**Vision Loss Resources Governance Policies**

**May 15, 2018**

**(TABLE OF CONTENTS)**

Governance Principles and Board Culture1

Role of the Board 2

Role of the Board Member 3

Board and Staff Relationship 5

Purpose of Committees 6

Committee Charters 7

 Executive Committee 7

 Finance and Investments Committee 7

 Governance Committee 8

Job Descriptions for Officers and Committee Chairs 9

 The Board Chair 9

 The Vice Chair 10

 Treasurer 10

 Secretary 10

 Committee Chair 11

Board Self-Assessment Policy 11

VLR Chief Executive Officer (CEO) Appraisal Policy 12

Recommended Recruitment, Nomination, and Orientation Process
for New Board Members 13

Suggested Elements of the Orientation Process for New Board Members 14

Recommendations for Board Meetings 15

**GOVERNANCE PRINCIPLES AND BOARD CULTURE**

1. The Board of Directors, in cooperation with staff, works to ensure the mission of the organization is relevant, current and consistent with the needs of the organization’s constituency.
2. The board speaks with one voice. Diverse perspectives are critical to the board’s ability to govern effectively; however, the power of the board resides in the board as a whole. After a decision is made, each board member is expected to support the majority decision of the board, regardless of how the individual board member voted or his or her personal view of the board’s decision.
3. The board holds itself accountable for its actions and results. The board defines its structure, process, beliefs, commitments, and values and ensures that it conducts its business adhering to the highest ethical, legal and fiduciary standards.
4. The board is responsible for setting the strategic direction rather than the operational decisions, which are the purview of the CEO. As a general principle, the CEO is authorized to make all operational decisions consistent with a reasonable interpretation of the board’s policies and plans. The board ensures that the organization’s outcomes are clearly defined and evaluated.
5. The board’s connection to the operation of the organization is through the CEO, who is responsible for all other employees and is held accountable based on criteria clearly defined in advance. The board must forge a linkage with management that is constructive and empowering.
6. Each member of the Board of Directors is expected to be actively involved in board discussions, to spend the time necessary to attend meetings, and to be prepared and informed on the issues.
7. The board will operate in a spirit of openness, candor and mutual respect for the opinions of others. The board will foster a culture of inquiry and board members are expected to approach the board’s work with an independent mind. The sharing of diverse points of view is encouraged.
8. The board will continually work to achieve excellence through orientation of new members, an emphasis on board member education, frequent discussions about board performance and annual formal assessments.
9. The board will provide adequate board time for education, reflection and consideration of diverse points of view on important issues.

**ROLE OF THE BOARD**

**1.** **Determine and uphold the mission.** Ensure the mission remains relevant and that all programs and services support the mission.

**2.** **Hire, support and assess the CEO.** Employ a strong, effective CEO. Provide an annual performance review and effective, on-going feedback. Support the CEO financially, intellectually and strategically.

**3. Ensure an effective strategic planning process.** Ensure the organization has a current, compelling multi-year plan in place and a process for translating the plan to annual work plans. Update the plan on a regular basis. Contribute a big picture, long-term view to the work of staff.

**4. Ensure adequate resources.** Ensure adequate human, financial and physical resources and effective management of those resources. Support staff in their efforts to secure the necessary resources to support the organization’s mission. A joint responsibility with the CEO.

**5. Monitor and strengthen programs and services.** Regularly review programs and services and identify ideas for strengthening them. Ensure that all board members understand the programs and services and do not interfere with the staff’s management role. A joint responsibility with the CEO.

**6. Enhance the reputation and branding through advocacy and action.** Identify and implement strategies to enhance the organization’s reputation. Open doors and extend the networks of staff. Financial contribution is encouraged.

**7. Ensure legal and ethical integrity and maintain accountability.** Ensure that all board members fully understand and comply with a board member’s legal and fiduciary responsibilities as defined in the Role of a Board Member and Governance Principles.

**8. Recruit and orient new board members.** Follow a structured process for replenishing the board with strong board members. Continually search for good candidates. Systematically nominate, vote on and orient new members. Ensure a diverse board in all respects.

**9.** **Assess the board’s performance.** Conduct an annual formal assessment of the board’s activities and continually look for ways to improve the board’s performance. Provide opportunity for individual board member self-assessments.

**10.** **Provide for leadership continuity.** Ensure a fair and planful process to elect board officers and provide leadership continuity among staff.

**11. Monitor policies relating to board and organization.** Monitor policies that support effective operation of the board, as created and recommended by the Governance Policy and adopted by the board, including a conflict of interest policy. Ensure that appropriate policies are in place related to the organization’s operations, including a whistle blower policy, investment policy, personnel policies, document destruction policy and other legal, fiduciary and operating policies.

**ROLE OF A BOARD MEMBER**

An effective board member:

**1. Fulfills legal and fiduciary responsibilities.** Understands and performs the legal duties required of a nonprofit board member:

*Duty of Care:*Performs responsibilities in good faith and with the same care ordinary persons would use in managing their own affairs. Remain active and informed. Conform to the appropriate standards of business conduct.

*Duty of Loyalty:*Acts in good faith and in a manner that does not harm the organization to the benefit of one’s self. Avoid conflicts of interest or appearances of impropriety. Discloses any interest that may appear to be a conflict of interest.

*Duty of Obedience:*Complies with the provisions of the bylaws, the articles of incorporation and the laws of the state, and the affiliate covenant.

 *Confidentiality:* Does not disclose sensitive information about the organization’s activities unless the board decides to make the information public or the information is a matter of public record.

**2.** **Exercises independent judgment**. Welcomes information and best available advice, but reserves the right to arrive at decisions on the basis of his or her judgment.

**3. Respects the role of the Chair.** Understands the Chair’s unique responsibility to maintain an open, candid and productive relationship with the CEO; communicates directly with the CEO from time to time, acting in ways that do not interfere with the Chair’s role as the primary liaison between the board and the CEO.

**4. Contributes expertise.** Willingly offers to share expertise and knowledge in areas necessary to assist the board and the organization.

**5. Honors commitments.** Prepares for and participates in board and committee meetings; participates in a board orientation; follows through on projects he or she has committed to; serves on at least one committee. Regularly attends board and committee meetings, ideally at least 3 out of 4 meetings**.** Resigns if not able to meet expectations.

**6. Constructively participates in board and committee discussions.** Offers opinions in a constructive way; listens as an ally; shows respect and consideration to other board members and staff; focuses on issues rather than personalities; contributes to a board culture of openness, candor and mutual respect.

**7. Votes in a manner consistent with the mission.** Votes in a way that he or she believes to be in the best interests of the organization’s constituents.

**8. Supports board decisions.** Promotes unity within the organization and supports the board’s decisions, even if he or she disagreed with those decisions.

**9. Participates in special events and public relations.** Attends special events; serves as a liaison between his or her own personal and professional network and the organization; advocates for the organization whenever possible.

**10.** **Participates in assessments of the performance of the board and the CEO** as requested.

**BOARD & STAFF RELATIONSHIP**

It is vitally important for the success of the organization that the Chair of the board and the CEO maintain an open, candid, mutually supportive and productive relationship. While appropriate contact among board members and staff is encouraged, board members are expected to respect the Chair’s responsibility to serve as the primary liaison between the board and the CEO. The CEO, in turn, serves as the chief conduit for communications between the board and staff.

If a staff member approaches an individual board member with a complaint about executive or general management issues (other than illegal or unethical activities or accounting matters), the board member is expected to follow these general guidelines.

* Encourage the staff member to meet and discuss the concerns with his or her direct supervisor or the CEO. Remind the staff person that the CEO is responsible for overall management.
* If the complaint concerns actions by the CEO, the board member should contact the Board Chair, who will discuss the matter with the Executive Committee.
* If the complaint is anonymous, the board member should assess its seriousness and, if appropriate, bring it to the attention of the Chair.

If a complaint relates to illegal or unethical activities or questionable accounting or auditing matters, the board member should encourage the employee to follow procedures specified in the organization’s Whistle Blower Policy.

Except for the previous provisions and to ensure clarity and consistency in communication, staff are expected to coordinate their communications with the board through the CEO unless the communications are routine and consistent with established policy.

**Purpose of Committees**

The board will create standing committees of the board or special committees when they are needed to deal with issues requiring more detailed attention. The committees will recommend actions to the full Board of Directors rather than supplant the board’s responsibilities. The Chair will appoint members and Chairs of the committees in consultation with the CEO, and approved by the Board of Directors.

**Standing Committees:**

* Executive Committee
* Finance & Investments Committee
* Governance Committee

Committees may include members of the community who do not concurrently serve on the Board of Directors.

**Special Committees:**

Special committees will be created by the board on an as needed basis to complete specific tasks. The board will provide each special committee with a clear charter. The board will avoid creating special committees for every new issue that comes up, preferring to maintain a more flexible and focused special committee structure.

**Attendance at Committee Meetings:**

Committee members are expected to attend meetings. Attending meetings via audio or video conferencing constitutes attendance at the meeting. A staff liaison will attend all committee meetings.

**Minutes:**

Minutes of all committee meetings will be made available to the full Board of Directors at its next regularly scheduled meeting.

**Committee Charters**

Following are the standing committees of the board.

**EXECUTIVE COMMITTEE**

*Purpose:* To convene the leadership of the board to deal with matters that may not be able to wait until the full Board of Directors meets and to address other matters of importance for the effective functioning of the board. The voting members of the committee will be the officers, including the Chair, Vice-Chair, Treasurer, Secretary, and one at-large member. The CEO is a non-voting ex-officio member.

*Tasks:*

1. Act on behalf of the Board of Directors in between regularly scheduled board meetings when matters are urgent and important and cannot wait until the board convenes. Such actions taken on behalf of the board by the Executive Committee shall be reported to the Board of Directors at its meeting next succeeding such action, and shall be subject to revision and alteration by the Board
2. Recommend actions for approval of the full board.
3. Ensure there is a current Strategic Plan, that the activities of the Board of Directors are aligned with the Strategic Plan, and the board monitors performance related to the plan.
4. Ensure board meetings are productive.
5. Assist the Chair in performing an annual evaluation of the CEO.
6. Determine CEO compensation.
7. When requested, advise the CEO on sensitive personnel issues.
8. Ensure succession plans for critical staff are created and reviewed biannually.
9. Perform any other tasks as assigned by the board.

**FINANCE & INVESTMENTS COMMITTEE**

*Purpose:* To develop financial policies and procedures, review financial reports, assist the board with annual budgeting and forecasting, oversee the annual audit, and design and monitor investment policies. The committee has access to the organization’s personnel and other records as needed. The committee may communicate with the external auditors directly and on a confidential basis and may conduct investigations into significant matters brought to its attention.

*Tasks:*

1. Advise and develop, with staff, finance policies and procedures.
2. Review monthly financial statements; review recommendations for meeting budget goals.
3. Develop with staff, financial reports for the board.
4. Oversee management of the organization’s balance sheet and operating cash flow.
5. Recommend overall investment policy and structure to the board; and develop, maintain and update current investment strategy and policy.
6. Review investment performance.
7. Review and recommend an annual budget to the board.
8. Ensure compliance with federal, state and other requirement related to the organization’s finances.
9. Ensure the full board understands the organization’s financial affairs.
10. Perform any other tasks as assigned by the board.

*Audit Functions of the Finance and Investments Committee*

1. Annually receive and review the auditor’s report and present it to the board.
2. Develop plans to respond to the auditor’s recommendations.
3. Review functions of auditor every three years; if current relationship is good, recommend to the Board that the organization stay with the current firm.

**GOVERNANCE COMMITTEE**

*Purpose:* To maintain the effectiveness and overall health of the Board of Directors.

*Tasks:*

1. Maintain written job descriptions of board member responsibilities and continually educate the board on its role.
2. Evaluate the composition of the board and identify priorities for recruiting new members.
3. Cultivate, recruit, nominate and orient new board members and provide mentoring opportunities for them.
4. Maintain records of individual board member terms and evaluate board members’ eligibility for re-election.
5. Develop succession plans for board leadership; nominate officers and committee chairs.
6. Oversee the assessment of the board and individual board members.
7. Review bylaws and board policies at least annually and update as necessary.
8. Provide opportunities for board member education and development.
9. Perform any other tasks as assigned by the board.

**Job Descriptions for Officers and Committee Chairs**

Board Chair

Position Summary

The Board Chair is the senior volunteer leader of the organization and presides at all meetings of the board, the Executive Committee, and other meetings as required.

Key Responsibilities

1. **Policy and Planning:** Works with the CEO, the Vice-Chair, and the board to establish the guiding principles, policies, and mission for the organization. Oversees the development of annual goals for the board.
2. **Budget and Finances:** Works with the appropriate board members and committees to oversee the budget of the organization and the integrity of its finances.
3. **Board Meetings:** Creates board meeting agendas in cooperation with the CEO. Leads and facilitates board meetings by making sure that the agenda is closely followed, every board member has the opportunity to participate in discussions, and the board uses proper decision-making procedures.
4. **Board Committees:** Serves as an ad hoc member of all board committees and works to structure a committee system that contributes to the board’s overall effectiveness. Appoints committee chairs and members with the advice of the Governance Committee and subject to approval by the board. Oversees committee activities.
5. **Board Development:** Oversees efforts to build and maintain a strong board by setting goals and expectations for the board, cultivating leadership among individual board members, and working with the Governance Committee to make board development a priority.
6. **Board Recruitment and Orientation:** Works with the Governance Committee to identify, recruit and orient new board members who bring important skills and knowledge to the board.
7. **Board Evaluation:** Works to make sure the board has opportunities to reflect regularly on how well it is meeting its responsibilities to the organization.
8. **Staff Oversight, Compensation, and Evaluation:** Oversees the hiring, evaluation, and compensation of the CEO; and works to develop a succession plan for the chief executive’s position. Communicates the results of the annual CEO evaluation.
9. **Public Relations and Communications.** Speaks for the board in the event of a controversy or crisis; oversees the development of communications policies; and works to promote the work of the organization in conversations, speeches, interviews, and other day-to-day activities.

VICE-CHAIR

Responsibilities

1. Fills the office of Board Chair if the Board Chair is unable to complete his or her term.
2. Assists the Board Chair in the execution of his or her duties.
3. Serves on the Executive Committee and other committees as appropriate.
4. Performs any other duties as assigned by the Board Chair.

Treasurer

Responsibilities

1. Serves as financial officer of the organization and as chair of the Finance and Investments Committee.
2. Manages, with the Finance and Investments Committee, the board’s review of and action related to the board’s financial responsibilities.
3. Works with the CEO and Controller to ensure that appropriate financial reports are made available to the board on a timely basis.
4. Assists the CEO and the Controller in preparing the annual budget and presenting the budget to the board for approval.
5. Reviews the annual audit and answers board members’ questions about the audit.
6. Leads the development **of** financial goals for each year to support the organization’s strategic plan.
7. Signs key financial reports and state tax form.
8. Performs any other duties as assigned by the board.

**SECRETARY**

**Responsibilities**

1. Ensures that the original or a copy of the bylaws as amended to date is maintained at the principal office of the organization.
2. Ensures that minutes are kept of all board meetings and committee and task force meetings and maintained at the organization’s principal office.
3. Ensures that all notices are duly given in accordance with the provisions of the bylaws or as required by law.
4. In general, performs all duties of the Secretary, including duties as may be required by law, by the articles of incorporation or bylaws, or which may be assigned to him or her from time to time by the board.

**COMMITTEE CHAIR**

**Responsibilities**

1. Facilitates committee work.
* Sets committee goals and anticipated timelines for the year in accordance with direction from the Board of Directors.
* Plans and leads meetings.
* Assigns tasks to members.
* Monitors the group’s progress, and communicates with staff members assigned to the committee.
* Arranges for the committee to evaluate its work at the end of each program year or at the completion of its task to determine whether it did what it had set out to do, and what worked and what didn’t work.
1. Communicates with the full board.
* Serves as the liaison between the committee and the CEO, the Board Chair, and the full board.
* Ensures that appropriate reports are submitted to the board, and keeps the Board Chair and the CEO informed about the committee’s progress.

**BOARD SELF-ASSESSMENT POLICY**

Purpose

The purpose of the board self-assessment is to identify those areas of board functions that are working well and those that may need improvement. While the board sees its role of assessing its performance as ongoing, it sets aside time at its annual retreat or meeting to conduct a self-evaluation among its members. The primary purpose of the assessment is to assess the board’s performance as a whole; however, the self-assessment tool may include questions that allow each individual board member to evaluate his or her own performance as well.

**Process**

The following board self-assessment process will be used:

* A self-evaluation form or on-line survey will be distributed by the Governance Committee to all board members annually.
* The completed self-evaluation forms or on-line survey shall be submitted to the Chair of the Governance Committee at least two weeks prior to the board mailing and the consolidated results distributed as part of the board’s meeting packet.
* The self-evaluation results shall be included as an agenda item for review at a scheduled board retreat or meeting and the minutes will reflect any changes/improvements agreed to by the board.
* The board will charge the Governance Committee with leading and monitoring the desired changes/improvements.

**VLR CHIEF EXECUTIVE OFFICER (CEO) APPRAISAL POLICY**

**Appraisal period.** The formal appraisal process includes goal-setting and performance feedback pertaining to a calendar year. Feedback will be solicited from every Board member and all direct reports.

**Appraisal team**. To ensure continuity of performance feedback one year to the next, the finalized goals and evaluation of results are communicated to the CEO by an evaluation team consisting of the Executive Committee.

**Goal setting.** The CEO and the Executive Committee review the current job description for any needed changes. They review the approved coming-year Work Plan and mutually agree on what the CEO’s major objectives/goals will be. Goals may include opportunities for professional development.

**Benchmarking.** The Executive Committee will use comparable nonprofit organizations in the area to benchmark pay, and also understands that the market for executive talent may be broader than this group. Market information from additional market segments, for-profit packaging and manufacturing, and published not-for-profit compensation surveys may also be used. The Executive Committee also commissions a review by an independent consulting firm to evaluate the organization’s executive compensation program against the competitive market at least every three years.

**Self-appraisal.** In conjunction with the other input to the appraisal, the CEOsubmits a self-appraisal.The evaluation team and the CEO discuss areas of agreement and disagreement in the appraisals.

**Meeting.** The committee then meets with the CEO to discuss and document strengths, weaknesses, and goals for the upcoming year. Compensation for the upcoming year is also discussed and documented. The board will be apprised of the Executive Committee’s decisions regarding the CEO’s compensation, and the board will vote to approve the compensation prior to the meeting held by the CEO and the Executive Committee.

**Documentation.** Written, signed documentation of the final appraisal is given to the CEO who signs a copy for his/her personnel file.

**Recommended Recruitment, Nomination and Orientation Process for New Board Members**

The Governance Committee will employ the following process to secure new board members and help maintain a strong board:

1. Continually review the organization’s mission and strategic direction and identify the skills, experiences and qualities of board members that the organization needs to successfully pursue the mission.

1. Develop an ongoing pool of potential board members and periodically solicit recommendations from a wide range of people such as current and former board members, senior staff, major donors, and other stakeholders. Specify the skills, experiences and qualities desired. Keep records of individuals who might be potential board candidates in the future.
2. Explore the interest of potential members by engaging them in conversation or involving them in the organization’s activities. Cultivate relationships with individuals who seem promising.
3. In filling board vacancies, assess the current board, using a grid system that identifies the skills, experiences and qualities desired. Ensure diversity of backgrounds, knowledge and skills. Review the candidate pool and rank applicants based on current priorities and needs.
4. For the desired candidates, schedule interviews to be attended by at least one member of the current board and the CEO. Ensure that candidates thoroughly understand the expectations for an individual board member.
5. Nominate candidates for board approval, ensuring the board has sufficient information on each nominee prior to holding elections.
6. Invite candidates to join the board. (The Board Chair extends the invitation.)
7. Thoroughly orient new board members as soon as possible after the election and provide new board members with a board member handbook. Assign a mentor to each new board member if desired.

**Suggested Elements of the Orientation Process for New Board Members**

The Board has primary responsibility for orienting new board members and the Governance Committee typically has responsibility for the process. Orientations have two parts: (1) lead staff orient new members about the organization and (2) current board members orient new members concerning the board. Suggested topics include the following.

**Orientation to the Organization**

* Program—tour of facilities; presentation by CEO and key staff; written materials
* Finances—Presentation by CEO and/or Chief Financial Officer; review of recent financials; explanation of how to read and understand them; presentation on fundraising strategy
* History—Written materials
* Strategic Direction—Strategic Plan
* Organizational Structure—Review bylaws and organizational chart; introduction to key staff

**Orientation to the Board**

* Board Roles—Review of job descriptions; discussion with current board members
* Board Member Responsibilities—Letter of Agreement; Conflict-of-Interest Policy
* Board Operations—Review of Board of Directors Handbook; meeting with Board Chair; acceptance of committee assignment; assignment of board mentor
* Board Members—roster with contact information

**Recommendations for Board Meetings**

1. Clarify goals for each meeting; note agenda items that are for board action vs. discussion or education.
2. In general, provide more time for generative discussion and less time for reporting.
3. Test the concept of a consent agenda that will include board meeting minutes, brief committee reports and other items of a routine nature. Expect everyone to be familiar with its contents.
4. Have each committee chair write a *short* description of the committee’s activities and include the descriptions in the board packets.
5. Send board packets to board members at least one week before the meetings and expect board members to read the packet before each meeting. This will reduce the need for reporting time at the meetings.
6. Include in every agenda a short discussion on a controversial or passionate issue to which the board must pay attention.
7. Frequently include an educational component to help board members learn about the work of VLR and the field. Invite engaging guests and speakers to liven up the discussion.
8. Use mini-evaluations after every meeting.
9. Begin and end on time.
10. Provide for social time before and/or after the meetings.
11. Hold an executive session, as needed.