

**POLICY TYPE: EXECUTIVE LIMITATIONS
POLICY TITLE: GLOBAL EXECUTIVE CONSTRAINT**

The ED shall not cause or allow any organizational practice, activity, decision, or circumstance that is either unlawful, imprudent, or in violation of commonly accepted business and professional ethics and practices.

**POLICY TYPE: EXECUTIVE LIMITATIONS
POLICY TITLE: TREATMENT OF CUSTOMERS**

With respect to interactions with Customers or those applying to be Customers, the ED shall not cause or allow conditions, procedures, or decisions that are unsafe, untimely, undignified, or unnecessarily intrusive or in contravention of the Day Nurseries Act and/or the Human Rights Code.

The ED will not

1. Elicit information for which there is no clear necessity.
2. Use methods of collecting, reviewing, transmitting, or storing client information that fail to protect against improper access to the material.
3. Fail to operate facilities with appropriate accessibility and privacy.
4. Fail to establish with Customers a clear understanding of what may be expected and what may not be expected from the service offered.
5. Fail to inform Customers of this policy, or to provide a way to be heard for persons who believe they have not been accorded a reasonable interpretation of their protections under this policy.

**POLICY TYPE: EXECUTIVE LIMITATIONS
POLICY TITLE: TREATMENT OF STAFF**

With respect to the treatment of staff, contractors or volunteers, the ED shall not cause or allow conditions that are unfair, undignified, disorganized, unclear or in contravention of the Employment Standards Act (if applicable) and/or the Human Rights Code.

The ED will not

1. Operate without Human Resources Policies which will
 - a) clarify rules for staff
 - b) provide for effective handling of grievances, and
 - c) protect against wrongful conditions, such as nepotism and grossly preferential treatment for personal reasons.
2. Retaliate against any staff member for non disruptive expression of dissent.
3. Fail to acquaint staff with their protections under this policy.
4. Allow staff to be unprepared to deal with emergency situations.

From: Carver John and Miriam Carver. 2006. Reinventing Your Board: A Step-by-Step Guide to Implementing Policy Governance. Jossey-Bass.

**POLICY TYPE: EXECUTIVE LIMITATIONS
POLICY TITLE: FINANCIAL PLANNING/BUDGETING**

The ED shall not cause or allow financial planning for any fiscal year or the remaining part of any fiscal year to deviate materially from the board's Ends priorities or risk financial jeopardy. The ED will not allow budgeting to

1. Risk incurring those situations or conditions described as unacceptable in the board policy "Financial Condition and Activities."
2. Omit credible projection of revenues and expenses, separation of capital and operational items, cash flow, and disclosure of planning assumptions.
3. Provide less for board expenses during the year than is set forth in the Cost of Governance policy.

**POLICY TYPE: EXECUTIVE LIMITATIONS
POLICY TITLE: FINANCIAL CONDITION AND ACTIVITIES**

With respect to the actual, ongoing financial condition and activities, the ED shall not cause or allow the development of financial jeopardy or material deviation of actual expenditures from board priorities established in Ends policies.

The ED will not

1. Expend more funds than have been received in the fiscal year to date unless the board's debt guideline (below) is met.
2. Incur debt in an amount greater than can be repaid by certain and otherwise unencumbered revenues within sixty days.
3. Use any reserves without Board approval
4. Conduct inter fund shifting in amounts greater than can be re-stored to a condition of discrete fund balances by certain and otherwise unencumbered revenues within thirty days.
5. Fail to settle payroll and debts in a timely manner.
6. Allow tax payments or other government ordered payments or filings to be overdue or inaccurately filed.
7. Make a single purchase or commitment of greater than \$ 10,000. Splitting orders to avoid this limit is not acceptable.
8. Acquire, encumber, or dispose of real estate.
9. Fail to aggressively pursue receivables after a reasonable grace period.

**POLICY TYPE: EXECUTIVE LIMITATIONS
POLICY TITLE: EMERGENCY ED SUCCESSION**

In order to protect the board from sudden loss of ED services, the ED shall not permit there to be less than one other executive sufficiently familiar with board and ED issues and processes to enable that person to takeover with reasonable proficiency as an interim successor.

POLICY TYPE: EXECUTIVE LIMITATIONS

POLICY TITLE: ASSET PROTECTION

The ED shall not cause or allow corporate assets to be unprotected, in-adequately maintained, or unnecessarily risked.

The ED will not

1. Fail to insure adequately against theft and casualty and against liability losses to board members, staff, and the organization itself.
2. Subject facilities and equipment to improper wear and tear or insufficient maintenance.
3. Unnecessarily expose the organization, its board, or staff to claims of liability.
4. Make any purchase:
 - a) wherein normally prudent protection has not been given against conflict of interest;
 - b) of more than \$ 1000.00 without having obtained comparative prices and quality;
 - c) of more than \$ 5000.00 without a stringent method of assuring the balance of long-term quality and cost.

Orders shall not be split to avoid these criteria.

5. Fail to protect intellectual property, information, and files from loss or significant damage.
6. Receive, process, or disburse funds under controls that are insufficient to meet the board-appointed auditor's standards.
7. Compromise the independence of the board's audit or other external monitoring or advice, such as by engaging parties already chosen by the board as consultants or advisers.
8. Invest or hold operating capital in insecure instruments, including uninsured checking accounts and bonds of less than AA rating at any time, or in non-interest-bearing accounts except where necessary to facilitate ease in operational transactions.
9. Endanger the organization's public image, credibility, or its ability to accomplish Ends.
10. Change the organization's name or substantially alter its identity in the community.

POLICY TYPE: EXECUTIVE LIMITATIONS

POLICY TITLE: COMPENSATION AND BENEFITS

With respect to employment, compensation, and benefits to employees, contractors, consultants, contract workers, and volunteers, the ED shall not cause or allow jeopardy to financial integrity or to public image.

The ED will not

1. Change the ED's own compensation and benefits, except as those benefits are consistent with a package for all other employees.
2. Establish current compensation and benefits that deviate materially from the geographic or professional market for the skills employed.
3. Create obligations over a longer term than revenues can be safely projected, in no event longer than one year and in all events subject to losses in revenue.

POLICY TYPE: EXECUTIVE LIMITATIONS

POLICY TITLE: COMMUNICATION AND SUPPORT TO THE BOARD

The ED shall not cause or allow the board to be uninformed or unsupported in its work.

The ED will not

1. Neglect to submit monitoring data required by the board in Board Management Delegation policy "Monitoring ED Performance" in a timely, accurate, and understandable fashion, directly addressing provisions of board policies being monitored, and including ED interpretations consistent with Board Management Delegation policy "Delegation to the ED," as well as relevant data.
2. Allow the board to be unaware of any actual or anticipated noncompliance with any Ends or Executive Limitations policy of the board regardless of the board's monitoring schedule.
3. Allow the board to be without decision information required periodically by the board or let the board be unaware of relevant trends.
4. Let the board be unaware of any significant incidental information it requires including anticipated media coverage, threatened or pending lawsuits, and material internal and external changes.
5. Allow the board to be unaware that, in the ED's opinion, the board is not in compliance with its own policies on Governance Process and Board Management Delegation, particularly in the case of board behavior that is detrimental to the work relationship between the board and the ED.
6. Allow the board to be without a workable mechanism for official board, officer, or committee communications.
 - a) Deal with the board in a way that favors or privileges certain board members over others, except when responding to officers or committees duly charged by the board.
7. Fail to submit to the board an annual consent agenda at the Annual General Meeting, containing items delegated to the ED yet required by law, regulation, or contract to be board approved, along with applicable monitoring information.

**POLICY TYPE: GOVERNANCE PROCESS
POLICY TITLE: GLOBAL GOVERNANCE PROCESS**

The purpose of the board, on behalf of the community members in the areas we serve, is to see to it that LACCP:

- a) achieves appropriate results for appropriate persons at an appropriate cost (as specified in board Ends policies), and
- b) avoids unacceptable actions and situations (as prohibited in board Executive Limitations policies).

**POLICY TYPE: GOVERNANCE PROCESS
POLICY TITLE: GOVERNING STYLE**

The board will govern lawfully, observing the principles of the Policy Governance model, with an emphasis on

- a) outward vision rather than an internal preoccupation,
- b) encouragement of diversity in viewpoints,
- c) strategic leadership more than administrative detail,
- d) clear distinction of board and chief executive roles,
- e) collective rather than individual decisions,
- f) future rather than past or present, and
- g) proactively rather than reactivity.

Accordingly,

1. 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 not use the expertise of individual members to substitute for the judgment of the board, although the expertise of individual members may be used to enhance the understanding of the board as a body.
2. The board will direct, control, and inspire the organization through the careful establishment of broad written policies reflecting the board's values and perspectives. The board's major policy focus will be on the intended long-term impacts outside the staff organization, not on the administrative or programmatic means of attaining those effects.
3. The board will enforce upon itself whatever discipline is needed to govern with excellence. Discipline will apply to matters such as attendance, preparation for meetings, policy-making principles, respect of roles, and ensuring the continuance of governance capability. Although the board can change its governance process policies at any time, it will scrupulously observe those currently in force.
4. Continual board development will include orientation of new board members in the board's governance process and periodic board discussion of process improvement.
5. The board will allow no officer, individual, or committee of the board to hinder or be an excuse for not fulfilling group obligations.
6. The board will monitor and discuss the board's process and performance at each meeting. Self-monitoring will include comparison of board activity and discipline to policies in the Governance Process and Board Management Delegation categories.

**Limestone Child Care Advisory Programs
Board Policies**

**POLICY TYPE: GOVERNANCE PROCESS
POLICY TITLE: BOARD JOB DESCRIPTION**

Specific job outputs of the board, as an informed agent of the ownership, are those that ensure appropriate organizational performance.

Accordingly, the board will provide

1. Authoritative linkage between the ownership and the LACCP.
2. Written governing policies that realistically address the broadest levels of all organizational decisions and situations.
 - a. Ends: Organizational impacts, benefits, outcomes; recipients, beneficiaries, impacted groups; and their relative worth in cost or priority.
 - b. Executive Limitations: Constraints on executive authority that establish the prudence and ethics boundaries within which all executive activity and decisions must take place.
 - c. Governance Process: Specification of how the board conceives, carries out, and monitors its own task.
 - d. Board Management Delegation: How power is delegated and its proper use monitored; the ED role, authority, and accountability.
3. Assurance of successful organizational performance on Ends and Executive Limitations.

**POLICY TYPE: GOVERNANCE PROCESS
POLICY TITLE: AGENDA PLANNING**

To accomplish its job products with a governance style consistent with board policies, the board will follow an annual agenda that

- a) completes a re-exploration of Ends policies annually and
 - b) continually improves board performance through board education and enriched input and deliberation.
1. The cycle will conclude each year after the Annual General Meeting so that administrative planning and budgeting can be based on accomplishing a one-year segment of the board's most recent statement of long-term Ends.
 2. The cycle will start with the board's development of its agenda for the next year.
 - a) Consultations with selected groups in the ownership, or other methods of gaining ownership input, will be determined and arranged in the first quarter, to be held during the balance of the year.
 - b) Governance education and education related to Ends determination (presentations by demographers, advocacy groups, staff, and so on) will be arranged in the first quarter, to be held during the balance of the year.
 - c) A board member may recommend or request an item for board discussion by submitting the item to the CGO no later than five days before the board meeting.
 3. Throughout the year, the board will attend to consent agenda items as expeditiously as possible.

From: Carver John and Miriam Carver. 2006. Reinventing Your Board: A Step-by-Step Guide to Implementing Policy Governance. Jossey-Bass.

**Limestone Child Care Advisory Programs
Board Policies**

4. ED monitoring will be on the agenda if reports have been received since the previous meeting, if plans must be made for direct inspection monitoring, or if arrangements for third-party monitoring must be prepared.
5. ED remuneration will be decided during the month of October after a review of monitoring reports received in the last year.

POLICY TYPE: GOVERNANCE PROCESS

POLICY TITLE: CHIEF GOVERNANCE OFFICER/PRESIDENT'S ROLE

The chief governance officer (CGO), a specially empowered member of the board, assures the integrity of the board's process and, secondarily, occasionally represents the board to outside parties.

1. The assigned result of the CGO's job is that the board behaves consistently with its own rules and those legitimately imposed upon it from outside the organization.
 - a) Meeting discussion content will be only those issues which, according to board policy, clearly belong to the board to decide or to monitor.
 - b) Information that is for neither monitoring performance nor board decisions will be avoided or minimized and always noted as such.
 - c) Deliberation will be fair, open, and thorough, but also timely, orderly, and kept to the point.
2. The authority of the CGO consists in making decisions that fall within topics covered by board policies on Governance Process and Board Management Delegation, with the exception of
 - a) employment or termination of a ED and
 - b) (b)where the board specifically delegates portions of this authority to others.
3. The CGO is authorized to use any reasonable interpretation of the provisions in these policies.
 - a) The CGO is empowered to chair board meetings with all the commonly accepted power of that position, such as ruling and recognizing.
 - b) The CGO has no authority to make decisions about policies created by the board within Ends and Executive Limitations policy areas. Therefore, the CGO has no authority to supervise or direct the ED.
 - c) The CGO may represent the board to outside parties in announcing board-stated positions and in stating CGO decisions and interpretations within the area delegated to that role.
 - d) The CGO may delegate this authority, but remains accountable for its use.

**POLICY TYPE: GOVERNANCE PROCESS
POLICY TITLE: BOARD SECRETARY'S ROLE**

The board secretary is an officer of the board whose purpose is to ensure the integrity of the board's documents.

1. The assigned result of the secretary's job is to scribe board minutes and to ensure that all board documents and filings are accurate and timely.
 - a) Policies will be current in their reflection of board decisions. Decisions upon which no subsequent decisions are to be based, such as consent agenda decisions, motions to adjourn, and staff or board member recognitions need not be placed in policy.
 - b) Policies will rigorously follow Policy Governance principles.
 - c) Bylaws elements necessary for legal compliance and for consistency with the principles of Policy Governance will be known to the board.
 - d) Requirements for format, brevity, and accuracy of board minutes will be known to the ED.
2. The authority of the secretary is access to and control over board documents, and the use of staff time not to exceed 20 hours per year.
3. The secretary will scribe and store the board in camera minutes in a secure location at the LACCP head office.

**POLICY TYPE: GOVERNANCE PROCESS
POLICY TITLE: BOARD MEMBERS' 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.

1. Members must have loyalty to the ownership, unconflicted by loyalties to staff, other organizations, and any personal interest as a consumer.
2. Members must avoid conflict of interest with respect to their fiduciary responsibility.
 - a) There will be no self-dealing or business by a member with the organization. Members will annually disclose their involvements with other organizations, with vendors, or any associations that might be or might reasonably be seen as being a conflict.
 - b) When the board is to decide upon an issue about which a member has an unavoidable conflict of interest, that member shall withdraw without comment not only from the vote but also from the deliberation.
 - c) Board members will not use their board position to obtain employment in the organization for themselves, family members, or close associates. A board member who applies for employment must first resign from the board.
3. Board members may not attempt to exercise individual authority over the organization.
 - a) Members' interaction with the ED or with staff must recognize the lack of authority vested in individuals except when explicitly board authorized.

**Limestone Child Care Advisory Programs
Board Policies**

- b) Members' interaction with 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.
 - c) Except for participation in board deliberation about whether the ED has achieved any reasonable interpretation of board policy, members will not express individual judgments of performance of employees or the ED.
4. Members will respect the confidentiality appropriate to issues of a sensitive nature.
 5. Members will be properly prepared for board deliberation.
 6. Members will support the legitimacy and authority of the final determination of the board on any matter, irrespective of the member's personal position on the issue.
 7. Members will work in accordance with the LACCP board by-laws.

**POLICY TYPE: GOVERNANCE PROCESS
POLICY TITLE: 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.

1. Board committees are to help the board do its job, not 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 direct dealings with current staff operations.
2. 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.
3. Board committees cannot exercise authority over staff. The ED works for the full board, and will therefore not take direction from a board committee.
4. 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 subject.
5. Committees will be used sparingly and ordinarily in an ad hoc capacity.
6. 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.

**POLICY TYPE: GOVERNANCE PROCESS
POLICY TITLE: COST OF GOVERNANCE**

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

1. Board skills, methods, and supports will be sufficient to ensure governing with excellence.
 - a) Training and retraining will be used liberally to orient new members and candidates for membership, as well as to maintain and increase existing members' skills and understandings.
 - b) Outside monitoring assistance will be arranged so that the board can exercise confident control over organizational performance. This includes, but is not limited to, financial audit.

From: Carver John and Miriam Carver. 2006. Reinventing Your Board: A Step-by-Step Guide to Implementing Policy Governance. Jossey-Bass.

**Limestone Child Care Advisory Programs
Board Policies**

- c) Outreach mechanisms will be used as needed to ensure the board's ability to listen to owner viewpoints and values.
2. Costs will be prudently incurred, though not at the expense of endangering the development and maintenance of superior capability.
 - a) Up to \$ 3000.00 in fiscal year 2010 for training, including attendance at conferences and workshops.
 - b) Up to \$ 6000.00 in fiscal year 2010 for audit and other third-party monitoring of organizational performance.
 - c) Up to \$ 1000.00 in fiscal year 2010 for surveys, focus groups, opinion analyses, and meeting costs.
3. The board will establish its cost of governance budget for the next January 1st – December 31st fiscal year during the month of October.

**POLICY TYPE: BOARD MANAGEMENT DELEGATION
POLICY TITLE: GLOBAL BOARD MANAGEMENT DELEGATION**

The board's sole official connection to the operational organization, its achievements and conduct will be through a chief executive officer, titled [specific job title].

**POLICY TYPE: BOARD MANAGEMENT DELEGATION
POLICY TITLE: UNITY OF CONTROL**

Only officially passed motions of the board are binding on the ED.

1. 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.
2. 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.

**POLICY TYPE: BOARD MANAGEMENT DELEGATION
POLICY TITLE: 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.

1. The board will never give instructions to persons who report directly or indirectly to the ED.
2. The board will not evaluate, either formally or informally, any staff other than the ED.
3. The board will view the ED's performance in conjunction with the organizational performance, so that organizational accomplishment of board stated Ends and avoidance of board proscribed means will be taken consideration with the ED's performance.

**POLICY TYPE: BOARD MANAGEMENT DELEGATION
POLICY TITLE: DELEGATION TO THE ED**

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

1. The board will develop policies instructing the ED to achieve specified results, for specified recipients, at a specified cost. These policies will be developed systematically from the broadest, most general level to more defined levels, and will be called Ends policies. All issues that are not ends issues as defined here are means issues.
2. The board will develop policies that limit the latitude the ED may exercise in choosing the organizational means. These limiting policies will describe those practices, activities, decisions, and circumstances that would be unacceptable to the board even if they were to

From: Carver John and Miriam Carver. 2006. Reinventing Your Board: A Step-by-Step Guide to Implementing Policy Governance. Jossey-Bass.

**Limestone Child Care Advisory Programs
Board Policies**

be effective. Policies will be developed systematically from the broadest, most general level to more defined levels, and they will be called Executive Limitations policies. The board will never prescribe organizational means delegated to the ED.

3. 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. Such decisions of the ED shall have full force and authority as if decided by the board.
4. 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 of choice given to the ED. But as long as any particular delegation is in place, the board will respect and support the ED's choices.

**POLICY TYPE: BOARD MANAGEMENT DELEGATION
POLICY TITLE: 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.

1. Monitoring is simply to determine the degree to which board policies are being met. Information that does not do this will not be considered to be monitoring information.
2. The board will acquire monitoring information by one or more of these methods:
 - a) By internal report, in which the ED discloses interpretations and compliance information to the board.
 - b) By external report, in which an external, disinterested third party selected by the board assesses compliance with board policies.
 - c) By direct board inspection, in which a designated member or members of the board assess compliance with the appropriate policy criteria.
3. In every case, the board will judge
 - a) the reasonableness of the ED's interpretation and
 - b) whether data demonstrate accomplishment of the interpretation.
4. The standard for compliance shall be any reasonable ED interpretation of the board policy being monitored. The board is final arbiter of reasonableness, but will always judge with a "reasonable person" test rather than with interpretations favored by board members or by the board as a whole.
5. 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 below.