



## **Policy of the Board**

### **Governance Process**

#### Global Governance Process

1. Governing Style
2. Board Job Responsibilities
3. Governing Processes
4. Board Officers
5. Code of Conduct
6. Board Committee Principles

**POLICY TYPE:** Governance Process  
**POLICY TITLE:** Global Governance Process

The Governance Process policies instruct the Board about its own job, including the Board's subparts such as officers and board committees.

**Global Governance Process:** The purpose of the Diversity Council Board of Directors is to guide the organization, on behalf of the community, in achieving its ends and avoiding unacceptable actions and situations.

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Board Secretary

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Date Approved

**POLICY TYPE:** Governance Process  
**POLICY TITLE:** Governing Style

1. The Board will govern lawfully, observing the principles of policy governance. The Board will a) focus on community vision rather than internal preoccupation, b) encourage diverse viewpoints, lead strategically instead of concentrating on administrative details, d) distinguish clearly between Board and Executive Director roles and responsibilities, e) make collective rather than individual decisions, f) look to the future rather than past or present, and g) proactively make decisions.
  - 1.2 The Board will exercise its governing authority as a whole.
    - A. No individual Board member may exercise such authority except as instructed by the Board.
    - B. The Board will use individual member expertise to enhance the ability of the Board as a body rather than to substitute individual judgments for the Board's values.
    - C. The Board will allow no officer, individual or committee of the Board to hinder or be an excuse for not fulfilling Board commitments.
  - 1.3 The Board will govern through the careful establishment of broad written policies. Board policies will reflect the Board's values and perspectives to enable the long-term growth, development and health of the Diversity Council organization.
  - 1.4 Individual board members will actively and optimistically engage in the process of policy governance. They will:
    - A. Prepare for and attend each meeting.
    - B. Understand that decisions are made through voting and supported by consensus.
    - C. Actively support the Board's decision once a vote has been taken and a decision made.
    - D. Continue in their development as Board members, being ready to learn and offer differing opinions in order to support the goals of the Board.
    - E. Not attempt to exercise individual authority over the organization, including Executive Director or staff performance.

- 1.5 The Board periodically will monitor and discuss the Board's process and performance. Self-monitoring will include evaluation of Board compliance with policy.

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Board Secretary

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Date Approved

**POLICY TYPE:** Governance Process  
**POLICY TITLE:** Board Job Responsibilities

2. The primary responsibility of the Board is to ensure excellent organizational performance.
  - 2.1 The Board will concentrate on its unique job, which is to:
    - A. Ensure that the organization is relevant and responsive to the community by monitoring the external environment and defining the appropriate direction through *Ends* policies. It will ensure that the organization achieves appropriate results for appropriate persons and an appropriate cost. *Ends* policies will focus on the intended long-term impacts outside of the organization, not on the administrative or programmatic means of attaining those effects.
    - B. Ensure that the organization avoids unacceptable actions and situations, by defining such actions or situations in *Executive Limitations* policies.
    - C. Establish *Governance Process* policies that define how the Board conceives, carries out, and monitors its own tasks.
    - D. Establish *Board-Management Delegation* policies that describe the interactions and relationship between the Board of Directors and the Diversity Council staff and to define how power is delegated to the Executive Director and its proper use is monitored.
    - E. Establish regular and effective ways of monitoring compliance with and the effectiveness of the *Ends* and *Executive Limitations* policies described in A and B above.
  - 2.2 The Board will monitor and assess its own process and performance by comparing board activities to the *Governance Process* and *Board-Management Delegation* policies described above.
  - 2.3. The Board will nominate candidates for the Board who are able to participate constructively in the process of governing and ensure that new Board members receive excellent orientation in the Board's governing process.
  - 2.4 The Board will hire the organization's Executive Director, appraise Executive Director performance, and reward competent performance or, if necessary, establish criteria for improvement or replace the individual.

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Board Secretary

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Date Approved

**POLICY TYPE:** Governance Process  
**POLICY TITLE:** Governing Processes

3. The Board will establish processes that strengthen its focus on policy governance.
  - 3.1 The Board will follow an annual work cycle that evaluates policies and continually improves Board performance through Board education and thoughtful deliberation.
    - A. The Board's annual work cycle will conclude on the last day of May so that administrative planning and budgeting for the next fiscal year can be based on the accomplishment of a one-year segment of the Board's most recent statement of *Ends* policies.
    - B. The cycle will start with the Board's development of its agenda for the next year.
  - 3.2 Executive Director compensation package will be decided after annual review of monitoring reports.
  - 3.3 The Board will establish a basic structure for its meetings. The structure's purpose is to assist the Board and the Executive Director in processing information in order to maintain policy based orientation. Additional items can be added as needed, but the basic elements will be maintained.
    - A. To work in tandem with the annual plan, policy review and monitoring calendar, the Board agenda shall consist of four sections:
      1. *Ends* Topic Discussion
      2. Policy Review / Governance Issues
      3. Monitoring
      4. Informational Items
    - B. When Board approval is required by a higher governing policy such as bylaws or law, by an accrediting or certifying organization, or by a funding body, but not required specifically by the Board:
      1. The Executive Director shall bring recommended action to the Board.

2. The Board shall review the appropriate *Executive Limitations* policies, for their adequacy as a test for ethics, prudence, and compliance with other governing documents.
  3. The Board shall approve any action that falls with the *Executive Limitations* policies.
- C. Executive Director monitoring will be included on the agenda if monitoring reports show policy violations or if policy criteria are to be debated.

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Board Secretary

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**POLICY TYPE:** Governance Process  
**POLICY TITLE:** Board Officers

4. The officers will not assume any part of the management of the organization. Their focus will be on coordinating and helping the Board do its work.
  - 4.1 The responsibility of the President is to ensure that the Board behaves consistently with its own rules and those legitimately imposed upon it from outside the organization. The President will:
    - A. Convene regularly scheduled Board meetings, as well as special meetings, if necessary.
    - B. Chair board meetings with all the commonly accepted power of that position, such as ruling and recognizing.
    - C. Create board agenda based on the policy calendar with input from Board and Executive Director.
    - D. Coordinate annual performance appraisal of the Executive Director
    - E. Act as spokesperson for the Board to external entities with regard to Board-stated positions.
  - 4.2 The responsibility of the secretary is to ensure the integrity of the Board's documents. The secretary will:
    - A. Maintain a record of decisions that the Board of Directors has approved by vote, including Executive Director interpretation of policies and data compliance with the policy interpretations.
    - B. Maintain a record of action items that the Board of Directors has approved by vote.
      1. Ensure all Board approved action items are owned by a committee or Board member and have an explicit due date.
      2. Schedule action item closure by the Board into Board meetings aligned to due date.
    - C. Maintain the Board calendar, as well as these items:

1. A list of potential stakeholders to provide input about the board's Ends Policies
  2. A list of experts to educate the board on its responsibilities and requirements: legal, financial and ethical
  3. Board member conflict of interest documentation
- D. Ensure that policies are current in their reflection of Board decisions.
- 4.3 The responsibility of the Treasurer is to serve as a financial advisor to the Board and to chair the Board's Audit/Finance Committee. The Treasurer will:
- A. Advise the Board on the adequacy of its executive limitations and monitoring policies with regard to financial oversight.
  - B. Oversee, together with the Audit/Finance Committee, the Board's review and action related to Board financial responsibilities.
  - C. Coordinate, together with the Audit/Finance Committee, the annual audit, including follow up on any audit related reportable conditions or other concerns.
- 4.4 The responsibility of the Vice President is to assume the responsibilities and duties of the President in the absence of the President. The Vice President will become knowledgeable and experienced in Board governance.

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Board Secretary

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Date Approved

**POLICY TYPE:** Governance Process  
**POLICY TITLE:** Code of Conduct

5. The Board commits itself and its members to ethical, professional, and lawful conduct.

5.1 Members must represent unconflicted loyalty to the interests of the Diversity Council, rather than to advocacy, interest groups or members' personal interests. The interests of the ownership are defined by the Board policies.

5.2 Members must avoid conflict of interest with respect to their fiduciary responsibility.

A. There must be no conduct of private business or personal services between any board member or member of their household and the Diversity Council unless such conduct is disclosed by the board member in accordance with the procedures described in a conflict of interest disclosure that is completed by every board member each January. Each board member shall give notice to the Executive Director and to the Board of Directors within 30 days of any conflict.

B. When the Board is deciding an issue about whether a Board member has an unavoidable conflict of interest, that member shall remove herself or himself without comment from both the deliberation and the voting process.

C. Board members must not use their Board positions to obtain employment for themselves, family members, or close associates at the Diversity Council. Should a member desire employment at the Diversity Council, he or she must first resign from the Board before applying.

D. Members will annually disclose their involvements with other organizations, with vendors, or any other associations that might present a conflict.

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Board Secretary

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Date Approved

**POLICY TYPE:** Governance Process  
**POLICY TITLE:** Board Committee Principles

6. Board committees will be used when they enhance effectiveness of the Board and do not interfere with delegation from Board to Executive Director.
  - 6.1 Board committees are to help the Board, not the Diversity Council staff, do its job by preparing policy alternatives, implications for Board deliberation, and recommendations for action.
  - 6.2 Expectations and authority will be carefully stated by the Board.
    - 6.2.1 The Board Assessment Committee will provide leadership for all assessments meant to ensure that the Board is governing in an inclusive and effective manner. The committee will:
      - A. Facilitate an annual written assessment to identify the community and constituents served by the organization and to evaluate whether the composition of the Board reflects the diversity of the community it serves.
      - B. Facilitate an annual assessment of the Board's effectiveness and capacity to govern.
    - 6.2.2 The Finance Committee will provide leadership that ensures that the Board's financial duties are handled in a timely and effective manner. The committee will:
      - A. Seek bids and select an auditor of the organization's annual financial statements.
      - B. Lead the Board's review of the IRS Form 990, with assistance from the auditor.
    - 6.2.3 The Governance Committee will orient Board members to Board service and policy governance, monitor the Board's adherence to policy governance, and make recommendations for change when appropriate. The committee will:
      - A. Plan and lead the orientation of Board members.

B. Lead the Board's annual rolling review of the organization's bylaws and policies.

C. Advise the Board with regard to the bylaw elements necessary for legal compliance and consistency with the principles of policy governance.

6.2.4 The Nominating Committee will ensure that members of our community with a passion for diversity and inclusion actively participate in the Board's deliberations and decisions. The committee will:

A. Establish recruitment criteria and nominate individuals to serve on the organization's Board of Directors.

B. Recommend committee assignments to the Board. Those recommendations will be based on member preferences, talents, and past history in order to make the best use of the skills available to the Board, continue to build skills by allowing members to serve in a variety of capacities, and provide a measure of continuity on committees.

C. Investigate a Board member's lack of participation and make a recommendation to remove the member from the Board, if appropriate.

6.3 Board committees cannot exercise authority over Diversity Council staff. Because the Executive Director works for the full Board, he or she will not be required to obtain approval of a Board committee before an executive action.

6.4 Board committees shall keep the interests of the entire Diversity Council as their focus.

6.6 These committee principles apply 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. They do not apply to committees formed under the authority of the Executive Director.

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Board Secretary

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