



Series: Board Governance **COA:**
Policy Name: Governance Model **CFOP:**
Policy Number: GOV-011
Revision #/Date: N/A
Effective Date: 11/1/2008

Applicable to: Board of Directors

SUBJECT: Governance Model and Rules of Order

PURPOSE: To Establish the CBC of Brevard Board of Directors Governance Model and Rules of Order

POLICY: Carver Policy Governance Model & Roberts Rules

The purpose of the Board of Directors is to ensure the financial viability and integrity of CBC of Brevard. In its role of fiduciary and business oversight, the CBC of Brevard Board of Directors will utilize the Carver Policy Governance model to establish its guiding principles and framework for oversight. Board meetings will be governed utilizing the Roberts Rules of Order as a guide for meeting management. The Board of Directors will govern through the approval and adoption of the following guidelines:

The Board Management Delegation Process:

The Board will govern based on the following:

1. Board gives advice and guidance only as one body and gives direction as the Board.
2. There is a clear distinction between a Board's role as setting only and the CEO's role as implementing policy and to achieve the mission.
3. The Board is responsible to monitor the quality of services and financial soundness of the corporation.
4. The Board will self-evaluate its performance as a Board and individual Board members on an annual basis.
5. The Board will annually evaluate the CEO based on goals set by the Board.

Board Meetings

Meetings shall be held monthly with an agenda provided at least one week in advance.

- a. The CEO will develop the agenda with input from the Board Chair.
- b. The CEO makes recommendations regarding policies for approval by the Board.
- c. The Board shall monitor the DCF contract performance measures and the DCF reports on a monthly basis.
- d. The Board shall ensure the System of Care reflects the vision of the community as established by Together in Partnership.

Role of Chairperson

The responsibility of the Chairperson is to ensure that the Board operates consistently within its own rules and bylaws. The Chairperson may represent the Board within the scope of the Boards actions.

Board Member's Code of Conduct

The Board commits itself and its members to ethical and lawful conduct including proper use of authority when acting as a Board member.

Conflict of Interest

Members will annually disclose their involvement with other organizations that might produce a conflict and voluntarily withdraw from decision making in matters accordingly.

Committees

The Board may appoint committees as appropriate within a defined scope of work and in accordance with the company Articles and Bylaws.

The Board CEO Linkage:

The Board's sole official connection to the operational organization, its achievements, and conduct will be through the Chief Executive Officer.

Unity of Control

1. Decisions or instructions of individual Board members, officers, or committees are not binding on the CEO except in rare instances when the Board has specifically informed the CEO such exercise of authority.
2. In the case of Board members or committees requesting information or assistance without Board authorization, the CEO can refuse such request that require, in the CEO's opinion, a material amount of staff time or funds, or are disruptive.

Accountability of the CEO

The CEO is the Board's only link to 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.

Accordingly,

1. The Board will never give instruction to persons who report directly or indirectly to the CEO.

2. The Board will refrain from evaluating, either formally or informally, any staff other than the CEO.

3. The Board will view the CEO performance as identical to organizational performance and indicative of corporate and community values, so that organizational accomplishment of board-stated *Ends* and avoidance of board-prescribed means will be viewed as successful CEO performance.

Delegation to the CEO

The Board will instruct the CEO through written policies that prescribe the organizational *Ends* to be achieved and describes organizational situations and actions to be avoided, allowing the CEO to use any reasonable interpretation of these policies.

Accordingly,

1. The Board will develop practices instructing the CEO to achieve certain results, for certain recipients, at a specific cost. These practices will be developed systematically from the broadest, most general level to more defined levels, and will be called *Ends policies*.

2. The Board will develop policies that limit the latitude the CEO may exercise in choosing the organizational means. These policies will be developed systematically from the broadest, most general level to more defined levels, and they will be called *Executive Limitations policies*.

3. As long as the CEO uses *reasonable interpretations* 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.

4. The Board may change its *Ends* and *Executive Limitations* policies, thereby shifting the boundary between Board and CEO domains. By doing so, the Board changes the latitude of choice given to the CEO. But as long as any particular delegation is in place, the Board will respect and support the CEO'S choices.

Monitoring CEO Performance

Systematic and rigorous monitoring of CEO job performance will be measured by organizational accomplishment of Board policies on *Ends & Outcomes* and organizational operations within the boundaries established in Board policies on *Executive Limitations*.

Accordingly,

1. Monitoring is simply to determine the degree to which Board policies are being met.

2. The Board will acquire monitoring data by one or more of three (3) methods: (a) by internal reports, in which the CEO discloses compliance information to the Board, (b) by external reports, in which an external, disinterested third party selected by Board assesses compliance with board policies, and (c) by direct Board inspection, in which a designated member or members of the Board assess compliance with the appropriate policy criteria.

3. In every case, the standard for compliance shall be *reasonable CEO interpretation* of Board policy being monitored.

4. 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.

The Executive Limitations:

Common Executive Constraint

The CEO of Community Based Care Of Brevard shall not allow practices, activities, decisions or organizational circumstances that are either unlawful, imprudent, or in violation of commonly accepted business and professional ethics. Any violation of a criminal law, actions that derive an improper personal benefit, recklessness or act of omission committed in bad faith or malicious purpose shall be cause for immediate dismissal of the CEO.

Treatment of Customers (clients)

With respect to interactions with customer clients or those applying to be customer clients, the CEO shall not cause or allow conditions, procedures, or decisions that are unsafe, undignified, unnecessarily intrusive, or that fail to provide appropriate confidentiality of privacy.

Accordingly the CEO shall not:

1. Use or allow to be used application forms that elicit information for which there is no clear necessity. Using only required forms as required by Law.
2. Use or allow to be used methods of collecting, reviewing, transmitting, or sorting customer client information that fails to protect against improper access to such material.
3. Maintain or allow maintaining facilities that fail to provide a reasonable level of safety and confidentiality.
4. Fail (or allow others) to establish a clear understanding of what services CBC performs for the customer client.
5. Fail (or allow others) to inform customer clients of this policy, or to provide a grievance process to those who believe that they have not been afforded a reasonable interpretation of their rights under this policy.

Treatment of Staff

With respect to treatment of paid or volunteer staff, the CEO may not cause or allow conditions that are unfair, undignified or unlawful.

Accordinging the CEO shall not:

1. Operate without written personnel policies that clarify personnel rules for staff, provide for effective handling of grievances, and protect against wrongful conditions such as nepotism, *grossly* preferential treatment for any reason.
2. Discriminate against any staff member for expressing an ethical dissent.
3. Prevent staff from grieving to the Board when (a) internal grievance procedure has been exhausted and (b) the employee alleges that either a Board policy has been violated to his or her detriment or a Board policy does not adequately protect his or her human rights.
4. Fail to acquaint staff with their rights under this policy.

Financial Planning and Budgeting

Financial planning for any fiscal year or the remaining part of any fiscal year shall not deviate materially from the Board's Ends or Outcomes, priorities, risk fiscal jeopardy, or fail to be derived from a multiyear plan.

Accordingly, the CEO shall not allow budgeting that:

1. Contains too little information to enable credible projection of revenues and expenses.
2. Plans the expenditure in any fiscal year of more funds than are *conservatively* projected to be received in that period.
3. Reduces the current cash assets to drop below a safety reserve of operating capital.
4. Provides less for Board prerogative during the year than is set forth in the Cost of Governance policy.

Financial Conditions and Activities

With respect to the actual, ongoing financial conditions and activities, the CEO shall not cause or allow the development of fiscal jeopardy or a material deviation of actual expenditures from Board priorities.

According, the CEO shall not:

1. Expend more funds than have been received in the fiscal year to date.

2. Indebit the organization in an amount greater than can be repaid.
3. Commit the organization for any expenditure that is outside the approved budget.
4. Fail to settle payroll and debts in a timely manner.
5. Allow tax payment or other government-ordered payments or filings to be overdue or inaccurately filed.
6. Make a single line item purchase outside of the perimeters set forth in the Signatory Policy: GOV 201 except when negotiating the terms and conditions of service center leases or executing contracts.
7. Fail to notify the Board of delinquent accounts receivables after a reasonable grace period.

Emergency CEO Succession

In order to protect the Board from sudden loss of CEO services, the CEO may have no fewer than two (2) other executives familiar with Board and CEO issues and processes. In the event of the resignation of the CEO, the Chief Operations Officer will assume the interim role of CEO until a suitable replacement is identified.

Asset Protection

The CEO shall not allow the assets to be unprotected, inadequately maintained, or unnecessarily risked.

Accordingly, the CEO shall not:

1. Fail to insure against theft and causality loss to at least 80 percent of replacement value and against liability loss to the Board members, staff, and the organization itself in an amount greater than is required for a comparable community not-for-profit organization; thus allowing adequate Board liability insurance.
2. Subject plant and equipment to improper wear and tear or insufficient maintenance.
3. Make any purchase without making a comparative prices check.
4. Receive, process, or disburse any funds that would violate Board-approved standards.

Compensation and Benefits

With respect to employment, compensation, and benefits to employee, consultant, contract workers, and volunteer, the CEO shall not cause or allow jeopardy to fiscal integrity or public image.

According, the CEO shall not:

1. Change his personal compensation and benefits.
2. Promise or imply permanent or guaranteed employment.
3. Establish a compensation package for all employees, that is not within the salary line item budget for each year.
4. Develop a performance review process that is not manageable and equitable for all employees. The CEO is responsible for Sr. Management staff personnel. Directors are responsible for Division employees. CEO must review and approve all Directors.

Communication and Support to the Board

The CEO shall not permit the Board to be uninformed or unsupported in its work.

Accordingly, the CEO shall not:

1. Neglect to submit monitoring data required by the Board, in a timely and accurate fashion.
2. Let the Board be unaware of relevant trends, outcomes, anticipated adverse media coverage, internal and external changes and any Board directed issues that were in danger of failure.
3. Fail to advise the Board if, in the CEO opinion, the Board is not in compliance with its own policies on Governance Process and Board-CEO Linkage.
4. Fail to deal with the Board as a whole except when (a) fulfilling individual request for information, conducting Board briefings or (b) responding to officers or committees duly charged by the Board.
5. Fail to report in a timely manner actual or anticipated non-compliance with any policy of the Board.
6. Fail to supply for the consent agenda all items delegated to the CEO yet required by law or contract to be Board-approved, along with the monitoring assurance pertaining thereto.

The CEO may not enter into any grant or contract arrangements that fail to emphasize primarily the production of ends or outcomes, and secondarily, the avoidance of unacceptable means.

Accordingly, the CEO shall not:

1. Fail to prohibit particular methods and activities to preclude grants funds from being used in imprudent, unlawful, or unethical ways.

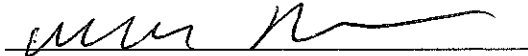
Community Based Care of Brevard, Inc. Policy and Procedure Manual

2. Fail to provide a comprehensive procurement and monitoring process in accordance with State, Federal and County standards in which recommendations regarding contract status and awards are disseminated to the Board

Approved by the CBC of Brevard Board of Directors January 25, 2007

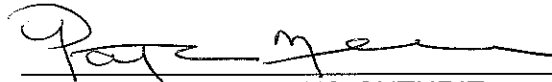
AS APPROVED BY THE BOARD OF DIRECTORS:

BY DIRECTION OF THE CHIEF EXECUTIVE OFFICER:



MR. WILLIAM RYDER
Chair

Signature Date: 11-20-2008



DR. PATRICIA NELLIUS-GUTHRIE
Chief Executive Officer

Signature Date: 11-20-2008