

2.4 Care for Material Resources

Foothills Unitarian commits to the faithful stewardship of its financial and material resources, ensuring they are used to further its mission, values, and long-term viability. The Board establishes the following policies to define accountability, boundaries, and necessary monitoring related to the financial health of the church.

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2.4.1 Financial Accountability of the Senior Minister

The Senior Minister is accountable for the organization's financial performance and condition. This includes the planning, budgeting, and prudent management of the Church's financial and material assets. The Senior Minister shall:

- Ensure that financial practices are fiscally, socially, and environmentally responsible,
- Comply with generally accepted accounting principles (GAAP)
- Prevent material deviation* from the Board-approved budget or unauthorized use of designated funds
- Maintain sufficient internal controls to safeguard assets and limit financial risk
- Review monthly financial statements
- At least once every five years, the Senior Minister engages qualified professionals to review the Church's financial records and processes.

*Material deviation includes any change big enough to affect the church's financial health or strategic direction.

2.4.2 Budget Creation and Oversight

2.4.2.1 Operating Budget

Each fiscal year, the Senior Minister shall propose an operating budget to the Board that is aligned with the church's Vision Interpretation. The Board affirms the proposed budget before it is presented for a congregational vote.

The budget must:

- Reflect anticipated income and expenses
- Demonstrate sustainable use of resources
- Align with policy and strategic direction

2.4.2.2 Staff Compensation

The Senior Minister holds authority for staff compensation within the total amount allocated in the congregationally approved budget. Any proposed increase to the total staff compensation budget outside of budgeted limits must be approved by the Board.

2.4.3 Spending and Reserve Limits

2.4.3.1 Spending Authority

The Senior Minister is responsible for all spending and account management. They may delegate authority to staff while retaining overall accountability.

- Deviations from the budget exceeding \$50,000 must be reported to the Board.
- Any deviation from the budget exceeding \$100,000 requires prior Board approval.

2.4.3.2 Operating Reserves & Endowment Fund

The Senior Minister shall maintain unrestricted cash reserves equivalent to a minimum of two months of operating expenses. If reserves fall below this threshold, the Senior Minister will notify the Board and propose a corrective plan.

The Senior Minister is responsible for soliciting, accepting, managing, and disbursing contributions of cash, securities, and other tangible resources to build an Endowment Fund in support of the Mission, Vision, and Values of the Congregation.

The Endowment Fund is only invested in the UU Common Endowment Fund, with its professional asset management guided by UU socially responsible investment goals.

The Senior Minister cannot spend the principal (contributions) to the Endowment Fund without Board approval.

2.4.4 Contracts, Debt and Investments

2.4.4.1 Contracts

- The Senior Minister may delegate authority to staff to sign contracts up to \$25,000.
- The Senior Minister may enter into contracts up to \$100,000 or up to two years in length.
- Contracts exceeding \$100,000 or longer than two years require Board approval.

2.4.4.2 Debt

- Board approval is required for the refinancing of existing debt.
- The congregation must approve any new debt that will be retained beyond a single fiscal year.

2.4.5 Fundraising

The Senior Minister must ensure fundraising activities occur to secure sufficient financial support from Foothills' participants and members to fund the budget of the Church.

The Senior Minister may also seek other financial resources such as grants or donations from individuals or organizations outside of the Church that further the Mission, Values and Vision and align with the Church's non-profit status.

The Board must initiate capital campaigns to finance major needs such as a building project, a major repair project, or to grow the Endowment Fund. The Senior Minister is responsible for executing and managing such campaigns in alignment with strategic goals.

2.4.6 Asset Protection and Insurance

The Senior Minister shall take all reasonable care to protect the church's assets from loss, damage, or misuse. This includes, but is not limited to:

- Adequate insurance to protect against property losses, liability for injuries to others, corporate liability, personal liability of Board members and staff.

2.4.7 Fiscal Agency and Outside Fundraising

The Board must approve any arrangement in which Foothills serves as a fiscal agent or sponsor for another organization or fund.

The Senior Minister shall provide:

- A statement of alignment with mission
- Projected resource impact
- Ongoing oversight and reporting of fund use

2.4.8 Financial Transparency and Reporting

The Senior Minister will ensure that financial records are accurate, timely, and accessible to the Board and congregation, excluding personal details or legally protected data.

The senior minister will:

- Provide comprehensive, quarterly financial reports as defined by the monitoring schedule.
- Ensure that financial records are accurate, timely, and accessible to the Board and congregation (excluding personnel details or legally protected data).
- Maintain a record retention and destruction guidance
- Ensure secure systems for all financial data