



All Souls Church Unitarian

ANNUAL REPORT June 2021

All Souls Board of Trustees

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INTRODUCTION

Looking back over the past year, we have accomplished so much together. We have survived and thrived during the Pandemic, and we have learned to worship, sing, dance, meet, celebrate, engage our children, and mourn virtually. We have found creative ways to gather safely to demonstrate solidarity with marginalized communities. And, we have done outreach to thousands of registered voters.

The Board has developed close relationships with one another online, has focused on the development of a governance system in line with the Eighth Principle, and has lived up to our goal to reach out to the congregation and improve transparency. We have worked to define the co-equal relationship of the executive team, held thoughtful conversations with members of the congregation about governance changes, and had a series of congregational conversations regarding the extension of ministry for an additional year.

As we celebrate our 200th anniversary, we hope to engage with the entirety of our history and build upon our identity as a multicultural congregation, one that learns from our past and works together to take specific steps to create the Beloved Community. **This is the year to actively engage with the church as we move into a reopening phase and begin the process of committing to a search for a new minister.** In the upcoming year, we hope to learn about ourselves and deepen relationships with each other as we move into the next stage of All Souls' history. The Board, the Transformation Team, and the Executive Team are planning a series of congregational conversations about the future of All Souls' ministry, where we will work together to determine what minister or ministers would best meet the needs of All Souls. If you have been waiting for an opportunity to affect the future direction of the church, this is the year to get involved; be it on a committee, in a position of leadership, planning an event for the 200th anniversary celebration, or joining a covenant group. Over the next few years, our church will transform itself yet again. How it transforms will be up to you.

I would particularly like to thank Bob Jayes and Esther Strongman, who joined the board in a tumultuous year, and who have steadfastly served for 3 and a half (!) years, due to the change in our budget cycle. We will miss them, and appreciate all of their thoughtful and constructive contributions to the work of the board. It's been an honor to serve with you.

-Libbie Buchele, President of the Board of Trustees of All Souls Church Unitarian

Board Members for the Past Church Year

Libbie Buchele
MJ Crom (Secretary)
Joe Feuer

Bob Jayes
Erika Landberg
Bernard Mustafa (Treasurer)

Neil Manzullo
Esther Strongman
Cathy Tortorici

MESSAGE FROM THE EXECUTIVE TEAM

A Year of Magical Thinking

Last spring, when your Interim Search Committee offered me the position of Interim Senior Minister, I believed that I would move to DC and we would begin in-person worship together in Fall 2020. Call it magical thinking! Instead, we've all had to pivot many times to accommodate the ever-changing landscape of this pandemic year. I'm not sure any of us thought what we've done was possible back then, but as I look back at this past year, I think what we've done together *is* magical.

Somehow, through this magic of technology, we have gotten to know one another. We've laughed, cried, argued, challenged and cared for one another. I've heard your stories – and you've heard some of mine. In my role as your interim, I've been mining your **history** for stories of distant and recent past and I've been learning about your **identity**, particularly as a multi-racial, multi-ethnic, urban church. I've been on the look-out for **leaders** who are ready to pass the torch to another; and for opportunities to nurture new ones; and I've been creating opportunities for deeper **denominational connections**. All of these are part of my work as your interim minister. All of this is to prepare you for the **future**; your next chapter of All Souls life.

We talk about Shared Ministry at All Souls, and I see that concept embedded in all that we do. The ministry team and staff do not do their work in isolation; instead we – church members – ministers and staff – share the vision of Beloved Community as we share the work to make it so. So, I want to take a moment to thank the entire staff, but a special shout out to those under my direct supervision.

I am honored to share the professional ministry with **Rev. Rob Keithan** and **Rev. Louise Green**. They both provide an abundance of experience, wisdom, creativity, and wise counsel. **Jen Hayman, Rochelle Rice and Lenard Starks** all truly make magic happen each week. The depth and breadth of their musical talent knows no bounds. **Dolores Miller and James Ploeser** continue to astonish me with their creativity, their dedication, and the new and inventive ways which they keep our children and youth engaged and connected. And certainly last, but not least, my partner in this work, **Traci Hughes-Trotter, Esq.** Her administrative acumen, keen insight and steady hand has kept the All Souls ship afloat and headed in the right direction. In less than a year, we have become true partners and collaborators in the work. I am so looking forward to another year of learning and leading together.

I also want to take a moment to thank the entire Board of Trustees for their hard work, but a special shout out to Madam President **Libbie Buchele** and Vice President **Neil Manzullo**. As you will see later in this report, they have taken the congregations feedback about Board and Executive Team accountability seriously. They have led All Souls notably and well and it has been a joy to work with them and the Board of All Souls.

For the church to not only survive but thrive has been miraculous. For this staff to have been thrown together without the benefit of regular in-person engagement and work smoothly together has been magical. For us – All Souls and for me – your interim, to have a productive year this has been a year like no other. It continues to be a joy and a pleasure to serve as your interim minister.

Yours in Shared Ministry,

Rev. Kathleen C. Rolenz, Interim Senior Minister

Dear All Souls,

What a year it has been! When COVID-19 changed everything we knew to be normal, I'd been your Executive Director for just a year. Since then, we've ridden the wave together with the departure of the senior minister; the hiring of an interim minister; a change in the church fiscal year; and most of all, uncertainty about the financial future of the church. But through it all, All Souls, you rose to the occasion!

Although the year was challenging, I am pleased to report that the financial health of the church is sound. We were able to accomplish this because of a CARES Act loan that allowed the church to continue to employ every staff member, and because of the generosity of those in the congregation who were able to continue to give. Thank you.

But the best known secret to the All Souls sauce is the staff! What an incredibly talented, dedicated, gifted team we have. I tell them all the time how special they are, and what a gift they have been to me. I am a better person and a better leader because of them and their unwavering care for the congregation.

This year of change has also required the Board and the Executive Team to be more creative as it reimagined what leadership means for All Souls. While our focus during this interim period has been processes, policies and streamlining workflows, we have been equally focused on leading in more impactful and spiritually supportive ways. One significant change is the acknowledgment by the Board that administration is a ministry. You've likely noticed that the shift has allowed me to engage with the congregation in ways that are new, and the Executive Team hopes it has been of value.

In Service,

Traci L. Hughes-Trotter, Esq., Executive Director

REPORT OF THE BOARD OF TRUSTEES

Background and Purpose

Under our system of governance, which is called “policy governance,” the Board of Trustees (Board) is the **steward** for the values of All Souls. The Board acts as the steward of our values by writing policies that name and describe our values and then by monitoring whether the church follows those policies.

Each year, the Board has the responsibility of making two **reports** to the Congregation on its role as the protector of All Souls’ values: a Goal Progress Report and a Policy Compliance Report. This is the Board’s report for June 2020 through May 2021.

During the past year, the Board has worked to build the capacity to fulfill its role as a steward for the church. With this year’s report, the Board is **trying something new**: publishing a report on our work as a steward. The report may be imperfect and incomplete in a number of ways, and we hope to continue to grow into this role in the coming year.

Goal Progress Report

The Board has an obligation to report to the congregation on how much progress the church has made towards pursuing four important policies called “Goals.” These policies are our **aspirations**. They describe the kind of Beloved Community that we want to become, and they were developed as part of a **Congregation-wide visioning process** about ten years ago.

To prepare this report on Goal progress, the Board first asked the Executive Team (Rev. Kathleen Rolenz and Executive Director Traci Hughes-Trotter) to **interpret** each of our four church Goals and set strategic **priorities** for the year. In October, the Board affirmed the interpretation and priority list developed by the Executive Team. Their interpretation and strategic priorities are attached as Appendix 1 to this report. Throughout the year, the Board **discussed** these Goals at each monthly Board business meeting, and, in April 2021, the Board met with the Executive Team to discuss the church’s progress towards the Goals. This is a report on that progress.

The Goals—our church’s way of describing the Beloved Community we want to become—are now **about a decade old**. Under policy governance, Goals should typically be updated about every five years. On May 23, 2021, the Board hosted a congregational conversation to ask: ***Is next year the right time to update these Goals?*** Interested congregants can be part of this that conversation by contacting Neil Manzullo (nmanzullo@allsouls.ws) from the Board.

Goal One

All Souls is a wellspring of spiritual growth grounded in love and inquiry; it is a creative environment where spiritual practice is part of daily life; where diverse opportunities for transformation and integration are abundant and where we both lead and learn from one another.

For Goal One, the Executive Team set strategic priorities related to worship, children and youth spiritual development, and adult spiritual development.

Worship

- The past year could not have been more challenging for providing worship services. Early in Rev. Rolenz's tenure, the church successfully pivoted from pre-recorded services to **live Zoom services** to find the right type of online worship that works for our church.
- The church implemented **greater lay participation** in the church's worship services. The church recruited new worship associates, featured stories from congregants as integral parts of sermons (e.g., a service featuring two congregants speaking about their spiritual friendship), recruited families to serve as chalice lighters, and Religious Education Director Dolores Miller continued her ongoing and innovative religious education work, which allowed church children and youth to continue to participate in Sunday services.
- During the past church year, Rev. Rolenz also offered several services related to the five **developmental tasks** of interim ministry.
- The Executive Team has also begun to prepare for a **physical re-entry** into the church by installing monitors throughout the church that will allow distanced viewing of the service. They are also planning a dual platform worship experience, beginning this fall of live-stream AND Zoom simultaneously.

Children and Youth Spiritual Development

- During the past year, Dolores Miller offered a program on Parents as **Primary Sexuality Educators** and started a group for multi-racial families.
- The church also offered an **Our Whole Lives-style class** for high school students.
- Dolores Miller and Associate Director of Religious Education James Ploeser went to great lengths to create an environment where **children were excited to come to church**, even during a pandemic. This included many outdoor, socially distanced activities, such as a weekly Saturday hike, and events such as the Solstice Stroll, Clothing Swap, and Easter Egg Hunt. These were well attended and have been an extremely important part of keeping families and children engaged in church life.

Adult Spiritual Development

- The Executive Team had set for itself several priorities related to Adult Spiritual Development (ASD), including offering on-line opportunities to encourage and support spiritual development and developing a questionnaire for ASD participants that would allow them to reflect on how their lives have changed as a result of ASD courses.

- For the most part, the specific priorities the Executive Team set out were **not fully accomplished**. With the departure of Minister of Adult Spiritual Development Rev. Tony Coleman, this year did not seem like the right time to develop the planned questionnaire.
- **Courses continued to be offered** by the ministers and laity alike. One notable program created by the ASD Committee was “Sustenance for the SOUL-stice,” a series of offerings which were well attended in December 2020.
- Outside of the planned priorities for ASD, the church did offer many **opportunities for congregants to spiritually develop**, such as: Rev. Rob Keithan’s course on Anti-Racism 101 for White People; Yoga Nidra Making Friends with Our Emotions; Four Poems for Now; Finding the Sacred in Contemporary Poetry; Transcendentalism: Then & Now; and more. Given pandemic and Zoom fatigue, the ASD committee felt good about how they ended the year.

Exploring Our Church’s History

- The Executive Team also set a priority of helping the church explore its history. Rev. Rolenz led multiple sessions about All Souls’ **200th Anniversary**, conducted over 25 interviews with Congregants who have been at All Souls from five to 50 years, and interviewed prior ministers, interns, and denominational leaders who have had a past relationship with the church. These interviews and the knowledge Rev. Rolenz acquired advanced the church’s knowledge of its history and itself. Rev. Rolenz also helped the church prepare for our 200th Anniversary by recruiting lay leaders for a **Bicentennial Commission**.

Committee Development

- During the past year, the Executive Team strengthened the church’s committee structures by clarifying lines of **accountability** for committees and ensuring that committees know how and were able to submit **budget requests** for the annual budget.

Goal Two

All Souls feel welcomed, engaged, valued and supported in a congregation that reflects the diversity of the city in which we worship.

For Goal Two, the Executive Team set strategic priorities related to the church's 8th Principle anti-racist, anti-oppressive commitments, membership, and stewardship.

8th Principle Anti-Racist, Anti-Oppressive Commitments

- Rev. Keithan offered an **Anti-Racism 101 for White People** course, which was successful, and he plans to offer it twice per year. The church also hosted a weekend-long Jubilee training, which was attended by Congregants, Board members, and Rev. Rolenz.
- The church took concrete steps to **support members** who are Black, Brown, Indigenous, Asian/Pacific Islander, and people of color.
 - For example, Rev. Louise Green hired a therapist who specializes in race-related trauma to lead a **workshop**. Unfortunately, this workshop was not well attended, and the Executive Team is reviewing this outcome.
 - Rev. Green also regularly includes information in the weekly bulletin about opportunities for congregants who are Black, Brown, Indigenous, Asian/Pacific Islander, and people of color, and Rev. Rolenz has advertised similar opportunities.
- Rev. Rolenz has heard that some congregants who are Black, Brown, Indigenous, Asian/Pacific Islander, and people of color are missing the ongoing **presence** of a minister of color.
 - She actively addressed this situation by assembling a search team for a part-time Minister of Adult Spiritual Development, and she also explored other options such as hiring an intern of color and a full-time minister of color. The Minister of ASD Search Team were unable to come to consensus on a candidate.
 - Ultimately, Rev. Rolenz created a **Minister-in-Residence** program. Rev. Bill Sinkford—a Black minister who is the former president of the Unitarian Universalist Association—will serve as All Souls' Minister in Residence beginning in September 2021. In this part-time position, he will preach, teach, and offer pastoral care.
- The Executive Team added a line item in the upcoming **budget** with money specifically available to **support members of color** within the congregation. This will be available to support members who wish to attend General Assembly, events hosted by Diverse & Revolutionary Unitarian Universalist Multicultural Ministries (DRUUM), Black Lives of Unitarian Universalism (BLUU), and other events and conferences specifically designed to support and nurture church members of color.
- All Souls recently partnered with and co-sponsored a fund-raising service with **DRUUM**, held on May 19th. We contributed \$2,500 to their organization.
- The Executive Team engaged extensively with the **Transformation Team**, an ad hoc Board committee focused on the 8th Principle.
 - The Transformation Team is working to put together a draft work plan covering ongoing transformation work in the church.
 - The Executive Team met on multiple occasions with the Transformation Team to discuss this plan and clarify the lines of authority, responsibility, and accountability for tasks.

Examples of the ongoing transformation work the Executive Team has contributed to include working toward a common understanding of the concepts of shared ministry, collaborative ministry, and co-ministry; and working with the Board and lay leaders to re-vision the Church Council.

Membership

- The Executive Team had intended to conduct a detailed review of All Souls' members, both voting and non-voting. This was not completed during this church year, and this is an **ongoing** effort to work with the Board to identify the staff and lay people that can **sort out membership categories**, and congregant rolls.
- Rev. Rolenz created opportunities for the *All Souls Diaspora* (or Souls Beyond Walls)—those individuals who have **virtually connected** to the church, but do not live in DC—to discuss how to stay connected to the church when it returns to in-person worship.

Stewardship

- The Stewardship and Fundraising Committee, chaired by the Executive Director, implemented the recommendations of a development consultant. This resulted in **early planning** for the 2021 annual campaign, and the creation of “Geo Groups” for church members to connect with those who live near them.
- This has been a **difficult year** for stewardship and fundraising. The Executive Team has considered the impact of the **pandemic** on the energy and financial resources that people have for the stewardship opportunities.
- The Executive Team attended 10 **geo group meetings** to give presentations on the stewardship campaign and budget. This information sharing and early planning was part of the Executive Team's plan to **build a culture of philanthropy** at the church.
- The Executive Team had originally planned to create opportunities outside of the annual campaign for giving, such as a focus on planned/legacy giving, but has not yet done this because of a decision to first focus on the stewardship campaign.

Goal Three

All Souls is a community committed to service, is broadly known as a prophetic leader and has had a major impact on issues that move the world towards justice, healing and sustainability.

For Goal Three, the Executive Team set strategic priorities related to centering the 8th Principle, internal and external social justice activities, and engaging with the congregation to heal the wounds of the past and move towards a vision of the future.

Centering the 8th Principle

- Church staff collaborated to create a **staff covenant** that centers the 8th Principle and identifies a process for addressing related concerns.
- Rev. Keithan began regularly participating with the Transformation Team to support their work.

Commitment to Black, Indigenous, and People of Color-led Partner Organizations

- Rev. Keithan and leaders of social justice groups within the church compiled a set of **practices** on how to **implement** the 8th Principle in the church's social justice ministry.
- Rev. Keithan and the Beckner Committee continued their work to reduce or eliminate common problems encountered between grant-makers and small organizations led by individuals who are Black, Indigenous, and people of color.
- A new **Racial Justice Action group** was founded with an explicit commitment to working in accountable partnership with organizations led by people of color.
- In October 2020, the Reeb Project partnered with **Empower DC** (a person of color-led organization and Beckner grantee) to mobilize voters.

Building Connections Between External Organizing and Internal Transformation

- At the start of the quarantine, Rev. Keithan began hosting **weekly calls** for social justice leaders to foster care and connection.
- The group that formed from these calls carried out an internal **relational organizing** campaign in early 2021.

Healing and Moving Towards the Future

- Revs. Rolenz and Keithan worked extensively with the Committee on Right Relations to implement a **transformative justice** framework at All Souls.
- The Committee on Right Relations secured funding from the Beckner Fund and will begin significant efforts towards building this framework in the summer of 2021. Rev. Keithan and Traci Hughes-Trotter will be staff liaisons to this effort; Rev. Rolenz will partner with them in supporting this important all-church effort.

Goal Four

All Souls has a welcoming and accessible building that provides nurturing spaces for nurturing growth, serves the community within and outside the walls of All Souls Church and embodies our commitment to sustainability.

For Goal Four, the Executive Team set strategic priorities related to our facilities, finances, and safety.

Financial Health of the Church

- The Executive Director and Board Treasurer met weekly to discuss the **financial management** of the church.
- The Executive Director met monthly with the Committee on **Finance** and **Investment** Subcommittee.

Security Policy

- The Executive Director co-chaired the Security Policy Committee with a Board member.
- Over the course of the church year, the Committee conducted an extensive number of **interviews** and crafted a **policy** that captures church **values** regarding calling law enforcement.
- The Board adopted this policy in April 2021. The policy carefully sets strict **limits** on when law enforcement may be called to the church, and discusses the need for **communication** about law enforcement's presence to proactively recognize the trauma that can be caused by the presence of police. The policy is available at: <https://all-souls.org/wp-content/uploads/2021/05/Security-Policy-2021.04.28.pdf>.

COVID-19 Re-Entry Plan

- The Executive Team had originally planned to complete a pandemic re-entry plan by March 2021. As the year and pandemic progressed, it became clear that this date was unrealistic.
- The Executive Team has had extensive **consultation** with all persons on staff on creating a **sustainable** re-entry process in September. The Board discussed this plan at their May meeting.

Unhoused Population

- During the church year, a number of people began living on the **front steps** of the church. While the Executive Team did not anticipate this—and so did not set strategic priorities related to it—how they continue to address this situation is a direct expression of our progress towards our Goal of having a “**welcoming**” **building**.
- The Executive Team discussed this situation with the Board, and did not call law enforcement, after the Board made clear that doing so, outside of a situation contemplated by the church's now-adopted security policy, would conflict with Board values.
- The Executive Team continues to explore ways to balance the needs of the church—including our tenant's and staff's needs—with the needs of the people living on the steps, including engaging the congregation to identify people to help establish a ministry related to the people living at our church. Executive Director Traci Hughes-Trotter has **convened a group** from the church with the intention of helping this team coalesce, choose a chair, and work with the Executive Team on finding a reasonable and compassionate solution.

Policy Compliance Report

The Goal Progress Report above included information on the church’s progress towards its four Goals. The Executive Team has broad discretion to creatively determine the best way to pursue these Goals. The Board, however, is required to establish policies that limit the Executive Team’s discretion by **naming values** that govern our church’s actions. For instance, the Board prohibits the Executive Team from having an “unsafe” work environment because a value of our church—which was especially important during the past year—is to allow church staff to work safely. As the Executive Team pursues our church Goals, they always need to be (and are) mindful of these policies that **limit** what the church can do.

During the past year, the Board and Executive Team made **substantial progress** towards bringing the church into **compliance** with policies. The Board established a schedule to receive policy compliance **monitoring reports**, worked with the Executive Team to develop a **template** for these monitoring reports, and has been receiving and discussing reports on the church’s compliance with policies. The Board has received and discussed monitoring reports on:

- Staff & Volunteer Treatment (September 2020)
- Financial Management (January 2021)
- Protection of Assets (March 2021)

In June, the Board will receive and discuss one final report—on Communication policies.

This monitoring revealed that the church **complies with most policies**, and the Executive Team also newly brought the church into **better compliance** with some policies. Specifically, the Executive Team:

- Ensured that all staff members will receive an **annual performance evaluation** this Church Year.
- Developed with staff a ***Conflict Transformation*** policy.
- Recommended a **budget** to the Board that raises staff **salaries** to bring them more into alignment with the Unitarian Universalist Association’s **compensation recommendations**.

During the upcoming church year, the Board and Executive Team will continue to work to update the church’s policies, including modifying policies that may be on the books, but not suitable for the church. The Executive Team will also interpret and report on an entirely new set of policies related to our church’s **Anti-Racism, Anti-Oppression Commitment**, which the Board adopted in April 2021.

More detailed information on policy compliance reports is available in the Board minutes, which are posted on All Souls’ website.

APPENDIX 1: BOARD COMMITTEE REPORTS

While most committees and groups within the church are not Board committees, the Board does have several committees that report to it, advise it, and help it conduct its work.

This appendix contains reports submitted by Board committees to describe their work during the past year as well as some of their upcoming work.

Report from the Committee on Ministry

During the past church year, the Committee on Ministry recommended two candidates for Congregational Sponsorship to the Board, but largely decided to go on hiatus. The Committee made this decision after meeting with Rev. Rolenz to discuss possible roles for the Committee during the interim time period and to discuss the UUA's recommendation that an Interim Minister put together a specific transitions committee to act as the support committee for the minister, rather than using an existing Committee on Ministry. After researching and discussing possible options for its work this church year, the Committee decided to go on hiatus until August 2021. The Committee did continue its working of recommending qualified candidates for ministerial sponsorships.

Report from the Committee on Finance

The Treasurer, Bernard Mustafa, has overall responsibility for the congregation's financial activities and is a voting member of the Board of Trustees. The Finance Committee (led by the Treasurer) oversees the financial affairs of the congregation. It is an advisory committee to the Board of Trustees. Finance Committee members are Brian Petruska (Assistant Treasurer), Pam Amos and Kathy Mulvey (Investment Subcommittee), David Diedrich and Traci Hughes-Trotter (Executive Director). The Finance Committee meets the third Monday of each month to review the financial results of the previous month. The Treasurer provides a written report to Board of Trustees monthly. At the end of each quarter the Treasurer provides the Board with an analysis of financial performance and trends.

At the September 2020 Board meeting, the Treasurer provided and reviewed a glossary of Non-Profit Accounting Terminology, to help educate the Board on financial terminology and concepts.

Appendix 1: Reports Submitted by Board Committees

Quarter 3 & YTD 2021 BOT Income Statement

	Jan - Mar 21	Budget	\$ Over Budget	Jul '20 - Mar 21	YTD Budget	\$ Over Budget	Annual Budget
Ordinary Income/Expense							
Income							
4000 · Core Donations	316,129	362,500	(46,371)	1,078,191	1,087,500	(9,309)	1,450,000
4100 · Contributions	5,500	7,875	(2,375)	36,336	23,625	12,711	31,500
4300 · Investment Income	6,665	26,125	(19,460)	123,569	78,375	45,194	104,500
4400 · Facilities Usage	55,098	64,694	(9,595)	167,671	194,081	(26,410)	258,775
4500 · Core Program Revenues	-	12,525	(12,525)	12,100	37,575	(25,475)	50,100
4600 · Other Program/Committee Revenue	1,620	6,923	(5,303)	2,228	20,768	(18,539)	27,690
4700 · Fundraisers	1,500	2,700	(1,200)	1,500	8,100	(6,600)	10,800
4800 · Grant Revenue	-	23,564	(23,564)	-	70,693	(70,693)	94,257
4900 · Endowment Distributions	149,141	37,837	111,304	182,916	113,510	69,405	151,347
Total Income	535,653	544,742	(9,090)	1,604,512	1,634,227	(29,715)	2,178,969
Gross Profit	535,653	544,742	(9,090)	1,604,512	1,634,227	(29,715)	2,178,969
Expense							
5000 · Personnel	329,765	361,627	31,862	1,050,002	1,084,882	34,880	1,446,509
6000 · Building Expenses	40,354	31,363	(8,992)	100,006	94,087	(5,918)	125,450
6500 · Operating Expenses	37,901	70,269	32,368	188,094	210,808	22,714	281,077
6800 · Denominational Support	40,000	15,000	(25,000)	60,000	45,000	(15,000)	60,000
7000 · Core Program Expenses	19,597	29,832	10,236	72,413	89,498	17,085	119,330
8100 · Other Programs/Activities Exps	5,416	9,612	4,196	12,179	28,838	16,659	38,450
8600 · Fundraising Expenses	484	2,050	1,566	6,621	6,150	(471)	8,200
9500 · Beckner & Shively Expenses	9,257		(9,257)	41,049		41,049	
9700 · Transfer Clearing Acct	-		-	-		-	
9800 · Third Century Campaign	7,912	12,500	4,588	39,386	37,500	(1,886)	50,000
9808 · Capital Reserve	2,500	2,500	(0)	7,500	7,500	(0)	10,000
Total Expense	493,186	534,754	41,568	1,577,248	1,604,262	27,014	2,139,016
Net Ordinary Income	42,467	9,988	32,478	27,263	29,965	(2,701)	39,953
Net Income	42,467	9,988	32,478	27,263	29,965	(2,701)	39,953

Endowments & Investments

The Executive Director reported to the Board that the church is following the Investment Policy dated November 2019.

The Treasurer and Executive Director conducted a financial performance analysis of endowments, using Investment Manager reports. Below is summary analysis of the church's investments and Endowments returns 1, 2 and 3-year periods as of December 31, 2020. Endowment performance was either exceeded or on par with benchmarks.

Year Ending Dec 31, 2020	TIFF MAF	UUCEF	Vanguard	Total
1 Year Return				
Rate of Return	17.4%	11.3%	7.0%	13.1%
2 Year Return				
Rate of Return	16.9%	14.6%	12.6%	15.2%
3 Year Return				
Rate of Return	7.1%	7.9%	7.4%	7.4%

Appendix 1: Reports Submitted by Board Committees

The Treasurer and Executive Director attended Unitarian Universalist Common Endowment Fund (UUCEF) quarterly investor calls. During 2021, there have been updates to allocations of the UUCEF endowment funds among investment vehicles. The Finance Committee will review the Vanguard and TIFF allocations early FY 2022.

Community Investments

The Board has reaffirmed our congregation's commitment to values-aligned investment, including a target of using at least one percent of total endowment funds for community investments. The ASCU Investment Policy defines community investing as providing access to capital for low-income entities and individuals in the Washington, DC metropolitan area. After completing due diligence, the Finance Committee recommended to the Board a community investment into the Washington Area Community Investment Fund (Wacif).

Wacif's mission statement is: *"Established in 1987, the Washington Area Community Investment Fund's mission is to increase equity and economic opportunity in underserved communities in the Washington, DC area by investing knowledge, social, and financial capital in low- and moderate-income entrepreneurs. Our mission is driven by three strategic pillars: inclusive entrepreneurship, community wealth building, and equitable economic development, and is fulfilled by providing access to capital products and services, and capacity building technical assistance to low- and moderate-income entrepreneurs."*

The church will invest \$30,000 into the Wacif Fund for a 3-year term at 1.25% annum. Community investments approved by the Board shall be implemented by the Executive Director or other designated church official and subject to the same review as other investments. In addition, the church will request a \$10,000 matching contribution from the UUA.

Annual Distribution

The Finance Committee recommended to the Board that the level of distribution from Church endowments for the 2022 budget be up to 7% of the endowment.

Paycheck Protection Program (PPP) loan

In May 2020, the church received a \$226,000 PPP loan from Industrial Bank. We are expecting Loan forgiveness. The Executive Director will request loan forgiveness by August 2021.

2019 Audit

The 2019 financial audit of All Souls was conducted by Ubelhart, Rogstad & Associates, P.C. and completed October 30, 2020. The auditor concluded that: *"In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of All Souls Church, Unitarian as of December 31, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America."*

Report from the Governance Committee

The Governance Committee is a committee of the Board that advises the Board on governance topics.

Governance Task Force

The Governance Committee continued to work as an expanded ad hoc committee, the Governance Task Force. The Board created this task force in April 2019 to help the church improve its governance process, and its members are Brenda Barbour, Barbara Corprew, Tom Fox, Bob Jayes, Erika Landberg, Neil Manzullo, Cathy Tortorici, and Chuck Woolridge. They met regularly with the Interim Senior Minister and Executive Director to discuss church governance.

Policy Monitoring

One of the Board's core functions is to monitor the church's policy compliance. The Governance Committee worked with the Executive Team to help restart this monitoring process and created a template for monitoring policies. The Executive Team submitted roughly quarterly monitoring reports and discussed them with the Board. These have identified important areas where the church was out of step with its policies and allowed the church to work to correct them.

8th Principle Policy Governance Updates

During the past year, the Governance Task Force developed and then recommended to the Board a large set of updates that incorporate the 8th Principle into how the church governs itself. The Board adopted these in April 2021, and the updates build on the church's long history as a multicultural institution. More information is available at: <https://all-souls.org/about-us/governance/>.

Other Policy Governance Updates

Throughout the year, the Board made numerous edits to its governance framework, including adding language about our collaborative executive team, removing gender binary language, and clarifying the process for monitoring policies and reporting on church goals. Because the governance framework had not been updated in many years, these updates were important for allowing the Board to improve its governance process.

Congregational Conversations

During the spring of 2021, the Governance Task Force hosted a series of after service conversations about governance. These conversations covered topics such as how we govern ourselves as a church, governance as a spiritual practice, and the importance of lay leadership in governance.

Committee Review

In January 2021, the Board asked the Governance Committee to begin a review of Board committees. Many of these committees have out of date terms of reference or were designed for churches of a smaller size. During the interim period, the Governance Committee will recommend updates so the Board can collaboratively and productively enhance the church's committee work.

Appendix 1: Reports Submitted by Board Committees

Report from the Transformation Team

The Transformation Team is an ad hoc Board committee focused on the 8th Principle and co-chaired by Derek Robinson and Pamela Sparr. Its members include Carol Collins (Adult Spiritual Development Committee), MJ Crom (ASC Board Representative), Merrie Dodson (Religious Education Committee), Zach Morrice (Young Souls), Pamela Spratlen (Leadership Development & Nominating Committee, LDNC), and Noel Tieszen (8th Principle Group). Rev. Rob Keithan serves as our ongoing staff liaison.

“We...affirm and promote: journeying towards spiritual wholeness by working to build a diverse multicultural Beloved Community by our actions that accountably dismantle racism and other oppressions in ourselves and our institutions.”

The 2020-2021 church year was a challenging time for All Souls as a whole and the Team. Church staff and congregants were still adjusting to a “new normal” with the pandemic as well as preparing for and welcoming a new interim Senior Minister. The congregation, staff, neighbors and our country as a whole, were physically, emotionally and spiritually battered by economic upheaval and hardship, and ongoing racism manifest in so many ways, including frequent mass shootings and police violence.

Despite the challenges, the Team came into its own once again by the summer as an almost completely new set of members began to feel comfortable in their roles and life in a time of Covid. This year we benefited from a new arrangement – tighter coordination with staff through the ongoing presence of a staff liaison, Rev. Rob Keithan. We made major pushes forward on several strategic efforts -- contributing strategic advice to the Board, growing the capacities of Team members, and pulling together senior staff, lay leaders and Board representatives to assess where the church is in the transformation process in order to determine the best focus for the Team at this time. Below are the highlights.

Welcoming Rev. Rolenz

Both of the co-chairs had introductory meetings with Rev. Rolenz to begin relationship-building and brief her on the work of the Team. In addition, Pamela Sparr worked with Rev. Rob Keithan to design two collective racial justice briefings for our new interim minister to introduce her to some of the people who are working on this topic from various vantage points and to provide background and context on the Church’s commitment to the 8th Principle. These conversations were held through the auspices of the Racial Justice Collaborative Table, where both relevant staff and lay leaders from a variety of groups are present. The briefings were held August 10 and August 24, 2020.

Welcoming New Transformation Team Members

Pamela Spratlen joined the Team in September 2020 to represent LDNC, filling a vacancy. Noel Tieszen joined the Team in February 2021 to represent the 8th Principle group, replacing Whitney Cooper. We want to thank Whitney as well as Nada Petrovic, who stepped away from co-representing the Adult Spiritual Development Committee, for their service.

Advising the Board on Next Steps

In July 2020, Board Vice President Neil Manzullo asked the Transformation Team to pull together a small group in order to offer some recommendations to the Board related to moving towards a co-ministry model in practice and the schedule for forming a called minister(s) search committee. The initial idea was to present a recommendation for Board consideration in the fall, before the church had to pull together a search committee in the spring of 2021. Pamela Sparr volunteered to take the lead for the Transformation Team and worked with Paula Cole Jones of the 8th Principle group to develop this proposal. Members of both groups were invited to and offered feedback.

We presented a 5-page proposal with three recommendations and background rationale for consideration at the October 28th Board meeting. These three recommendations were:

- **Recommendation #1:** Do not start the search process for one or two called ministers during the 2020-2021 church year.
- **Recommendation #2:** Move forward with hiring a contract minister of color by the summer of 2021 to help us develop and test a collaborative ministry model jointly with Rev. Rolenz for at least one year. The minister of color would be hired for a 2-year period, with the possibility of renewing as a contract minister or becoming a called minister.
- **Recommendation #3:** We develop a common, collective map and multi-year timeline of 8th Principle initiatives underway in which to situate ministerial hiring, and the various policy, educational and multi-cultural change processes occurring. Solidifying a collaborative ministry model, testing it out, developing a sense of who we want to call and how we want to create a new multicultural ministerial team would be set within this larger framework. By creating this collective road map, all our efforts can be more cohesive, synergistic and transparent to church leaders and the congregation and provide needed structure for our ministers as well as lay leaders.

(The full proposal the Team submitted to the Board is available in the Board's October 2020 packet.)

After engaging in some conversations with the congregation after virtual services, the Board voted to approve Recommendation #1 earlier this year. The Team is finalizing the collective "Road Map" with those staff, board, and lay leaders involved in producing it, and will make it public very soon – for use by the Board, staff, Church Council, the Team, and congregants at large.

Security Policy Assessment

At our December 1, 2020 Team meeting, at the request of Team member and Board representative, MJ Crom, two members of the *ad hoc* Security Team (MJ and Emily Koechlin) conducted a survey with us to provide insights and suggestions for the church's new security policy. One of the points we raised concerned how one's feeling of security and safety is shaped in part by one's identity, and that a multicultural church needs a security policy informed by a kind of "community of communities" discernment process in order to identify and understand different concerns and needs. We also referred them to the DC Peacemakers' group for helpful background policy ideas.

Governance Policies

On January 12, 2021 we were joined by ad hoc Governance Task Force members Neil Manzullo, Cathy Tortorici and Barbara Corprew to hear about proposed changes to the governance policies related to the 8th Principle. They invited written feedback. The Team provided detailed input in a memo to the Board on January 29.

Relational Organizing

At the request of the Racial Justice Action Group (RJAG), RJAG members along with members of the Reeb Voting Rights Project and the Migrant Solidarity Team met with the Transformation Team February 16, 2021. Rob Keithan, staff liaison to the Team as well as these groups also attended. Primary goals were: 1) provide some background orientation on the Team for these groups; 2) hear where these groups are in formulating their plans and activities and what needs they might have; 3) begin to identify possible areas of collaboration and support between the inward-facing racial justice groups and external-facing groups. All agreed this was a helpful first start and that further conversations down the road, including with additional external-facing racial justice groups within the church, would be helpful.

Committee on Right Relations (CRR)

CRR Committee co-chairs met with Pamela Sparr to discuss their draft proposal for Transformational Justice work as part of an ongoing dialogue related to continuing the work of the former Trust & Reconciliation work group and writing a funding proposal to the UU Funding Program which Pam suggested they consider doing. Among other things, this important work will establish a stronger foundation for the church to consider and call future ministers, and is likely to make us a much more compelling candidate congregation for potential ministerial applicants of color.

8th Principle Assessment

Over the fall and winter, Paula Cole Jones, co-chair of the 8th Principle group helped the Team to become familiar with the “Seven Levels of Readiness” assessment tool she developed. The Team participated in the assessment Paula Cole Jones led the Board through in October 2020. We had several aims for working with the tool. First, we wanted to learn new skills and deepen our practical knowledge of implementing the 8th Principle in the work of the Team. Secondly, we wanted to model what the 8th Principle group hoped various bodies in the church would undertake, and thus help create interest in and momentum for that project. Third, by training ourselves we wanted to then spread this to the various groups represented in the Team – again with an eye to spreading capacity-building and gaining insights into where the church is with implementing the 8th Principle. In encouraging various committees and communities represented on the Team to work through the tool, we hoped the results would provide strategic information to ourselves, the Board and staff about where we are in our transformation process and clarify needs, concerns, etc. Team members reported lively, insightful conversations among their committees/groups. In all, we hoped to better fulfill our mission of advising and supporting the Board. So far, Adult Spiritual Development, Religious Education, Young Souls, and the Leadership Development & Nominating Committee have conducted their own assessments.

Appendix 1: Reports Submitted by Board Committees

Expanding 8th Principle Training

As a prelude and compliment to the 7 Levels of Readiness Assessment, the Team developed a questionnaire to determine what various committees and groups have done in the recent past and what plans they have for future anti-racism, anti-oppression, multi-cultural, 8th P education and trainings, and their perceived needs in this regard. Team members volunteered to host one or more conversations with groups and leaders using the questionnaire. To date, we have conducted 12 conversations and 11 assessments with the following groups and individuals: Adult Spiritual Development Committee and staff; Religious Education committee and staff; Green Souls; Young Souls; 8th Principle group & ADORE; Leadership Development & Nominating Committee; Migrant Rights & Immigration Task Force; the Reeb Voting Rights Project; the ongoing White Fragility Book Group; Traci Hughes-Trotter (on behalf of the staff); Megan Foley (the UUA's regional staff person who is our congregational liaison).

Transformation Road Map

Over the course of a few meetings the Team reviewed the results of the 2019 strategic planning meeting and our Terms of Reference. We brought the results of this to two meetings (in December and February) with representatives of the Board (Vice President Neil Manzullo and Cathy Tortorici), staff (Traci Hughes-Trotter, Rev. Kathleen Rolenz, and Rev. Rob Keithan), and a few lay leaders of key committees (Leadership Development & Nominating Committee, Committee on Right Relations, and 8th Principle Group – Maya Hermann, Taquiena Boston, Kyla Dixon and Paula Cole Jones). Our aim was two-fold: to bring greater cohesion into all the Transformation efforts happening at All Souls by gathering up all the current and planned efforts into one document, and identifying the group or person responsible for leading each effort., and to help the Team prioritize what to work on in the coming months. As soon as the document is final, we will be sharing this with the Board, staff and more publicly. We also will be bringing this into the review the Board will have with the Team in June as part of its systematic review of all Board Committees.

APPENDIX 2: ALL SOULS GOAL INTERPRETATIONS & MEASUREMENTS

Prepared by the Executive Team

September 24, 2020

Revised October 22, 2020

Affirmed by the Board October 28, 2020

Church Goal #1

All Souls is a wellspring of spiritual growth grounded in love and inquiry; it is a creative environment where spiritual practice is part of daily life; where diverse opportunities for transformation and integration are abundant and where we both lead and learn from one another.

Executive Team's Interpretation

We understand this as a mandate to focus on the following four areas.

1. **Worship.** For many of our members, congregational worship is their primary spiritual practice. We strive to deepen and expand members experience of the Holy in our Sunday morning, and other worship offerings. Because it is unlikely that we will be able to engage in in-person worship until Spring 2021, ensuring the quality and consistency of on-line and virtual worship is paramount. While maintaining ASC's commitment to excellence in worship, we prioritize connection over perfection.
2. **Children & Youth Spiritual Development.** We assert that parenting children & youth is a daily spiritual practice. The weekly gatherings we offer for Religious Education are designed to support this essential truth. Through connection to the community and other parents/guardians; with support from professional staff, through ritual and worship, we will equip parents/guardians with the tools they need to integrate Unitarian Universalist values so that children & youth may grow in becoming spirit-filled, justice-seeking adults.
3. **Adult Spiritual Development.** Individual spiritual practice is an essential expectation of church involvement. Such practice grounds, grounded in love, curiosity and inquiry, has the power to transform our lives towards greater acts of love, justice and service. Sharing and listening to one another's stories is one way we grow, learn and change. Our programming should support spiritual practice, personal growth, and the capacity to embrace challenge and paradox.
4. **Congregational Committees.** Spiritual development happens not only through worship but also through church involvement in committees that speak to our members' deeply held beliefs. We strive to nurture the spiritual work of these committees and recognize their importance in attracting and retaining members. We will strengthen support for committee work and nurture their leadership to create strong leaders to lead All Souls into the next century.

Executive Team's Strategic Priorities

We will:

- **Worship.**
 - Design worship services which engage the congregation with the five developmental tasks of interim ministry.
 - Implement greater lay participation in the long-distance | virtual worship services; which may include testimonials, videos, selfies, and engage creatively with the congregation.
 - Ensure proper technology is in place to support ongoing live streaming of services and that there are numerous areas within the church where member and visitors can view services.
 - Establish website protocols for the maintenance and storage of all recorded content; consistent display of worship services on the ASCU website. Children & Youth Spiritual Development. o Design or adapt programs which support and equip parents to have discussions with their children on topics such as:
 - Theology (Parents as Resident Theologians);
 - Racial justice;
 - Raising black or bi-racial children in a white supremacist world;
 - Ethics, morals and values;
 - What does it mean to be a person of faith as a Unitarian Universalist?
 - Make connections with other parents, families and children a priority over content and/or curriculum.
 - Create an environment in which children want to come to church; to learn, grow and to connect with their peers.
- **Adult Spiritual Development**
 - Create and heavily promote a variety of on-line opportunities that encourage, nurture and support individual and corporate spiritual practices.
- **Measurables:**
 - The Adult Spiritual Development Team will develop a questionnaire, offered to every ASD participant, to reflect on whether they feel their intellectual, emotional or spiritual lives have been changed as a result of their engagement with the class and/or how they have integrated what they have learned into their spiritual lives.
 - Engage in a 14-month exploration of All Souls history – linking that history to how, All Souls as an institution has grown spiritually as a result of its groundedness in love and inquiry; To this priority, we will work with a group of lay members to devise a series of powerful/open questions which illuminate the spiritual development of All Souls as an institution, culminating in the celebration of All Souls 200th Anniversary.

Appendix 2: Executive Team Strategic Priorities

Church Goal #2

All Souls feel welcomed, engaged, valued and supported in a congregation that reflects the diversity of the city in which we worship.

Executive Team's Interpretation

This language was written some time ago, and doesn't really reflect the commitment to anti-racism that we believe All Souls congregants are searching for. To this end, we understand this as a mandate to focus on the following four areas:

1. **8th Principle anti-racist, anti-oppressive commitments.** We acknowledge that the work of building Beloved Community is intimately connected with a persistent rejection of white supremacy culture and actively living out the 8th Principle. To this end, we hold the values of welcome, engagement, and support as the touchstones of our interactions with one another. We also interpret this to include de-centering whiteness and centering the voices of people of color.
2. **Membership.** Those seeking to join All souls will be warmly welcomed, provided with meaningful opportunities to engage their gifts and will be supported in their efforts to serve All Souls. The work of building Beloved Community also involves reaching out to envision the church that has not yet come into existence. Members who cannot physically be present at ASC either now or in the near future will find meaningful opportunities to engage and stay connected at ASC.
3. **Stewardship.** All members of All Souls will be engaged in the financial health and vitality of All Souls Church. The practice of Stewardship will engender a deep sense of gratitude from which abundance and generosity springs.
4. **Building Beloved Church Community.** In order to stay connected through this time of social distancing, members of All Souls will engage in the telling and hearing stories about themselves, each other and the church. Through the shared practice of telling stories, we learn from and with one another. These stories will reveal truths, stumbles and strengths which will illuminate the path towards All Souls next chapter of life.

Executive Team's Strategic Priorities

We will:

- **8th Principle anti-racist, anti-oppressive commitments**
 - Ensure that All Souls offers on-going programs for differing levels of antiracism, anti-oppression training. At least once per quarter, ASC will provide an Introduction to Anti-Racism Training; which will be included as part of our New Member orientation series. At least once per year, ASC will provide more advanced curriculum, engagement, and study with Anti-Racism/Anti-Oppression/ De-centering Whiteness work.
 - Ensure that members of All Souls Black, Indigenous, People of Color communities are provided with safe spaces of support including ministerial and financial resources, to ensure that they feel welcome, engaged, valued and supported at ASC.
 - Include support for BIPOC communities at ASC in the 2021-2022 budget.
 - Ensure that the Board of Trustees & Staff engage together in ARAO (Anti-racist, anti-oppression) training, i.e, Jubilee, the Intercultural Developmental Inventory (IDI) or other instruments.

Executive Team Strategic Priorities

- Partner with the Transformation Team and their report to the Board to discern which elements of their report can be implemented in 2020-2021.
- **Membership**
 - Evaluate existing categories of membership; discern whether the current practice around membership definitions still continue to serve All Souls current needs;
 - Measurables: By January 1, 2021, report to the Board a detailed review of All Souls members; both voting and non-voting in advance of the February 1, 2021 UUA membership deadline. This information will provide the Finance and Stewardship committees meaningful data from which to build the 2020 budget.
 - Create a new category of virtual membership defined not by physical proximity, but expression of values, support and a pledge of record.
 - Incorporate a member outreach component of committees – staff is involved in the recruitment of and supporting volunteers to committees.
- **Stewardship**
 - The Executive Team will cultivate the message of philanthropy and generosity; drawing on our past, being candid about our present, and creating inspiration and hope in our financial well being for the future.
 - The Executive Team, working in collaboration with the Stewardship Team will create multiple opportunities for people to give throughout the year.
 - Create and/or enhance opportunities for Planned/Legacy Giving.
 - Incorporate multiple technology tools into church giving practices, and to ensure fundraising efforts do not reinforce biased assumptions regarding wealth equality and race.

Church Goal #3

All Souls is a community committed to service, is broadly known as a prophetic leader and has had a major impact on issues that move the world towards justice, healing and sustainability.

Executive Team's Interpretation

Our prophetic work is intimately connected to the work of justice and of healing the wounds of racism and oppression. To do so requires us to join hands with visionaries, past and present, to set pathways of possibilities for future generations.

Executive Team's Strategic Priorities

- Center the 8th Principle as the lens through which we view our justice seeking & justice making efforts; to counter white supremacy culture, habits and norms and replace them with principles and concrete practices that move us towards liberation.
- Deepen our commitment to and skills for supporting Black, Indigenous, and People of Color-led partner organizations.
- Build connections and consistency between our external organizing and internal transformation work, such that our means reflect our ends with integrity and spiritual depth.
- Encourage and support our on-going justice efforts through worship services, adult spiritual development, rituals, art and other creative avenues.
- Engage the congregation in a process by which they may heal the wounds of the past and move them towards a vision of the future they want to embody.

Church Goal #4

All Souls has a welcoming and accessible building that provides nurturing spaces for nurturing growth, serves the community within and outside the walls of All Souls Church and embodies our commitment to sustainability.

Executive Team's Strategic Priorities

Facilities

- Develop a plan for post-COVID 19 personnel re-entry, including staff, and facility readiness for worship, rentals and school/tenant usage.
- Ensure the finances of the church are well-managed by working directly with the finance committee to monitor investments and to make financial recommendations to the board that will promote financial health and sustainability.
- Create a building security policy to ensure the readiness of the church to respond to threats to persons, the facility and the IT infrastructure.

Measurables

- By March 2021 create a post COVID 19 re-entry plan that allow for transition to full church operations, and full school re-opening.
- By March 2021, finalize a Security Policy to be presented and approved by the Board of Trustees.