

Unitarian Universalist Fellowship of  
Sunnyvale

# Board Policy Book

## UUFS Mission Statement

The Unitarian Universalist Fellowship of Sunnyvale is a place where a culturally, ethnically, and age diverse people come together in an atmosphere of tolerance for spiritual growth and intellectual stimulation based on liberal religious values.

It is a place where children and adults find opportunities to have fun, develop friendships, participate in community service, and provide or receive support in times of need.

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# 1 GOVERNANCE

## 1.1 Philosophy of Governance

The congregation elects a board to function as its governing body and a minister to serve as its spiritual, programmatic, and administrative leader. The intended style of leadership shall be consultative, collegial, and inclusive. We shall strive to delegate authority to leaders in proportion to their responsibilities. We expect all leaders to practice open decision making, healthy conflict management, and mutual support in their respective roles.

The board intends to govern primarily by:

- Discerning and articulating the congregation's mission and vision of ministry,
- Setting goals and making strategic choices,
- Creating written policies to guide the congregation's ministry, and
- Monitoring and evaluating the congregation's leadership, including itself.

## 1.2 Board Covenant

We, the board of the UUFS Congregation, covenant to serve the congregation's mission as well as the members of the congregation. We shall create an atmosphere of compassionate candor by presuming good faith, actively listening, not interrupting, and staying in relationship with one another, even in conflict. We shall respect our time together by honoring our commitments, being prepared for meetings, and handling non-meeting business outside of board meetings. We shall stand by our group decisions and speak with one voice.

We shall continually learn as a board and deepen our sense of spirituality.

## 1.3 Board Self-Government

### 1.3.1 Board Agenda

The Board President shall not allow a regularly scheduled board meeting to occur without distributing an agenda to known board meeting attendees at least 3 days in advance.

The board agenda shall follow this general structure:

- Opening/light chalice, reflective reading
- Consent Agenda
- Discussion Agenda

The beginning of the meeting (opening/lighting the chalice, reflective reading) should be a short time for the Board to come together and be mentally and spiritually present to focus on the meeting.

The consent agenda shall include items that are not anticipated to require discussion or debate before approval or acceptance. Typical items for the consent agenda include:

- accept minutes from the last meeting,

- approve other routine items that have already been discussed in previous meetings.

Any Board member may move a consent agenda item to the discussion agenda.

The discussion agenda is composed of major items related to the Board's discernment, strategy and oversight roles.

### 1.3.2 Board Committees

#### **Standing Committees required by Bylaws**

The Board shall maintain written charter statements of the following Standing Committees:

- Committee on Ministry
- Finance
- Facilities

The Board has delegated oversight of the following Standing Committee functions to the head of staff (Minister) and renamed them teams:

- Worship Associates
- Membership (hereafter referred to as Connections)
- Social Concerns (hereafter referred to as Social Justice)
- Children's Religious Education (hereafter referred to as Religious Education)
- Adult Religious Education (hereafter referred to as Life Enrichment)
- Caring and Support Network
- Personnel (hereafter referred to as Human Resource)

This policy recognizes that these functions serve the Ministry Team, rather than governance. The Ministry Team is defined in section 2.1.2.

#### **Appointed Committees or Task Forces**

The Board may appoint Committees or Task Forces to help carry out its responsibilities for discernment, strategy, developing policies, and oversight. At the Board's directions, Committees or Task Forces may operate as standing or time-limited.

The Board shall maintain written charter statements of these Appointed Committees / Task Forces.

### 1.3.3 Conflicts of Interest

Board members shall carry out their duties with undivided loyalty to the congregation and its mission. A conflict of interest exists whenever a board member or a close relative of a board member has interests or duties that interfere with the board member's duty of loyalty. The conflicting interest may be financial, moral, political, theological, or otherwise. Conflicts of interest arise when a board member:

- Stands to gain or lose because of a board action.
- Has a fiduciary duty or close personal or business relationship to any person or corporation that stands to gain or lose because of a board action. A board member who is an employee or close

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relative of an employee of the congregation always has a conflict of interest with respect to any board action affecting such employment.

- Holds a substantial property interest in a corporation or business, or serves as an officer or board member of another nonprofit organization that stands to gain or lose because of a board action.
- Cannot set aside his or her personal preferences as an individual consumer of the congregation's services to vote in behalf of the whole congregation and its mission.
- Faces any other situation that creates or appears to create divided or conflicting loyalties.

The board shall annually require its members to disclose in writing all existing or foreseeable conflicts of interest. Disclosure forms shall be kept by the UUFS Office Manager and made available to any member of the congregation who requests them. If an item of business arises in which any member suggests that a conflict of interest may exist, the affected member may withdraw or ask the board for guidance. In the latter case, the board (minus the affected parties) shall determine how to handle the situation. Depending on the seriousness of the conflict, possible responses include:

- Disclosure. A supplemental disclosure form shall be filed by the affected member, who may then continue to participate and vote as usual.
- Recusal. The member shall disclose the conflict and withdraw from the meeting while the item is under discussion or voted on.
- Resignation. The member shall resign from the board. The member with the potential conflict shall withdraw while the remaining board members determine whether a conflict exists and how it should be handled. If a resignation is accepted, the board shall appoint an alternate member to serve out the remainder of the vacated term.

#### **1.3.4 Discipline and removal of board members**

Before exercising its power under the bylaws to remove board members, the board shall notify the member in writing of its intent to do so and offer the member the opportunity for a hearing before the board. Pending a hearing, the board may suspend a board member's voting privileges without notice if necessary to protect individuals or the congregation from harm.

If a board member misses more than three meetings in a six-month period, the Secretary shall automatically place the question of expulsion before the board. Other reasons for expulsion include, but are not limited to, serious violations of the board covenant or conflict-of-interest policy.

## **2 MANAGEMENT**

### **2.1 Delegation to the Staff**

#### **2.1.1 Global Delegation**

The head of staff shall lead and direct the Fellowship's spiritual, programmatic, and administrative work with the exception of facilities management, which shall be led and directed by the Facilities Custodian, appointed by the Board.

The Facilities Custodian's role and responsibilities are instructed by the board. For these appointed responsibilities, the Facilities Custodian is hereby delegated authority and responsibility to make operational decisions, adopt administrative procedures and allocate facility budgeted resources, except as specifically limited by this Policy Book.

The head of staff is hereby delegated authority and responsibility to make all operational decisions, adopt administrative procedures, and allocate congregational resources except in the area of facilities management and except as specifically limited by this Policy Book.

The Board will develop strategy policies instructing the head of staff and Facilities Custodian to achieve certain results for the UUFS within budget.

The Board will develop delegation policies which define the latitude the head of staff and Facilities Custodian may exercise in choosing organizational means.

The Board may change its Strategy and Delegation policies, thereby shifting the boundary between Board and head of staff / Facilities Custodian domains.

#### **2.1.2 Staff Structure**

The Minister shall serve as head of staff and be responsible for maintaining a productive and effective Ministry Team, for ensuring that its efforts are directed toward fulfilling the congregation's mission and vision of ministry, and for Ministry Team compliance with all board policies.

The Ministry Team is the entire staff group (both paid and volunteer) that manages the church on a day to day basis with the exception of the Facilities Custodian. The Ministry Team includes all paid staff, teams, and may include individual volunteers.

Given the range and volume of responsibilities delegated to the Minister, the Board shall allow the Minister discretion to delegate responsibilities to staff, volunteers, or teams, so long as the accountability of such tasks remain ultimately with the Minister. However, the Minister shall delegate day-to-day supervision of paid staff members to individual volunteers, only in consultation with the Board.

In order to clarify roles and responsibilities and to provide accountability, the Minister shall ensure job descriptions of the Ministry Team are kept current. This includes:



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- A. Paid staff member job descriptions
- B. Job descriptions for those individual teams established to serve the overall Ministry Team.

When delegating supervision of a paid staff member to a volunteer, the Minister shall provide a recommended revision of the volunteer's job description to the Board.

### **2.1.3 Delegation to the Minister as Spiritual Leader**

In order to promote a challenging, dynamic and progressive ministry, the Board and the Minister shall not fail to encourage and defend the freedom of the pulpit.

The Minister shall be responsible for all worship services, including seasonal celebrations and rites of passage, such as weddings, child dedications, and funerals and memorial services except for those for which the Worship Associates Committee assumes responsibility.

The Minister shall serve members in their needs for pastoral care, including crisis intervention and visitation of the homebound, sick, dying, and bereaved, both directly and in conjunction with the Congregation's own pastoral care program. The Minister will maintain awareness of his/her own limitations, and will refer members for professional counseling and other specialized services as appropriate.

The Minister shall provide ceremonial services and counsel to members of the Congregation without fee or honorarium. When such services are provided to non-members, such fee or honorarium may be set by and is the property of the Minister.

The Minister is encouraged to act in the community beyond the Congregation on behalf of liberal religious values, and to inform the congregation of such action through periodic reports. When the Minister speaks in public, the Minister shall clearly indicate that such speech is not on behalf of the Congregation unless the Congregation has otherwise authorized.

### **2.1.4 Delegation to the Minister as Board Liaison**

The Minister shall be an ex officio member without vote of the Board of Trustees. The Minister shall report to the Board at its regular meetings, bringing to its attention specific concerns as they arise.

### **2.1.5 Delegation to the Minister as Committee Liaison**

The Minister shall be an ex officio member without vote of all committees and task forces except the Nominating and Ministerial Search Committee and the Committee on Ministry, and will attend meetings of the Committee on Ministry except during executive session.

## **2.2 Care for People**

### **2.2.1 Safety of Facilities**

The Facilities Custodian shall ensure that all facilities are maintained in a safe, sanitary, and secure condition, and that problems are corrected promptly.

### **2.2.2 Building Security**

The staff must ensure that access to Church buildings is limited to those who have legitimate business there.

### **2.2.3 Firearms**

The Church prohibits anyone other than on-duty law enforcement officials or off-duty law enforcement officials hired by the Church from carrying a firearm on Church property.

### **2.2.4 Emergency planning**

TBD

### **2.2.5 Harassment**

Employees, volunteers, and agents of the Fellowship are prohibited from acts of harassment against any member or participant in Church activities or any employee or applicant for employment. Any incidents of harassment, including work-related harassment by any UUFS personnel or any other person, should be reported immediately to the Minister who is responsible for investigating harassment complaints. If the Minister is the subject of the complaint, then employees should contact the President of the Board of Trustees.

### **2.2.6 Child protection**

Because of our special responsibility for children and youth in the Fellowship's care, any revision of the UUFS Children & Youth Safety Policy document shall be approved by the Board.

### **2.2.7 Nondiscrimination**

No one acting for UUFS shall discriminate because of race, color, age, sex, marital status, sexual orientation, gender identity and expression, disability, national origin or ancestry, economic status, union membership, or political affiliation. Religious opinions and affiliation may be considered only in the case of paid or unpaid staff positions that include religious teaching or worship leadership.

### **2.2.8 Universal Access**

The congregation intends to make our premises and activities accessible to persons with the widest possible variety of disabilities. To this end we will conform to all legal requirements, and engage in continual examination of our properties, practices, and attitudes. The Facilities Custodian will discuss accessibility needs with the property landlord, and devise plans to mitigate shortcomings. Any off-site event venues will be similarly evaluated, with mitigation plans to address accessibility issues.

## **2.3 Care for Staff**

The Minister shall be responsible for maintaining a productive and effective paid staff team, for ensuring that its efforts are directed toward fulfilling the Fellowship's Mission and Annual Vision of Ministry, and for compliance by the staff with all Board policies.

### **2.3.1 Compensation & Benefits**

The Board and Minister shall jointly decide on changing compensation of staff. In setting staff compensation and benefits, the Minister and the Board shall make every reasonable effort to comply with the UUA's Fair Compensation Guidelines and allow staff compensation to justly reflect local market conditions.

### **2.3.2 Creating & Filling Staff Positions**

Prior to creating a new staff position or seeking applicants to fill a staff vacancy, the Minister shall consult with the Human Resource Team, which shall assist in preparing contracts and terms of offer. The Minister shall report to and consult with the Board; both shall jointly make a decision to proceed on hiring.

Prior to a search for a senior staff member, the Minister and the Board shall jointly appoint a search committee, which shall consult widely to determine the congregation's needs and preferences. The Minister shall work with the search committee to create job description, identify and evaluate candidates, and shall consult with them and with continuing senior staff members before reporting to and consulting with the Board on hiring. The Board and Minister shall jointly decide on hiring the employee.

### **2.3.3 Discipline and discharge of staff**

Prior to discharging a staff member, the Minister shall consult with the Human Resource Team to ensure that the proposed decision adheres to accepted personnel practices and complies with applicable laws, bylaws, and board policies. The Minister shall report to and consult with the Board; both shall jointly decide on discharging of paid staff.

### **2.3.4 Employee Handbook**

The Minister, in consultation with the Board, shall be responsible for maintaining an up-to-date Employee Handbook covering matters not specifically addressed in these Board policies, as required to ensure that the church complies with legal requirements and denominational norms for employment practices. Any revision to the Employee Handbook shall be approved by the Board.

## **2.4 Care for Material Resources**

The staff must take all reasonable care to prevent harm to the congregation's reputation or assets. The Treasurer will work with staff to develop procedures designed to prevent such harm, and report promptly to the board on any significant shortcomings in their implementation.

### **2.4.1 Operating Budgets**

Proposed budgets must be based on the Annual Vision of Ministry and any strategic plan currently in effect.

### **2.4.2 Spending Authority**

The Minister, together with staff and lay leaders in their areas of responsibility, controls and is responsible for all spending out of church accounts, subject to the following limitations:

- a) Donor-restricted funds may not be used in violation of donor restrictions; Board-designated funds may not be used in violation of Board policy.
- b) Cash operating reserves may not fall below 25 percent of the annual budgeted expenditures without Board approval.
- c) The staff along with the Treasurer must anticipate and prevent spending in excess of the overall budget. If it foresees any significant material deviation from budgeted spending, the staff and Treasurer must promptly inform the Board and recommend options for adjusting the budget.
- d) Cost to rent the Sanctuary for wedding and memorial services for UUFS members and their families is authorized. Other expenses are not covered by the Fellowship unless Board approved.

### **2.4.3 Gift Acceptance**

The staff controls and is responsible for receiving and acknowledging all gifts to the Church, with the following limitations:

- a) All securities must be promptly sold and converted to cash assets.
- b) All real estate and personal property must be promptly brought to the board for disposition (eg. conversion to cash or not).
- c) Purchase or sale of real estate requires Board and congregational approval.
- d) Lending or borrowing of funds requires Board approval.
- e) Any donor contribution or pledge that has not been made public shall be treated as confidential information, unless donor grants permission otherwise.
- f) The Minister, along with the Pledge Drive Team Lead, shall maintain Pledge Drive procedures that include the aspect of confidentiality, and specify who may have access to individual confidential pledging information in order to conduct the drive.

### **2.4.4 Special Funds**

Special Funds are Board-designated funds or reserves involving Board action.

#### *2.4.4.1 Operational Reserve Fund*

Operational reserves are funds an organization accumulates over the years by operating with a surplus. Consciously building a reserves fund allows the organization to:

- be prepared for the inevitable rainy days
- adjust to seasonal variances in revenue
- seize an unprecedented opportunity when it knocks on the door

The Operational Reserve Fund may not fall below 25 percent of the annual budgeted expenditures without Board approval.

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#### *2.4.4.2 Office Equipment Reserve Fund*

The Office Equipment Reserve Fund is to be used for office equipment related capital expenditures such as computers, printers, and furniture.

#### *2.4.4.3 Minister's Discretionary Fund*

UUFS has established a Ministerial Discretionary Fund. Contributions to this fund may be made by individuals supporting the Fellowship mission. In order to ensure that contributions to the Ministerial Discretionary Fund are tax-deductible, no contribution may be designated for the benefit of any particular recipient.

Distributions from the Ministerial Discretionary Fund may be made by the minister to provide confidential assistance to church or community members facing emergency financial need. No distribution may be made to the minister or to any member of his or her family at any time. Any distribution to a church employee must be paid through payroll so that payroll taxes and reporting are correctly calculated and reported.

The minister shall report to the Board of Trustees annually all amounts paid out of the fund, listing the dates of the payments (but not the names of recipients).

The Treasurer shall review the cancelled checks to confirm adherence to the written policy. If, for any reason, cash or gift cards are disbursed, the recipient shall provide a signed acknowledgement of receipt, including the date and amount of the gift. These receipts shall be kept on file by the Fellowship.

#### *2.4.4.4 Minister's Sabbatical Fund*

The Minister's Sabbatical Fund is for funding the Congregation's additional expenses during the Minister's sabbatical. This sabbatical fund is the property of the Congregation.

#### *2.4.4.5 Partner Church Undistributed Fund*

UUFS established this fund for usage with a partner church, such as Transylvania from Romania.

#### *2.4.4.6 Building Fund*

The Building Fund shall only be used to pay for the following when approved by a two-thirds vote of the congregation:

- Purchase of real property and/or buildings
- Major capital expenditures
- Significant improvement projects related to the Fellowship's buildings and real property, including grounds and landscaping

### **2.4.5 Accounting and Financial Standards**

The Fellowship's accounting and financial controls must conform to accepted best practices for churches of comparable size, including:

#### *2.4.5.1 Cash Management*

Written procedures shall govern the contributions and donations, handling of receipts, access to cash and bank balances, approval of expenditures, payment of invoices, reimbursements, recordkeeping, payroll and preparation of reports.

Two persons shall maintain joint control of all cash until it is deposited. The Sunday offering shall be counted by two persons working together.

#### *2.4.5.2 Separation of Functions*

TBD

#### *2.4.5.3 Approval Authority*

Approval of cash disbursements must be in accordance with the following:

##### Check requests

- For every check written there must be a bill, invoice, statement, or request for reimbursement with documentation of the expense. These documents are retained and available for comparison with the cancelled checks on an occasional basis.
- Expense reimbursement and check request forms require two signatures:
  - 1) person requesting the check and
  - 2) someone with authority over the budget line to which the item is charged.
    - a) Employee requests shall be countersigned by employee's supervisor (Minister or designee) or Board President;
    - b) All other requests shall be countersigned by supervising employee, corresponding committee chairperson, or Board liaison to committee.

##### Check Signing

- Only these four roles shall be allowed to sign checks: Treasurer, Assistant Treasurer, Board President, and Minister. A Financial Background check shall be completed prior to any individual obtaining signature authorization. Signature cards on all accounts should be reviewed and updated as necessary at the beginning of every fiscal year.
- Persons shall not sign checks made out to themselves without a co-signer.
- Two persons must sign large requests (over \$2,000) that are not specified in the budget.

#### *2.4.5.4 Fund Accounting*

TBD

#### *2.4.5.5 Reconciliation*

Fellowship accounting reports must be reconciled with the financial institution statements as often as those statements are issued.

#### **2.4.6 Insurance**

The Fellowship shall maintain adequate insurance to protect against property losses and liability for injuries to others. The Board shall annually review and approve insurance coverage.

#### **2.4.7 Record Retention**

The information listed in the Retention Schedule (see Appendix) is intended as a guideline and may not contain all the records UUFS may be required to keep in the future. Questions regarding the retention of documents not listed in this chart should be directed to the Board of Trustees.

##### *2.4.7.1 Electronic Documents and Records*

Electronic documents shall be retained as if they were paper documents. Therefore, any electronic files that fall into one of the document types on the above schedule will be maintained for the appropriate amount of time. If a user has sufficient reason to keep an e-mail message, the message should be kept in the appropriate file or moved to an “archive” computer file folder. Data backup and recovery shall be verified on a regular basis.

##### *2.4.7.2 Emergency Planning*

The Fellowship’s records shall be stored in a safe, secure, and accessible manner. Documents and financial files that are essential to keeping UUFS operating in an emergency, shall be duplicated or backed up at least every week and maintained off-site.

##### *2.4.7.3 Document Destruction*

The Minister and a designated Board member is responsible for the ongoing process of identifying its records, which have met the required retention period, and overseeing their destruction. Destruction of financial and personnel-related documents will be accomplished by shredding.

Document destruction shall be suspended immediately, upon any indication of an official investigation or when a lawsuit is filed or appears imminent. Destruction shall be reinstated upon conclusion of the investigation.

The Board may issue a notice, known as a “legal hold,” suspending the destruction of records due to pending, threatened, or otherwise reasonably foreseeable litigation, audits, government investigations, or similar proceedings. No records specified in any legal hold may be destroyed, even if the scheduled destruction date has passed, until the legal hold is withdrawn in writing by the Board.

##### *2.4.7.4 Compliance*

The Minister and Board will periodically review this policy with legal counsel or the Board’s designated financial reviewer to ensure that they are in compliance with new or revised regulations.

## **3 OVERSIGHT**

### **3.1 Mission Focus**

The staff, ministry teams, committees, and board of trustees shall engage in a continual process of monitoring and evaluation. The purposes to be accomplished through monitoring and evaluation are to foster excellence in ministry work by encouraging open communication and regular feedback among all whose work contributes to achieving the Fellowship's mission, to help the Fellowship to focus on its goals as adopted by the board, and to ensure that all leaders adhere closely to board policies.

### **3.2 Monitoring**

The Minister and Treasurer shall be responsible for regular written reports from the staff to the board. Reports shall focus on progress on priorities, as set by the board through the annual vision of ministry, and on compliance with board policy.

#### **3.2.1 Financial Reports**

The Treasurer shall provide financial reports that show overall financial performance compared to the budget and highlight significant financial or operational issues to the board at least quarterly, and at each business meeting of the Fellowship. These reports shall be emailed to board members in advance of the board meeting and to eligible voting members in advance of business meetings.

#### **3.2.2 Staff Reports**

The board may call upon the staff through the year to report more fully on the Fellowship's work in a given area, and to contribute expertise, information, and leadership. The purpose of these reports is to support the board's learning and reflection on major areas of the Fellowship's mission, such as worship, religious education, social justice, membership development, and stewardship of congregational wealth.

#### **3.2.3 Board Inquiries**

From time to time, the board may inquire into specific questions of policy compliance, organizational concerns, or other serious issues by appointing a committee, task force, board liaison, or outside consultant to assess some aspect of Fellowship program or organizational functioning.

### **3.3 Evaluation**

Everyone responsible for work in behalf of the Fellowship will engage in a continual process of evaluation. The purposes to be accomplished through evaluation are to foster excellence in ministry work by ensuring that all Fellowship leaders:

- Practice open communication and regular feedback
- Meet performance standards appropriate to their roles
- Maintain effective working relationships with one another.
- Focus on achieving goals as approved by the Board and staff.

#### **3.3.1 Board and Minister Evaluation**

At least once a year, board members and the Minister shall evaluate their own and one another's contributions to the Fellowship's mission. As part of the creation of the vision of ministry, the Minister



and board shall together review their mutual progress in light of the prior year's vision of ministry and related goals.

### **3.3.2 Staff Evaluations**

In general, the Minister must ensure that all Church employees develop, with their supervisors, timely annual performance goals supportive of the Annual Vision of Ministry and that their performance is evaluated annually in writing.

### **3.3.3 Minister Performance Review**

An assessment of the work of the Minister will be conducted every three to five years by the Committee of Ministry as part of a periodic review and renewal of the leadership and ministry of the Congregation.

### **3.3.4 Annual Financial Audit or Review**

The Finance Committee shall arrange an annual audit of the Treasurer's annual statement of the fiscal year, ensuring the designated reviewers are approved by the board. The audit report shall be emailed to the board members in advance of the next board meeting.

**APPENDIX: Record Retention Schedule**

<b>FUNCTION</b>	<b>DESCRIPTION</b>	<b>RETENTION PERIOD</b>	<b>REFERENCE</b>
<b>CORPORATE RECORDS / GENERAL OPERATIONS</b>			
Organizational / Corporate Governance Documents	Articles of Incorporation, Bylaws	Permanent	Business Reasons; Cal. Corp. Code 9160
	Congregation Business, Board, and Committee meeting minutes	Permanent	Business Reasons; Cal. Corp. Code 9510
General	Conflict-of-interest disclosure forms	4 years	Business Reasons
Corporate Policies	Written Policies (Records management and retention, Conflict of Interest, Employee Handbooks, Children and Youth Safety Policy)	A + 7 years	Business Reasons
Contracts – General / Miscellaneous	All Agreements and Contracts (e.g. Facilities Lease, Center for Car Donations, etc.)	A + 10 years	Business Reasons
Insurance Policies <sup>1</sup>	Insurance policies insuring Corporation / Employees	A + 10 years	Business Reasons
<b>ACCOUNTING AND FINANCE</b>			
Bank Records	Records relating to ordinary banking (e.g. bank statements, bank reconciliations, bank deposits, cancelled checks, check listings / ledgers / registers, petty cash, wire transfers, electronic payment records)	C + 7 years	IRS
Financial Statements	Financial statements (e.g. periodic audited and un-audited financial statements, including balance sheets, income statements, audit work papers)	Annual – Permanent Others – C + 7 years	Business Reasons
Financial Planning	Records relating to financial planning and budgeting (financial forecasts, pro forma financial statements, budgets, business plans)	A + 3 years	Business Reasons

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FUNCTION	DESCRIPTION	RETENTION PERIOD	REFERENCE
Accounting	Records relating to current accounting functions (e.g., accounts payable invoices; accounts payable and receivable ledgers; general ledgers; charge offs; uncollectible accounts; travel and expense reports, chart of accounts, trial balance, cost accounting, journals)	A + 7 years	IRS
Taxes	IRS exemption determination and related correspondence	Permanent	IRS
<b>HUMAN RESOURCES</b>			
Trust, Fiduciary, Provider and Third-Party Administration Agreements	Contracts or Agreement with third party administrators involved in servicing Employee Benefit Plans	A + 10 years	Business Reasons
Travel & Expense Reports	Reports of employee travel and expenses	C + 3 years	Business Reasons
Employment Applications / Pre-Employment	Records relating to employment applications and other pre-employment activities (e.g., general job applications, resumes, employment advertising and solicitations)	C + 3 years	CFR, Cal. Gov't Code
Payroll Records	Records relating to payroll and compensation to employees (employee payroll and compensation records including records with employee name, social security number, hours worked, compensation rate, deductions, total pay for pay period)	C + 4 years	IRS
Employment Actions Generally (Excluding Personnel File)	Records relating to actions taken by Corporation concerning employment actions generally (not	C + 7 years	29 CFR

FUNCTION	DESCRIPTION	RETENTION PERIOD	REFERENCE
	including specific employee records maintained in the personnel file) such as employee orientation and training. See Employee Personnel Files below for employee specific records.		
Employee Personnel files EXCLUDING Medical Files	Records maintained in an employee's personnel file (e.g., records relating to hiring, employment and termination, such as resumes, applications and related materials, employment offers, employment contracts, promotion, demotion, change of status, salary, separation, employment eligibility, I-9 forms, letters of recognition and/or commendation, disciplinary records, excluding medical records)	Duration of employment + 7 years	Business Reasons; 29 CFR
Employee Medical Records	Records relating to employee's health condition and medical treatments (e.g., Workers' Compensation, Family and Medical Leave Act, the Americans with Disabilities Act, employment accommodations, leave of absence documents pertaining to an ADA accommodation, employment immunizations, drug screen information) Medical records to be stored separately in confidential and secure location.	Duration of employment + 30 years. (Except if employment < 1 year – records can be provided to employee)	29 CFR

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FUNCTION	DESCRIPTION	RETENTION PERIOD	REFERENCE
Employee Injury and Illness Logs	OSHA Logs of Work Related Injuries and Illnesses and other logs, summaries and reports describing recordable cases of injury and illness, including the extent and severity of each case, and total injuries and illnesses. Medical records to be stored separately in confidential and secure location	5 years following end of calendar year that the forms cover	29 CFR 1904.33 (OSHA); 29 CFR 825.500; 29 CFR 1630.14(c)(1)
Employment and Contractor Agreements	Agreements and contracts with employees, independent contractors, consultants (e.g., employment, change of control, non-compete, nondisclosure, temporary labor)	A + 10 years	Business Reasons
<b>LEGAL</b>			
Litigation Files	Files relating to litigation involving Corporation (e.g., investigations, pleadings, correspondence, research, invoices, settlement agreements, etc.)	A + 10 years	Business Reasons
Claims (Litigation Not Filed)	Claims, threats, demand letters, etc. where litigation not filed	7 years after last correspondence or contact with claimant	Business Reasons
<b>FACILITIES MANAGEMENT</b>			
Furniture, Fixtures and Equipment (Excluding Contracts)	Records such as Asset lists, inventory lists, maintenance and repairs, IT infrastructure and architecture, telephone installation, fixed asset purchases.	C + 7 years	IRS
Furniture, Fixtures and Equipment – Contracts	Contracts and agreements such as purchase, leasing and acquisition contracts, repair and maintenance contracts; warranty	A + 10 years	Business Reasons

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FUNCTION	DESCRIPTION	RETENTION PERIOD	REFERENCE
	contracts; computer hardware and software licenses.		
Information Technology	Records relating to Corporation's information technology systems (software licenses; equipment purchase agreements; support, maintenance and warranty agreements; software inventories and audits; equipment inventories)	A + 7 years	Business Reasons
<b>COMMUNICATIONS</b>			
Publications	Press releases/clippings and publicly filed documents	Permanent	Business Reasons

<sup>1</sup> In determining whether an insurance policy is “active” or “inactive,” it is important to look at the type of policy and when claims may be made under the policy. Some insurance policies are written on a “claims made” basis, meaning that the policy will cover only claims that are made to the insurance company during the year the policy is in force. Other policies are written on an “occurrence” basis, meaning that the policy covers claims made arising out of events or actions that occurred during the year the policy is in force. An “occurrence” basis policy therefore should be retained for as long as any claim could be made arising out of an event or action that occurred during the year covered by the policy. Care should be taken in determining the type of policy before determining whether a policy is inactive.

**Definitions:**

“C + x”: Refers to a retention period, in which “C” refers to the year of the Record’s creation or acquisition, and “x” refers to the number of additional years the Record is to be kept after its creation or receipt. For example, a retention period indicated as C + 3 years means that a Record is to be kept for three years after the year of creation or acquisition.

“A + x”: Refers to a retention period, in which “A” refers to the year the Record’s Active period expires (or when the Record becomes Inactive), and “x” refers to the number of additional years the Record is to be kept after the expiration of its Active period. For example, a retention period indicated as A + 3 years means that a Record is to be kept for three years after the year the Active period expires (i.e., three years after the Record becomes Inactive).