

sample development of a second-level policy ...

II-E: FINANCIAL PLANNING AND BUDGETING:

Financial planning for any fiscal year or the remaining part of any fiscal year shall not risk financial jeopardy nor deviate materially from church bylaws or *Ends* priorities set by the Board.

Accordingly, the Executive may not cause or allow fiscal projections that:

1. Contain too little detail to enable:
 - a. reasonably accurate projection of revenues and expenses;
 - b. separation of capital, endowment and operating items;
 - c. cash flow and subsequent trails; and
 - d. disclosure of planning assumptions.
2. Plan the expenditure in any fiscal year of more funds than are conservatively projected to be received in that period.
3. Deviate materially from priorities set by the Board in allocating among competing fiscal needs.
4. Do not present a plan for capital expenditures and the means to pay for them. Capital expenditures are all repayments of debt and any building modifications or equipment purchases which exceed \$1,000.00.
5. Fail to include full fair share support of the Unitarian Universalist Association and Pacific Northwest District.
6. Do not provide 1% of the annual operating budget as a contingency fund, to be expended by the Board.
7. Fail, when budgeting annually, to consider long-range needs, including consideration of reserves for:
 - a. capital improvement and deferred maintenance, and
 - b. sabbaticals for clergy and staff who so qualify.