

# **FHRAT Charter**

*Approved by FHRAT: May 28, 2015*

## **Name**

Financial and Human Resources Action Team

## **General Purpose**

According to the Bylaws, “The Financial and Human Resources Action Team shall be responsible for managing the financial and human resources of the Church in order to create a solid foundation to fund its building and property maintenance, programs, staff, and faith initiatives. This team oversees the hiring, evaluating and termination (if necessary) of all Church staff, within the purview of the personnel policies.

Responsibilities include, but are not limited to, fundraising, budget development, financial audit, oversight of income and expenditures, and helping the congregation understand the costs of fulfilling its purpose and the responsibility of each Member to contribute financially to support of the Church.”

## **Leadership and Membership**

- Members: The voting membership of FHRAT consists of ex-officio members and general members. The ex-officio members are:  
President of Program Council (non-voting)  
Vice President of Program Council (non-voting)  
Church Administrator (non-voting)  
Treasurer (voting)  
All Co-Chairs of Stewardship\* (voting)  
Chair of the Planned Giving Committee\* (voting)  
Chair of the Human Resources\* Committee (voting)  
Chair of FHRAT\* (voting)  
Vice Chair of FHRAT\* (voting)

\* Role described in greater detail below

General members are Follen Friends or Members (as defined by the church bylaws) who have agreed to commit time and energy to the action team. New general members may be added at any time. They must be approved by a majority of the action team. Under church bylaws, only Follen Members may vote on matters before the action team.

The ongoing membership of each general member will be confirmed at least once a year by the Chair of FHRAT. The list of FHRAT members shall be determined by the Chair by September 1 each year and presented to the Secretary of Program Council.

A quorum of the action team is a majority of the voting membership.

- Action Team Representative for FHRAT to Program Council serves as a voting member of Program Council, and will represent and support the advice and recommendations of FHRAT to the Program Council. The Representative is nominated through election by FHRAT in March/April, and is elected by the congregation at the Annual Meeting.
- Chair is elected by FHRAT and may or may not also serve as the Action Team Representative. If Action Team Representative and Chair are held by different people, the Chair may substitute for the Action Team Representative as needed.
- Vice-Chair is an optional post designed to support the Chair and is a presumptive successor to the Chair. The Vice-Chair may substitute for the Action Team Representative as needed. The Vice-Chair is nominated by the Chair and elected by FHRAT.
- HR Chair directs and coordinates HR procedures and activity, making recommendations and reporting to FHRAT as appropriate. The HR Chair is selected by the HR team in consultation with the Chair and Vice-Chair of FHRAT.
- Stewardship Chair directs and coordinates the activities of the Stewardship team, making recommendations and reporting to FHRAT as appropriate. The previous Stewardship Chair and the successor to the current Stewardship Chair may also serve as Stewardship co-Chairs, providing guidance and support to the existing Chair, as well as facilitating leadership continuity. The Stewardship Chair is selected by the Stewardship team in consultation with the Chair and Vice-Chair of FHRAT.
- Planned Giving Chair directs and coordinates the activities of the Planned Giving Committee to promote planned giving to Follen. The Planned Giving Chair is selected by the Planned Giving Committee in consultation with the Chair and Vice-Chair of FHRAT.

#### **FHRAT Chair Responsibilities**

- Work effectively with the Action Team Representative (if a different person) and the Vice-Chair (if that role is filled) to fulfill FHRAT's role as an action team and on the Program Council.
- Hold the action team accountable to its charter, subject to direction from Program Council
- As appropriate, represent and support the advice and recommendations of FHRAT to the Parish Board.
- Communicate with action team members and professional staff regarding action team business and assigned tasks
- Schedule action team meetings and arrange for meeting locations
- Create the meeting agenda with input from action team members, Program Council and professional staff.
- Review (with the Vice-Chair) draft minutes, providing edits as appropriate for presentation at a subsequent meeting

- Facilitate action team meetings, working to assure an appropriate blend of task and process, modeling good listening and respectful interaction, and help clarify and summarize the discussion and decisions made. Make sure all voices are heard in meetings. Start and end meetings on time.
- Monitor group membership and participation to encourage inclusion of a range of points of viewpoints in the budgeting process.
- Delegate some of the above responsibilities to action team members to encourage participation and to train new leaders.

### **Relationship to Employees**

- FHRAT and its subsidiary teams work closely with the Church Administrator on many issues
- The Church Administrator is responsible for developing an initial budget draft and for incorporating changes to subsequent drafts
- The HR team is responsible for monitoring staff reviews to assure that they are carried out in proper and timely fashion and are recorded in the employee's personnel file.
- The Parish Minister provides an important perspective on all personnel matters.
- The Parish Minister plays an important role in the development and execution of fund-raising activities, including the annual fund drive, planned giving, and capital campaigns.

### **Specific Duties of FHRAT:**

#### *Overall*

- Integrate the related operations of financial management, human resources and stewardship to support the best interests of the church.
- Meet regularly (usually monthly during the church year). Special meetings may be called as necessary.
- Report regularly to the Program Council and PC leadership in written form and at PC meetings.
- Take appropriate, autonomous actions within policy and budget.
- Communicate with and seek input from leadership and from the congregation regarding financial, HR and stewardship issues as appropriate.
- Recommend to Program Council appropriate financial metrics and goals to help set short- and long-term church objectives.
- Coordinate with Stewardship to set appropriate financial goals for the annual fund drive.
- Assess fundraising proposals that fall outside the activities associated with the annual fund drive and budgeted fund-raisers to determine whether these activities: 1) are consistent with fundraising policy, and 2) will not compromise the ability to lead an effective fund drive. Approval of FHRAT (or the FHRAT chair and minister) is required for these activities.
- FHRAT is technically responsible for three major, budgeted fund-raisers at Follen: the East Village Fair, Christmas Tree sales and the Goods and Services Auction. These typically require little or no direct involvement of FHRAT. Each of these

groups is developing or will develop a handbook of operations to promote continuity from year to year. These are incorporated by reference in this charter.

FHRAT activities are organized into several subteams ( Finance Team, HR Committee, Stewardship Committee, Planned Giving Committee, Capital Campaign Committee), whose duties and relationship to FHRAT are explained below.

## ***Finance Team***

### **General Purpose**

To manage the financial affairs of Follen effectively to employ the financial resources to achieve the goals of the church, recommending to Program Council such financial actions as are appropriate.

### **Leadership and Membership**

The FHRAT chair serves as chair of the finance team. All members of FHRAT are members of the finance team.

### **Specific Duties**

#### *Financial Controls and Auditing*

- With the Church Administrator and Treasurer, assure that appropriate controls and procedures are in place for receipt and disbursement of funds.
- With the Church Administrator and the Auditor, monitor compliance to these procedures.
- With the Church Administrator, assure that the payroll and payroll taxes follow the proper procedures.
- With the Church Administrator and the Treasurer, review on a regular basis the current and projected financial status of the church, and any significant variations from budget, in either revenue or expenses.
- In years in which an endowment contribution was budgeted as revenue, make the determination prior to closing books on a fiscal year as to whether to draw on the endowment funds in whole, in part, or not at all. This determination will be made in consultation with the Treasurer and the Church Administrator.

#### *Financial Planning*

- Advise the Program Council on the financial implications of decisions which are under consideration.
- Monitor the receipts and expenses of the Church during the year, to make sure that we are aware of any budget shortfalls, and form a plan to correct any major shortfalls that do occur.
- With the Church Administrator and the Treasurer, monitor all financial resources of the church, except for the endowment funds managed by the Trustees, and take or recommend to Program Council appropriate actions to make the most effective and efficient use of those resources.
- Anticipate, where possible, such future developments as may have a financial impact on Follen's financial situation. Recommend actions to address these.

### *Budget*

- Have primary responsibility for the annual budgeting process of the church.
- Work with action teams and Program Council to collect all budget requests, for development of an initial budget by the Church Administrator.
- Work with the HR team to develop proposed salaries for the staff and to ascertain the budget impact of any proposed changes in staff benefits.
- Seek the widest possible input from the congregation in the budgeting process
- Prepare a recommended budget for approval by Program Council making revisions as needed.
- Report appropriately to Program Council on the budgeting process.
- Present the annual budget for final approval by the congregation at the Annual Meeting

## ***HR Committee***

### **General Purpose**

The Human Resources Committee serves as a liaison between church members and church employees to assure: fair and equitable hiring, compensation and treatment of employees; compliance with all legal requirements; and consulting with supervisors on employee relations.

### **Leadership and Membership**

The HR team, in consultation with the chair of FHRAT, chooses a Human Resources Chair, who is responsible for recruiting and retaining members on the committee.

### **Specific Duties**

- Maintain up-to-date job descriptions for all salaried personnel.
- Maintain a comprehensive, fair benefits package for church employees.
- Serve as a forum where lay leaders and staff people may voice needs and concerns about personnel matters.
- Provide input and guidance to FHRAT for annual salary and benefits recommendations to the Program Council.
- Provide support to the hiring supervisor in the selection and hiring process for filling vacant or new staff positions.
- Assist in employee grievance and discipline procedures, as provided by the Church's Personnel Handbook or as called on by the Program Council.
- Conduct or delegate exit interviews on all terminating employees to keep informed on the work environment.
- The HR Committee reports to FHRAT. The chair regularly attends its meetings and participates in its activities.
- HR Committee submits an annual report of accomplishments and activities in support of the duties and goals.

### **Relationship to Employees**

- The HR Committee both advocates for staff and represents the Church and its leaders to achieve a fair and balanced relationship.
- The minister and full-time staff members act as supervisors of other staff and carry out the human resources policies and procedures as outlined in the Personnel Policy Handbook.
- The HR Committee is directly involved in the hiring of new staff, the resolving of employee relations issues, the termination of current staff and other activities that involve the staff.

## *Stewardship Committee*

### **General Purpose**

The primary role of the Stewardship Team is to ensure an effective annual fund drive, in so doing to provide essential funds for the operation of the church.

### **Leadership and Membership**

See Page 1. The Stewardship chairs are responsible for recruiting and retaining the members of the committee, including potential future chairs

**Specific Duties** vary from year to year, but responsibilities typically include:

- Recruiting fund drive stewards and captains
- Recruiting, training, and providing ongoing support to individuals within the congregation who volunteer to assist in the collection of pledges from congregants
- Ensuring that the objectives for the drive, ultimately set by the Program Council and the goals of the various action teams, are effectively communicated to the congregation
- Identifying and articulating an overall theme for the fund drive
- Creating and disseminating materials in support of the drive (e.g.—pledge forms, fundraising brochure, overview of church finances)
- Recruiting Follen members to give personal points and other presentations to support the drive
- Sponsoring a Fellowship dinner to kick off the annual drive
  
- Conducting a Stewardship Sunday service, the goal of which is to help connect the fund drive to the broader mission of the church and the individual responsibility of congregants to provide financial support to this mission
- Providing periodic projections (to both FHRAT and Program Council) throughout the annual fund drive regarding expected pledge totals to assist in the annual budgeting process
- Providing a final estimate for the pledge total to incorporate into the final budget recommendation to Program Council
- Periodically undertaking a review of the stewardship process to assure that it is in keeping with the best current thinking and the sensibilities of the congregation.
- The Stewardship Committee reports to FHRAT

- Stewardship Committee submits an annual report of accomplishments and activities in support of the duties and goals.

### ***Planned Giving Committee***

#### **General Purpose**

To promote planned giving to Follen and to recognize, through the actions of the Legacy Society, those who have done so to date.

#### **Leadership and Membership**

The Planned Giving chair oversees the activities of the Planned Giving Committee to foster and facilitate planned giving at Follen.

**Specific Duties** vary from year to year, but responsibilities typically include:

- Organizing an annual dinner for Legacy Society members
- Developing and updating materials, printed and electronic, to support the program, that include a clear and compelling case for the importance of planned giving as it relates to enabling the church mission
- Providing potential donors information and access to resources useful in planning and making testamentary gifts.
- Organizing and executing an effective communications program to bring planned giving to the attention of Follen members and friends.
- Coordinating with the annual fund drive to take appropriate advantage of the annual outreach program.

### ***Capital Campaign Committee***

#### **General Purpose**

The impetus for a capital campaign should come from a long-term planning process, such as the development of the long-term plan. If appropriately large and compelling needs exist and an appropriate time has elapsed since the last capital campaign (typically eight to ten years), the Parish Board can request that Program Council establish a Capital Campaign Exploratory Committee. This committee will be responsible for assessing the consensus on specific projects and the receptivity of the congregation to a capital campaign. If the indications are positive, this exploratory committee can recommend to Program Council that a Capital Campaign be undertaken. If Program Council decides to proceed, a Capital Campaign Committee is formed, the role of which will be to ensure robust planning, execution and follow-up to a capital campaign.

For more details on this process and important contextual elements gleaned from past experiences at Follen, see Appendix 1.

#### **Leadership and Membership**

The Capital Campaign Chair(s) are selected by the Chair of FHRAT and the Program Council President in consultation with the Stewardship Chair, the Chair of the Parish

Board, and the Parish Minister. The Capital Campaign Chair(s), with the assistance of the FHRAT Chair and the Program Council President, recruits a capital campaign committee to plan, oversee, and carry out the capital campaign. The committee should include a representative (possibly the chair) of the B&GAT and a representative from the fund drive.

**Specific Duties** of the chair and committee very much follow those elements enumerated for the Annual Fund Drive, which appears above, with several additions:

- Organizing and executing an individual assessment process to determine the “ask” range for at least the top 20% (in terms of giving capacity) of the donor prospects;
- Determining a policy regarding donor recognition and “naming” opportunities;
- Developing a specific, prioritized set of uses for the proceeds of a capital campaign, with estimated costs for each: the “case”.
- Setting financial goals for the campaign;
- Integrating campaign-related activities with the annual fund drive and planned-giving efforts;
- Organizing, scheduling, and overseeing the judicious application of funds to accomplish the goals for which the funds were raised—and reporting on the same to the congregation.

[END]

## **Appendix 1**

### **Important Context to Enable a Successful Capital Campaign**

Follen Church lives not by its operating funds alone. Despite the fact that FHRAT and the congregation in general have been diligent in annually budgeting monies for a continuing “sinking fund” to pay for the Church’s occasional major repairs and maintenance, opportunities periodically arise to do more, sometimes much more.

Twice in the past generation such opportunities were sparked by the vision and initiative of a small group of parishioners who recognized that an inadequate physical plant limited our ability to do more—more within the Church and more in the broader community. This gave rise (literally) to the second floor over the community center, to the elevator and lift system, to the renovation of what is now the Marshman Center, to infrastructure improvements, to new carpeting, new painting, and a new organ, among other things.

So the notion that “it’s time for a capital campaign” springs not primarily from a series of successful annual fund-raising campaigns. Rather, at its base should be a growing consensus that the Church’s collective vision is limited by elements that could be addressed, at least in part, by significantly greater financial resources. It is important to note that these resources typically would not be subject to annual replenishment or supplements from the operating accounts except as, for example, additional floor space would require increased routine maintenance and utilities expense.

Axiomatic among professional fund-raisers is that “bricks and mortar” is a much easier “raise” than paying off debt. Follen has done both successfully, but the campaign to pay off the mortgage was wrapped nicely within a package that included substantial improvements in the habitability and appearance of the Church. Capital campaign donors usually like to see at least some *tangible* results from their gifts.

There is some validity, however, to the idea that a series of successful annual fund drives can drive the timing of a capital campaign. Church members, as well as donors to other causes, tend to be guided by their own giving history in deciding how much to contribute in successive years. A capital campaign can encourage them to “step up” to a new level of annual giving.

A convenient rule of thumb in the fund-raising business is that a well-conceived capital campaign which captures the interest of a significant majority of the member base should be able to raise three times the annual giving total, with payments spread over three years. This, then, requires on average that donors will increase their total annual giving to the institution by a third during that time. While this may mean that the Church has to budget for only modest increases in annual giving while people are paying down their capital campaign pledges, most often post-capital campaign giving levels more than make up for this.

To an extent greater than with most other activities of the Church, the vision leading to the need has to be vetted broadly in the congregation. People have to “get on board.”

They need to be inspired and to be lifted by the possibilities offered by this joint endeavor. This must be based on a consensus about means and ends by the elected Church leadership and by the “opinion leaders” in the congregation (not always the same people!).

In formulating the vision, the leadership needs to be aware that people want to know “what’s in it for my group?” If newly-constructed space is in the offing, how does that benefit not only RE, Music, and Membership, but Social Justice, and Community and Hospitality, and Caring Congregation, to mention just a few. Not that there has to be something for everyone, but it should be anticipated that some people may have to be weaned from fairly parochial views.

In general, the impetus for a capital campaign should come from a long-term planning process, such as the development of the long-term plan. If appropriately large and compelling needs exist and a capital campaign has not been held in approximately eight years, the Parish Board can request that Program Council establish a Capital Campaign Exploratory Committee. This committee will be responsible for assessing the consensus on specific projects and the receptivity of the congregation to a capital campaign. If the indications are positive, this exploratory committee can recommend to Program Council that a Capital Campaign be undertaken.

A key responsibility of the exploratory committee is to assess the landscape for giving once a shared vision of the projects is established. This process was very helpful in the two most recent capital campaigns. The UUA has a cadre of free-lance consultants, any of whom they will recommend to do the Assessment. This involves the consultant’s conducting in-depth one-on-one interviews, in person, with perhaps 10-15% of the Church’s “giving units” focusing on (but not exclusively) the major donors. A positive assessment is one that reports to the leadership that the membership seems ready to take the next step into a capital campaign, that the groundwork has effectively been laid for ultimate success, and that a range of \$X to \$Y seems realistic as a fund-raising goal.

At this point a capital campaign may be authorized by the Program Council, and from this point on, the campaign shares many of the characteristics of the annual fund drive, as described in the section above. However, both of the past two Follen capital campaigns adopted the model of an honorary chairperson and an operating chair. The honorary chair (or chairs, in the case of a couple) typically is a well-recognized and well-regarded “senior statesperson” of the organization who is willing to make a leading financial contribution to the campaign. He/she/they will be effective salespersons to other prospective major givers and convey a strong sense that the campaign “is in good hands.”

The operating chairperson does most of the week-to-week management of the campaign, enlisting volunteers, structuring the organization, fitting the tasks to the individuals, usually acting as the regular spokesperson, establishing the calendar, determining the appropriate policies, chairing the meetings of a capital campaign committee, and constantly following up to keep things in sync. He or she also oversees record-keeping, which becomes important only if it is not maintained timely and accurately.