Governance Policies of the Board of Directors

**Governance Process** policies are the Board’s own rules for how it will function. The Board will evaluate its own work against these rules.

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

The Board’s purpose is to assure that the organization achieves the results described in the Board’s Results policies and that it operates according to the values expressed in the Board’s Operational Expectations policies.

The Board and its directors are committed to effectively govern the organization, testing all of its decisions, maintaining director relationships with each other, evaluating the CEO, identify, recruit and train new directors, ensuring the future health of the organization, and serving members based on the following values:

IAVM is a mission driven organization that:

- governs and hires ethical staff leaders who act with integrity
- provides quality service in order to build long term relationships with members
- sustains in the face of all challenges
- supports excellence
- fosters communication, mutual trust and respect.
The Board will govern lawfully with primary emphasis on Results for its members; encourage full exploration of diverse viewpoints; act with integrity as ethical leaders; focus on governance matters rather than administrative issues; observe clear separation of Board and CEO roles; make all official decisions by formal vote of the Board; and govern with long term vision. The Board will conduct its official business with social and fiduciary responsibility that encourages trust as outlined in the IAVM Code of Ethics and Rules of Conduct.

1 The Board will function as a single unit. The opinions and strengths of individual directors will be used to the Board’s best advantage, but the Board faithfully will make decisions as a group, by formal vote. No officer, individual, or committee of the Board will be permitted to limit the Board’s performance or prevent the Board from fulfilling its commitments.

2 The Board is responsible for its own performance and commits itself to continuous improvement. The Board will assure that its directors are provided with training and professional support necessary to govern effectively.

3 The Board will carry out a self-assessment with full, honest and timely participation by all directors. The assessment will include evaluation of the Board as a whole, based on Governance Process and Board-CEO Delegation policies. Board assessment of progress on Results and the CEO’s summative evaluation will drive targets for the following year.

4 As a means to assure continuous improvement, the Board regularly and systematically will monitor all policies in this section, and will assess the quality of each meeting by debriefing the meeting following its conclusion.

5 To ensure that the Board’s meetings are conducted with maximum effectiveness and efficiency, directors will:
   a come to meetings adequately prepared
   b communicate openly and respectfully with each other and with staff
   c support the Chair’s efforts to facilitate an orderly meeting

6 The Board will use a consent agenda as a means to expedite the disposition of routine matters and to dispose of other items of business it chooses not to discuss.
The Board will direct the organization through Results and Operational Expectations policy. The Board’s major focus will be on the Results expected to be achieved by IAVM, rather than on the decisions made by the CEO and staff to achieve those results.

The Board, by majority vote, may revise or amend its policies at any time.
The Board will:

1. Ensure that the Results are the dominant focus of organizational performance.
2. Promote and support the work of IAVM and its members.
3. Maintain constructive dialogue with the members as a means to engage them in the work of the Board and the organization.
4. Develop written governing policies that address:
   a. **RESULTS**: the intended outcomes for the members served by IAVM;
   b. **OPERATIONAL EXPECTATIONS**: Statements of the Board’s values about operational matters delegated to the CEO, including both actions and conditions to be accomplished and those prohibited;
   c. **GOVERNANCE PROCESS**: Definition of the Board’s own work, the processes it will employ and conditions within which it will accomplish its work;
   d. **BOARD/CEO DELEGATION**: The role relationship of the CEO and the Board, including the specified authority of the CEO and the process for monitoring IAVM and CEO performance.
5. Evaluate CEO performance through effective monitoring of Results and Operational Expectations policies and annually set CEO compensation.
7. Adopt the budget and monitor the Financial Administration policy (OE-5).
8. Evaluate and approve member rates annually based on staff recommendations.
9. Ratify the annual Board election results.
10. Identify and cultivate members to assume director roles.
11. Engage the services of an independent auditor to examine the financial condition of the organization and report directly to the Board or to the Board’s appointed committee.
The Board will follow an annual work plan that includes monitoring and review of all policies and activities to improve Board performance.

The annual planning cycle will end each year in July to allow the CEO to properly align internal operational systems and processes.
The Board's annual work plan for the next year will include:

a Governance Process improvement activities, including orientation of new Board members in the Board’s governance process, and other discussions by the Board about means to improve its own performance, especially Board member knowledge and skill-building;

b Scheduled monitoring of all policies;

c Other events and activities that are parts of the Board's responsibilities and interests.
The officers of the Board are those listed in this policy. Their duties are assigned by this policy, and others required by law.

Chair

The Chair provides leadership to the Board, ensures the faithful execution of the Board’s processes, exercises interpretive responsibilities consistent with the spirit and intent of the Board’s policies.

The Chair has the following specific authority and duties:

1. Monitor Board actions to assure they are consistent with the Board’s own rules and policies.
   - a. Conduct and monitor Board meeting deliberations to assure the Board discussion and attention are focused on Board issues, as defined in Board policy (see GP-3, Board Job Description);
   - b. Assure that Board meeting discussions are productive, efficient and orderly;
   - c. Chair Board meetings using the authority normally vested in the Chair as described in Roberts Rules of Order;
   - d. Lead timely Board meeting debriefings and periodic self-assessments to ensure continuous process improvement.

2. Make all interpretive decisions of Board policies in the Governance Process and Board/CEO Delegation sections, using reasonable judgment. The Chair is not authorized to:
   - a. Make any interpretive decisions about policies created by the Board in the Results or Operational Expectations policies areas. Interpretation of these policies is the responsibility of the CEO;
   - b. Exercise any authority as an individual to supervise or direct the CEO.

3. Lead the Board’s evaluation of the CEO.

4. Represent the Board as its official spokesperson about issues decided by the Board and other matters related to official Board business.
5 Execute all documents authorized by the Board.

6 Appoint members of all Board committees.

7 On behalf of the Board, and in concert with the CEO, develop proposed Board meeting agendas consistent with the Board’s annual calendar.

First Vice Chair
1 Serve as Chair-elect and succeed the Chair when his or her term expires.

2 Serve as Chair of Governance Committee

3 Serve as Chair in the absence or inability of the Chair.

Second Vice Chair
1 Serve as Chair in the absence or inability of the Chair and Vice Chair.

2 Serve as Chair of Audit Committee

Immediate Past Chair
1 Serve as Chair in the absence or inability of the Chair, 1st Vice Chair and 2nd Vice Chair.

2 Serve as Chair of the Leadership Development and Nominating Committee.
The Board and its directors will conduct themselves lawfully, with integrity and high ethical standards, in order to model the behaviors expected of staff and to build member confidence and credibility.

To build trust among directors and to ensure an environment conducive to effective governance, directors will:

1. Focus on issues rather than personalities;
2. Exercise honesty in all written and interpersonal interaction, never intentionally misleading or misinforming each other;
3. Make every reasonable effort to protect the integrity and promote the positive image of the organization and one another;
4. Maintain confidentiality appropriate to sensitive issues and information that otherwise may tend to compromise the integrity or legal standing of the Board, especially those matters discussed in executive session.

2. Directors will not attempt to exercise individual authority over the organization.
   a. Directors will not attempt to assume personal responsibility for resolving operational problems or complaints;
   b. Directors will not personally direct any part of the operational organization;
   c. Directors will respect decisions of the Board and will not undermine those decisions;
   d. Directors will not publicly express individual negative judgments about CEO or staff performance. Any such judgments of CEO or staff performance will be expressed in executive session;
   e. Directors will refer any requests for access to records and complaints to the CEO.

3. Directors will serve the interests of the entire organization. Directors recognize this responsibility to the whole to be greater than:
   a. Any loyalty a director may have as a member
b Loyalty base on membership on other boards or staffs

4 Director Conflict of Interest - Directors are expected to avoid conflicts of interest involving all matters considered by the Board. A conflict of interest exists when a director is confronted with an issue in which the director has, or appears to have, a personal or financial interest or an issue or circumstance that could render the director unable to devote complete loyalty and singleness of purpose to the interest of IAVM.
The Board may create committees if they are deemed helpful to assist the Board in the performance of its responsibilities. If committees are established, they will be used exclusively to support the work of the Board as described in Policy GP-3, and will never be created or used to assist the CEO in any operational area.

1 Board committees and other such entities by whatever name created by the Board will not be used to direct, advise, assist or oversee the staff. Committees customarily will prepare recommendations for the Board consideration. Board committees will have no authority over staff, and may exercise demands on staff time and organizational resources only to the extent authorized in this policy.

2 Board committees may not speak or act for the Board unless specifically authorized. The responsibilities and authority of all Board committees are carefully stated in writing to assure that committees fully understand their duties and extent of authority, and to assure that committee work will not usurp or conflict with the Board’s own authority or conflict with authority delegated to the CEO.

3 All Board committees are considered to be ad hoc, or temporary, except for those specifically listed in this policy. Committees may be renewed or reauthorized upon their expiration, but unless the Board acts to renew the committee’s existence, it shall cease to exist on the date specified.

4 Format for Board committees will follow:
   1. Name
   2. Purpose and charge
   3. Membership
   4. Reporting schedule
   5. Term
   6. Authority over resources

Board Committees are listed below:

1. **Name: Governance Committee**
**Purpose and charge:**

a. Prepare proposed changes to the organization’s By-Laws, including both additions and deletions;
b. Propose changes to Board policy, including both additions and deletions;
c. Recommend to the Board appropriate procedures for accomplishing the Board’s work

**Membership:** First Vice-Chair (Chairman)

**Reporting schedule:**

**Term:** align with annual work plan

**Authority over resources:** reasonable staff and logistical support

2. **Name:** Leadership Development/Nominating Committee

**Purpose and charge:**

a. Identify and nominate potential members of the Board of Directors;
b. Identify topics and performance areas for improving Board performance;
c. Plan activities for assuring that new members of the Board understand the Board’s operating culture and process.

**Membership:** Immediate past Chair (Chairman)

**Reporting schedule:**

**Term:** align with annual work plan

**Authority over resources:** reasonable staff and logistical support

3. **Name:** Audit Committee

**Purpose and charge:** hires and communicates with the auditors to ensure fiscal responsibility.

**Membership:** Second Vice-Chair (Chairman)

**Reporting schedule:**

**Term:** align with annual work plan

**Authority over resources:** reasonable staff and logistical support

4. **Name:** Executive Committee
**Purpose and Charge:**

a. Conduct the preliminary annual summative evaluation of the CEO;

b. Recommend to the Board any proposed CEO contract terms and compensation adjustments, within established parameters.

c. Conduct preliminary monitoring of all Operational Expectations and Results policies;

d. Serve as a sounding board to the CEO, at the discretion of the CEO, in organizational matters prior to their consideration by the Board of Directors;

e. Plan, on behalf of the Board, processes for strategic two-way dialog between the Board and the members to promote the organization and to build understanding and support.

**Membership:** Chair of the Board; First Vice Chair; Second Vice Chair; Immediate Past Chair; 2 at large voting members from the Board of Directors.

**Reporting schedule:** Monthly

**Term:** align with annual work plan

**Authority over resources:** reasonable staff and logistical support

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**Policy Type**

**Governance Process**

**Policy Number**

GP-8

**Policy Title**

Cost of Governance

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

Accordingly:

1. Board skills, methods, and supports will be sufficient to assure governing with excellence.
a Training and retraining will be used liberally to orient new board members and candidates for board membership, as well as to maintain and increase existing member 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, a fiscal audit.

c Outreach mechanisms will be used as needed to ensure the board’s ability to listen to member viewpoints and values.

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