

V. Board Policy Documents

Global Ends Statements

*Adopted by the Board on 18 May 2004
Amended June, July and August 2005, June 2007.*

The mission of the Council is to achieve:

1. Conferences that carry out the mission of the Society throughout its district.
2. Witness to God's love by embracing works of charity and justice.
3. Unity in an international society of charity in a spirit of poverty, humility and sharing.

1. Successful Conferences throughout the District

The Council will develop and support Conferences that carry out the mission of the Society throughout its District.

A. FORMATION/SPIRITUALITY - *Members who know the Rule, mission and spirit of the Society so they can successfully live it.*

B. RECRUITING - *Conferences with enough members to carry out their work.*

C. FINANCING - *Conferences with enough material/financial resources to carry out their work.*

D. LOGISTICAL SUPPORT - *Conferences provided assistance to carry out their charitable activities.*

E. EXTENSION - *Conferences serving every Catholic Parish in King County.*

2. Witness to God's love by embracing works of charity and justice.

This Council will bear witness to God's love by embracing all works of charity and justice. Accordingly, the Council will achieve:

- 2.1 Vincentian assistance to the needy and suffering as needed on a scope larger than a single Conference or to those not yet served by any Conference.
- 2.2 Advocacy for public policy measures that bring justice to the needy and suffering.

Priority will be by level of unmet need.

Archive: Previous Ends Policy (8/16/05)

Governance Process

Adopted by the Board on 10/15/02. Amended 9/15/09.

1. Global Governance Commitment

The purpose of the Board, on behalf of the Conferences, is to see to it that the organization,

- (a) achieves appropriate results for appropriate persons at appropriate cost, and
- (b) avoids unacceptable actions and situations.

2. Governing Style

The Board will govern with an emphasis on (1) outward vision rather than internal preoccupation, (2) encouragement of diversity in viewpoints, (3) strategic leadership more than administrative detail, (4) clear distinction of Board and ED roles, (5) collective rather than individual decisions, (6) future rather than past or present, (7) proactivity rather than reactivity. Accordingly,

(a) The board will cultivate a sense of group responsibility. The Board, not the staff, will be responsible for excellence in governing. The board will be the initiator of policy, not merely a reactor to staff initiatives. The board will use the expertise of individual members to enhance the ability of the board as a body rather than to substitute individual judgments for the board's values. The board will allow no officer, individual, or committee of the board to hinder or be an excuse for not fulfilling board commitments.

(b) The board will direct, control, and inspire the organization through the careful establishment of broad written policies reflecting the board's values and perspectives about ends to be achieved and means to be avoided. The board's major policy focus will be on the intended long-term effects outside the organization, not on the administrative or programmatic means of attaining those effects.

(c) The board will enforce upon itself whatever discipline is needed to govern with excellence. Discipline will apply to matters such as attendance, preparation, policy-making principles, respect of roles, and ensuring continuance of governance capability. Continual board development will include orientation of new board members in the board's governance process and periodic board discussion of process improvement.

(d) The board will monitor and discuss the board's process and performance quarterly, in the same month as the council meeting. Self-monitoring will include comparison of board activity and discipline to policies in the Governance Process and Board-ED Linkage chapters.

3. Board Job Description

The job of the Board is to represent the ownership in determining and demanding appropriate organizational performance. Accordingly,

(a) The board will produce the link between the organization and the ownership.

(b) The board will produce written governing policies that, at the broadest levels, address each category of organizational decision.

(i) *Ends*: what results, for what recipients, at what cost?

(ii) *Executive Limitations*: constraints on executive authority that establish the prudence and ethics boundaries within which all executive activity and decisions must take place.

(iii) *Governance Process*: how the board conceives, carries out, and monitors its own performance.

(iv) *Board-ED Linkage*: how authority is delegated and its proper use monitored; the ED role, authority and accountability.

(c) The board will produce an assurance of ED performance (against policies in b(i) and b(ii)).

4. Board Chairperson's Role

The Board Chairperson assures the integrity and fulfillment of the board's process and, secondarily, occasionally represents the board to outside parties. Accordingly,

(a) The job result of the Board Chairperson is that the board behaves consistently with its own rules and those legitimately imposed upon it from outside the organization.

(i) Meeting discussion content will only be on issues that, according to board policy, clearly belong to the board to decide, not the ED.

(ii) Deliberation will be fair, open, and thorough but also timely, orderly, and to the point.

(b) The authority of the Board Chairperson consists in making decisions which fall within topics covered by board policies on *Governance Process* and *Board-ED Linkage*, except where the board specifically delegates portions of this authority to others. The Board Chairperson is authorized to use any reasonable interpretation of the provisions in these policies.

5. Member's Code of Conduct

The board commits itself and its members to ethical, businesslike, and lawful conduct, including proper use of authority and appropriate decorum when acting as board members. Accordingly,

(a) Members must represent unconflicted loyalty to the interests of the ownership. This accountability supersedes any conflicting loyalty such as that to advocacy or interest groups and membership on other boards or staffs. It also supersedes the personal interest of any board member acting as a consumer of the organization's services.

(b) Members must avoid conflict of interest with respect to their fiduciary responsibility.

(i) There must be no self-dealing or any conduct of private business or personal services between any board member and the organization, except as procedurally controlled, to assure openness, competitive opportunity, and equal access to inside information.

(ii) Conflict of Interest policy is more fully elaborated in Board Resolution FY2009-3 of 9/15/09.

(iii) Board members must not use their positions to obtain employment for themselves, family members, or close associates. Should a member desire employment, he or she must first resign.

(iv) Members will annually disclose their involvements with other organizations, with vendors, or any other associations that might produce a conflict.

(c) Board members may not attempt to exercise individual authority over the organization except as explicitly set forth in board policies.

(i) Members' interaction with the public, press, or other entities must recognize the same limitation and the inability of any board member to speak for the board except to repeat explicitly stated board decisions.

(ii) Members will give no consequence or voice to individual judgments of ED or staff performance.

(d) Members will respect the confidentiality appropriate to issues of a sensitive nature.

6. Board Committee Principles

Board committees, when used, will be assigned so as to reinforce the wholeness of the board's job and so as never to interfere with delegation from board to ED. Accordingly,

(a) Board committees are to help the board do its job, never to help or advise the staff. Committees ordinarily will assist the board by preparing policy alternatives and implications for board deliberation. In keeping with the board's broader focus, board committees will normally not have dealings with current staff operations.

(b) Board committees may not speak or act for the board except when formally given such authority for specific and time-limited purposes. Expectations and authority will be carefully stated in order not to conflict with authority delegated to the ED.

(c) Board committees cannot exercise authority over staff. Because the ED works for the full board, he or she will not be required to obtain approval of a board committee before an executive action.

(d) Board committees are to avoid over-identification with organizational parts rather than the whole. Therefore a board committee that has helped the board create policy on some topic will not be used to monitor organizational performance on that same topic.

(e) Committees will be used sparingly and ordinarily in an ad-hoc capacity.

(f) This policy applies to any group that is formed by board action, whether or not it is called a committee and regardless of whether the group includes board members. It does not apply to committees formed under the authority of the ED.

7. Cost of Governance

Because poor governance costs more than learning to govern well, the board will invest in its governance capacity. Accordingly,

(a) Board skills, methods, and supports will be sufficient to assure governing with excellence.

(i) Training and retraining will be used liberally to orient new members and candidates for membership, as well as to maintain and increase existing member skills and understandings.

(ii) Outside monitoring assistance will be arranged so that the board can exercise confident control over organizational performance. This includes but is not limited to fiscal audit.

(iii) Outreach mechanisms, including but not limited to Precinct and Council meetings, will be used as needed to ensure the board's ability to listen to owner viewpoints and values.

(b) Costs will be prudently incurred, though not at the expense of endangering the development and maintenance of superior capability.

Board-ED Linkage Policy

Adopted by the Board on 3/15/04, amended 6/26/07.

The board's sole official connection to the operating organization, its achievement, and conduct will be through the Executive Director (ED).

1. Unity of Control

Only decisions of the board acting as a body are binding on the ED.

(a) Decisions or instructions of individual board members, officers, or committees are not binding on the ED except in rare instances when the board has specifically authorized such exercise of authority.

(b) In the case of board members or committees requesting information or assistance without board authorization, the ED can refuse such requests that require, in the ED's opinion, a material amount of staff time or funds, or are disruptive.

2. Accountability of the ED

The ED is the board's only link to operational achievement and conduct, so that all authority and accountability of staff, as far as the board is concerned, is considered the authority and accountability of the ED.

(a) The board will never give instructions to persons who report directly or indirectly to the ED.

(b) The board will refrain from evaluating, either formally or informally, any staff other than the ED.

(c) The board will view ED performance as identical to organizational performance so that organizational accomplishment of board-stated Ends and avoidance of board-proscribed means will be viewed as successful ED performance.

3. Delegation to the ED

The board will instruct the ED through written policies that prescribe the organizational Ends to be achieved and describe organizational situations and actions to be avoided, allowing the ED to use any reasonable interpretation of these policies.

(a) The board will develop policies instructing the ED to achieve certain results, for certain recipients at specified cost. These policies will be developed systematically from the broadest, most general level to more defined levels and will be called Ends policies.

(b) The board will develop policies that limit the latitude the ED may exercise in choosing the organizational means. These policies will be developed systematically from the broadest, most general level to more defined levels, and they will be called Executive Limitations policies.

(c) As long as the ED uses any reasonable interpretation of the board's Ends and Executive Limitations policies, the ED is authorized to establish all further policies, make all decisions, take all actions, establish all practices, and develop all activities.

(d) The board may change its Ends and Executive Limitations policies, thereby shifting the boundary between board and ED domains. By doing so, the board changes the latitude given to the ED. But as long as any particular delegation is in place, the board will respect and support the ED's choices.

4. Monitoring ED Performance

Systematic and rigorous monitoring of ED job performance will be solely against the only expected ED job outputs: organizational accomplishment of board policies on Ends and organizational operation within the boundaries established in board policies on Executive Limitations.

(a) Monitoring is simply to determine the degree to which board policies are being met. Data that do not show this will not be considered to be monitoring data.

(b) The board will acquire monitoring data by one or more of three methods:

(i) internal report, in which the ED discloses compliance information to the board,

(ii) external report, in which an external, disinterested third party selected by the board assesses compliance with board policies, and

(iii) direct board inspection, in which a designated member or members of the board assess compliance with the appropriate policy criteria.

(c) In every case, the standard for compliance shall be any reasonable ED interpretation of the policy being monitored.

(d) All policies that instruct the ED will be monitored at a frequency and by a method chosen by the board. The board can monitor any policy at any time by any method, but will ordinarily depend on a routine schedule as follows:

Annual year-end report, and monthly update at ED's discretion or Board's request.

Executive Limitations

Adopted by the Board on 8/20/02, amended 1/21/03, 4/20/04, 6/15/04, 7/20/04, 9/21/04, 2/19/08 and 10/20/09.

Global Executive Constraint

The CEO shall not cause or allow any practice, activity, decision, or organizational circumstance that is either unlawful, imprudent, or in violation of commonly accepted business and professional ethics, or in violation of the Rule of the Society of St. Vincent de Paul and the By-laws of the Seattle Council, or in violation of the Roman Catholic Church.

1A. Treatment of People We Serve

With respect to interactions with people we serve, the CEO shall not cause or allow conditions, procedures, or decisions that are unsafe, undignified, unnecessarily intrusive, or that fail to provide appropriate confidentiality or privacy. Accordingly, he or she shall not:

Use application forms that elicit information for which there is no clear need.

Use methods of collecting, reviewing, transmitting, or storing client information that fail to protect against improper access to the material elicited.

Maintain facilities that fail to provide a reasonable level of privacy, both visual and aural.

Fail to establish with people we serve a clear understanding of what may be expected and what may not be expected from the service offered.

1B. Treatment of Volunteers

With respect to interactions with volunteers, the CEO shall not cause or allow conditions, procedures, or decisions that are unsafe, undignified, unnecessarily intrusive, or that fail to provide appropriate confidentiality or privacy. Accordingly, he or she shall not:

Use application forms that elicit information for which there is no clear need.

Use methods of collecting, reviewing, transmitting, or storing client information that fail to protect against improper access to the material elicited.

Maintain facilities that fail to provide a reasonable level of privacy, both visual and aural.

Fail to establish with volunteers a clear understanding of what may be expected and what may not be expected from them.

Fail to inform volunteers of this policy, or to provide a grievance process to those who believe they have not been accorded a reasonable interpretation of their rights under this policy.

1C. Treatment of our Donors

With respect to interactions with donors, the CEO shall not cause or allow conditions, procedures, or decisions that are unsafe, undignified, unnecessarily intrusive, or that fail to provide appropriate confidentiality or privacy. Accordingly, he or she shall not:

Use methods of collecting, reviewing, transmitting, or storing client information that fail to protect against improper access to the material elicited.

Fail to establish with donors a clear understanding of what may be expected and what may not be expected from the donation.

Fail to inform donors of this policy, or to provide a grievance process to those who believe they have not been accorded a reasonable interpretation of their rights under this policy.

2. Treatment of Staff

With respect to the treatment of paid and volunteer staff, the CEO may not cause or allow conditions that are unfair or undignified. Accordingly, he or she shall not:

Operate without written personnel policies that clarify personnel rules for staff, provide for effective handling of grievances, and protect against wrongful conditions such as nepotism and grossly preferential treatment for personal reasons.

Discriminate against any staff member for expressing an ethical dissent.

Prevent staff from grieving to the board when (1) internal grievance procedures have been exhausted and (2) the employee alleges either that (a) board policy has been violated to his or her detriment or (b) board policy does not adequately protect his or her human rights.

Fail to acquaint staff with their rights under this policy.

3. Annual Budget

Budget schedule:

- August board meeting – outline/draft budget
- September board meeting – final budget for approval
- October council meeting – ratify board-approved budget

Budget requirements (in priority order):

1. Meet financial condition requirements (see EL #4a).
2. Provide enough information to gauge credibility of projections.
3. Disclose significant economic assumptions.
4. Provide for board and committee budgets.
5. Separate operational and capital (investment) items.
6. Provide cash-flow projection.

4. Finances

A– FINANCIAL CONDITION

Overall requirement is to avoid fiscal jeopardy. Specific goals (in priority order):

Bank: debt service coverage ratio above 125% (12mo average).

Stores and related operations break even or make profit (3mo average).

Accounts payable below 90d.

Explain quarterly budget variances above 5%.

Cash reserves to cover 3 months of operating expenses and debt service, assuming a 40% decline in store revenue.

Bank: tangible net assets above \$1,500,000.

Goals will be reviewed by the Board quarterly, and by the Finance Committee monthly.

B – FINANCIAL MANAGEMENT

Key requirements:

Taxes (payroll, excise, real-estate, etc) paid on-time.

Bank debt (principal + interest) paid on-time.

Restricted cash segregated from unrestricted cash.

C – PRIOR BOARD APPROVAL REQUIRED

- Commitments above \$15,000.
- Starting or stopping business operations or service programs.
- Opening or closing stores.
- All real-estate transactions (lease, mortgage, purchase, sale or donation).
- Equipment leases for a period exceeding one year.

5. Emergency CEO Succession

In order to protect the board from sudden loss of CEO services, the CEO must have one employee designated to fulfill the Executive Director's duties to the Board until as such time the CEO returns or a replacement is found.

6. Asset Protection

The CEO shall not allow the assets to be unprotected, inadequately maintained, or unnecessarily risked. Accordingly, he or she may not:

Fail to insure against theft and casualty losses to at least 80 percent of replacement value and against liability losses to board members, staff, and the organization itself in an amount greater than the average for comparable organizations.

Allow un-bonded personnel access to material amounts of funds.

Subject plant and equipment to improper wear and tear or insufficient maintenance.

Unnecessarily expose the organization, its board, or staff to claims of liability.

Make any purchase (1) wherein normally prudent protection has not been given against conflict of interest; (2) of over \$2,500 without having obtained comparative prices and quality.

Fail to protect intellectual property, information, and files from loss or significant damage.