

**UUA Board Financial Secretary Report  
End-of-FY19 and FY20 Budget Issues  
for  
UUA Board and Volunteer Leadership**

The purpose of this report is to review and analyze FY 19 spending against FY 19 and FY 20 budgets for the UUA Board and Volunteer Leadership budget lines, focusing on those entities that exceeded their budgets. Board and Volunteer Leadership includes the UUA Board, the Co-Moderators, Board Committees and Task Forces, and independently elected committees and commissions—the Commission on Appraisal, the Nominating Committee, and the Commission on Social Witness. This report also identifies expenses for FY 20 that were not anticipated when the budget was adopted last spring, and identifies some special budget issues for FY 21.

Entity	FY 19 Budget	FY 19 Actual	FY 19 Variance	FY 20 Budget	FY 20 Budget vs FY 19 Actual
Board of Trustees	401,020	402,230	(1,210)	366,420	(35,810)
Board Committees	82,000	79,809	2,191	73,000	(6,809)
Board Task Forces	4,500	1,614	2,887	4,500	2,887
Co-Moderators	33,500	56,151	(22,651)	31,500	(24,651)
Nominating Committee*	25,000			13,000	
Commission on Appraisal	19,500	25,683	(6,183)	16,000	(9,683)
Ministerial Fellowship Committee	110,700	116,590	(5,890)	110,700	(5,890)
Commission on Social Witness	35,500	33,059	2,441	19,000	(14,059)
<b>TOTAL Board &amp; Volunteer Leadership</b>	<b>\$711,720</b>	<b>\$ 747,588</b>	<b>\$ (35,868)</b>	<b>\$ 634,120</b>	<b>\$ (113,468)</b>

**FY 19 Analysis**

In any given year, most expenses for the Board and Volunteer Leadership are related to travel. Depending on where members live, travel costs are more or less expensive. Some members can drive rather than fly, or stay at home rather than at a hotel. Some airports are more expensive than others; members living on the West Coast will generate higher travel costs to Boston than those living on the East Coast. In some cases, there are medical or other accommodations that lead to higher travel

expenses. These are costs that cannot be estimated when the budget is being developed. There is nothing that can be done to control these factors.

#### Board of Trustees, Board Committees, Task Forces and Moderators:

When the FY 19 budget was adopted, the Board had about 8 months experience with having two people share the moderator role. FY 18 was the first year the Board was served by two chaplains.

The Board exceeded its FY 19 budget by \$1,210. This seems like a small amount. However, Elandria's expenses were charged to the Moderator line, and not the Board line. Dick Jacke's seat was vacant for the entire year. Christina and Tim resigned mid-year, so we overspent our budget despite having nearly 4 fewer Trustees' expenses last year.

In FY 19, in addition to the usual complement of Board meetings and General Assembly Planning Committee meetings, the Co-Moderators met onsite with the Commission on Institutional Change and with the various groups dealing with elections and Presidential search. They attended meetings of professional associations and professional groups, and participated in ceremonial occasions such as ordinations or funerals.

Ministerial Fellowship Committee: The MFC's budget is subject to variation in the number of complaints they receive against fellowshipped ministers. Such complaints have been increasing over the past several years. Regular meetings of the MFC can be conducted by Zoom, but meetings regarding complaints are necessarily face-to-face. Interviews with ministerial candidates are also conducted face-to-face. The MFC will experiment with using Zoom. Only the MFC Chair's expenses for GA are paid for, since they do MFC work at GA.

Commission on Appraisal: Expenses for then-current COA members to attend GA were higher than projected, despite the Commission having several unfilled seats. This group meets four times per year in person, and meets via Zoom at other times. They make use of Google docs for writing and editing.

\*Nominating Committee: GA expenses for two Trustees were accidentally charged to the Nominating Committee budget. The error was discovered too late to be corrected. The Nominating Committee was close to budget without those expenses.

#### **FY 20 Concerns**

For the past several years, the Board has approved reduced budgets for itself and other UUA committees. However, we have not discussed what changes we or the committees need to make in order to live within those budgets. When the Board adopts budgets, these should realistically support the work being asked of lay leaders. If budgets are not adequate, either the work needs to be reduced, cost-saving measures adopted, or the budgets need to be increased.

Board: This year, the Board is starting with only one of the Youth Trustee seats vacant; all other seats are filled. The same level of spending as FY 19, when we had vacancies, would result in a budget overrun

of \$35, 810. If we exceeded our budget while having 4 vacancies, we can reasonably expect to overrun the budget by even more now that we have our full complement of Trustees.

We need to have a frank discussion about how we will address our spending. One cost-saving measure we might consider is not paying for Trustees to stay overnight on Saturdays, unless we are doing Board work, there is a medical/health need to stay until Sunday, or unless there is no practical means for a Trustee to return home after the meeting adjourns. (Room rates for the Club Quarters Hotel varies seasonally, between roughly \$180 per night to \$300 per night). Last year, the Board adopted a policy limiting the reimbursement of guest travel expenses; this will help reduce expenses for FY 20.

Unbudgeted Expenses: The Board has approved coaching for the Co-Moderators; this expense was not anticipated when the FY 20 budget was adopted. While coaching is an important support for good governance, we will need to make adjustments to pay those expenses.

Possible Other Expenses: We have not budgeted for any extra travel or other expenses that might be associated with setting up the Article II Study Commission. It may be that this work can be conducted electronically, or in conjunction with an in-person Board meeting.

We are moving from Policy Governance© to a new governance model. In the past, the Board has used consultants to assist them with governance issues. We should discuss whether we expect to engage consultants in the governance work this year.

Committees: Committees should be reminded to use electronic communications in place of in-person meetings wherever possible. Committees also need to consider whether it is essential for each of their members needs to attend GA for the entire time.

Ministerial Fellowship Committee: The MFC cannot predict the number of complaints it might receive. While they attempt to use Zoom, some complaints need to be handled face-to-face. Already, they have already experienced an unusual situation where several complainants requested in-person meetings with the Committee.

Commission on Appraisal: The Commission's FY 20 budget request did not take into account the costs of being fully staffed. They have requested an increase of \$7,000 in their FY 20 budget allocation. This amount is within the authority of the Administration to approve, modify, or reject. The Administration is deferring action until the Board can consider changes in travel reimbursement policy. I bring this item to the Board's attention, as it would be a nearly 30% increase in the COA budget.

### **FY 21 Budget Issues**

We will need to plan for a full year's operation of the Article II Study Commission. In order to budget for the work, we will need a work plan by February 2020 that includes an estimate of the number of members, the number of in-person meetings, printing, consulting fees, etc.

If we would like to offer coaching for the incoming Moderator(s), that will need to be added to the Moderator(s) line item. That, too, needs to be decided early enough to be included in the FY 21 budget.

Overall, the Board needs to seriously consider what constitutes an adequate funding level for its work and that of UUA committees. It is not helpful to adopt a budget in April we are likely to exceed by the end of the next fiscal year.