

Section 3: GOVERNANCE PROCESS

3.0 POLICY TITLE: GLOBAL GOVERNANCE COMMITMENT

The purpose of the Board, on behalf of the membership, is to see to it that MCLS (a) achieves appropriate results for appropriate persons at an appropriate cost, and (b) avoids unacceptable actions and situations.

3.1 POLICY TITLE: *GOVERNING STYLE*

The Board will govern 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) proactivity rather than reactivity.

On any issue, the Board must ensure that all divergent views are considered in making decisions, yet must resolve into a single organizational position.

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 may use the expertise of individual Board members to enhance the ability of the Board as a body, rather than to substitute the individual judgments for the Board's values.
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 outcomes for members and/or customers, 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, policymaking 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 observe them scrupulously while in force.
 - a. In accordance with this discipline, the Board will only allow itself to address a topic after it has answered these questions:
 - i. Whose issue is this? Owner or customer? Is it the Board's or the Executive Director's?
 - ii. Has the Board dealt with this subject in a policy? If so, what has the Board already said on this subject and how is this issue related? If the

Board has already addressed the matter, does the Board wish to change what it has already said?

- iii. If the matter is several levels below Board level, does the Board agree that the matter affects the Ends in a significant fashion? If so, then the Board will determine what is the broadest way to address this issue so that it is still under existing Board policy.
- b. It is out of order for Board members to talk about content until these questions of appropriateness are settled.
- 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 its commitments.
- 6. The Board will monitor and discuss the Board's process and performance at each Board meeting. Self-monitoring will include comparison of Board activity and discipline to policies in the Governance Process and Board- Executive Director Linkage categories.

3.2 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 has direct responsibility to create:

- 1. The link between the ownership and the operational organization.
- 2. Written governing policies that address the broadest levels of all organizational decisions and situations.
 - a. Ends: Organizational products, impacts, benefits, outcomes, recipients, and their relative worth (what good for which recipients at what cost).
 - 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- Executive Director Linkage: How power is delegated and its proper use monitored; the Executive Director role, authority and accountability.
- 3. Assurance of successful Executive Director performance.

3.3 **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. Board members must have loyalty to the ownership, unconflicted by loyalties to staff, other organizations, and any personal interest as a member and/or consumer.
2. Board 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. Board 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 Board member has an unavoidable conflict of interest, that member shall absent herself or himself without comment from not only the vote, but also from the deliberation.
3. Board members may not attempt to exercise individual authority over the organization.
 - a. Board members' interaction with the Executive Director or with staff must recognize the lack of authority vested in individuals except when explicitly Board authorized.
 - b. Board 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 reasonable interpretation of Board policy has been achieved by the Executive Director, members will not express individual judgments of performance of employees of the Executive Director.
 - d. Board members will not use their Board position to obtain employment or influence hiring decisions in the organization. Should a Board member apply for employment, he or she must first resign from the Board.
4. Members will respect the confidentiality appropriate to issues of a sensitive nature.
5. Board members will be properly prepared for Board deliberation and are expected to participate in all Board meetings.

6. Board members will share expertise and special knowledge of the external environment and agree to serve in an appropriate way on committees and task forces.