III. Executive Limitations

A. GENERAL EXECUTIVE CONSTRAINTS

The Executive shall not cause or allow any practice, activity, decision, or organizational circumstance that is either imprudent or in violation of Unitarian Universalist principles, policies adopted by the Board, resolutions of the Members, MLUC bylaws, commonly accepted ethics, or any applicable laws.

B. TREATMENT OF CONGREGANTS, STAFF, AND VISITORS

With respect to treatment of congregants, paid and volunteer staff, faith development participants, and visitors, the Executive shall not cause or allow conditions, procedures or decisions that are unsafe, unhealthy, inhumane, illegal, or that fail to provide appropriate confidentiality, privacy, fairness, and respect.

1. More specifically with respect to treatment of paid and volunteer staff, the Executive shall not:

a. Withhold from staff a due-process grievance procedure, able to be used without bias.
b. Prevent staff from grieving to the Board when: a) internal grievance procedures have been exhausted and b) the staff member alleges either that (i) Board policy has been violated to his/her detriment or (ii) Board policy does not adequately protect his or her human rights.
c. Discriminate among staff on other than clearly job-related performance or qualifications.

2. More specifically with respect to treatment and inclusion of Members, the Executive shall not:

a. Fail to provide adequate and reasonable means for Members to communicate with each other and staff.
b. Fail to maintain and make accessible to Members a written record of operating policies and procedures.
c. Fail to foster an atmosphere of openness and transparency in all matters except where a compelling interest to preserve confidentiality exists.

C. COMPENSATION AND BENEFITS

With respect to employment, compensation, and benefits of employees, consultants, and contract workers, the Executive shall not cause or allow jeopardy to MLUC's fiscal integrity or public image.

Without limiting the scope of the foregoing, the Executive shall not:

1. Change the Executive's or any other called minister's compensation or benefits from that established by the Board.
2. Promise or imply permanent or guaranteed employment.
3. Establish current compensation and benefits that

a. Fail to consider the UUA's Fair Compensation guidelines.
b. Deviate materially from the geographic or professional market for the skills employed.
c. Create obligations over a longer term than revenues can be safely projected, in no event longer than two years and in all events subject to losses of revenue.

4. Establish or change deferred or long term compensation or benefits that:
a. Cause unfunded liabilities to occur or in any way commit MLUC to benefits that incur unpredictable future costs.
b. Provide less than some basic level of benefits to all full time employees, though differential benefits to encourage longevity are not prohibited.
c. Allow any employee to lose benefits already accrued from any foregoing plan.
d. Treat the Executive Team differently from other key employees.

D. FINANCIAL PLANNING
With respect to budgeting for and spending during all or any remaining part of a fiscal period, the Executive shall not jeopardize either the programmatic or fiscal integrity of MLUC, deviate materially from policy priorities established by the Board, or allow any member of the Executive Team to do any of the same.

Without limiting the scope of the foregoing, the Executive shall not fail to:
1. Present a balanced annual operating budget to the Board for approval.
2. Present the Board-approved annual operating budget to the Congregation for approval before the start of each fiscal year.

Further, the Executive shall not allow budgeting that:
1. Contains too little detail or credible information to enable reasonably accurate projection of revenues and expenses, cash flow, and separation of capital and operational items.
2. Fails to contain an explanation of the budget and to disclose planning assumptions.
3. Plans the expenditure in any fiscal year of more funds than are conservatively projected to be received in that period.
4. Does not separately present the Executive's ongoing multi-year plan of at least five years for capital repair and renewal expenditures
5. Fails to consider Fair Share contributions to the Unitarian Universalist Association and Joseph Priestley District.

E. FINANCIAL CONDITION
With respect to the actual, ongoing financial health and activities of MLUC, the Executive shall not cause or allow the development of fiscal jeopardy, or material changes in allocations to policy priorities established by the Board.

Without limiting the scope of the foregoing, the Executive shall not:
1. Expend more funds than have been received and budgeted in the fiscal year's annual operating budget, except as permitted in section E(3) below.

2. Expend any funds designated in the annual budget other than for the purposes determined at time of designation, or otherwise allow actual allocations to deviate materially from allocations that reflect the Board-established policy priorities.
3. Designate, reallocate or spend any year end budget surplus without prior Board approval.
4. Make a single unbudgeted purchase or commitment (including expenditures from the operating or capital reserves) exceeding $5000 without prior Board approval.
5. Fail to designate a source of the funds for any unbudgeted or unallocated purchase or commitment.
6. Make any expenditure exceeding $3000 without receiving a minimum of three competitive bids, or where impractical to obtain bids, confirmation of competitive prices.
7. Indebt the organization in an amount greater than can be repaid by certain, otherwise, unencumbered revenues within 90 days.
8. Fail to settle payroll and debts, or to complete government-ordered filings/tax payments, in a timely manner.
9. Acquire, encumber, or dispose of real property.
10. Make any withdrawal from any MLUC Endowment Fund without prior Board approval.

F. ASSET PROTECTION

With respect to proper stewardship of MLUC's assets, the Executive shall not allow assets to be unprotected, inadequately maintained, or unnecessarily risked, or circumstances or activities to occur that could impair or destroy the non-profit status of MLUC.

Without limiting the scope of the foregoing, the Executive shall not fail to:

1. Plan for and complete needed capital renewal and replacement.
2. Insure against fire, theft and casualty losses, at current replacement value, less reasonable deductible and/or co-insurance limits, and against liability losses incurred by Board members, church staff or the organization itself, to the minimally acceptable prudent level.
3. Monitor the condition of and, as appropriate, maintain, repair and/or service MLUC plant and equipment before it becomes unsightly, in operable, or unsafe to occupants or incurs overly costly repairs because of neglect.
4. Make any purchase or enter into any contract absent normally prudent protection and/or disclosures against conflict of interest or the appearance of bias.
5. Maintain operating funds in secure instruments, including insured checking accounts and bonds or CDs of not less than "A" rating.
6. Adequately protect MLUC against losses resulting from dishonesty by employees or volunteers through insurance coverage and fidelity bonds.
7. Ensure the safekeeping of all funds, securities, and valuable documents of MLUC.
8. Receive, process, or disburse funds under controls sufficient to meet the Board-appointed auditor's standards or other government or prudent business standards.

G. FUNDING STEWARDSHIP
The Executive shall not fail to secure funding adequate to support MLUC programs and operations.

Without limiting the scope of the foregoing, the Executive shall not:
1. Establish any minimum pledge amount.
2. Fail to encourage pledges that are generous within the means of each individual.
3. Fail to comply with MLUC's Gift Acceptance Policies & Guidelines.
4. Fail to notify the Board upon receipt of any gift or grant in excess of $5,000.

H. COMMUNICATIONS TO AND SUPPORT OF THE BOARD
The Executive will not permit the Board to be uninformed, misinformed, or unsupported in its work.

Without limiting the scope of the foregoing, the Executive shall not:
1. Fail to submit the monitoring data and contextual and trend analysis required by the Board's monitoring policy in a timely, accurate, and understandable fashion, directly addressing provisions of Board policies, justifying the Executive's policy interpretations, and reporting on actual and anticipated compliance or non-compliance.
2. Fail to gather as many staff and external points of view, issues, and options as needed for fully informed Board discussions and choices.
3. Fail to inform the Board, in advance if possible, of any staffing changes.
4. Let the Board be unaware of any other incidental information it requires (such as relevant trends, MLUC public events, and anticipated media coverage), threatened or actual lawsuits, and material external and internal changes, particularly if such changes affect the assumptions upon which any Board policy has previously been established.
5. Fail to deal with the Board as a whole, except when responding to officers or committees duly charged by the Board to do direct inspection of compliance with Board policies.
6. Fail to advise the Board if, in the Executive's opinion, the Board is not in compliance with its own policies.
7. Allow the Board to be unaware of any actual or anticipated noncompliance with any Ends or Executive Limitations policy of the Board regardless of the Board's monitoring schedule.
8. Fail to supply for the Board's "consent agenda," all decisions delegated to the Executive yet required by law, regulation, or contract to be Board approved.

I. EMERGENCY EXECUTIVE SUCCESSION
In order to protect the Board from sudden loss of Executive functionality, the Executive Team shall have no fewer than two members of the Executive Team familiar with Board and Executive work and processes.