

Sample Board Policies

The policies below are sample policies and do not reflect all boards. These policies are meant to encourage discussion and to help identify the types of policies that you may need for your district.

Policy Type: Governance Culture – The Board’s purpose and role

I. Board Purpose

The Board of Directors represents, leads, and serves the district and holds itself accountable to it by committing to act in the district’s best interests and by ensuring that all Board and organizational action is consistent with law and the Board’s policies.

The Board’s purpose is to assure that the district achieves its goals and that it operates according to its values.

The Board and its directors are committed to effectively governing the district, testing all of its decisions, maintaining director relationships with each other, evaluating the CEO, training new directors, working with subcontractors and serving its constituents.

II. Governing Commitments

The Board will govern lawfully; encourage full exploration of diverse viewpoints; act with integrity as ethical leaders; focus on governance matters rather than administrative issues; observe clear separation of Board and CEO roles; make all official decisions by formal vote of the Board; and govern with long-term vision.

1. The Board will function as a single unit. The opinions and personal strengths of individual directors will be used to the Board’s best advantage, but the Board faithfully will make decisions as a group, by formal vote. No officer, individual, or committee of the Board will be permitted to limit the Board’s performance or prevent the Board from fulfilling its commitments.
2. The Board is responsible for its own performance and commits itself to continuous improvement. The Board will assure that its directors are provided with training and professional support necessary to govern effectively, including ethics training. After attending conferences or events, directors will report back to the Board at the next quarterly meeting about what they have learned.
3. The Board will carry out a summative self-assessment with full, honest and timely participation by all directors. The assessment will include evaluation of the Board as a whole.
4. To ensure that the Board’s meetings are conducted with maximum effectiveness and efficiency, directors will:
 - a. come to meetings adequately prepared
 - b. communicate openly and respectfully with each other and with staff
 - c. support the Chair’s efforts to facilitate an orderly meeting
5. The Board will use a consent agenda as a means to expedite the disposition of routine matters and to dispose of other items of business it chooses not to discuss. All administrative matters delegated to the CEO that are required to be

approved by the Board will be acted upon by the Board via the consent agenda. An item may be removed from the consent agenda upon approval of a majority of the Board.

III. Board Job Description

The Board's job is to represent, lead and serve the district and to govern by establishing expectations for organizational results, expectations for quality operational performance, and monitoring actual performance against those expectations.

The Board will:

1. Advocate for the district.
2. Evaluate CEO performance.
3. Evaluate Board performance.
4. Review and accept the annual report of the State Auditor.
5. Adopt and monitor annual budgets.
6. Evaluate and approve rates/assessments/tax annually.
7. Evaluate and approve Board contracts.
8. Contract independently with legal counsel to support the Board in its work.
9. Review reports of investment activities.

IV. Officers' Roles

The officers of the Board are those listed in this policy. Their duties are those assigned by this policy, and others required by law.

Chair

The Chair provides leadership to the Board, ensures the faithful execution of the Board's processes, exercises interpretive responsibilities consistent with the spirit and intent of the Board's policies, and normally serves as the Board's official spokesperson.

The Chair has the following specific authority and duties:

1. Monitor Board actions to assure that they are consistent with the Board's own rules and policies and with other obligations imposed by agencies whose authority supersedes the Board's own authority:
 - a. Conduct and monitor Board meeting deliberations to assure that Board discussion and attention are focused on Board issues, as defined in Board policy;
 - b. Assure that Board meeting discussions are productive, efficient and orderly;

- c. Chair Board meetings using the authority normally vested in the Chair as described in Robert's Rules of Order;
 - d. Lead timely Board meeting debriefings and periodic self-assessments to ensure continuous process improvement.
2. Exercise any authority as an individual to supervise or direct the CEO.
 3. Lead the Board's evaluation of the CEO.
 4. Represent the Board as its official spokesperson about issues decided by the Board and other matters related to official Board business.
 5. Execute all documents authorized by the Board, except as otherwise provided by law.
 6. Appoint members of all Board committees with the ratification of the full Board.
 7. On behalf of the Board, and in concert with the CEO, develop proposed Board meeting agendas consistent with the Board's annual calendar.

Vice-Chair

8. Serve as Chair-elect and succeed the Chair when his or her term expires.
9. Serve as Chair in the absence or inability of the Chair.

Secretary/Treasurer

10. Serve as Chair in the absence or inability of the Chair and Vice-Chair.

V. Board Committees

The Board may create committees if they are deemed helpful to assist the Board in the performance of its responsibilities. If committees are established, they will be used exclusively to support the work of the Board and will never be created or used to assist the CEO in any operational area.

1. Board committee and other such entities by whatever name created by the Board will not be used to direct, advise, assist or oversee the staff. Committees customarily will prepare recommendations for Board consideration. Board committees will have no authority over staff, and may exercise demands on staff time and organizational resources only to the extent authorized in this policy.
2. Board committees may not speak or act for the Board unless specifically authorized. The responsibilities and authority of all Board committees are carefully stated in writing to assure that committees fully understand their duties and extent of authority, and to assure that committee work will not usurp or conflict with the Board's own authority or conflict with authority delegated to the CEO.

3. All Board committees are considered to be ad hoc, or temporary. The date for their termination is listed for each committee. Committees may be renewed or reauthorized upon their expiration, but unless the Board acts to renew the committee's existence, it shall cease to exist upon the date specified.
4. Format for Board Committees will follow:
 - a. Name
 - i. Purpose and Charge
 - ii. Membership
 - iii. Reporting Schedule
 - iv. Term
 - v. Authority over Resources

VI. Directors' Code of Conduct

The Board and its directors will conduct themselves lawfully, with integrity and high ethical standards, in order to model the behaviors expected of staff and to build constituent confidence and credibility. The Board will conduct its official business with social and fiduciary responsibility that encourages public trust.

1. To build trust among directors and to ensure an environment conducive to effective governance, directors will:
 - a. focus on issues rather than personalities;
 - b. exercise honesty in all written and interpersonal interaction, never intentionally misleading or misinforming each other;
 - c. make every reasonable effort to protect the integrity and promote the positive image of the organization and one another;
 - d. maintain confidentiality appropriate to sensitive issues and information that otherwise may tend to compromise the integrity or legal standing of the Board, especially those matters discussed in executive session.
2. Directors will not attempt to exercise individual authority over the organization.
 - a. Directors will not attempt to assume personal responsibility for resolving operational problems or complaints.
 - b. Directors will not personally direct any part of the operational organization.
 - c. Directors will respect decisions of the Board and will not undermine those decisions.
 - d. Directors will not publicly express individual negative judgments about CEO or staff performance. Any such judgments of CEO or staff performance will be expressed in executive session.
 - e. Directors will refer any requests for access to the organization's records to the CEO.

3. Directors will serve the interests of the entire organization. Directors recognize this responsibility to the whole to be greater than:
 - a. any loyalty a director may have as a member; and
 - b. loyalty based upon membership on other boards or staffs.

VII. Director Conflict of Interest

Directors are expected to avoid conflicts of interest involving all matters considered by the Board. A conflict of interest exists when a director is confronted with an issue in which the director has, or appears to have, a personal or financial interest or an issue or circumstance that could render the director unable to devote complete loyalty and singleness of purpose to the district's interest.

1. To assure that there is no perception of impropriety or unethical behavior, directors will recuse themselves from any discussion or decision which directly involves or affects them. A director will recuse him/herself by notifying the Chair of the potential conflict of interest and leave the room when the issue in conflict is voted upon.
2. If a director does not recuse him/herself when it may be improper for them to participate in discussion or decisions, other Board members, including the CEO, have the right and obligation to request that the director recuse him/herself.
3. A director shall not also be an employee of the district, nor shall a director receive any compensation for services rendered to the organization. This provision shall not prohibit directors from receiving reimbursement for authorized expenses incurred during the performance of board duties.
4. The Board shall not enter into any contract with any of its directors or with a firm in which a director has a financial interest.
5. A director is expected to avoid conflicts of interest in the exercise of the director's fiduciary responsibility. Accordingly, a director may not:
 - a. disclose or use confidential information acquired during the performance of official duties as a means to further the director's own personal financial interests or the interests of a member of the director's immediate family;
 - b. accept any gift of value or economic benefit which would tend to improperly influence a reasonable person, or which the director knows or should know is primarily for the purpose of a reward for official action;
 - c. engage in a substantial financial transaction for private business purposes with the CEO.

VIII. Process for Addressing Director Violations

The Board and each of its directors are committed to faithful compliance with the provisions of the Board's policies. The Board recognizes that its failure to deal with deliberate or continuing violations of its policies risks the loss of confidence in the Board's ability to govern effectively. Therefore, in the event of a director's

extraordinary, willful and/or continuing violation of policy, the Board shall address the issue and may use the following process:

1. conversation in a private setting between the offending director and the Board Chair or other individual director;
 - a. if the Chair's compliance is in question, the Vice-chair will be notified
2. discussion in an executive session between the offending director and the full Board if in compliance with the Open Public Meeting Act;
3. removal by the Board from any leadership or committee positions to which the offending director has been appointed or elected;
4. censure of the offending director as a means of separating the Board's focus and intent from those of the offending director;
5. removal from the Board.

Policy Type: Board/CEO Relationship – The Board may want to define its relationship with the CEO/Executive Director. Below are some sample policies.

I. Single Point Connection

The CEO is the Board's sole point of connection to the operational organization. The Board will direct the operational organization only through the Executive Director functioning as the Chief Executive Officer.

II. Single Unit Control

The Board will direct the CEO only through official decisions of the full Board.

1. The Board will make decisions by formal, recorded vote in order to avoid any disclarity about whether direction has been given.
2. The CEO is neither obligated nor expected to follow the directions or instructions of individual directors, officers or committees unless the Board has specifically delegated such exercise of authority.
3. Should the CEO determine that an information request received from an individual director or a committee requires a material amount of staff time or is unreasonable, the CEO is expected to ask that the committee or the director refer such requests to the full Board for authorization.

III. Staff Accountability

The CEO is responsible for all matters related to the day-to-day operation of the organization, within the values expressed by the Board in policy. All staff members are considered to report directly or indirectly to the CEO.

1. The Board will never give direction to any contractor hired by the CEO regarding a contract with the CEO or to any employee other than the CEO.

2. The Board will not participate in decisions or actions involving the hiring, evaluating, disciplining or dismissal of any contractor hired by the CEO or any employee other than the CEO.

IV. Authority of the CEO

The Board will provide direction to the CEO through written policies.

1. The CEO is authorized to establish any administrative policies or regulations, make any decisions, establish any practices and develop any activities the CEO deems appropriate to achieve the work of the district. The CEO is not expected to seek Board approval or authority for any decision falling within the CEO's area of delegated authority.

Policy Type: Operational Expectations – The Board may want to create policies to guide the CEO on operations of the district and the Board's expectations of the CEO.

I. Sample Policies include:

1. Global Operational Expectation
2. CEO Succession
3. Treatment of Constituents
4. Personnel Administration
5. Financial Planning and Administration
6. Asset Protection
7. Communicating with the Board

II. Sample expectations under these policies include:

1. The CEO shall assure that the district meets all its contractual obligations.
2. The CEO shall assure that the district meets all applicable audit standards.
3. The CEO shall designate at least one other executive staff member who is familiar with the Board's governance process and issues of current concern and is capable of assuming CEO responsibilities on an emergency basis.
4. The CEO shall maintain an organizational culture that treats its constituents with high professional standards and respect, dignity and courtesy.
5. The CEO shall maintain processes for the effective handling of complaints.
6. The CEO shall assure the recruitment, employment, development, evaluation and compensation of employees in a manner necessary to enable the district to accomplish its work.
7. The CEO shall maintain adequate job descriptions for all staff positions.
8. The CEO will develop a budget that:
 - a. Is in a summary format understandable to the Board and presented in a manner that allows the Board to understand the relationship between the budget and the Board's expectations;

- b. Credibly describes revenues and expenditures.
 - c. Shows the amount spent in each budget category for the most recently completed fiscal year, the amount budgeted for each category for the current fiscal year and the amount budgeted for the next fiscal year.
 - d. Discloses budget-planning assumptions on future growth, staffing needs, capital and operation expenses, and revenues.
 - e. Reflects anticipated changes in employee compensation, including inflationary adjustments, performance increases and benefits.
 - f. Assures fiscal soundness in future years.
 - g. The CEO may not develop a budget that plans for the expenditure in any fiscal year of more funds than are conservatively projected to be available during the year.
 - h. The CEO will keep complete and accurate financial records by funds and accounts in accordance with generally recognized principles of governmental accounting and standards established by the Governmental Accounting Standards Board.
9. The CEO will assure that payroll and legitimate debts of the district are promptly paid when due.
10. The CEO will assure that all purchases are based on comparative prices of items of similar value, including consideration of both cost and long-term quality.
11. The CEO will submit the Annual Report, co-signed by the Board Chair and CEO, to the State Auditor's Office and arrange for the annual audit of all funds and accounts to be presented to the full Board.
12. The CEO will assure that all organizational assets are adequately protected, properly maintained, appropriately used and not placed at undue risk.
13. The CEO may not allow facilities and equipment to be subject to improper use or insufficient maintenance.
14. The CEO may not purchase or sell real estate, including land and buildings without Board approval.
15. The CEO will provide for the Board in a timely manner information about trends, facts and other information relevant to the Board's work and the health of the organization.
16. The CEO will inform the Board of changes substantially affecting the district's financial condition.