

MEMORANDUM

To: UUA Board

From: Peter Morales

Re: UUA Budget for fiscal year 2016

Date: April 2, 2015

Executive Summary



I certify that all expenditures proposed in the budget are in the furtherance of the Ends of the Association. Furthermore, I certify that the allocation of expenses among the programs has been determined in accord with the strategic vision of the administration.

This year's budget reflects our ongoing commitment to [the strategic priorities](#) we have been pursuing for several years. Appended is also the previously submitted description of the changes in strategic focus this vision has prompted.

As with last year's budget memo, the changes required to achieve the strategies do not necessarily show up as detailed changes in the budget. By outlining some key areas of change we believe the Board will be able to see a connection to pursuit of the Ends.

As discussed at the January Board meeting, we will be coming to the October, 2015, meeting with some revisions to our Ends Interpretations. For reference we include our past Interpretations since new ones have not been submitted or approved.

We are committed to reducing our reliance upon large gifts for daily operations, and believe this budget reflects that commitment. We are also developing plans for new kinds of income generation from our programs and facilities, and this budget includes some rough projections for that kind of income.

At each quarter of the budget year we will be assiduously examining our actuals vs. projections and will make changes if necessary at each of those stages.

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Priorities in FY 16 Budget

- ❖ **Regionalization** – This budget includes the next stages of regionalization, particularly the transition of the Southern Region’s district assets and staff into the larger UUA structure.

- The income previously collected by the region will now be reflected in UUA income (APF)
- The staff that used to be employed by the Region are now to be considered UUA employees

Note: *There are several “one time only” expenses related to these transitions. We expect to be able to reap substantial savings in future years by eliminating redundancies among staff and processes.*

- ❖ **Outreach Office** – We are continuing our focus on clarifying our communications about who we are, what we do and why it matters.

- Our outreach office has been expanded to include staff specific to the development of the Worship Web as a resource, not only for worship but also for individual spiritual development.
- We are in the process of developing strategies to reach key potential audiences: interfaith families, GLBTQ families and military families.
- As part of the UUA's outreach efforts, the Periodicals Office will be developing a new publication addressed to seekers and designed for congregations and individuals to buy in packs of ten to share with friends as an introduction to Unitarian Universalism. Less daunting than a book, but featuring a wider range of content and more entry points than a pamphlet, the seeker issue will be ideal for new member classes, outreach campaigns, or personal initiatives to share liberal religion and liberal religious communities with others.



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- ❖ **The Collaborative and Comprehensive Campaigns** - Our support for the Collaborative Campaign and our partner institutions (Starr King, Meadville Lombard, the UUMA, the UUSC and CLF) continues. This budget for this campaign, “Wake Now Our Vision” includes funding for 62% of the total campaign costs. In addition we are increasing staff capacity for the development of the UUA’s comprehensive campaign, “Life’s Calling.”
- ❖ **Growth & Congregational Stewardship** – In addition to the above described efforts at outreach, we have strengthened our support for emerging and innovative ministries, and are providing specialized support for large congregations and multi-site ministries. We are also continuing to provide support for the Congregational Stewardship Network. We were able to restore a part-time position to full time that is devoted to religious education and musician professional development – key positions relevant to growth.
- ❖ **Multicultural Growth & Witness** - We have transferred the Washington office to a new shared innovation space allowing for greater collaborations with entrepreneurial efforts as well as affording considerable cost savings. We will be expanding Mosaic Makers, the gathering for building and supporting multicultural community, into a multi-pronged approach and particular regional expressions.
- ❖ **Unitarian Universalist College of Social Justice** – We have increased support for the College of Social Justice in order to help fund a new position deliberately designed to “bring the learning home” and to increase congregational capacity for social justice endeavors.
- ❖ **Revenue Development** – As mentioned above, we are planning to develop new sources of revenue such as taking advantage of our beautiful new building for outside event rentals and the marketing of some of our most successful programs such as OWL.

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- ❖ **Staff Salary Increases** – In alignment with our principles and equitable compensation guidelines we continue to place a priority on trying to compensate our staff adequately. We believe this will result in more staff stability as well.
- ❖ **Use of the Carpenter Gift** – While this budget includes income from the Carpenter gift, it is allocated specifically to projects which are “one-time” investments such as the *UU World* Seeker edition and new *UU World* website, the Worship Web enhancements, the costs of developing the comprehensive campaign and the costs of shifting staff structures toward regionalization.



Desired Outcomes Based on Ends Interpretations

As you will see in our Ends Interpretations, we seek the fulfillment of our Ends through these desired outcomes:

1.0 A healthy Unitarian Universalist community that is alive with transforming power, moving our communities and the world toward more love, justice, and peace in a manner which assures institutional sustainability.

- Our existing congregations and communities grow in strength, vitality and numbers and our movement expands beyond our congregations.
- Major initiatives' success is measured to ensure they are effective.
- Individuals and communities will be inspired to recognize and be responsible for creating change, and that they can only do this with others.

1.1 Congregations and communities are covenanted, accountable, healthy, and mission driven.

- Members of congregations and communities make explicit promises to one another and participate fully in the life of their communities.

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- Congregations serve their members but also the surrounding community.
- Congregations are inspired toward and take responsibility for healthy behavior.
- Congregations and communities help people transform themselves and the world.

1.2 Congregations and communities are better able to achieve their missions and to spread awareness of Unitarian Universalist ideals and principles through their participation in covenanted networks of Unitarian Universalist congregations and communities.

- Congregations and communities join into, and contribute fully, to cluster activities and denominational gatherings at all levels.

1.3 Congregations and communities are intentionally inclusive, multigenerational and multicultural.

- UUA staff and structures will model the diversity we seek in others.
- Congregations will have resources to deepen their inclusivity in action.
- Congregations will be intentional in changing their cultures, structures and attitudes toward creating diversity.

1.4 Congregations and communities engage in partnerships to counter systems of power, privilege and oppression.

- UUA staff will create engage in partnerships for justice.
- Congregations, communities, and individuals will participate in a larger UUA campaign structure (SSL) that emboldens and links their local action.
- Congregations and communities will engage in justice-making in their own communities.

1.5 Congregations and communities have and use Unitarian Universalist Association resources to deepen the spiritual and religious exploration by people in their communities to enhance the ministry of their members and to improve their operations.



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- Congregations will have access to and engage resources designed to assist them in being covenanted, accountable, healthy and mission driven.

1.6 There is an increase in the number of people served by Unitarian Universalist congregations and communities.

- There will be an increase in the number of people participating in congregations and communities.

1.7 There is an increase in the number of Unitarian Universalist congregations and communities.

- There will be an increase of new communities and congregations in relationship with the UUA each year.

1.8 There is an increase in the number of inspired ordained and lay religious leaders equipped to effectively start and sustain new Unitarian Universalist congregations and communities.

- There are more and varied structural opportunities for professional and lay leaders to engage in entrepreneurial leadership.

1.9 Unitarian Universalist institutions are healthy, vital, collaborative partners invested in the future of Unitarian Universalism, its principles and theologies.

- UU institutions are in vital, collaborative, mutually enriching relationship with one another and with the wider UU community.

Changes in Strategic Focus

The Strategic Vision has led us to re-examine many of our guiding paradigms and asks us to make significant changes in them. The following chart describes some of the most significant changes that we have been engaging in. While not necessarily changing the budget, the staff (whose salaries make up a good portion of the



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budget) are devoting their energies in sometimes radically different ways than previously.

For example, here are some of the shifts that are taking place because of the strategic focus:

FROM	TO	EXPLANATION
Creators	Curators	In the past there was a desire, almost a <i>need</i> , on the part of UUA staff to <i>create</i> everything that was provided to congregations. With so much wonderful content now easily available on the web, we've shifted to <i>curating</i> that which is most valuable and useful, cutting through the clutter that our congregations and their leaders don't have time for. (Think of the museum curator curating the best works of whomever.) We still create, but a shift to curation is clearly the more efficient and effective way to go.
"One to one"	"One to many and then many to many"	In the past, UUA staff took pride in providing one-to-one support to congregations and their leaders. More recently we've moved to "one to many" model, as when one staff person gathers leaders from multiple congregations for a workshop. Our continuing shift is to "many to many" where we encourage congregations particularly skilled in a certain area to



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		connect with other congregations for mutual learning and support.
Districts are autonomous	Regionalization	In the past, a district executive who spent three days consulting with a congregation in "another district" would expect reciprocity from that districts' DE within that same fiscal year. Now that concept of quid pro quo is unfathomable. "We are one UUA."
Maintenance	Innovation	In the past, it was seen as sufficient to keep the UUA institution going – system maintenance, in the most negative sense. Now there's a sense that the role of staff is to innovate – to do those things that congregations cannot do for themselves.
Expert	Connector	In the past, great pride was taken by being the expert to whom others were dependent on advice. We are clearly moving towards being the "connective tissue" that helps individual leaders, congregations, and communities connect with one another and use their individual gifts for the benefit of the whole.
Program	Ethos	In the past, the emphasis of staff was on workshops, training, and curriculum. We are

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		moving towards an ethos that emphasizes leadership development, experiential learning, and direct engagement. This is particularly evident in the area of AR/AO/MC.
Boston headquarters as a "Victorian museum"	Boston headquarters as a multicultural hub.	The move to 24 Farnsworth Street is more than simply a physical move. It is a literal "moving into the future" where the values of collaboration, cooperation and communication can take place more effectively because the physical space allows for and encourages it.
Service orientation	Participants in ministry	In the past, the focus has been on "providing services." We have, and are continuing to evolve, towards a focus on participating in the larger ministry of Unitarian Universalism, finding those areas of ministry that national, regional, or district staff can be most value-added.

The role of the UUA

Based on the Ends Outcomes and the Strategic Vision, and these described paradigm shifts, we believe the role of the UUA staff is to:

- Support the health and vitality of existing congregations.
- Develop and curate resources to help individuals, congregations and communities reflectively grow in spirit.

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- Broaden our awareness to include more people outside of our traditional circles.
- Broaden and enrich our partnerships with like-valued organizations.
- Broaden and enrich our partnership with organizations that are more culturally diverse than ours.
- Strengthen the ability of professional and lay leaders to be entrepreneurial, growing new and possibly different types of communities.
- Strengthen the ability of our congregations to be fruitful in fomenting UU values through active participation.
- Connect congregations more with one another and to the larger movement.
- Model, support and promulgate intentional efforts at increasing diversity in age, culture, race and class.
- Enhance the ability of individuals, congregations and communities to join in larger social justice efforts as well as to conduct their own at a local level.
- Provide support and partnership to other UU institutions.
- Bring field staff into greater alignment with the UUA through sustainable regional structures.

Specific Change Objectives

1. Congregations, communities and individuals have the resources to further their spiritual pursuits in a way that fits their unique needs and situations.
2. Congregations and communities are successfully able to help people live out our values in a way that is appropriate for today's world through new and innovative approaches.
3. The world is increasingly aware of UU values, and individuals see them as strongly connected to their own lives.
4. There is a vital and growing web of UU institutions and like minded partners who work together to make the changes our values call for.

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Near-Term Strategies and Tactics Guiding Operational Decisions

Some examples of current strategic directions based on this analysis and our role in achieving outcomes:

- Strategy: Create a higher awareness of what UUism stands for and how we meet today's needs in the larger culture.
 - Tactic: Communications plan
 - Tactic: Branding strategy

- Strategy: Partnerships in learning.
 - Tactic: Congregational partnerships (Leap of Faith)
 - Tactic: Entrepreneurial ministry
 - Tactic: Models of multicultural ministry (Mosaic Makers)

- Strategy: Grow professional and lay leadership to address today's world, and start new congregations and supports that speak to its people.
 - Tactic: Partner with seminaries around clarifying ministerial competencies
 - Tactic: Create and support lay leadership programs addressing today's world and its needs
 - Tactic: Nurture entrepreneurial ministry
 - Tactic: Develop and resource youth leadership programs (Summer Seminary)
 - Tactic: Support leadership of people of color (Finding Our Way Home)

- Strategy: Creating structures for “border-crossing” experiences.
 - Tactic: Partner with the UUSC to create the College of Social Justice



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- Tactic: Collaborate with other denominations and social justice organizations around witnessing for equality (Mass Moral March)
- Strategy: Regionalization—the alignment of field staff with headquarters staff.
- Strategy: The move of headquarters.



Refocused Missions of Staff Groups to Support Strategy & Ends

Without necessarily changing the budget, these are the refocused missions of the staff groups to support the strategy and the Ends:

Program and Strategy Office

This office is primarily responsible for developing our organizational strategy to advance the Ends and ensuring that our program plans and budgets are aligned with the strategy. In addition, the Program and Strategy Office oversees the development of our outward facing image, or brand, in a clear, compelling and differentiating way.

Also part of this staff group is the UU College of Social Justice, our joint venture with the UU Service Committee. The UUCSJ engages congregations in justice making around the world.

Multicultural Growth and Witness (MGW)

This staff group develops resources and structures to foster the engagement of congregations and communities in partnerships to counter systems of power, privilege and oppression. The staff group accomplishes this primarily through Standing on the Side of Love (SSL) and our Witness Ministries.

The second major priority of this office is developing and curating resources for congregations and communities to be intentionally inclusive, multigenerational and multicultural. They uphold best

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practices and engage congregations in mutual learning. Mosaic Makers is a prime example of this work.

The budget for MGW was reduced slightly as we are searching for ways to make our work more sustainable by combining events such as Mosaic Makers with the Middle Collegiate Multicultural Experience.

International Office

The International Office engages Unitarians, Universalists and Unitarian Universalists across the globe to promote UU values and advance the cause of justice. The Office works through international partners such as the Partner Church Council, Religions for Peace, and the International Council of Unitarians and Universalists. It also includes the UU United Nations Office that represents UU values before representatives of the world community. The Holdeen India Program (HIP) is in partnership with Indian organizations working for justice and countering systems of power, privilege, and oppression.

Funding for this office comes largely through endowment funds.

Congregational Life

Congregational Life consists of the UUA's field staff and the Office of Congregational Stewardship. These staff provide direct guidance and resources for congregations to assist them in being covenanted, accountable, healthy and mission driven and financially sustainable. They assist congregations to grow in strength, vitality, and numbers. They foster covenanted networks through districts, regions and cluster events and trainings. They design innovative learning programs such as Leap of Faith. The resources of this office have been shifted recently from supporting national staff group meetings, to helping support robust regional staff structures.

Ministries and Faith Development

A strong professional ministry (including parish ministers, religious educators, musicians, and community ministers) is essential to



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achieving all of the Ends. Ministries and Faith Development (MFD) supports all our professional credentialing processes, provides an infrastructure for ministerial transitions, trains interim ministers and provides pastoral care and support for religious professionals. They develop programming based on analysis of growth and healthy congregational opportunities and challenges, and collaborate heavily with our professional organizations.

The Faith Development Office provides resources for lifespan religious education, worship, advocacy, and social action that nurture Unitarian Universalist identity, spiritual growth, a transforming faith, and vital communities of justice and love.

The Youth and Young Adult Ministries Office supports all Unitarian Universalist youth and young adults through advocacy, education, training, and resource development.

MFD includes the Church Staff Finance Team which provides health insurance, retirement and benefit plans for our constituents. The Office of Church Staff Finance is financially self-sustaining.

Communications

The Communications staff group is the primary in-house publisher of UU resources and communication vehicles (Skinner House and the *UU World* magazine), oversees the UUA Bookstore which features key congregational resources, plays a leadership role in the helping us determine priorities in public witness and advocacy, and provides the primary interface between the UUA and media outlets, including training congregational leaders in best practices in media relations.

Administration

The Human Resources department develops and nurtures the staff and creates policies and structures that fulfill our covenantal values and model the diversity we encourage in others.

The Administration develops efficient systems to support staff groups.



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Stewardship and Development

The Stewardship and Development staff are the chief fundraisers for the Association, structuring opportunities for generous giving by congregations and individuals. They are actively exploring new platforms for fundraising and long-term financial sustainability. Their mission is encouraging stewardship of the Association at the national level and in our regions, districts and congregations. Approximately 30% of the staff group's resources are devoted to direct congregational services including legacy giving, umbrella giving, and processing gifts of securities.



Information Technology Services

The move to Farnsworth Street has enabled the ITS staff group to develop an upgraded voice and data network to enhance the ability of the national staff to provide resources to congregations. The many meeting rooms are outfitted for web conferencing. The budget also reflects a new content management system that will make the website more agile, engaging and interactive.

Internal Services

This part of the budget includes financial services and facilities, which are dedicated to enabling work of the program staff groups. Approximately 35% of Financial Services' resources are devoted to direct services to congregations and social justice work – specifically, the Common Endowment, building loan program, and shareholder advocacy.

Budget Detail

The transmittal memo is appended as a separate document.