



GOVERNANCE BOARD POLICIES

HANDS TO HELP SENIORS, INC.

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BOARD GOVERNANCE

I. BOARD JOB DESCRIPTION

The purpose of the Board, on behalf of the moral ownership, is to see that Hands to Help Seniors 1) fulfills its social compact with the community and 2) in doing so, serves as a wise steward of its resources while preventing unacceptable actions and situations.

- o The job of the Board is to represent the moral ownership in determining and demanding appropriate organizational performance. Accordingly:
 1. The Board is responsible for maintaining the connection between the Hands to Help Seniors and its “moral owners.”
 2. The Board will produce written governing policies in the following areas:
 - a. *Mission-based outcomes*, which describe what good (results), for whom (recipients) and at what cost
 - b. *Organizational health*, which defines expectations of, and limits the framework for, executive actions and decision-making.
 - c. *Board Governance process*, which specifies how the Board will ensure excellence in governance and monitor its own performance.
 - d. *Board-CEO linkage*, which describes the relationship between the Board and the CEO and describes the CEO role, authority and accountability.
 3. The Board will hold the CEO accountable through monitoring of his or her performance against board established policies and will take corrective action as needed.

II. GOVERNING STYLE

The Board provides strategic leadership to Hands to Help Seniors. In order to do this, the Board will:

1. Look to the future and keep informed of issues and trends that may affect the mission and organizational health of Hands to Help Seniors.
2. Make decisions based on knowledge of community needs and best practices and in accordance with the mission.

3. Be proactive and visionary in its thinking.
 4. Encourage thoughtful deliberation, incorporating a diversity of viewpoints.
 5. Work together as colleagues, encouraging mutual support and good humor.
 6. Have the courage to lead and make difficult decisions.
 7. Commit to excellence in governance, including regularly monitoring, assessing and improving its own performance.
- o The Board will monitor and discuss the Board's process and performance at each meeting.
 - o In governing, the Board will fulfill its legal responsibilities of:
 1. The *Duty of Obedience* that requires board members to be faithful to the mission of Hands to Help Seniors in its policies and actions.
 2. The *Duty of Care* that requires that in fulfillment of his/her duties, a Board member owes Hands to Help Seniors the care that an ordinarily prudent person would exercise in a like position and under similar circumstances.
 3. The *Duty of Loyalty* that requires Board members to always put the best interest of Hands to Help Seniors first when making decisions affecting the organization.

III. CODE OF CONDUCT

- o The Board commits itself and its members to ethical, businesslike, and lawful conduct, including proper use of authority and professional decorum when acting as board members.
- o In their capacity as governors, board members must demonstrate unconflicted loyalty to the interests of the ownership of Hands to Help Seniors.

Board members must avoid conflicts of interest with respect to their fiduciary responsibility.

- a) Members will annually disclose their involvement with other organizations, vendors, or any other associations that currently do business or may do business with Hands to Help Seniors.
- b) Annually, all members will sign a full disclosure and conflict of interest statement.

- c) Information exclusive to Hands to Help Seniors shall not be used by board members for personal gain or the gain of a family member or associate.
 - d) It is the Board member's obligation to immediately disclose to the Board any and all impending conflict of interest. That member shall absent herself or himself without comment from both the deliberation and final decision-making.
 - e) Board members must not use their positions to obtain employment or special considerations at Hands to Help Seniors or agencies with whom Hands to Help Seniors has formal contracts for themselves, family members or close associates. If a Board member desires employment at Hands to Help Seniors, he or she must first resign.
 - f) There will be no self-dealing or any conduct of private business or personal services between any board member and Hands to Help Seniors. Once procedures are established by the Board, then an exception may apply for arrangements which meet established procedures for openness, competitive opportunity and equal access to inside information.
- o Members will respect the confidentiality appropriate to issues of a sensitive nature.
 - o Board members are expected to attend every regularly scheduled meeting. A member with more than two (2) consecutive absences from regularly scheduled meetings is automatically dismissed from the Board. The Board may consider to reinstate.

IV. DECISION-MAKING PROCESS

- o The Board will make decisions by a process of careful deliberation, seeking out the wisdom and experience of many voices as appropriate, which may include its moral ownership, consumers, staff, volunteers, board members and others with knowledge of its mission.
 - a) The Board will conduct its meetings using the Roberts Rule of Order with the following protocol:
 - 1) Roll Call.
 - 2) Reading of the Minutes of the preceding meeting.
 - 3) Reports of Committees.
 - 4) Reports of Officers.
 - 5) Old and Unfinished business.

- 6) New Business.
- 7) Adjournments
- b) The Board will strive for consensus of opinion in its decision-making.
- c) If consensus isn't reached after a reasonable period of deliberation, to be determined by the chair, then a majority of members present for a quorum will make the final decision.

V. ROLE OF THE CHAIR OR BOARD PRESIDENT

- o The Chairperson assures the integrity and fulfillment of the Board's process.
- o The Chairperson assures that the Board conducts business consistent with its own rules.
 - a) The Chairperson will assure that deliberations will be fair, open, thorough, timely, orderly and to the point.
 - b) The Chairperson is empowered to chair board meetings and exercise the commonly accepted power of that position.
 - c) The Chairperson may represent the Board to outside parties in announcing board-stated positions.

VI. BOARD COMMITTEE PRINCIPLES

- o Board committees are created to do board and are held to ARTICLE VII, Committees of the Bylaws and those stated below.
 - a) Committees will be used sparingly and ordinarily in an ad hoc capacity.
 - b) Committees will assist the Board by preparing policy alternatives and implications for board deliberation.
 - c) Board committees may not speak or act for the Board except when formally given such authority. Expectations and authority will be carefully stated in order not to conflict with authority delegated to the CEO.
 - d) Board committees cannot exercise authority over staff.

- e) No majority of members of a board committee that has helped the Board create policy on some topic shall be used to monitor organizational performance on that same topic.

VII. COST OF GOVERNANCE

- o The Board will invest in and develop its governance capacity.
 - a) This investment may include training, third-party monitoring (e.g. audit), administrative costs, and other activities as needed to ensure the Board's ability to fulfil its moral and legal obligations and to represent and link to the moral owners.
- o The cost of governance will be integrated into strategic planning and annual budgeting.

VIII. BOARD NOMINATIONS PROCESS

- o The Board seeks to recruit individuals as Board members who are committed to the mission and governing process of the Hands to Help Seniors.
- o The Board seeks out candidates who possess the following characteristics:
 - a) Demonstrated passion for the mission.
 - b) (Specific to agency mission)
 - c) A reflection of the diversity of cultures, abilities, family structure, race, socio-economic status and geography of our service area.
 - d) Support the Board governing structure and can meet board work expectations.
 - e) Will engage in deliberative and collegial decision-making.
 - f) Are committed to their stewardship responsibilities
 - g) A knowledge of (mission specific) systems, organization development, change management, strategic thinking, organizational growth, or strategic legal and nonprofit issues.
- o In the process of recruiting and nominating candidates, the Board will request from all candidates:

- a) Letter of interest
 - b) Resume or summary of experience
 - c) Interview by board members
 - d) References to verify demonstrated competencies
- o In the process of determining final candidates, the Board will:
- a) Conduct an initial screening of letters of interest/resumes
 - b) Interview promising candidates
 - c) Invite potential candidates to a board meeting to observe the process
 - d) Check for competencies
 - e) Discuss the qualifications of nominees and their value to the Board
 - f) Provide finalists with adequate information about Hands to Help Senior's mission and governance for the candidate to make a knowledgeable and informed decision on their fit for the Board
- Final Board selection will be made in accordance with the provisions outline in the bylaws.

EXECUTIVE LIMITATIONS

I. STAFF RECRUITMENT, COMPENSATION AND BENEFITS

With respect to employment, compensation and benefits to employees, consultants, contract workers and volunteers, the CEO shall operate Hands to Help Seniors in a manner which is legal, ethical, nondiscriminatory and protects Hands to Help Senior's public image, fiscal integrity and tax-exempt status.

- a) All employees shall be employees at will.
- b) Employees of Hands to Help Seniors shall have a:
 - Demonstrated commitment for the mission.
 - A commitment to help seniors.
 - Through knowledge of Hands to Help Seniors vision and values.
 - Demonstrated knowledge of working with seniors.
- c) Compensation and benefits should be reasonable within the state and regional marketplace.
 - In no instance shall excess benefits (value of compensation in excess of value of services) be given to a disqualified person (anyone in a position to exercise substantial influence over Hands to Help Seniors).
 - Compensation data will be collected for similar organizations and will serve as a benchmark in determining compensation and benefits to Hands to Help Seniors employees.
 - Reasonableness criteria shall be documented.
- d) Compensation and benefits should be flexible enough to attract and retain employees who are best able to assist Hands to Help Seniors in achieving its mission, including the ability to:
 - Attract a diverse workforce
 - Provide opportunities for professional growth
- e) Hands to Help Seniors should strive to develop a compensation and benefit system that allows full-time employees to maintain an acceptable quality of life.

- f) Only the Board of Directors can change the CEO's compensation and benefits.
- g) The CEO should not incur any compensation or benefit obligations over a longer term than revenues can safely be projected, in no event longer than two years, and in all events subject to losses of revenues.

Compensation And Benefits Policy Will Be Monitored:

How	Frequency
By Performance Review	Yearly

II. TREATMENT OF STAFF AND VOLUNTEERS

All staff and volunteers of Hands to Help Seniors will receive fair, humane and dignified treatment and shall be afforded all rights guaranteed under municipal, state or federal law. Accordingly,

- a) Hands to Help Seniors practices will promote pluralism and diversity within its staff and constituencies.
- b) The CEO will draft, with legal advice, and maintain written policies that reflect the policies of the Board, 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.
- c) Hands to Help Seniors shall provide equal employment opportunity and advancement to qualified individuals without regard to gender, race, age, religion, cultural background, ability, sexual orientation or military status. Hands to Help Seniors will not discriminate against any staff member or volunteer on this basis.
- d) The CEO shall not discriminate against any staff member for expressing an ethical dissent.
- e) Staff must avoid conflicts of interest.
 - 1) There must be no self-dealing or any conduct of private business or personal services between any staff member and the organization except as meet established board procedures for openness, competitive opportunity and equal access to inside information.
 - 2) Staff will disclose their involvement with other organizations, with vendors or any other associations which might produce a conflict.
 - 3) Staff will annually sign a full disclosure and conflict of interest statement.
 - 4) Staff will immediately disclose and recuse themselves from all discussions and

decisions on which they have a material conflict.

- 5) Any employee who wished to engage in any paid activity in any field directly related to the work of the agency must have prior approval from the CEO.

e) Staff shall have the ability to bring grievances 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.

f) The CEO will assure that all staff and volunteers have been informed of their rights under this policy.

Treatment of Staff and Volunteers policies will be monitored:

Method:

Frequency:

X Internal (report from CEO)

Yearly

III. TREATMENT OF CONSUMERS

- o Hands to Help Seniors shall establish in writing and implement procedures, conditions and practices in which all consumers or those applying to be consumers are treated in a manner which is fair, dignified, humane, legal, ethical, safe, appropriately protects confidentiality or privacy, and is not unnecessarily intrusive.
- o Hands to Help Seniors shall promote diversity and provide equal opportunity for participation to qualified individuals without regard to gender, race, age, cultural background, disability, sexual orientation or veteran status.
- o The only information solicited from clients should be information necessary for Hands to Help Seniors to best serve their needs.
- o Hands to Help Seniors shall ensure that consumers have a clear understanding of what may be expected and what may not be expected from the services provided.

Treatment Of Consumers Monitoring Policy

Treatment of Consumers Policy will be monitored:

- direct monitoring through board inspection of written policies in April of each year.

IV. FINANCIAL CONDITION AND ACTIVITIES

With respect to the actual, ongoing financial condition and activities, the CEO will operate Hands to Help Seniors in a sound and prudent fiscal manner for short- and long-term financial

health, not deviating materially from board-stated priorities.

1. Accordingly:
 - a) total expenses shall not exceed available organizational resources
 - b) unrestricted operating expenses shall not exceed unrestricted operating income
 - c) all other board policies (see Budgeting) are met
2. The CEO will maintain internal financial reports sufficient to monitor the financial activity of Hands to Help Seniors in accordance with all other financial policies. The CEO will:
 - a) Prepare a monthly “top line report” as defined by the Board
 - b) Prepare monthly balance and income statements compared to budget
 - c) Maintain internal controls as defined by the standards of the American Institute of Certified Public Accountants to provide reasonable assurance on the reliability of financial reporting, effectiveness and efficiency of the operation, and compliance with applicable laws and regulations.
 - d) Maintain internal controls as defined in federal A133 audit requirements.
3. The CEO will accurately prepare and file on a timely basis all reports, fees and documentation required by federal, state, and local government.
4. The CEO will settle payroll and other debts in a timely manner.
5. Any single purchase of \$10,000.00 or more needs a check co-signature by either the President or Treasurer of the Board in order to ensure the purchase is legitimate and properly documented. Any single purchase which commits 25 % or more of the total Hands to Help Seniors annual budget must be approved by the Board.
6. The CEO shall not indebt Hands to Help Seniors in an amount greater than can be repaid by certain, otherwise unencumbered revenues within thirty days. The CEO must seek board approval before incurring any debt.
7. The CEO will aggressively pursue receivables after a reasonable grace period.

Financial Condition and Activities Policies will be monitored:

- Internal top line report, prepared by Ex Director and presented to Board monthly
- External, annually by audit performed by CPA. An A133 audit is required when federal grants or contracts exceed \$300,000 per year.

V. FINANCIAL PLANNING AND BUDGETING

The CEO will prepare financial plans and annual operating and capital budgets that achieve approved Ends policies and promote the long-term stability and sustainability of Hands to Help Seniors.

1. Accordingly, the CEO will prepare an annual budget:
 - a) in which expenses do not exceed the amount of funds which are conservatively expected to be received in that period.
 - b) in which temporarily and permanently restricted assets will be segregated to ensure that Hands to Help Seniors complies with donor restrictions and requests.
 - c) which includes an operating reserve at no less than three months of operating expenses.
 - d) in which spending on program activities is targeted at no less than 75% of total annual expenses based on industry acceptable allocations in a full-cost accounting system.
 - e) in which spending on personnel is no more than 25% of total expenditures.
 - f) which funds depreciation.
 - g) which includes a capital expenditure budget.
2. In addition, the CEO will prepare and maintain:
 - a) a long-term financial plan.
3. The annual budget will be reviewed and revised at the sixth month of the Fiscal Year to assure continued compliance with all Board financial policies.

Financial Planning and Budgeting policies will be monitored:

- Annual budget: internal report: prepared for every third board meeting
- Long -term financial plan: Internal report, annually during budget preparation
- Revised budget: Internal report, prepared for budgeting board meeting

VI. ASSET PROTECTION

1. The CEO will protect and adequately maintain all tangible and intangible assets of Hands to Help Seniors. Accordingly, the CEO will
 - a) Maintain theft and casualty insurance of at least 80% of replacement value and liability insurance to cover board, staff and the organization in an amount greater

than the average for comparable organizations.

- b) Assure that only bonded personnel have access to material amounts of funds.
 - c) Assure that plant and equipment are adequately maintained and repaired
 - d) Assure that the organization, its board or staff are not unnecessarily exposed to claims of liability.
 - e) Approve purchases only in the instances that he or she is sure that 1) prudent protection has been exercised against conflict of interest, 2) comparative prices and quality have been investigated for all purchases over \$5,000.00, 3) all purchases over \$5,000.00 have been subjected to stringent criteria for comparison of long-term cost and quality.
 - f) Assure that intellectual property, information and files are protected from loss or significant damage.
 - g) Invest or hold operating capital only in secure instruments such as interest-bearing, insured savings or checking accounts and bonds of no less than AA rating.
 - h) Protect Hands to Help Senior's public image and credibility at all times.
2. The CEO will not encumber or dispose of real property with a current market value of \$5,000.00 or more without Board approval.

Asset Protection policies will be monitored:

- External; by auditor during annual audit
- Direct board inspection: annually with the audit

VII. GRANTS AND CONTRACTS

Grant funds must be used in prudent, lawful and ethical ways and in accordance with donor restrictions. In addition, the CEO shall:

- a) Only enter into those grant arrangements in which Hands to Help Seniors has a reasonable expectation of delivering the promised activities and results.
- b) Any subcontractors must also be reasonably expected to deliver promised activities and results and to use funds in prudent, lawful and ethical ways. All subcontracts of state and federal funds must conform to grant requirements.
- c) Not enter into grant or contract arrangements which place the financial solvency of Hands to Help Seniors at risk.

- d) Assure that temporarily restricted and permanently restricted assets are appropriately segregated to ensure compliance with donor restrictions.
- e) Seek approval by the Board of Directors for any grant request which alters the Ends priorities set by the Board or which affects any board governance prerogatives.

Grants and Contracts Policies will be monitored:

<u>Method:</u>	<u>Frequency:</u>
Internal (report from CEO)	Monthly
External by auditor	Annually

VIII. FUND RAISING, AND MANAGERIAL ACTIVITIES

The CEO will operate any fund raising, lobbying or managerial activity not discussed elsewhere in a manner which is legal, ethical, prudent and embodies sound business practices.

- o Hands to Help Seniors shall comply with all applicable local, state and federal laws regulating fund raising.
- o The CEO will meet all IRD requirements on a timely basis.
- o Fund raising practices should meet the following standards for ethical practices outlined by the Council of Better Business Bureaus (www.cbbb.org or www.give.org/standards/index.asp) and the Association of Fundraising Professionals:
 - a) On request and in accordance with donor wishes, prospective donors will be provided with an annual report, audited financial statements and/or Form 990. Those documents will include sufficient information to provide a basis for informed giving decisions.
 - b) Annual fund raising costs shall be reasonable over time.
 - c) Solicitations, promotional and informational materials, distributed by any means, shall be accurate, truthful and not misleading, in whole or in part, and shall include a clear description of the programs and activities for which funds are being requested.
 - d) Hands to Help Seniors shall, to the best of its ability, ensure that general contributions are used in accordance with donors' wishes or Hands to Help Senior's stated purposes. Restricted gifts will be used in accordance with donors' specific requirements. Donor gifts shall be acknowledged on a timely basis.
 - e) Hands to Help Seniors will establish and exercise adequate controls over fund raising activities conducted by staff, volunteers, consultants, and contractors,

- including commitment to writing of all fund raising contracts and agreements.
- f) Hands to Help Seniors will not engage in compensation-based fund raising based on a percentage of charitable contributions raised.
 - g) Hands to Help Seniors will honor donor requests for confidentiality and shall not publicize the identity of donors without prior permission.
 - h) Donors shall, on a scheduled basis, have the opportunity to have their names removed from lists that are sold, rented to or exchanged with other organizations.
 - i) Donor lists shall not be rented, sold or exchanged with other organizations.
 - j) Fund raising practices should encourage voluntary giving and should not apply unwarranted pressure.
- o The CEO may conduct revenue generating activities not directly related to the exempt purposes of Hands to Help Seniors. At no time, however, may unrelated revenues or activities devoted to the production of these revenues become substantial.

BOARD-CEO LINKAGE

I. TRANSITION POLICY

- o All existing policies remain in place until amended by the Governing Board of Directors.

II. EXECUTIVE CONSTRAINT

The CEO shall operate Hands to Help Seniors in a manner which is lawful, prudent, and in accordance with commonly accepted nonprofit business practices and professional ethics.

- The Board's sole official connection to the operating organization, its achievement, and conduct will be through a Chief Executive Officer.
- Only decisions of the Board acting as a body are binding on the CEO.

III. ACCOUNTABILITY OF THE CEO

- The CEO is the Board's formal link to Hands to Help Senior's 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 CEO.

IV. DELEGATION TO THE CEO

- o The Board will instruct the CEO through written policies.
 - a) From time to time, the Board may change its Ends and Executive Limitations policies, thereby shifting the boundaries between board and CEO responsibilities.
- o As long as the CEO uses any reasonable interpretation of the Board's Ends and Executive Limitations policies, the CEO is authorized to establish all further policies, make all decisions, take all actions, establish all practices, and develop all activities.

V. MONITORING CEO PERFORMANCE

- o The Board will provide systematic and rigorous monitoring of CEO job performance.
 - o CEO monitoring will be based on expected CEO outcomes as expressed in the CEO job plan approved by the Board.

- o In every case, the standard for compliance shall be any reasonable interpretation of the Board policy being monitored.
- o The Board will acquire monitoring data by any of the following methods:
 - a) internal reports prepared by the CEO
 - b) external reports prepared by a third-party selected by the Board
 - c) direct inspection by a designated member or members of the Board, including inputs from selected community owners and staff.
- All policies that instruct the CEO 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.

VI. COMMUNICATION & SUPPORT TO THE BOARD

- o The CEO shall communicate with the Board in a timely and sufficient manner to keep the Board informed and prepared for its work.
 - a) The CEO shall submit monitoring information required by the Board in a timely, accurate, and understandable fashion, directly addressing the Board policies being monitored.
 - b) The CEO shall report and prepare recommendations and suggest corrective action in a timely manner on any actual or anticipated non-compliance with any policy of the Board allowing sufficient time for the Board to consider corrective action.
 - c) The CEO shall keep the Board informed of relevant trends, anticipated adverse media coverage, material external and internal changes, particularly changes in assumptions upon which any board policy has been or is being established.