



Unity Church of Hawaii Board of Trustees Regular Meeting Date: November 2, 2017 Unity Church of Hawaii, 201
Board Members Present: Rev. Tim, Jo-Ann Adams, Rickie Banning, Debbie Catania, Thomas Gallagher, Richard Hughes, Loke Simon, Kathy Whitmire, Ralph Whitaker Excused: Marsha Bethards Special Guest: Sergio Galisa

AGENDA	INFORMATION ITEM/DISCUSSION/CONCLUSIONS	FOLLOW-UP/ACTION
Call to Order Quorum required: six	Audio started at 5:59 p.m. The meeting was called to order at 6:00 p.m. This is a continuation of the October 19 th meeting.	
Opening Prayer Lighting of the Christ Candle	Rev. Tim led the opening prayer and the lighting of the Christ Candle.	
Roll Call	Roll called. Marsha excused.	
Affirmation of Purpose	Led by Ralph.	
Reading and approval of Agenda	Kathy proposed that the 6 agenda items that were deferred from October 19 be completed before considering other business. Kathy made a motion to amend the agenda. Move VII. Unity School Director to New Business. Complete VIII B. Progress toward transformation of accounting system: for action; IX. Facilities Committee; XIA. Minister Review carried forward from August 24, 2017; XIB1. Board Training carried forward from August 24, 2017, XIIA. Discussion on Efficient Meetings; XIIC. Next Board of Trustees and Town Hall Meeting. Remove VIIIA. Request for Director of Unity School to make accounting records available to the Treasurer. Loke second.	(Attachment #1) Amended Agenda of November 2, 2017



AGENDA	INFORMATION ITEM/DISCUSSION/CONCLUSIONS	FOLLOW-UP/ACTION
	<p>Discussion:</p> <ul style="list-style-type: none"> • Report from the director of the school left was off last agenda. We had agreed to hear from the executive director of the school in September starting in October. We should have heard from the director during the October meeting because we had a vote that affects him. • Because the report by the director allows questions, the placement of the item should remain ahead of the Treasurer's report. There is concern that request made by the Treasurer has not been honored by the school's director, the placement as is can allow separation of the legal aspects from the financial aspects. • Board did not have opportunity to hear from the director before making their decision. It is a disservice to the board, the church, and the school not having heard from the Director of the School. • Respect the procedures to take up items that were deferred first before taking up then get on with other things. Otherwise defer the other things two weeks from now. • Remove VIIIA. Request for Director of Unity School to make accounting records available to the Treasurer because it was already approved in prior meeting. • We should get the financials by the date requested. • Important that we hear from the school, we should hear all sides of the stories when making decisions. Placing it in advance of the minutes is probably out of order. However, hearing from the Director is important. • XIIB2. Board Training, December 9, 2017. Must be brought up this evening. <p>7 in favor 2 opposed</p>	



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	Motion passed.	
Finance Report	Kathy explained documents that were included in the board packet about the proposed update of the accounting system for Unity Church of Hawaii and the proposed division of duties. Will recommend a plan to move forward on November 16. Five requests for bids have been made, three responses have been received.	(Attachment #2) Actions requested by the Finance Committee October 19, 2017. (Attachment #3) Update of Transformation of Accounting System for UCoH October 19, 2017 (Attachment #4) Proposed Division of Duties under Contracting Scenario
Committee Reports	<p>Facilities committee discussion on access ramp.</p> <ul style="list-style-type: none"> • Access ramp has been blocked to keep people from using it. • Rev. Tim would like to engage the Facilities committee regarding a possible \$5000 that may not be available at the end of the year. • Names of members were requested. <ul style="list-style-type: none"> ○ Ralph Whitaker, Chair, ○ Thomas Gallagher, ○ Bruce Hymack, ○ Mary Paulson, ○ Lisa Ensley. • Potential \$5000 to be used for gutters will come from Unity Worldwide Ministries. • Facilities Committee must convene before addressing the gutters. 	
Unfinished Business	<p>A. Minister Review.</p> <ul style="list-style-type: none"> • New board members will be elected on March 4th. In order that the current board can complete the performance review the schedule identified should be moved forward. • Recommendation made to send the survey to all members rather than identified individuals per UWM process recommendations. • Suggestion made to defer vote until after all has been done. • Process must be discussed and approved before proceeding. 	(Attachment #5) Senior Minister’s Performance and Salary Review



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	<p>Kathy made a motion to put this item on agenda for the next regular meeting for discussion and amendment. Jo-Ann second. Eight approved, one abstained.</p> <p>B. Board training is scheduled to be held on December 9th.</p> <ul style="list-style-type: none"> • DISC training at no cost to the board. • Meet at Thomas home. • Watch for email to complete DISC questionnaire. • Questionnaire must be completed prior to training. 	<p>Add to November 16, 2017 agenda.</p>
<p>New Business</p>	<p>A. Richard would like to discuss efficient meetings.</p> <ul style="list-style-type: none"> • Would like to see documents earlier. • Time stamps on docs. • Draft date of draft. • Revision dates. • Minutes earlier after meeting. • How to learn to be a chair? Suggestion for board training. • Order of recognition. Look at a circular pattern. • Raise hands and use a cue being called in the order of being recognized. • Speak to an issue once, stop reiterating a point made earlier. • Stop personalizing what was being said and speak to the motion that is on the floor. • More discussion must be made, and the board produce a list of items that will create more efficient meetings. <ul style="list-style-type: none"> ○ 2 to 3-hours one night a month are not appropriate, follow up date should be scheduled for additional meeting. ○ Schedule minutes and discussion online prior to meeting. ○ Secretary needs additional support. • Documents not coming out early enough. 	



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	<ul style="list-style-type: none"> • More ad hoc committees. • Votes should just be formality. • Suspend Robert’s Rules and discuss less formally. <p>B. Next BOT 11/16/2017. 11/19/2017 next Town Hall meeting. Membership class 1pm to 3 pm.</p> <p>Thomas made motion to suspend rules to hear Judy. Richard second. Six in favor. Jo-Ann opposed. Judy’s calendar reflects November 26 is Town Hall.</p> <p>Audio stopped.</p> <p>Kathy made motion to change the Town Hall to November 26. Thomas second. Motion passed unanimously.</p> <p>New discussion. 1910.</p> <p>C. Unity School Director, Sergio Galisa. Discussion:</p> <ul style="list-style-type: none"> • Rev. Tim asks that comments be respectful. • The director found out in June that the school had a six-week deadline to provide financials. • School trying to comply. The school needs to maintain their licensing requirements which dictate privacy of information on children and their families. • The director is concerned about releasing full access to QuickBooks files. • Sergio became director 2 years ago. The school was successful when employing a full-time accountant. Considering employing a full-time accountant again. 	



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	<p>Request the director to make all accounting records available to the Treasurer. The Board has a fiduciary responsibility for the school.</p> <ul style="list-style-type: none"> • If the only problem is privacy, why was the information not separated. • What is it about QuickBooks files that accounting reports offered cannot provide. Financial reports and bank statements that do not have personal information can be provided. • Why can't QuickBooks take out personal information. Customer information is integral in the program. • School is willing to give reports because reports do not have customer information. • Is it possible to make numbers instead of names? <p>Meeting reconvened at 2011.</p> <p>Rev. Tim provided a prayer.</p> <p>Debbie made a motion to suspend the rules for Linda Knox to speak. Rev. Tim second. Four in favor. Three opposed. One abstention.</p> <p>Linda suggests an expert or parliamentarian to preside.</p> <p>Ralph provided guidelines.</p> <ul style="list-style-type: none"> • Recommendation made to notify the parents. • Talk to the licensing agent. 	



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	<ul style="list-style-type: none"> • Recommendation made to have a meeting with people who have answers. Stop and begin with a different plan. <p>Kathy made a motion to defer this item to the next meeting. Thomas second.</p> <p>Discussion</p> <ul style="list-style-type: none"> • What is expected to happen at the next meeting? • Rev. Tim, Kathy, Sergio, Amy agree to meet with the licensing person to find a solution. • We are liable for the school finances and what happens. • Win-win is a sign of God. • Have the meeting before 11/16. • The director agrees to have requirements accomplished and is in the process of notifying the parents. • What is the timeframe needed to complete a separation of the information? He is open to finding out what is needed. <ul style="list-style-type: none"> • The director feels he can't release information immediately. • Who can help to mediate the meeting. • Professional advice is necessary. • Can we get a QuickBooks expert? • Attempts will be made to meet by November 9. • The director will call the licensing representative. <p>Motion passed unanimously.</p> <p>Jo-Ann made a motion for the date of Ho'oponopono to be extended until dates are agreed upon. Kathy second. Motion passed unanimously.</p>	<p>Add item to next agenda.</p>
Meeting Adjourned	Meeting adjourned at 9:10 p.m.	
Next Meeting	November 16, 2017. Next Town Hall on November 26, 2017.	



Submitted by Debbie Catania, Board Secretary

2017_11-02 UCOH BOT Meeting minutes (6).docx



Unity Church of Hawaii
Board of Trustees Meeting
Date: November 2, 2017
Attachments to the Minutes

- 1) Amended Agenda of November 2, 2017
- 2) Actions requested by the Finance Committee October 19, 2017
- 3) Update on Transformation of Accounting System for UCoH October 19, 2017
- 4) Proposed Division of Duties under Contract Accounting Scenario
- 5) Senior Minister's Performance and Salary Review

UNITY CHURCH OF HAWAII
BOARD OF TRUSTEES SPECIAL MEETING AGENDA
2 NOVEMBER 2017

I. CALL TO ORDER – BEGIN OFFICIAL RECORDING OF MEETING

II. OPENING PRAYER

III. LIGHTING OF THE CHRIST CANDLE

IV. ROLL CALL

V. APPROVAL OF THE AGENDA

VI. AFFIRMATION OF PURPOSE

~~**VII. UNITY SCHOOL DIRECTOR**~~

~~**VIII. VII. FINANCE REPORT/TREASURER’S REPORT**~~

~~**A. REQUEST FOR DIRECTOR OF UNITY SCHOOL TO MAKE ACCOUNTING RECORDS**~~

~~**AVAILABLE TO THE TREASURER**~~

~~**B.A. PROGRESS TOWARD TRANSFORMATION OF ACCOUNTING SYSTEM: FOR ACTION**~~

~~**IX. VIII. FACILITIES COMMITTEE – DISCUSSION ON ACCESS RAMP**~~

~~**X. IX. PRAYER OF THANKSGIVING**~~

~~**XI. X. UNFINISHED BUSINESS**~~

~~**A. MINISTER REVIEW CARRIED FORWARD FROM AUGUST 24, 2017**~~

~~**B. BOARD TRAINING**~~

~~**1. CARRIED FORWARD FROM AUGUST 24, 2017**~~

~~**2. DECEMBER 9TH**~~

~~**XII. XI. NEW BUSINESS**~~

~~**A. DISCUSSION ON THE CONDUCT OF EFFICIENT MEETINGS**~~

~~**B. NOVEMBER 17/18 WITH KUMU RAMSAY TAUM**~~

~~**B. NEXT BOT AND TOWN HALL MEETINGS**~~

~~**C. UNITY SCHOOL DIRECTOR**~~

~~**C.**~~

~~**XIII. XII. ADJOURN MEETING**~~

**Actions Requested by the Finance Committee
October 19, 2017**

The Finance Committee recommends the Board of Trustees approve the following motions:

1. Motion that after all costs of the 80th Anniversary Celebration are paid, any surplus funds be allocated to the unrestricted fund to support the current year operating budget of the Church.

2. Motion to authorize the Finance Committee to proceed with interviewing potential contract accountants and proposing for Board of Trustees approval a specific action plan and contract for outsourcing accounting functions of the Church.

3. Motion to request the Director of Unity School to make all accounting records, bank statements and reconciliations available for review by the Treasurer of the Board of Trustees by October 31, 2017.

Update on Transformation of Accounting System for Unity Church of Hawaii October 19, 2017

Goals: A substantial improvement in accuracy and timeliness of financial reporting as well as an improvement in cash flow management and financial planning. The ability to comply with our By-Laws requirement that an outside independent examination of our financial statements be completed annually

Why a Change is Needed: The in-house accounting systems and practices traditionally used by the church have failed to yield reliable financial reports for a number of years although our By-Laws require monthly financial reports and an annual outside review of financial statements. The last time an outside review of any type was conducted was in 2006 for the financial statements of December 31, 2005. In the intervening years some operating reports have been presented to the Board and congregation, however without an accompanying Statement of Assets and Liabilities (a balance sheet) the operating statements cannot be considered reliable.

The current systems in place have allowed accounting errors to go undetected for years without correction and have made cash management very difficult. Asset and liability accounts in the Church and pre-school accounts have not been routinely reconciled and kept up to date. Currently only one employee working two days per week has responsibility for all accounting for the Church and its pre-school. This understaffing has resulted in chronic backlogs in our accounting.

Recommendation: The Finance Committee recommends a transformation of the current accounting system for Unity Church wherein maintenance of the accounting records in the Quickbooks system will be outsourced to a professional accounting firm as provided in Sec. 4.03(b)9 of the Church bylaws. In the new system we envision, all transactions will be initiated by Church staff and volunteers, but all transactions will be recorded by the contract accountant. The contract accountant will also be responsible for reconciling bank statements, producing regular financial reports and answering questions about the reports.

The attached scenario defines the proposed division of duties between the contract accountant, the Church staff and the volunteer team and compares the time demands of this system with our current system. It is our belief that this system can bring better results without a significant increase in costs or time demands on staff. Following is a plan and time line to bring it into reality.

Timeline:

- Sept. 21: Obtain preliminary Board of Trustees' approval for transformation
- Oct 1: Finance committee requests at least 3 proposals to determine viability of the plan
- Oct 19: Finance committee gives progress report to Board of Trustees
- Nov. 16 Board of Trustees approval of contract with accountant
- Nov 30: Complete transition tasks (see below)
- Dec 1-29 Contract accountant sets up and tests system
- Jan 1: New system goes live!

Transition Tasks: (Note that Treasurer will assist the contract accountant and staff to assure a smooth transition period.)

1. Review Chart of Accounts and provide description for what type of transaction will be recorded in each account and category.
2. Work with contract accountant to establish a suitable means of tracking transactions in each restricted fund.
3. Complete reconciliations of all bank accounts and make all necessary corrections.
4. Review monthly detail for 2016 to identify and correct errors.
5. Complete analysis of beginning balances in restricted funds and make adjustments as needed.
6. Complete reconciliation of "Raise the Roof" restricted funds and make any adjustments needed..
7. Complete reconciliations of health insurance expense for 2016-17 and make corrections if needed.
8. Complete analysis of prepaid insurance and make corrections to accounts as needed.

Proposed Division of Duties under Contract Accounting Scenario

Work To Be Done by Contract Accountant:

1. Maintain Quickbooks accounting system updated weekly with reliable back-ups.
2. Produce weekly income report and email to church staff.
3. Produce checks from Quickbooks based on approved check requests.
4. Record all cash receipts based on reports from Donations
5. Record payroll based on twice monthly reports from payroll service.
6. Record ACH payments and other automatic payments based on documents submitted by church staff.
7. Reconcile bank statements monthly
8. Enter monthly transactions for Legacies of Aloha upon receipt of the brokerage statement.
9. Produce monthly financial statements by the 10th of each month.
10. Respond to questions from Treasurer and Finance committee.
11. Prepare any necessary GET tax filings
12. Produce detailed report of each restricted fund upon request.
13. Prepare necessary schedules in preparation for annual audit or outside review.
14. Meet with the Board of Trustees at least annually.

Work To Be Done by Church Staff or Volunteers

Tasks	Est. Time required monthly	To be done by	Now done by
Prepare and approve check requests and identify which QB accounts are to be charged. Email requests weekly to accountant.		Admin	Admin
Approve billings for automatic debits (e.g., utility bills, credit card payments, health insurance) and identify which QB accounts are to be charged.	3 hrs	Admin	Admin/ Finance

Pick up checks from accountant and drop off auto-pay billings for recording each week.	2-3 hrs	Treasurer	--
Obtain signatures and distribute checks.		Admin	Admin
Count all cash and checks received, enter into Donations, produce deposit report, prepare deposits and balance to reports. Email reports to accountant	30 hrs	Volunteer team	Volunteer team
Take deposit to the bank.	2-3 hrs	Volunteer or staff	Volunteer or staff
Submit new donor information to Rev. Tim for follow up letters	2 hrs	Volunteer	Volunteer
Record credit card receipts into Donations and produce report. Balance report to credit card deposits in bank account.	4 hrs	Treasurer	Treasurer
Review online payroll for each pay period and approve for payment. Input changes to payroll as authorized. Email payroll report to accountant for recording.	3 hrs	Admin	Finance
Review scheduled ACH payments twice monthly. Submit documentation to the bank and to the accountant for any changes in these payments	2 hrs	Admin	Finance
Make transfers between bank accounts when necessary	1 hr.	Admin	Finance
Use Donations program to generate annual reports to donors. Review and mail them to donors each January	Annual task	Volunteer team	Finance

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Senior Minister's Performance and Salary Review

The overall accomplishments of the Senior Minister, including his or her performance, progress, goals, and other areas of importance, are evaluated on a periodic basis, annually if the Senior Minister's contract does not state otherwise.

The primary objectives of the Performance Review process are to:

- Gather information about past performance and future goals from those who work for or with the Senior Minister. This should include the Board of Trustees, and may also include staff, key Sacred Server leaders, the congregation, and/or other individuals identified and agreed upon by the Senior Minister and Board of Trustees.
- Gather information from the Senior Minister about past performance and future goals.
- Create an opportunity for the Senior Minister and the Board of Trustees to have an in-depth discussion about the Senior Minister's and Ministry's performance over the past year. Celebrate what is going especially well. Identify opportunities for change and improvement. Discuss future goals for the Ministry and for the Senior Minister's professional growth.
- Evaluate the Senior Minister's salary and make appropriate adjustments.

Procedure

The President of the Board of Trustees leads the Senior Minister's review process.

1. January 18, 2018. The Senior Minister's review begins with a short planning discussion with the Board of Trustees and the Senior Minister. It may be logical to incorporate this into a regular Board Meeting. Topics to cover:
 - a. Review of the process
 - b. Identification of individuals and groups who will be asked for input
 - c. Creation of the timeline
2. February 1, 2018. The President meets with the Senior Minister to design the questionnaires that will be sent out and identify those who will receive each version of the questionnaire. Each questionnaire shall include specific instructions, including due date, to whom the questionnaire should be returned, and confidentiality issues as necessary.

Questionnaire recipients includes:

- All members of the Board of Trustees including immediate past board members
- The Senior Minister (for self-evaluation)
- Staff (optional participation)

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- Ministry team leads that report directly to the Senior Minister
3. February 15, 2018. The President sees that the questionnaires, with appropriate introduction and instructions, are sent out. The President also puts the appropriate method/structure in place for the receipt/collection of questionnaires.
 4. March 1, 2018. Deadline to receive questionnaires.
 5. February 22, 2018 – March 8, 2018. The Treasurer prepares Senior Minister salary information, including past and current salary, and the amount budgeted for this year's Senior Minister salary increase. It may be advisable for the Treasurer to prepare a list of options for the Senior Minister's salary adjustment, including the use of bonuses vs. increases to base salary. The effect on this year and future years' budgets should be shown.

This information is highly confidential and may be best safe-guarded by bringing it in written form to the review preparation meeting, then collecting and destroying it at the close of this meeting.

6. **March 8, 2018.** The President organizes and chairs a review preparation meeting of the Board of Trustees. This meeting is conducted *without* the Senior Minister in attendance for the purpose of reviewing the input received and creating a summary for the Senior Minister.

The goal of this meeting is for the Board of Trustees to reach an agreement on:

- The overall performance message that will be given to the Senior Minister
 - A list (if appropriate) of upcoming goals (It is more likely that the on-going work of the Board of Trustees is continually creating this list of goals and that only a brief discussion of this will be useful at this time.)
 - The Senior Minister's salary adjustment. The Ministry's goal should be to pay the Senior Minister a competitive salary that is in keeping with the Ministry's overall finances and Senior Minister's responsibilities. Balance is the key word here.
7. Prepare materials for the review meeting. The Treasurer will produce a salary sheet for inclusion in the packet prepared by the President and presented to the Senior Minister at his or her review.
 8. **March 15, 2018.** The Board of Trustees meets with the Senior Minister to conduct the performance review. This is a closed meeting, not open to Ministry membership. To provide for confidentiality, and to avoid risk of interruption or the discussion being overheard, it may be advisable to hold this meeting away from Ministry premises.

This meeting should be designed as a discussion in which all present may speak and be heard. This is an opportunity for all members of the Board of Trustees and the Senior

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Minister to have a relaxed, frank conversation about the past year's performance. Recognition of what has gone well is especially important, for it shows the path to continued success. This is also a good time to discuss opportunities to try different techniques to accomplish goals. The Senior Minister and all of the members of the Board of Trustees should provide input and engage in discussion.

The President will then present the salary adjustment information. Salary adjustments are effective on the Senior Minister's employment anniversary (or other contractually specified date), regardless of the timing of this meeting. The Treasurer should be prepared to provide information or clarification about the numbers.

9. March 16, 2018. On the next business day after this meeting, the Treasurer will provide the Ministry's bookkeeper with the information necessary to enact the Senior Minister's salary adjustment.

Identification of Individuals

Board of Trustees

President Ralph Whitaker
Vice President Thomas Gallagher
Secretary Debbie Catania
Treasurer Kathy Whitmire
Loke Simon
Marsha Bethards
Richard Hughes
Rickie Banning
Jo-Ann Adams

Sacred Server Leaders

Rev. Leavitt Thomas
Diane Thomas
Johanna Kelly
Alethea Train
Judy Sweet
Lisa Ensley

Congregants

Jerry Denton
Jack Randall
Howard Wiig
Mary Paulson
Jan FitzGerald
Francine Kaiona
Linda Knox
Jade Guess
Rosie Kaiser
John Ahuna
Allen Wong
Cheryl Wong
Joy Patterson
Kevin Wallace
Elaine Wong