**Quimper Unitarian Universalist Fellowship**

**Board of Trustees**

**Meeting Minutes January 19, 2022 6:00 pm**

**Meeting by Zoom; recording at**

<https://youtu.be/RBQMhY7G_rA>

We acknowledge that these waters, mountains, valleys and shorelines are the traditional territory of the S’Klallam and Chemakum peoples. We will work to restore and sustain their homelands and all living beings.

**Meeting Called to Order Recording on.** 6:02

Attending: Larry Morrell, Sherry Modrow, Penny Ridderbusch, David Covert, Karl Bach, Virginia Nixon, Frances Loubere, Cecilia Flickinger, Liesl Slabough, Kate Kinney.

Observing: Julia Cochran, Shere Dewees, Mary Tucker, Connie Ross, John Collins, Christina Tweed, Kathy Stevenson, Jenell DeMatteo

Timekeeper: Karl Bach

Spiritual Practice and Opening

**Approve Meeting Agenda**

Meeting agenda approved.

**Consent Agenda**

**Motion:** Sherry Modrow moved to approve the minutes of the Dec. 15, 2021 and revised Jan. 11, 2022 meetings; Virginia Nixon seconded the motion; motion approved.

**Standing Rep****orts**

**President’s Report – See** [**Attachment A**](#AttachmentA)

**Minister’s Report – None –Senior minister on Study Leave**

**Treasurer’s Report – See separate package**

**Motion:** Virginia Nixon moved to approve the December 2021 financial statements indicating an excess income/expense amount of $67,719.70 and a total liabilities and net assets in the amount of $2,645,085.16; the motion was seconded by David Covert. The motion was approved.

**Motion:** It was moved by Penny Ridderbusch and seconded by Sherry Modrow to acknowledge Rev. Kate Lore’s 2022 housing allowance declaration of $40,000 and Kate Kinney’s 2022 housing allowance declaration of $0.00. The motion was approved.

**Motion:** Karl Bach moved to approve the budget revision presented from the Finance Committee; Sherry Modrow seconded the motion; the motion was approved.

**Trustees’ Reports**

**Nominating Committee Reports: Dec. 2021 & Jan. 2022.
See** [**Attachment E**](#AttachmentE) **–** Virgina Nixon.

**Task Force Reports**

**Governance Task Force See** [**Attachment B**](#AttachmentB) **–** Frances Loubere.

**Ad Hoc Committee on Healthy Community –** Liesl Slabough.
**Report: See** [**Attachment C**](#AttachmentC)

**Widening the Circle Task Force -** Cecilia Flickinger, Liason

**Communications committee –** David C., Chair

**BREAK 7:12 – 7:17**

**QUUF Financial Review – See** [**Attachment D**](#AttachmentD) **–** Penny Ridderbusch.

No board action required.

**Follow up from Jan. 11, 2022 special BoT meeting: Reactivation of Committee on Shared Ministry.**

**Motion:**  It was moved by Sherry Modrow to amend the motion of Jan. 11 reinstating the Committee on Ministry (CoM) by renaming as Committee on Shared Ministry (CoSM). Karl Bach seconded the motion. Approved.

**Congregation-wide engagement plan: Vision building, conflict resolution, facilitation resources.**

Extinguishing the Chalice:

In the middle of difficulty lies opportunity ~ Albert Einstein.

**Recording off.** 9:00

**ADJOURN**

**Motion:**  It was moved by Cecilia Flickinger to adjourn the meeting; seconded by Sherry Modrow; Approved.

**Attachment** **A**

**QUUF Board of Trustees**

**President’s report – January 19, 2022**

1. Study session conducted on Jan 6 turned to a focus on the current disagreements within the fellowship on how to conduct conversations on anti-racism programs. The concerns committee process was not yet completed, however, the recommendation to put a warning on two classes offered by ALPs and to delay registration for those classes was in process. Given the strong opposition to some of the content, a special board meeting was scheduled for Jan 11.
2. Options for outside facilitation being pursued – the on-going pandemic eliminates face-to-face meetings limiting processes to using on-line tools – sub-optimal at best.
3. Conducted special board meeting on Jan 11 to address the current disagreements over the ALPs offerings in the spring catalog as well as the frustrations expressed regarding perceived suppression of the “search for truth and meaning.” Board acted to delay the disputed ALPs offerings and to reactive the Committee on Shared Ministry.
4. Board authored: Weekly update notice for Jan 14 and a longer report published on Jan 17 as a Monday Board Report describing the board’s actions and rationale.
5. Events have triggered both praise and outrage directed at the board as a whole and, at times, a subset of the board perceived to have an agenda. Direct feedback given where appropriate: “The Board is a single entity and board communications go to all board members.”
6. On-going engagements with members to understand their issues and explore ways to address them.
7. Pending work:
	1. Board Code of Conduct (interaction with members; use of email; conduct during board meetings)
	2. Completion of mid-year ministerial review (due in “early fall”)
	3. Restoring members’ direct interaction with board (e.g., comments during board meetings.)

Respectfully,

Larry Morrell, President

QUUF Board of Trustees

[Return to Agenda](#Agenda)

**Attachment B**

**Governance Task Force Update January 2022**

The QUUF Governance Task Force has created a transition plan outlining our focus for the remainder of the 2021-2022 church year.

GTF Spring 2022 Transition Plan:

* GTF will continue to provide updates prior to monthly Board Meetings.
* The entire GTF will continue to meet via Zoom on the first and third Wednesdays from 9:30- 11am leaving intervening weeks for subcommittee work.
* The Growth and Learning Ministerial Council met for the first time on January 13. At this point all five ministerial councils have met and a meeting of the Program Council is anticipated by the end of January.
* The Communications Subcommittee will submit short articles about our shared governance model to the Weekly Updates beginning in mid-January.
* The Program Council Implementation Subcommittee will continue to focus on finding leaders for all five ministerial councils.
* The five ministerial councils and the Program Council will develop/finalize charters which will be reviewed by the GTF before they are forwarded to the Board for approval.
* The Bylaws and Ops Manual Subcommittee will continue reviewing governing documents, adding to the Working Copy, and bringing these to the overall GTF for discussion. The subcommittee anticipates bringing proposed Open/Closed Meetings, Conflict of Interest and Virtual Meetings Policies to the February 16 Board Meeting.
* GTF will offer to schedule training with the Nominations Committee on how our shared governance model will impact nominations. It is anticipated that this will happen before the scheduled February open meeting on nominations.

**Bylaws/Operations Manual Subcommittee Report:**

Using the method described in an earlier report we have made some recommended policy changes for consideration by the Board to allow us to move forward with respect to structure of the councils, committees, and teams. Our objective will be to have Board approval for temporary inclusion of policies into the Operations Manual that would later be prepared as part of a Bylaws revision that would be recommended to the Congregation for approval.

While the chair appointments to the councils will be approved by the Board, we recommend that the chairs/leads of the committees and teams that are associated with the respective councils will be approved by those councils. The charters of the councils will be approved by the Board and the charters of the committees and teams will be approved by their respective councils.

The working copy of the ByLaws/Operations Manual draft has been changed to reflect the revised name of the Ministerial Advisory Team, formerly known as the Coordinating Team.

When the final version of the ByLaws/Operations Manual has been drafted it will include a glossary of terms in the introduction section to help minimize any confusion by the reader to unfamiliar terms.

The Proposed Conflict of Interest Policy and the Open/Closed Meeting Policy have had revisions made by this committee but still require final review by the full GTF (planned for January 19, 2022) before submission to the Board for approval.

**Program Implementation Subcommittee Report:**

The work of the subcommittee continues to move forward.

* The initial meeting of the Growth and Learning Council recently took place.
* All five of the councils have now met under the auspices of the new governance structure.
* The leaders of all thirty-plus ministry teams have participated in one or more council meetings and have been briefed on the structure and purpose of the governance model.
* Reactions of the ministry team leaders to the governance model have generally been positive.
* Leaders of the Community and Social & Environmental Councils are in place and convene regular meetings of these two councils.
* An interim leader of the Growth and Learning Council has volunteered.
* Recruitment of leaders for the Operations & Facilities and Spirit Council continues.
* The PCIS will continue to convene meetings of the Operations & Facilities and Spirit Council until the leaders of the two councils are in place.
* Charters for the Social & Environmental Justice and the Community Councils are nearing completion.
* The development of charters for the other three councils is on the agenda for the near future.
* The initial meeting of the Program Council will be held before the end of January.

**Communications Subcommittee Report:**

* An article sharing information on the progress made by the GTF during the first half of the 2021-2022 church year will be included in the January 21 Weekly Update. This article will focus on the formation of the Councils & Program Councils and the By-Laws & Operations Manual revisions. This will be the first of a series of Weekly Update articles focusing on the governance transition.
* We have completed additional revisions to the Governance Overview with the objective of adding this document as a link to the Governance Page of the QUUF website later this month. The entire GTF will review this document at our January 19 meeting.
* We will continue to review and revise additional documents which will be linked to the Governance page of the website.

Respectfully submitted by Cynthia Becker, GTF Co-Chair

[Return to Agenda](#Agenda)

**Attachment C**

Report to the Board AD HOC Committee

January 19, 2022 Healthy Community Team

Co-Chairs: Liesl Slabaugh & David Rymph; Board Liaison: Sherry Modrow

Members: Diane Haas, Martha Moyer, Onzie Stevens, Patrick Johnson

Report

* A recruitment announcement has run in the Weekly Update two times and will run one more time on January 21.
* The ad hoc committee members are now conducting conversations with interested people, and people identified by the committee as good candidates.
* The goal is to create a pool of interested parties from which to put together a representative team of seven.
* Three more meetings are scheduled in January.

[Return to Agenda](#AgendaPage2)

**Attachment D**

January 12, 2022

Board of Trustees

Quimper Unitarian Universalist Fellowship

2333 San Juan Avenue

Port Townsend WA 98368

**QUUF Management Review Letter**

The QUUF Financial Review Team of John Collins, Janet Palmer and Brian Rogers conducted a Management Review of the QUUF Balance Sheets, Statements of Income and Expense, Statements of Cash Flows, and financial procedures for the period July 1, 2020, through June 30, 2021.

Team members are not CPAs but have been congregational treasurers and a UU district treasurer. We are not CPAs and thus cannot provide an audited opinion. This review of financial records and procedures is thus a Management Review and not an Audit. The review is intended for use only by QUUF for its internal procedures.

The review was not intended to deter fraud, but had we encountered any activities that appeared fraudulent or were vulnerable to fraud we would have investigated them.

This review covers a time of transition and pandemic response at QUUF. It includes a transition of Congregational Administrator and a dramatic shift from pre-pandemic normal operations. In our report for the previous two years, the team looked closely at all financial procedures. In this review, we focused on the current year financial reports and on responses to our previous report recommendations.

In our opinion as lay Unitarian Universalists with financial knowledge, the Financial Statements made available to the QUUF membership accurately reflect the financial position of QUUF for the fiscal year ending June 30, 2021. We determined that certain overpayments to retirement systems were made, but the effect is not material to the financial statements.

Details of this review and recommendations are included in the attached document.

John Collins, former Treasurer QUUF

Janet Palmer, former Treasurer QUUF

Brian Rogers, Treasurer, Pacific Northwest Unitarian Universalist Growth Foundation; Compensation Consultant, UUA; prior Treasurer, Pacific Northwest District UUA; and prior Treasurer, Unitarian Universalist Fellowship of Fairbanks.

**QUUF Management Review Detail Fiscal Year 2020-2021**

The QUUF Financial Review Team – John Collins, Janet Palmer, and Brian Rogers – used the UUA publication “*Internal Financial Review for UU Congregations*” as a template for our review. We noted the publication is somewhat dated, so added to it our own review of procedures not covered.

We interviewed or met with the following individuals during our review:

* Penny Ridderbusch, QUUF Treasurer
* Jenell DeMatteo, QUUF Congregational Administrator
* Sarah Seltzer, Bookkeeper

Activities in the review for each year included:

* Review of the Balance Sheet, Statement of Income and Expenses, and verification against bank and loan documents
* A review of selected transactions for invoices, receipts, and supporting documentation
* A review of selected payroll, compensation, and benefits documentation
* Confirmation that the Congregational Administrator had performed the annual UUA-recommended “Benefits Tuneup”
* A review of Income and expense budget reports
* A review of notes to the Balance Sheet report for the period
* A review of board decisions and financial reporting to the Board and the Fellowship
* A review of policies and procedures

**2021 Findings and New Recommendations**

1. QUUF’s PowerChurch software calculates retirement contributions for all employees with LTD coverage contrary to the current QUUF agreement with the UUA, resulting in an overpayment to the UUA. The calculation included LTD add-on in the retirement calculation. There are two possible solutions for future contributions: (a) change QUUF procedures to manual calculation of retirement contributions, or (b) amend the agreement with the UUA. **We recommend that QUUF seek to amend the agreement as soon as possible.**
2. The PowerChurch software also calculates retirement contributions incorrectly for ministers, including SECA payments in the retirement amount, contrary to the QUUF agreement with the UUA. The payment of a portion of spousal health care costs may also have created a similar discrepancy. This has resulted in a substantial overpayment of retirement contributions for Rev. Kate Lore, and perhaps for Rev. Kate Kinney (who was not a QUUF minister in the 2020-21 church year). **We recommend the Treasurer and Congregational Administrator correct the past overpayments and determine a new process for calculating retirement contributions for congregational ministers that complies with the QUUF agreement with the UUA.**
3. Terms for the members of the Financial Review Committee are currently on a calendar year basis, but the congregation budgets and accounts on a fiscal year basis. **We recommend the board set terms to end coincident with the congregation’s fiscal year.**
4. The board adopts a resolution at least annually setting out signature authority on QUUF accounts. **We recommend the resolution include start and end dates for such signature authority.**

**Review of 2018-2019 and 2019-2020 Recommendations:**

1. QUUF needs to prioritize adding a bookkeeper, at least part-time, to the regular staff of the organization. As this fellowship has grown over the past decade, the financial issues are more complex and time-consuming, and would overwhelm the Congregational Administrator were it not for the extraordinary support and time commitment of the Treasurer, who will be termed out shortly.

**2021 Follow-up: Done.**

1. QUUF should develop a Transition Checklist that shows all actions that need to be taken when there is a transition of Congregational Administrator, Treasurer, or IT Specialist. The checklist should include:
	1. All security measures that need revising, including keys, combinations, and passwords
	2. Compensation and benefits calculation and reporting procedures
	3. Financial procedures
	4. Record-keeping and retention procedures
	5. Segregation of duties processes
	6. Year-end transaction processes
	7. Other processes deemed important by the Congregational Administrator or Treasurer

**2021 Follow-up: In Process. Transition checklist should be completed.**

1. The QUUF Operations Manual needs to be updated immediately following Board action that adds or revises policies or procedures. A thorough review of the Operations Manual for style and repetition would be useful. As QUUF transitions its governance model to Policy Governance, the Board and Minister should review the financial sections of Operations Manual for appropriate changes to ensure alignment between policy governance and operational procedures.

**2021 Follow-up: No action was taken during the 2020-2021 year. Work is beginning through the Governance Task Force. Recommendation maintained for 2021.**

1. Employee benefits management grows more complex every year and is an area the UUA finds its congregations often make errors. QUUF should ensure that the Congregational Administrator has a staff or volunteer backup individual fully knowledgeable about all benefits issues and processes and should ensure the UUA Benefits Tune-up process is followed each year (as was completed in 2021 prior to this report).

**2021 Follow-up: No action to date. Recommendation maintained for 2021.**

1. There is a significant number of inactive restricted and temporary funds. QUUF Finance should review the inactive funds and consider a sunset provision for funds that see no activity for an appropriate period.

**2021 Follow-up: Treasurer indicated Finance Committee has accomplished the review.**

1. Reconciliation of bank checking accounts from PowerChurch to the balance sheet is not a straight-forward process. That process should be documented for use by future Treasurers, Congregational Administrators, and Financial Review Team members.

**2021 Follow-up: Documentation is in process and should be completed.**

[Return to Agenda](#AgendaPage2)

**Attachment E**

**Notes of Nominating Committee Meeting**

**January 13, 2022**

Members Present: Rick Cote (chair), Lloyd Westbrook (co-whatever), Virginia Nixon (Board Rep.), and Joyce Francis (secretary) and Julia Cochrane

**Opening Words:** *Our chalice reminds us of that the fire within is the same ire that illuminates the Universe. It is our reminder that all is connected even though the space of the void is vast and our experience here is but a blip in the cosmic timeline.*

1. **Old Business:**
	1. Lloyd and Rick announced an agreement that Lloyd will step up to be the “co-whatever” leadership support over the next few months while Rick is travelling/grandparenting.
	2. Notes of the December 23 meeting were approved with the correction of the year to 2021. Joyce will send Virginia updated notes for Larry.
	3. Rick reported that he did notify Bruce Zalneraitis that Bruce will indeed be included on our slate of nominees for the Board.
	4. We have clarified that Doug Pulling and Bill Kaune will continue on Endowments for another year. Thus, there are two open positions, one for 2 years to complete Stan/Sigrid Cumming’s position, and a 3-year position.
	5. Julia spoke with Beau and learned that it is unrealistic to reach out to teens for leadership positions, but their connection to QUUF is tenuous during this period of COVID.
2. **New Business**
	1. **Recruiting Materials (text and video)**
		1. Julia suggested that Anne Weaver be invited to a meeting in order to be interviewed about the new Governance Model, which will impact all aspects of leadership at QUUF, particularly the Board.
		2. Lloyd and Julia will follow up with Anne today at 2:00 by, as the others will be traveling, and Lloyd will use his Zoom account.
		3. Julia will be asking Larry Morrell if he has pieces he might want to add about the role of the Board.
		4. Joyce will interview Shary Irwin and Terry Copeland within the next week and load those videos onto Google Docs.
		5. Joyce will send Julia three items she has on Endowments at the end of this meeting.
	2. **Orientation Zoom Meeting**
		1. **Rescheduled** to Saturday, February 12, 2-3:30pm. Joyce will get this on the QUUF Calendar.
		2. **Overall Introduction** - Lloyd will approach Bruce Bode to give the overview on leadership for this orientation. This should also include a pitch about ways to accommodate working/parenting schedules to be as inclusive as possible.
		3. **Format** - The meeting will then break into three breakout sessions, one for each committee, with two leaders/facilitators with experience on that committee.
		4. **Three Zoom Rooms** – Virginia & Rick would like to represent the Nominations committee and asked Larry Morrell to represent the Board and will seek one partner to join him. Julia will contact Larry about the new date and see if he is available and to find the second person for the Board Zoom Room.
		5. **Tech Support** – Julia will ask Christina if she can be tech support for the Zoom orientation.
	3. **Timeline for Deliverables**
		1. **Before Jan 20** – first draft of recruiting materials to be posted to our Google Docs
		2. **Jan 25** – Compiled draft materials will be posted by Lloyd for review
		3. **Jan 26-27** - Members review and send comments/revisions to Lloyd
		4. **Jan 28** – Revisit the material and develop a final
		5. **Feb 3, 10 AM –** Next Meeting to review final materials
		6. **Before Wednesday, Feb 2** – Joyce will submit an announcement for the Friday bulletin, and Lloyd will request a pulpit announcement.
		7. **Saturday, Feb 12**, 2:00-3:30 PM – Zoom Orientation, including a welcome and overview of the nominating process and breakout rooms by committee
		8. **Thursday, Feb 24**, 3:30-5 PM – Monthly meeting, develop preliminary list of nominees
		9. **Thursday, Mar 24**, 3:30-5 PM – Monthly meeting, hoping to finalize nominees
		10. **Tuesday, Apr 12** – slate of nominees to be submitted to Board, photos and bios to be posted on website
	4. **Closing Words –** *May all beings be happy; may all beings be peaceful; may all beings be free from suffering.* **NEXT MEETING – Thursday, February 3, 10 AM**

**Notes of Nominating Committee Meeting**

**December 23, 2021**

Members Present: Lloyd Westbrook (interim chair), Virginia Nixon (Board Rep.), and Joyce Francis (secretary)

Absent: Rick Cote and Julia Cochrane

1. **Opening Words:** *The world in which you were born is just one model of reality. Other cultures are not failed attempts at being you; they are unique manifestations of the human spirit.* ~ Wade Davis
2. **Old Business:**
	1. Notes of the November 18 meeting were approved as submitted.
	2. It was moved and seconded that Rick should notify Bruce Zalneraitis that he will indeed be included on our slate of nominees for the Board.
3. **New Business**
	1. **Recruiting Materials (text and video) – First take on Google Docs before Jan 13 for committee review**
		1. An Interim Meeting is scheduled for 4pm on Thursday, January 13.
		2. Within the next couple of days, Lloyd will review the materials Joyce prepared for the Nominating Committee and let us all know any suggestions/changes appropriate so that we have a common template. He will then proceed developing recruiting materials for the Board.
		3. Joyce will seek to interview Shary Irwin and Terry Copeland.
		4. Virginia will contact members of the Endowments Committee to clarify who is continuing and how many years remain on their terms. She will also ask who might represent that committee in our Zoom orientation, as well as any names they might recommend as potential nominees.
		5. Members anticipated that Julia will be able to complete the task of preparing materials for the Endowments Committee. Lloyd will check in with her if he has not received materials by Jan 5. Julia also committed to approach Beau about youth members.
	2. **Orientation Zoom Meeting – Sunday, Feb 13, 2:00-3:00pm**
		1. Joyce will get this on the QUUF Calendar.
		2. Lloyd will approach Bruce Bode to give the overview on leadership for this orientation. This should also include a pitch about ways to accommodate working/parenting schedules to be as inclusive as possible.
		3. The meeting will then break into three breakout sessions, one for each committee, with two leaders/facilitators with experience on that committee.
		4. Virginia would like to represent the Nominations committee and will ask Larry Morrell to represent the Board and seek one partner to join him.
	3. **Timeline for Deliverables**
		1. **Before Jan 13** – first draft of recruiting materials to be posted to our Google Docs
		2. **Thursday, Jan 13**, 4pm – Interim meeting to review materials.
		3. **Thursday Jan 27**, 3:30-5pm – Regular monthly meeting to finalize materials, which Lloyd will deliver to Pat/Christina for posting on website.
		4. **Before Wednesday, Feb 2** – Joyce will submit an announcement for the Friday bulletin, and Lloyd will request a pulpit announcement.
		5. **Sunday, Feb 13**, 2:00pm – Zoom Orientation, including a welcome and overview of the nominating process and breakout rooms by committee.
		6. **Thursday, Feb 24**, 3:30-5pm – Monthly meeting, develop preliminary list of nominees.
		7. **Thursday, Mar 24**, 3:30-5pm – Monthly meeting, hoping to finalize nominees
		8. **Tuesday, Apr 12** – slate of nominees to be submitted to Board, photos and bios to be posted on website.
	4. **Closing Words –** *We wished one another Merry Christmas & Happy New Year*

 **NEXT MEETING – Thursday, January 13, 4 PM**

[Return to Agenda](#AgendaPage2)