

GOVERNING BOARD POLICY

Approved 11/12/24

Introduction

The By-Laws of the Barrington Congregational Church (By-Laws), Article III.B., states the overall purpose and responsibilities of the Governing Board (Board). The Board's primary goal is to help achieve an active, engaged and vibrant church community in which members and friends come together to share their gifts in ways they are called to serve, and in which ministry leadership is committed to excellence in worship, faith formation, community building, and caring for facilities and finances.

The Board articulates the church's mission, strategy and goals; delegates power; oversees operations; and keeps money, people and property safe through the following:

- I. Internal governance of the Board
- II. Delegation of authority to the Director of Ministries (DoM)
- III. Oversight of operations
- IV. Initiation of special studies
- V. Approval of church policies

I. Board Governance

1. Philosophy of Governance

- a. The Board uses the Mission Statement to guide its strategic decision making and to formulate clear written policies to delegate management decision-making to the DoM. The Board strives to encourage the congregation to expand its aspirations and undertake shared acts of leadership and service.
- b. The Board will oversee operations but not be involved in day-to-day decisions.
- c. The Board will, in coordination with the ministers, direct the development and periodic review of the mission, vision, and strategic plan.

2. Board Members

- a. See Article III.B of the By-Laws for an explanation of member requirements.
- b. The Board may delegate certain project responsibilities to select Board members, as needed.

3. Meetings

- a. Under the By-Laws, the Board will meet at least four times annually. Meeting dates will be developed in conjunction with the DoM. Additional meetings for any purpose may be called.
- b. Meetings may take place in person or virtually.
- c. A majority of Board members must vote affirmatively for any motion to pass.

- d. No proxy voting is permitted; votes may be taken in person, virtually, electronically, or any combination thereof.
- e. Meeting minutes will be taken, preserved, and made available to congregation members upon request.

II. Delegation of Authority to DoM

Under By-Laws Article III.B.1.D. the management and oversight of all ministries is delegated to the DoM subject to the following provisions. The DoM should communicate these provisions to the appropriate Ministry Coordinator. Some provisions require written policies to be approved by the DoM and/or the Board.

The role of the Board is to ensure (through the DoM) that Ministry Coordinators are fulfilling their responsibilities as defined below by receiving and reviewing reports, conducting due diligence, and responding to any concerns.

1. General

The DoM is to consult with the Board on proposed changes in the ministry structure and regarding the designation of any *core teams*.

2. Human Resources

The Board recognizes the critical importance of the paid staff in the accomplishment of our Mission and is committed to fairness in hiring, compensation and treatment of our paid staff.

The DoM is responsible for the oversight of paid staff and in doing so will develop and maintain through an appropriate team a Personnel Policy, subject to Board approval, to provide staff with information on all aspects of their employment and to ensure compliance with all legal requirements related to employment. This policy will include at least these provisions:

- a. Employment policies: non-discrimination in all personnel practices; employment at will; a grievance procedure; categories of employees; hours of work and a performance appraisal process.
- b. Standards of conduct: including and not limited to prevention of abuse; anti-harassment; substance use; and use and security of information technology.
- c. Compensation policies: wage and salary administration.
- d. Performance evaluation.
- e. Health and other benefits: Define eligibility for such benefits.
- f. Time away from work: holiday schedule, sick time and other benefits.
- g. Leaving employment: Policies on all processes for ending employment.

3. Finance

The Finance Coordinator will develop a Finance Policy based on the By-Laws and the provisions below. They will implement financial procedures through the appropriate team or individual, such as the Treasurer, according to the established policy. This policy should be approved by the Board and include the following:

- a. Accounting – establish and maintain procedures that:
 - i. Create a chart of accounts enabling the recording of transactions in sufficient detail to have a clear understanding of activity by type of income and expense, and balance sheet assets and liabilities.
 - ii. To the extent practicable, adhere to Financial Accounting Standards Board standards.
 - iii. Identify those transactions and balances that are restricted as to their purpose by either Board action or donor direction and ensure such funds are not used in violation of those restrictions.
- b. Cash management - The Treasurer is to prepare a procedure, subject to DoM and Board approval, that includes provisions that:
 - i. Define an appropriate segregation of duties between the approval of expenditure of funds and the distribution of such funds.
 - ii. Project, in conjunction with other finance operations, cash flow over time and determine best investments of funds to optimize return on investment.
 - iii. All deposits to the credit of the church are made in such banks and depositories as the Board may designate.
 - iv. Church records will be reconciled with financial institution records as often as such records are issued.
 - v. Identify a qualified person, ideally a member of the finance ministry, to regularly review church financial statements.
- c. Budget Preparation – Prior to presentation to the Congregation for a vote, the Finance Coordinator shall review with the DoM and the Board the next year’s budget for operations and capital improvements covering:
 - i. Pledges: Number and dollar amount of pledges compared to the prior year. The number and dollar amount of pledges lost and gained and the percentage of pledge dollars from the top 10% of donors.
 - ii. Gifts: Amount of significant, possibly not sustainable, gifts.
 - iii. Endowment income: the budgeted amount should be based on the established policy.
 - iv. Staff compensation: Total compared to last year and reason for changes. Review proposed new hires or changes in staffing.
 - v. Mission driven ministries: Expenses reflect ministry priorities as defined by the mission statement.
 - vi. Facilities management: Significant changes from the current year.
 - vii. Implications: Long-term impact on financial stability of the church.
 - viii. Capital expenditures: Major projects and total spending planned, including contingency plans.

- d. Significant Expenses - The DoM, Finance Coordinator, and Board will review any project whose cost will or could exceed \$25,000 to determine if it is “significant” under the By-Laws requiring congregational approval.

4. Endowment

The Finance Coordinator, through the Endowment Team, shall develop an Endowment Policy, subject to Board approval, that defines endowment funds, the purpose of each fund, asset allocation, giving options, disbursement policy and reporting practice. This policy is to include at least these provisions:

- a. Selection of money managers to invest funds, optimize returns, evaluate performance, and make changes as deemed necessary is subject to Board approval.
- b. Funds to be withdrawn annually are based on an average of the prior twelve (12) quarters using a distribution rate designed to preserve the purchasing power of the funds over the long term.
- c. Assurance that designated funds are used only for the defined purpose.
- d. A record of each gift, as well as any formal expression by the donor(s) as to its use will be maintained.
- e. Establish methods to promote and publicize the Fund.
- f. Presentation of an annual report of returns on investment compared to benchmarks by each fund manager, contributions, withdrawals, test of goal of maintaining purchasing power of the fund balances and the program to promote Endowment Funds.

5. Risk Management and Insurance

The DoM, with the Finance Coordinator or responsible individual(s), will develop a process that gives reasonable assurance that risks are identified, managed, and insured if appropriate, subject to board approval.

6. Facilities

The DoM through the Property Coordinator is responsible for maintaining BCCUCC’s buildings and grounds in good shape. This work shall include:

- a. Developing a plan of needed maintenance and repairs and sources of funding for Board approval as part of the annual budget review.
- b. Obtaining prior Board approval if church-wide fund-raising is required.
- c. Developing a procedure regarding the funding of capital improvements, including annual contributions from the operations budget.

III. Oversight of Operations

The Board has a responsibility to assure that ministry operations are effective in achieving or moving toward achieving the church’s Mission, vision and strategic goals by regularly reviewing the budget, goals, and staff performance. These responsibilities include:

1. **Audit**

At least every three years, the Board will designate a Board member to coordinate with the DoM and the Finance Coordinator to identify a qualified professional to conduct a financial review to ensure compliance with our financial policies and procedures.

- a. The financial reviewer can be either a member of the church or a non-member.
- b. The objective is not a full audit resulting in a standard auditor's statement.
- c. The primary goals of the financial review are:
 - i. Confirmation that the financial assets on BCCUCC's books are at (or reconciled to) the financial institution's records.
 - ii. Reasonable assurance that the controls over the receipt and expenditure of funds is adequate.
- d. The financial review will be presented to the Board upon completion.

2. **Budget Monitoring**

The Finance Coordinator will monitor the financial reports of operations at least quarterly and notify the DoM promptly of any actual or projected material deviations from the annual budget and proposed corrective action. In such a case, DoM will also promptly notify the Board. Additionally, upon the completion of the year-end fiscal statements — targeted for February — the Finance Coordinator will review with the DoM the reports on operations, the balance sheet, and the Capital Improvement Fund. Furthermore, the Board shall

- a. Receive an Annual Report sharing progress made on key ministry goals.
- b. Review annual endowment returns on investment compared to benchmarks by each fund manager, contributions, withdrawals, the results of the test of the goal of maintaining purchasing power of the fund balances and the program to promote Endowment Funds.
- c. Meet annually with the DoM to review performance of paid staff, the status of volunteer Ministry Coordinators and *core* Team Leaders.
- d. Receive a report on all ministries.

3. **Risk Management and Insurance**

The Finance Coordinator and DoM shall report annually to the Board on the following:

- a. Amount of insurance coverage and cost for property, liability and health showing applicable deductibles.
- b. Significant uninsured risks.
- c. Any other items of note involving insurance and risk management.

IV. Board Initiated Studies

From time to time the Board may initiate studies, drawing on church membership to form study teams regarding longer term objectives including:

1. Review of mission.
2. Development of a strategic plan.

3. Financial plan and strategy.
4. Facilities improvement.
5. Creation of church vision.

Note: This policy anticipates that if the Board wishes to undertake such long-term studies, they will define the goals of the effort, assign a Board task coordinator and then form a task force and leader to accomplish the task.

V. Approval of Church Policies

The Board shall approve all official policies of the church with the exception the Congregation Policy, which is approved at a meeting of the congregation.