.

### **3.1 Employee Handbook**

The Head(s) of Staff, in consultation with the Human Resources Advisory Committee, will maintain an up-to-date Employee Handbook that complies with all applicable legal requirements. The Employee Handbook must provide adequate procedures to give practical effect to the principles identified in Board policies. It will be the responsibility of the Head(s) of Staff and Human Resources Advisory Committee to keep the Board informed of the content of and changes to the Employee Handbook.

*Affirmed November 21, 2016. Revised September 14, 2020*

### **3.2 Equal Opportunity**

UUSS is committed to equal employment opportunity for all individuals. Decisions about recruiting, hiring, training, promotions, compensation, benefits, and all similar employment

decisions must be made in compliance with all federal, state and local laws and without regard to race, color, religion, sex, gender identity or expression, sexual or affectional orientation, national origin, age, ability/disability, socio-economic status, education, spirituality, religious belief, genetic information, marital status, familial status, domestic violence victim status, ethnicity, military status, or alienage. Any discrimination in the workplace based upon any protected classification is illegal and against policy, except that UUSS may require employees to respect Unitarian Universalist principles.

**3.2.1** Prospective employees must show proof of eligibility to work in the U.S.

**3.2.2** Prospective employees must pass a background check in order to be hired.

*Affirmed November 21, 2016. Revised September 14, 2020*

### **3.3 Freedom from Workplace Harassment**

Harassment of any kind is prohibited and will not be tolerated. UUSS prohibits conduct directed to its employees that shows hostility or an aversion toward an individual because of race, color, religion, sex, gender identity or expression, sexual or affectional orientation, national origin, age, ability/disability, socio-economic status, education, spirituality, religious belief, genetic information, marital status, familial status, domestic violence victim status, ethnicity, or alienage. UUSS also prohibits harassment based on any other classification protected by law, or any other harassment or bullying, whether or not protected by law.

Any action that has the purpose or effect of creating an intimidating, hostile, or offensive work environment; has the purpose or effect of unreasonably interfering with an individual's work performance; or otherwise adversely affects an individual's employment opportunities is strictly forbidden. Retaliation against individuals who make a claim of discrimination, or participate in the investigation of such a claim, is prohibited by this policy and will not be tolerated.

Sexual harassment is prohibited and will not be tolerated. This policy applies to sexual harassment by persons of any gender. Unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature constitute sexual harassment when submission to the conduct is made either explicitly or implicitly a term or condition of employment.

The aforementioned actions and behaviors are also considered sexual harassment when submission to or rejection of the conduct is used as a factor in employment decisions affecting the individual. The aforementioned actions and behaviors are also considered sexual harassment when the conduct unreasonably interferes with an individual's employment or creates an intimidating, hostile, or offensive employment environment.

*Affirmed November 21, 2016. Revised September 14, 2020*

### **3.4 Whistleblower Protection**

UUSS shall protect employees who make any lawful disclosure of information on a matter of UUSS concern, when they have reason to believe they are reporting a violation of any law, mismanagement, gross waste or misappropriation of UUSS funds or assets, a substantial and specific danger to public health and safety, or other alleged wrongful conduct. Further, UUSS prohibits adverse actions being taken against employees, volunteers, or any UUSS member in knowing retaliation for such disclosure. Any person found to have so violated this Policy shall be

disciplined, up to and including termination from employment and/or expulsion from membership.

*Affirmed November 21, 2016. Revised September 14, 2020*

### **3.5 Grievance**

It is the policy of UUSS that an employee shall have access to a grievance process as specified in the Employee Handbook, for all grievances including those based on discrimination, harassment, or any other basis. If the grievance is not resolved through the specified process, the employee may seek a review by the Board of Trustees. The resolution determined by the Board of Trustees will be binding upon the employee, the Head of Staff, and the congregation.

*Affirmed November 21, 2016*

### **3.6 Conflict of Interest Policy (for Paid Staff)**

This policy reflects the Board's determination

- 1) to prevent the personal interest of paid staff members from interfering with the performance of their duties to the Society, and
- 2) to prevent such staff members from receiving personal, financial, or professional gain at the expense of the Society, beyond the terms of their employment.

Paid staff members are therefore required to disclose any competing financial, professional, or personal obligations or interests that do or might interfere with their ability to perform their required duties in a fair and objective manner.

A conflict of interest is defined as a conflict between the private interests and official responsibilities of a paid staff member. This includes, but is not limited to, the following:

- Financial interest: receiving personal gifts or loans from third parties dealing or competing with the church; having any kind of financial interest in any third party dealing with the church.
- Personal interest: relationship to a Board member, another employee, or contractor of the church by blood, adoption, marriage, or domestic partnership; serving in a supervisory capacity to another staff member so related.
- Professional Interest: holding office, serving on the board, participating in management or ownership, or being otherwise employed (or formerly employed) by any third party dealing with the church; using church time, personnel, equipment, or supplies for other than church approved activities, programs, and purposes; being in a position with another organization that leads to approaching the same donors on behalf of both organizations.

*Affirmed December 21, 2015*

### **3.7 Staff Performance Appraisal**

As Head of Staff, the minister(s) organizes and leads regularly a systematic process of developmental performance appraisal for all UUSS staff. Each staff member participates in the process with their supervisor, and all final reports are signed off by the Head of Staff.

*Affirmed November 21, 2016. Revised September 14, 2020*

### **3.8 Fair Compensation**

UUSS strives to maintain fiscal and ethical integrity with respect to compensation of employees. Thus, UUSS shall fulfill employment agreements in terms of hours of work, wages, and benefits. Employment agreements will be offered within the confines of the projected annual budget. Our goal is to follow the UUA guidelines for fair compensation.

## **4. CARE FOR MEMBERS AND GUESTS**

It is the policy of the UUSS to provide members and guests with a safe and welcoming environment. The staff is responsible for ensuring compliance with all sections of this policy and for developing procedures to implement as necessary.

### **4.1 Handbooks**

The staff, in consultation with relevant Advisory Committees and Teams, will maintain up-to-date Handbooks (e.g., Religious Education, Safety, Operations) that articulate policies and procedures to give practical effect to the principles identified in Board policies. It will be the responsibility of Staff and Board Advisory Committees to keep the Board informed of the content of and changes to the Handbooks.

*Affirmed March 20, 2017*

### **4.2 Membership**

In keeping with the UUSS Bylaws, members of this church are individuals age 16 and up who have made a financial contribution to the congregation and have demonstrated their commitment by signing their name in the official registry of members. The Bylaws further indicate that the Board of Trustees will establish the minimum financial contribution amount, and cases where it may be waived or modified. These are set forth below. Responsibility for implementing the membership guidelines is delegated to the Minister(s), who may delegate to or collaborate with other staff or Teams to carry out these functions. The Board of Trustees also delegates to the Minister(s) the authority to establish and interpret any requirements that individuals must meet before becoming members.

The term “**members in good standing**” shall be used to indicate persons who are eligible to hold office and to vote at congregational meetings. Members in good standing are individuals who have officially joined UUSS at least 30 days prior and who have made a pledge or financial contribution of record of at least \$100 to the operating budget of the current church year. Contributions made to church-sponsored projects, trips, and events, etc., will not count toward this \$100 minimum. The staff will conduct an annual review to determine the membership standing and eligibility to vote of all members.

The Board of Trustees delegates its authority to waive the minimum financial contribution in cases of hardship to the Minister(s).

Special categories of membership include Youth and Emeritus members.

**4.2.1 Youth Membership** includes a waiver of the minimum financial contribution. It is available so that youth ages 16 to 23 who are currently active in the congregation can be considered a member in good standing and receive all the rights of regular membership (including voting and holding office) until they are old enough to be in a position of financial independence. UUSS youth will be offered the opportunity to join as a Youth Member in the year they turn 16, and invited to an orientation meeting at which the requirements of youth and regular membership are explained prior to joining. Youth will be made aware of the term limit of youth membership and the necessary steps to become

a full member at or before age 24, and reminded of it periodically during their time as a Youth Member.

**4.2.2 Emeritus Membership** can be offered to members of long standing who, for various reasons, can no longer be actively involved in the church and do not have the capacity to make a financial contribution. This category honors those who can no longer participate but are still part of the community. It is for those with a history of active membership, but no longer attending, nor voting, nor expected to participate financially on a regular basis. This category permits them to stay connected and to receive pastoral outreach, with no requirement of financial participation. They are not reported in member count for UUA; they are, however, kept on the UUA list for publications. Based on their history of engagement as members, they do receive member rates on memorial services and other rites of passage, and receive ministerial and pastoral services as members.

The Minister(s) may grant Emeritus status to a member after consultation with the member or, if the member is incapacitated, with their family.

*Affirmed May 15, 2017*

### **4.3 Alcohol**

UUSS is committed to the use and consumption of alcohol only in a safe and responsible manner. All federal, state and local laws governing the serving and/or sale of alcohol shall be observed. No person under twenty-one shall consume alcohol at any UUSS-sponsored event, even with parental consent. This policy applies to all UUSS-sponsored events, whether held on-site or off-site, as well as to non-UUSS-sponsored events held on UUSS property. The staff shall create and implement procedures to carry out this policy.

*Affirmed March 20, 2017*

### **4.4 Building Safety and Security**

The staff shall ensure that all UUSS programs are safe for participants and staff; that facilities are maintained in a safe, sanitary, and secure condition; that hazards are corrected promptly; that required licenses and inspections are kept up-to-date; and that access to UUSS buildings is limited to those who have legitimate business there.

*Affirmed March 20, 2017*

### **4.5 Child Protection.**

UUSS is committed to providing a safe and nurturing environment for children and youth. The staff shall create and maintain procedures for the selection, training and supervision of all persons who work with children and youth, as well as other procedures as necessary to ensure the safety of persons 18 years of age or younger.

*Affirmed March 20, 2017*

### **4.6 Emergency Planning**

The staff shall create and maintain a written plan for responding to reasonably foreseeable emergencies, including medical emergencies, fire, toxic conditions, weather problems, threatening communications, power outages, natural disasters, and other circumstances that create or threaten to create dangerous conditions.

*Affirmed March 20, 2017*

#### **4.7 Firearms**

No one may carry a firearm on UUSS property except for on-duty law enforcement officers or security personnel hired by the UUSS.

*Affirmed March 20, 2017*

#### **4.8 Right Relations**

The strength, well-being and reputation of UUSS depend upon a sense of fellowship among the members, guests, and staff, which thrives in an atmosphere of trust, respect and cooperation. The staff shall create and maintain procedures to deal with any instances of harassment, including sexual harassment; disruptive behavior; and other actions which are a violation of right relations.

*Affirmed March 20, 2017*

#### **4.9 Smoking**

Smoking is prohibited on all UUSS property and at all off-site UUSS-sponsored events.

*Affirmed March 20, 2017*

#### **4.10 Universal Access**

The UUSS is committed to making its premises and activities safely and conveniently accessible to persons with disabilities, meeting or exceeding all applicable legal requirements.

*Affirmed March 20, 2017*

#### **4.11 Welcoming Congregation**

The UUSS is a Welcoming Congregation. We welcome everyone of any race, ethnicity, color, sex, gender identity or expression, sexual or affectional orientation or expression, national origin, age, ability/disability, socio-economic status, education, and spiritual or religious belief.

*Affirmed March 20, 2017*

### **5. CARE FOR FINANCIAL RESOURCES**

The activities of the Unitarian Universalist Society of Schenectady (UUSS) involve the handling of substantial funds for which the Society is financially and legally responsible. The size and complexity of Society operations require that sound accounting and business practices be used in their performance. The following policies provide guidance to Teams, Committees and the Board of Trustees of the Society to discharge adequately and efficiently their obligations and responsibilities to the Congregation.

#### **5.1 Handbooks**

The staff, in consultation with relevant Advisory Committees and Teams, will maintain up-to-date Handbooks (e.g., Finance, Investments, Operations) that articulate policies and procedures to give practical effect to the principles identified in Board policies. It will be the responsibility of Staff and Board Advisory Committees to keep the Board informed of the content of and changes to the Handbooks.

*Affirmed February 21, 2017*

#### **5.2 Federal, State and Local Regulatory Compliance**

While conducting church business, members, friends, staff persons, and other persons affiliated with the church shall comply with Federal, State and local laws and regulations.

*Affirmed February 21, 2017*

### **5.3 Tax-Exempt Status**

No member, friend, staff person, or other person affiliated with the church shall take any action that could jeopardize the congregation's tax-exempt status under local, state, or federal law.

*Affirmed February 21, 2017*

### **5.4 Insurance**

The UUSS shall carry Property, Liability, and Directors and Officers Liability insurance at levels required by law or recommended by industry standards.

*Affirmed February 21, 2017*

### **5.5 Document Retention**

The UUSS will retain all documents required by local, state, and federal government agencies for the legally required amount of time. These documents may include, but are not limited to, tax records, personnel files, and financial records. Documents recording the history of the UUSS shall be appropriately stored at the church in a manner that maintains the integrity of the document. Storage location, format, and duration for such materials will be determined in consultation with the UUSS Archivist(s).

*Affirmed February 21, 2017*

### **5.6 Purchasing and Contracting**

The UUSS will practice sustainable stewardship of infrastructure and financial resources in purchasing and contracting, with attention to legal and insurance requirements and best practices, with clearly specified procedures for long-range planning and timely response to urgent events.

*Affirmed February 21, 2017*

### **5.7 Financial Controls**

The Finance Advisory Committee will establish controls to ensure the integrity of finances in the UUSS. This includes procedural details and responsibilities for the preparation and signing of checks with appropriate separation of duties and oversight, and organizing an ongoing internal review of financial transactions. External audit or review will be conducted in accordance with State law.

Only the President, the Treasurer and a designated Assistant Treasurer are authorized to sign checks that draw upon the Operating funds of UUSS. Only the President and the Chair of the Investments Advisory Committee are authorized to sign checks that draw upon the Investment accounts.

Designation of signatory authority on all UUSS accounts (including both Operating and Investment accounts) should be reviewed and updated with each financial institution at the beginning of each church year.

Care will be taken to ensure that there are always at least two people — at least one of whom is a paid staff member — with administrative control to access any electronic account or system of UUSS.

*Affirmed February 21, 2017; Revised November 11, 2019*

## 5.8 Cash Flow

The Board of Trustees will have a contingency plan to respond to significant expected, unexpected or unpredictable financial contingencies the church may encounter, as well as predictable variations in cash flow. The Building Fund and Trusts funds serve as other reserve funds under the management of the Investment Advisory Committee.

*Affirmed February 21, 2017*

## 5.9 Fundraising

The UUSS shall engage in activities to generate the income needed to fund the UUSS budget, including the Annual Pledge Drive and special events, sales, auctions, gatherings, and other activities that shall be planned in a given year. Fundraising activities shall be coordinated with attention to minimizing competition and distraction, especially for the Annual Pledge Drive as the core funding source for the UUSS. In accordance with the policy on Global Delegation, the Minister(s) as Head of Staff has final approval of fundraisers and the fundraising cycle. In the event that there is a fundraising line in the Annual Budget, it is anticipated that the Minister(s) or their designee will identify a fundraising strategy to meet that budget goal. Members of the congregation who wish to have a fundraiser or donated items collection for a particular purpose must get pre-approval by the Minister(s).

*Affirmed February 21, 2017. Expanded & approved December 13, 2023*

## 5.10 Gift Acceptance

The UUSS encourages its members and friends to offer gifts that are needed to fulfill its mission and purpose. The congregation is offered many types of gifts, and it is the right and responsibility of the Board of Trustees, or its designees, to decide whether or not to accept any gift. The Board reserves the right to decline any gift that is inconsistent with the mission of the UUSS, that jeopardizes the congregation's tax-exempt status, that is unlawful, or that creates an undue administrative or financial burden in relationship to the value of the gift.

A **Gift Acceptance Handbook** will be maintained to set forth procedural details and to guide the Board, Staff, and others through this process.

Most gifts come in the form of monetary contributions to support operating expenses, but may also come in other forms, including tangible personal property, stock or other securities, real estate, or various types of planned gifts. All gifts are classified in one of the following two categories:

### 5.10.1 Routine Gifts

The UUSS welcomes financial support regardless of amount. **Routine Gifts** are contributions routinely made to the Society, often in fulfillment of annual pledges or in response to the Sunday offering, fundraising events, or other collections. Routine gifts are those made without restrictions or conditions and are delivered in the forms of cash, checks, electronic fund transfers, or the transfer of publicly traded securities. All routine monetary receipts will immediately be recorded and deposited into the Society's financial accounts. Securities will be sold as quickly as possible and the proceeds transferred into the Society's financial accounts.

### 5.10.2 Non-Routine Gifts

All bequests or other end-of-life gifts, all gifts that come with donor-imposed conditions or restrictions, and all gifts that come in forms that are less liquid are classified as

**Non-Routine Gifts.** These gifts require formal Board approval before they can be accepted by the UUSS, except when otherwise stated in the Gift Acceptance Handbook. The Gift Acceptance Handbook contains details for the consideration, handling, liquidation, or use of various types of Non-Routine Gifts. The Board should also take care to adhere to Article 8 of the UUSS Bylaws, Trust Funds, when a bequest or major financial gift is offered.

*Affirmed Feb. 21, 2017. Expanded & revised Feb. 8, 2021*

### **5.11 Sharing of Donors' Financial Information**

The UUSS is committed to creating a culture of engagement and generosity among its members. Financial support to the congregation should be acknowledged and celebrated, and done so in ways that are sensitive to the complex feelings that surround the topics of money, giving, and people's personal resources.

Recording and soliciting donations to the congregation requires that a limited number of volunteers and staff know the names and amounts of donations and pledges made to UUSS. The Finance Advisory Committee will be responsible for maintaining procedures to limit access to information about individual donations and pledges.

*Affirmed February 21, 2017; Revised January 15, 2018*

### **5.12 Management and Use of Invested Funds**

The UUSS shall prudently manage and invest funds to balance long term sustainability and short term benefit to the congregation.

*Affirmed February 21, 2017*

### **5.13 Budget Contingency Plan**

In the event that the congregation does not vote to accept the budget presented by the Board of Trustees at the Annual Congregational Meeting in May, then the current fiscal year budget shall remain in effect for the new fiscal year until an alternative budget is adopted by the Board of Trustees and accepted by vote of the congregation.

*Approved January 10, 2024*

## **6. MANAGEMENT AND INVESTMENT OF TRUST FUNDS**

### **6.1 Purpose**

As provided in the Bylaws, the Board of Trustees has overall fiduciary responsibility for the assets of the Trust Funds. These Polices establish the responsibilities and authority of the Board and its Investment Advisory Committee (IAC) with regard to the management, investment, and expenditure of these assets.

*Affirmed December 17, 2018*

### **6.2 Definitions**

**Trust Fund:** Assets held by the Society which, as a result of restrictions established by the Donor or by a decision of the Board to place them in a Trust Fund, are tracked separately from other assets and typically are invested with the objective of capital growth or preservation of spending power.

**Endowment Fund (or endowed fund):** A Trust Fund that is an *Endowment Fund* is defined by NYS law as a “fund or part thereof that, under the terms of a gift instrument, is not wholly expendable by the institution on a current basis” (i.e., within the current fiscal year). Currently all UUSS Endowed Trust Funds are **Perpetual Endowment Funds**, meaning that under the terms of the gift instrument, only earnings are expendable and not principal.

Despite the broader legal definition of the term *Endowment*, the frequent use of *Endowment* in this document is intended to mean *Perpetual Endowment*.

**Non-Endowment Fund:** A Trust Fund is **non-endowed** when the donor has placed no restriction on the portion of the asset that can be expended within the current fiscal year. In other words, both the principal and the earnings of a Non-Endowed Fund are legally eligible to be spent, unlike an Endowed Fund.

**Inflation Adjusted Value (IAV):** The original value of gifts constituting each Trust Fund (or other baseline value when original value is unknown) adjusted annually by the Consumer Price Index (CPI) inflation rate.

**Unrestricted Fund Value:** The portion of any Trust Fund’s current value that exceeds its Inflation Adjusted Value. For an Endowed Fund, this value is a measure of the Fund’s assets that are available, over time, for Distribution to the Society’s operating accounts but is not a commitment to allocate these funds for Distribution in any particular fiscal year.

**Allocation:** The process of identifying the portion of a Trust Fund that is available for Distribution in a particular fiscal year. Allocations are computed by the Yale Rule and are approved by the Board. For Non-Endowed Funds, the amount available for Distribution can be increased beyond the Allocated amount by the Special Grants process.

**Distribution:** The process of transferring money from the Trust Fund accounts to the Society’s operating accounts.

**Special Grant:** An appropriation from any Non-Endowed Fund in an amount in excess of the annual Allocation computed from the Yale Rule. Special Grants may be established in accordance with a process defined in policy 6.7.2 .

**Yale Rule:** A formula used for calculating the Annual Allocation from a Trust Fund as defined in policy 6.7.1 below.

*Affirmed December 17, 2018*

### **6.3 Responsibilities and Authority of the Board of Trustees**

The Board of Trustees shall ensure that its fiduciary responsibilities concerning the prudent management of Trust Funds and other investment funds are fulfilled through appropriate investment structure, internal and/or external management, and portfolio performance consistent with all policies and procedures. The Board shall:

- Establish and maintain an Investment Advisory Committee (IAC) with sufficient experience and expertise so that the Board may be guided in the proper execution of its responsibilities for management of these funds.

- With the guidance of the IAC, establish and maintain Policies for the proper investment and management of its Trust Funds.
- Periodically review and consider major changes recommended by the IAC in implementation of its investment policies, including engagement of external investment managers or advisors, changes in performance goals and spending decisions.
- Ensure attention to the definition and maintenance of signatory authority as described in Policy 5.7.

*Affirmed December 17, 2018: Revised November 11, 2019*

## **6.4 Responsibilities and Authority of the Investment Advisory Committee (IAC)**

The IAC operates under the authority of the Board of Trustees, as defined in Policy 1.7.4, to advise and administer the Board’s policies for investment management.

The IAC shall:

- Assist and advise the Board in establishing appropriate investment policies.
- Assist and advise the Board in implementing these policies by selecting investment strategies, individual investments and/or external investment managers that are consistent with Board Policies.
- Monitor performance of investments and make changes as appropriate, consistent with Policies.
- Insure that investment and allocation from Funds are consistent with donor restrictions.
- Advise the Board on allocations of money from the Trust Funds that are consistent with Policies and donor restrictions and actions required for compliance with the New York Prudent Management of Institutional Funds Act (NYPMIFA).
- Maintain documentation including records of the terms of gifts and bequests from which the Trust Funds were established and an accounting of balances in each individual Trust Fund. Document investment and spending decisions addressing prudence considerations as required by NYPMIFA. Provide periodic reports of Trust balances to the Board and others.

*Affirmed December 17, 2018*

## **6.5 Guidelines for Statutory Compliance**

Management of the Trust Funds must comply with the 2010 New York State Law “Prudent Management of Institutions Funds Act” (NYPMIFA). Prior to 2010, the law required that distributions from an endowment fund must be curtailed or terminated if the fund went “underwater,” that is, if the market value of the fund went below the nominal dollar value of the fund at the time of the donation. The 2010 NYPMIFA law removes this as an absolute constraint and replaces it with a number of rules and trust management requirements that are designed to ensure that an endowment fund is managed in a prudent manner in accordance with the donors’ wishes.

NYPMIFA lists a number of factors required for prudent investment and management of an endowment fund including consideration of inflation, economic conditions and total return expectations, and the needs of the institution. Two separate lists of factors are provided, one

for investment decisions and one for determining the expenditure of endowment funds. The Act requires documentation demonstrating that investment and expenditure decisions are made in a prudent manner considering the relevant items in these lists. In addition to documenting the decision process, contemporaneous records must be kept of the results of actions taken, such as principal value of each Trust Fund at time of donation, the market value of each fund and the margin of market value to the original principal and to a reference value (e.g. the inflation-adjusted fund value) used as a guideline to help maintain sustainable and adequate distribution levels.

NYPMIFA requires that the governing board adopt a written investment policy of guidelines on investments and delegation of management and investment functions in accord with the standards of the Act.

*Affirmed December 17, 2018*

## **6.6 Investment Policy**

### **6.6.1 Philosophy of Investment Management**

There are many approaches available for investing the congregation's assets. UUSS has a long history of successful self-directed investment but has in recent years placed a portion of its portfolio in the professionally managed UU Common Endowment Fund (UUCEF). Some believe that the fiduciary responsibilities are best achieved by turning over investment decisions to professional financial managers. Others believe that the fees charged for these professional services consume too much of the average return available from the portfolios (e.g., a 1% fee on a typical 5% return) and that self-directed investment decisions or passive investment in index funds may prove to be more attractive approaches.

This Policy does not limit the range of investment management choices available to the Board of Trustees. The Board will carefully evaluate the skills and experience available from its Investment Advisory Committee and other internal resources within the Society. The Board and the IAC will weigh the fiscal impact and risk of any investment approach and make informed decisions.

### **6.6.2 Investment Objectives**

The overall investment objective is to increase the asset value of the Trust Funds over time in order to maintain long term sustainable spending power and to support the overall Mission and Vision of the Society. The IAC, under its authority defined herein, will seek to achieve consistent returns within a moderate risk tolerance over the long term, sufficient to allow UUSS to take regular distributions and maintain the Inflation Adjusted Value.

One of the most important responsibilities of the IAC is to preserve and grow the purchasing power of the Trust Funds' assets. Real asset growth is achieved only when the total investment return exceeds the sum of the distributions taken and the growth of the remaining assets by the rate of inflation.

Decisions to allocate moneys from Non-Endowed Funds through the Special Grants process (see policy 6.7.2) may reduce the asset value of those funds, as expected.

This investment objective policy should be periodically reviewed to ensure compliance with the New York Prudent Management of Institutional Funds Act (NYPMIFA).

Socially responsible investing (SRI) is an investment strategy which seeks to consider both financial return and social good. In general, socially responsible investors encourage corporate practices that promote environmental stewardship, consumer protection, human rights, and diversity. The screening of socially responsible investments is sometimes summarized under the heading of ESG issues: Environment, Social justice, and corporate Governance.

UUSS's socially responsible investments include our investments through UUCEF which has an extensive program of socially responsible investments, through investments in a Vanguard SRI Fund, and through our investment in the Community Loan Fund.

In making investment decisions, the IAC will weigh the trade-offs between maximizing returns to UUSS and attempting to find and invest in additional socially responsible vehicles.

### **6.6.3 Categories and Pooling of Trust Funds**

UUSS Trust Funds are categorized in two ways: by the intended purpose for which their assets are distributed and by the rules for calculating distribution amounts. Some bequests or gifts specifically identify the purpose for which funds may be expended; others leave the purpose unspecified.

Likewise, some bequests or gifts require that the rates of distribution preserve capital by distributing income only or preserve spending power by distributing income in excess of inflation. Others place no restriction on distribution amounts. Those that prescribe a rate of distribution are considered *Endowed Funds* (or by the formal definition, *Perpetually Endowed Funds*), whereas those that do not are considered Non-Endowed Funds.

It is the practice of the Society to pool various funds for investment purposes. This means the assets from several funds are commingled for investment purposes and any investment changes in assets are proportionally allocated to the constituent funds. In other words, investment performance over any period of time is the same percentage for the aggregate portfolio and for each fund within it. Care will be taken to maintain each fund's fair share of investment returns when new money is added to a particular fund or when extraordinary distributions are made from a particular fund.

The Board may also ask the IAC to invest cash funds such as the Building Fund. These may be similarly commingled for investment purposes.

### **6.6.4 Asset Allocation Guidelines**

The IAC will invest the Trust Funds in different classes of assets that are consistent with the investment objectives (defined in policy 6.6.2), while preventing major fluctuations in distributions from year to year. This requires an asset allocation that can provide inflation-adjusted growth of both principal and distributions over the long term, allowing for moderate variations in fund values over the short and intermediate terms.

The Investment Advisory Committee has the authority to make adjustments in Asset Allocation within the constraints defined below:

- Between 40 to 60 % of the funds will be invested in the UU Common Endowment Fund (UUCEF) portfolio, and the remainder in a self-managed portfolio. Short term liquidity to accommodate short-term distribution needs will be provided by the self-managed portfolio.

- The self-managed portfolio funds will be invested as follows:
  - a. The equity allocation (30% to 70%) can be invested in active or passive mutual funds, exchange traded funds (ETFs), or closed end funds (CEFs ). Investments may include Global or foreign equity funds as well as Socially Responsible funds.
  - b. The following types of securities are prohibited:
    - Individual company stocks.
    - Private equity investments.
    - Inverse or highly leveraged funds that are based on derivative securities.
  - c. Fixed income securities (0 to 50%) may include bond mutual funds, ETFs, CEFs, individual bonds, and intermediate and long term Certificates of Deposit. Floating rate funds are permitted.
  - d. Real assets (0 to 20%) such as commodities funds and real estate investment trust (REIT) funds.
  - e. Cash and cash equivalents (5%-70%) may include money market funds and short term (e.g. 3 month) Certificates of Deposits.

The asset allocation outlined herein is governed by the long-term needs of the Endowment Funds. Should, at any time, the needs for a significant portion of the Non-Endowed Funds require a different Asset Allocation, the Board of Trustees may direct the IAC to invest those funds in a separate portfolio with alternative Asset Allocation guidelines.

#### **6.6.5 Performance Measurement Standards (Benchmarks)**

The performance of the Trust Fund portfolios will be compared to a benchmark consisting of:

- 60% SPDR S&P 500 (Symbol SPY) representing the S&P500 equity index.
- 30% iShares Core US aggregate Bond ETF (symbol AGG) which tracks the market-cap-weighted Bloomberg Barclays Aggregate Bond Index of US investment grade securities.
- 10% cash at money market rates.

The performance of the UUCEF portfolio, the self-managed portfolio, and the combination of the two will be compared by the IAC to the benchmark on an annual basis, and this analysis will be shared with the Board. Performance over multiple years will be compared to the compounded growth of annual returns of the benchmark.

*Affirmed December 17, 2018*

## **6.7 Spending Policy**

### **6.7.1 Annual Allocations Using the Yale Rule**

The annual allocation from each of the Trust Funds will be calculated by the Yale Rule and submitted to the Board for approval.

The Yale Rule is an approach that has been in use at Yale University and elsewhere. Use of the Yale Rule helps to maintain an annual allocation that 1) is unlikely to be subject to substantial reductions from one year to the next, and that 2) increases with the pace of inflation over the long term. Specifically, the Yale Rule calculates an annual allocation that maintains spending power as defined by the Consumer Price Index (CPI).

The version of the Yale Rule applied to the Trust Funds is as follows:

$$\text{Annual allocation} = S \times \text{last year's allocation} \times \text{CPI} + (1-S) \times \text{end of year assets} \times \text{BP}$$

Where:

- CPI = the consumer price index over the last 12 months.
- S = smoothing parameter impacting the variation in distributions from one year to the next, currently S = 0.7.
- BP = base percentage, currently 4.5%
- End of year assets is the market value of the Trust Funds on December 31<sup>st</sup>.

In words, a given year's allocation is:

70% of the previous year's allocation adjusted for inflation + 4.5% of 30% of the end of year assets

The annual allocation for each Trust Fund will be computed by the Investment Advisory Committee early in each calendar year preceding the beginning of the fiscal year to which it will be applied. The prior calendar year-end assets and 12 month average CPI for the prior calendar year are used in the Yale Rule formula.

Changes in the parameters of the Yale Rule may be recommended by the IAC and affirmed by the Board.

### **6.7.2 Special Grants**

In accordance with the restrictions specified in Article 8.3.4 of the Bylaws, the Board may appropriate from any Trust Fund not classified as an Endowed Fund in an amount in excess of the annual allocation computed from the Yale Rule. These kind of appropriations, generally called Special Grants, are considered typically for purposes that will have significant and long-lasting benefit to the Society, as they will reduce the spending power from these Trust Funds in future years.

The Bylaws limit the authority of the Board to make Special Grants in any fiscal year to not more than the amount allowable if the Spending Policy for Endowed Funds were applied (Yale Rule amount) plus five percent (5%) of the total value of all such non-endowed Trust Funds. Special Grants in excess of this limit require Congregational approval as specified in the Bylaws.

### **6.7.3 Fund Disbursement Procedures**

Once Allocations and Special Grants have been approved for expenditure by the Board, they are available for transfer from Trust accounts to the Society's operating accounts.

- a. The Treasurer of the Society will determine the timing and portion of the allocation balance to be distributed from the Trusts Accounts to the Society's cash accounts.
- b. For those distributions from Trust Funds for which expenditures are restricted to specific purposes by donor or Board imposed restrictions, specific accounts in the UUSS Balance Sheet will be established to track the fund distributions and expenditures. The appropriate authorized and accountable person or group will be responsible for ensuring expenses paid from each of these accounts are in accordance with the stated purpose of the particular Trust Fund. When questions

arise, the authorized and accountable person or group is encouraged to seek advice from the head of staff or the Investments Advisory Committee.

- c. The authorized and accountable person or group shall maintain records that include a description of each expenditure, its purpose or rationale, detailed records and receipts, and the specific name of the Fund and fiscal year of the appropriation from which the expenditure was drawn.
- d. The authorized and accountable person or group shall provide an accounting of the past year's use and upcoming year's intended use of Trust Funds in their Annual Report to the Society. This will serve as a verification of maintaining alignment of Trust Fund expenditures with both the wishes of the donors and in keeping with the Society's mission objectives.
- e. If there are unspent Trust funds held in UUSS Balance Sheet accounts at the end of the fiscal year, the UUSS Treasurer and the Investments Advisory Committee shall determine whether these residuals shall be returned to the Trusts Committee for reinvestment or held by UUSS in an account designated for additional expenditures in that fiscal year or for special, defined projects in the upcoming year (e.g., Revels, service trip, program or ministry expansion, etc.).
- f. Each year, a representative of the Investment Advisory Committee shall conduct an audit of disbursements made from the previous financial year to verify Trust Funds were spent in accordance with donor wishes, local laws and regulations, and to verify written records of these expenditures. This audit should be started and completed in October of each year.

*Affirmed December 17, 2018*

## **6.8 Investment of New Gifts and Bequests**

The Board shall determine in accordance with the constraints of Article 8 of the Bylaws whether an accepted gift is to be added to an existing Trust Fund, whether a new Trust Fund is to be created, or whether the gift is to be placed in a cash account. If the gift is to be placed into a Trust Fund, it shall be transferred to the Trust Accounts for investment in accordance with these policies. If the gift is to be placed into a cash account, the Board may choose to invest all or a portion of the gift if the amount and time horizon for use warrant. In that event, the IAC shall determine whether to pool the gift with the Trust Fund portfolio or to invest it in a separately managed account.

*Affirmed Dec. 17, 2018. Revised Feb. 8, 2021.*

## **6.9 Trust Fund Communications**

### **6.9.1 Reporting to the Congregation**

The IAC shall prepare an annual report, including asset values, investment performance and distributions. This report shall be affirmed by the Board of Trustees and presented to the Congregation at the Annual Meeting or in another manner as prescribed by the Board. Information about the Trust Assets and their management shall be considered private information and should not be made public on the UUSS website or in any other manner unless required by law.

### **6.9.2 Promotion of Planned Giving**

Promotion of the benefits of Planned Giving will ensure that UUSS Trusts will remain vibrant and will grow over time. Responsibility for promoting Planned Giving rests with the Board of Trustees, and it may choose to assign this task to a team or task force. It may also assign the IAC the responsibility to assist in this process, particularly in assuring that prospective donors are guided in the most appropriate language for the terms of their intended bequests.

*Affirmed December 17, 2018*

## **7. CARE FOR PHYSICAL RESOURCES**

The Unitarian Universalist Society of Schenectady (UUSS) will prudently manage and maintain its buildings and grounds, and all furnishings and equipment, to balance respect for heritage with maximizing benefit to the current and future congregation

6.1 Handbooks

6.2 Building Maintenance

6.3 Gardens and Grounds

6.4 Facilities Use

## **8. COMMUNICATION**

The Unitarian Universalist Society of Schenectady (UUSS) will manage communications and affiliations so as to promote and foster Unitarian Universalist values in the context of positive and productive relationships within the congregation and with other individuals and organizations, and the general public.

### **8.1 General Communications, Publicity, & Media Relations**

The Minister(s) and the President of the Board of Trustees shall hold overall responsibility for all communications coming from UUSS to its members and to the general public. Communication tasks not specifically related to the Board or to the Board Advisory Committees shall be supervised by the Minister(s), who may delegate these tasks to other Staff and Teams as needed.

UUSS uses many types and vehicles of communication, both electronic and print, from the Order of Service, mailings, Facebook, website, and emails, to bulletin boards, displays and flyers. All UUSS communications and UUSS communication vehicles are for publicizing church and denominational programs, events, values and issues, etc. Specific guidelines are described below and in the Communications Handbook.

UUSS welcomes opportunities to publicize the congregation's activities and values to the wider community. All publicity concerning UUSS affairs must be cleared by a Minister, the Church Administrator, the Director of Lifespan Religious Education, or other persons so designated by a Minister (such as the UUSS webmaster and Facebook administrators) before being shared with the public or the media.

Only authorized staff members and volunteers may communicate on behalf of the UUSS, and in doing so they must take care not to express opinions or personal views that could be misconstrued as being those of the UUSS.

**Media Relations:** The Program Staff may answer media factual questions regarding day-to-day operations of the congregation, such as event dates and times or other similar inquiries. All other requests for information from any media representative regarding UUSS values and programs, etc., should be directed to the Minister(s) or their designee.

During a social justice or other public event, questions from the media should be directed to a Minister, Board President, or the organizers of the event itself.

*Affirmed January 14, 2019*

## **8.2 Images of Adults and Children**

Identifiable images in photographs and videos of persons participating in UUSS activities may be used in UUSS publicity, including the UUSS website and social media accounts, without prior approval, unless those persons have informed the Church Administrator, Congregational Life Coordinator, or the Minister(s) that their image may not be so displayed.

Adults, parents or guardians who do not wish to have identifiable images of themselves or their children or youth included in photos or videos shared in church publicity, including the website and social media accounts, must so indicate when registering their children or youth for Religious Education, when joining the congregation, or by speaking with a staff member.

The Sunday Order of Service will include a statement to this effect so that visitors may be informed of this policy.

*Affirmed January 14, 2019*

## **8.3 Cancellations and Urgent Communications**

Some schedule changes and cancellations are inevitable, especially in a region like ours that experiences severe winter weather. UUSS is committed to the following policies, which are intended to enhance safety, reduce confusion, and handle cancellations consistently.

To minimize confusion, the Church Administrator must be notified of **ALL** cancellations.

**8.3.1 Non-emergency and non-weather-related cancellations:** When there is a need to cancel a **specific meeting, group event, adult activity, or adult class**, the chair, teacher, facilitator or organizer of the event is responsible for notifying their own members or participants (and the Church Administrator).

**8.3.2 Canceling worship and/or closing the church:** The decision to cancel worship and/or to close the church for the rest of the day due to severe weather, power failure, fire, road closure, or other emergency normally belongs to the Minister(s). When a service is lay-led or a Minister is not available, the Board president will consult with those most directly involved in the worship service and/or with the Church Administrator regarding possible cancellation and communication of that decision.

Once that decision is made, the Minister(s) or board president will initiate established plans to communicate that decision.

The decision to close the church during a day other than Sunday will be the responsibility of the Minister(s) in conversation with the Church Administrator or other relevant staff.

**In the event of a church closure, ALL EVENTS**, on site or off site, day or night, are cancelled and will be communicated via the usual channels of social media, the website, and emails, or phone calls to any group that had something on the calendar that day.

**8.3.3 Communication Preparedness:** The Minister(s) will be responsible for identifying individuals who will maintain the ability to communicate with members of the congregation electronically in an urgent situation (either from UUSS or from their homes when necessary), such as in the case of severe weather, a power outage, road closure, fire, or other emergency.

*Affirmed January 14, 2019*

#### **8.4 Email, Electronic Files, and Electronic Communications**

Care will be taken to ensure that there are always at least two people — at least one of whom is a paid staff member — with administrative control over or access to any electronic account or system of UUSS.

Any computer files or email messages maintained, stored, received, or transmitted on or from UUSS's computer systems are the property of UUSS and are subject to being monitored and/or disclosed at any time by UUSS. Persons using UUSS's computer system will have no right to privacy.

An email system has been installed by UUSS for use in the conduct of its business. All messages transmitted or received on the email system, of whatever nature, remain fully subject to all of the provisions of this policy. Thus, even personal messages on the email system constitute UUSS's property in which staff have no right of privacy and which may be stored, monitored, or disclosed at any time by UUSS.

Email addresses on this system (that is, those ending in "@uuschenectady.org") may be assigned to Staff, Board members, Teams, Advisory Committees, and Task Forces, and will be assigned at the discretion of the Minister(s). Other email addresses, including those created by volunteers, that include the letters "uuss" or otherwise imply a relationship with the congregation must also be approved by the Minister(s).

The UUSS email system will not be used to transmit messages, either within or outside UUSS, that might reflect poorly on UUSS, including language or material of a sexual or otherwise inappropriate nature, or that may be construed as harassment or disparagement of others based upon their race, color, national origin, sex, gender identity, sexual orientation, age, marital or familial status, physical or mental disability, religious or political beliefs, or any other characteristic of people protected by federal or state law.

Email will not be used for communications outside of UUSS that include confidential information (such as Social Security numbers or health details) or proprietary information of UUSS, except with the express permission of the Minister(s), nor for the unauthorized receipt of the confidential or proprietary information of others.

Since the Minister's(s') care for members of the congregation will of necessity include confidential communications from time to time, access to emails on the UUSS computer systems will be given only to persons within the circle of confidentiality.

**Communications with UUSS youth or children:** All emails, texts, or other messages that are sent from an adult to a UUSS child or youth will also include their parent/guardian. If a child or

youth communicates with a UUSS adult and does not include their parent/guardian, that adult should make sure to include the parent/guardian in the reply.

*Affirmed January 14, 2019*

### **8.5 Use of the Website and Social Media**

UUSS will maintain a public website (*uuschenectady.org*) and various social media pages or accounts as part of its ongoing efforts to communicate with its members and with the general public. Efforts will be made to ensure that these webpages are accessible to those with various physical abilities as far as is practicable.

The administrators of UUSS webpages and social media accounts will take steps to monitor the appropriateness of material posted on UUSS pages, as well as the safety and security of UUSS internet resources.

The administrators of any webpage, social media page, or social media group that represents UUSS will have the right and the responsibility to delete any inappropriate content from that page or group. Inappropriate content will include, but is not limited to: irrelevant content, redundant content, hateful content, malicious content, uncivil or disrespectful content, attacks or complaints against an individual, business or financial solicitations, endorsements of a political candidate or party, and content that violates the social media provider's terms of use, code of conduct, or other policies.

Specific terms and conditions for using the *UUSchenectady.org* website will be spelled out in the site's own Terms and Conditions page.

**UUSS Facebook pages or groups:** The Minister(s) will be responsible for appointing page administrators to maintain and moderate the congregation's public Facebook page and private Facebook groups.

Authority to determine the purpose and content of the various UUSS Facebook pages and groups is at the discretion of the Minister(s). Details for this will be found in the Communications Handbook.

*Affirmed January 14, 2019*

### **8.6 Signs, Bulletin Boards, and Displays on UUSS property**

The Minister(s) or their designee are responsible for developing rules and procedures regarding the appropriate placement of signs, posters, flyers, and other printed or visual materials both outdoors and indoors on UUSS property.

*Affirmed January 14, 2019*

### **8.7 Public Representation of the Congregation on Issues**

Individuals, Advisory Committees, Teams and Task Forces may speak for themselves, but only for themselves, and not for the congregation as a whole.

Representation on behalf of the congregation may be approved by a vote of the Board of Trustees or by a vote of the congregation at a Congregational Meeting.

**Renting does not constitute endorsement:** The use or rental of UUSS's facilities by non-UUSS groups does not necessarily imply endorsement or sponsorship of the event nor endorsement of the renting group by the congregation. Therefore, publicity by non-UUSS groups using our

spaces should be designed in such a way that no suggestion of endorsement or sponsorship is implied.

*Affirmed January 14, 2019*

## **8.8 Affiliation with External Organizations**

When the congregation as a whole is considering a formal affiliation with another organization, the Minister(s) and relevant Program Staff shall be solicited for input.

Formal membership in or affiliation of UUSS with other organizations may be approved only after careful consideration and after a vote by the Board of Trustees or by a vote of the congregation at a Congregational Meeting.

*Affirmed January 14, 2019*

## **8.9 Respect for Copyright and Intellectual Property Laws**

UUSS is committed to following Copyright Law, not only because it is the law of the land, but also because it is a way to respect the inherent worth and dignity of the people whose creativity we benefit from.

Copyright law includes an exemption for religious services that means churches are free to play or perform any music they want (including recorded music) during a service without having to obtain a license (i.e., permission) or to pay a performance royalty or license fee.

However, this exemption does not extend to: transmitting or live streaming copyrighted music and other material outside of our space, recording such music during worship for later use, printing copyrighted words in an Order of Service or other church publication without permission from the author, nor showing copyrighted videos without payment of a fee to the copyright holder.

UUSS staff and volunteers will make every effort to avoid infringing copyright law in all congregational publications, internet pages, events, and activities.

All notes, research, sermons, and other products of a Minister's(s') work shall be the sole property of the Minister(s).

*Affirmed January 14, 2019*

## **9. AUXILIARY ORGANIZATIONS**

*General processes for authorization, connection and oversight of organizations operating under the legal authority of the UUSS, which would then be fully articulated in the Financial and Operations Handbook*

## **10. OVERSIGHT**

### **10.1 Cycle of Planning, Evaluation and Review**

The UUSS Board of Trustees acknowledges its continuing responsibility for establishing ministry goals and evaluating programs' structural functioning. The congregation's Mission and Vision Statements will be implemented through a regular and ongoing planning process that is transparent and participatory.

The Board is committed to fulfilling this responsibility by establishing an annual cycle for review of: 1) its own vision and goal-setting practices; 2) the functioning of the Board's Advisory Committees; and 3) the functioning of the Congregation's Ministry Teams.

A model for scheduling the Board's annual responsibilities throughout the Church year is attached hereto as Exhibit A. The Board anticipates that Board Advisory Committees and specific Ministry Teams may change over time.

*Affirmed March 20, 2017*

## **10.2 Monitoring**

### **10.2.1 Financial Reports**

The preparation of monthly financial reports is overseen by the Treasurer, working with the Church Administrator and Bookkeeper, reviewed by the Finance Advisory Committee and presented to the Board of Trustees in its regular monthly meeting. The reports include an updated status of the Operating Budget and all Funds for restricted use (as documented on the Balance Sheet), and any other significant financial activity or any special funds that may be authorized by the Board, including the status of invested funds.

### **10.2.2 Staff Reports**

The Minister(s) prepares a monthly report and associated documents, to be included in the Board of Trustees' Consent Agenda at the regular monthly meeting.

### **10.2.3 Board Inquiries**

The Board may request, through the Minister(s) as Head of Staff, data, information, or advice from staff and ministry teams to support its regular function. Such requests must come from the Board as a whole and not from individual trustees.

### **10.2.4 Oversight of Ministry Teams**

The Board annually reviews all Ministry Teams to ensure that each Ministry Team has a statement of purpose, ministry vision with goals and outcomes, relational covenant, job descriptions for team leaders and members, and is carrying out appropriate functions. The Minister(s) as Head of Staff, working with the Oversight Advisory Committee, will coordinate the preparation and presentation of annual reports by Ministry Teams.

*Affirmed March 20, 2017*

## **10.3 Evaluation**

### **10.3.1 Board and Board Advisory Committee Self-Evaluation**

The Board, with the support of the Oversight Committee, evaluates the structure and function of the Board of Trustees and its Advisory Committees on an annual schedule.

### **10.3.2 Minister(s) as Head of Staff Evaluation**

The Board of Trustees annually evaluates the performance of the Minister(s) as Head of Staff, in terms of the Mission and Vision, Strategic Plan, and the goals and outcomes that are established by the Board.

*Affirmed March 20, 2017*