

MONITORING REPORTS

2.7 FINANCIAL PLANNING AND BUDGETING

Policy: Financial planning shall not:

- A. Deviate materially from the Shared Vision (ENDS),
- B. Compromise fiscal prudence or integrity, or
- C. Fail to reflect a multi-year plan that reflects both the financial and spiritual dimensions of our stewardship.

Operational definition: The President shall prepare financial plans for the Association that enable the UUA to meet the goals as described in the President's statement of strategies and tactics (monitoring report on the Global Ends Policy). These plans should reflect the Association's multi-year plan.

Supporting data: At this time, the Association does not have a multi-year plan extending beyond two years. It is our intent to prepare such a plan before the preparation of the final FY12 budget in April 2011.

Policy: 1. [The President shall not] Fail to present at the Board of Trustees' April meeting:

- A. A balanced operating budget for each of the Association's business segments based on reasonable planning assumptions, including projections of revenue and expenses for the fiscal year beginning on July 1, for approval by the Board.
- B. A capital budget for the fiscal year beginning on July 1, based on reasonable financing and depreciation assumptions.
- C. A proposed budget for the following fiscal year, which will be received by the Board as information.

Operational definition: Self-explanatory.

Supporting data: Budgets for all operating units were presented to the Finance Committee for review at their April 15, 2010 meeting. Specifically, the material includes budgets for Current Operations, Beacon Press, the Building Loan Fund, and General Assembly and a memorandum explaining the changes from the current fiscal year to the FY11 budget. For Current Operations, a FY12 budget is also included. In addition, the President submitted a capital budget for FY11 showing both expenditures and budgeted depreciation expense. The excess of expenditures over depreciation will be funded through the operating surplus.

Policy: [The President shall not] 2. Commit the Association to any initiative that lacks a clear and comprehensive funding plan.

Operational definition: Any initiative undertaken by the President should be included in the operating budget and include appropriate sources of funding, whether from unrestricted or restricted sources.

Supporting data: The budget demonstrates the funding sources for all initiatives. There are no initiatives not included in the budget.

Policy: [The President shall not] 3. Provide less for the Board's budget than the amount determined pursuant to policies on "Cost of Governance" in "Section 3 Governance Process".

Operational definition: The President shall consult with the Board leadership during the preparation of the budget to insure that the "Cost of Governance" is adequately funded.

Supporting data: The Board and Volunteer Leadership section of the budget was submitted to the Chair of the Finance Committee for review. Certain items were identified as requiring further discussion by the board at the upcoming meeting.

Therefore, I report compliance, while noting that the multi-year plan has not yet been prepared.