

HOW TO CREATE A

Board Policy Manual

STEP-BY-STEP PROCESS

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6 Essential Components to Create a Board Policy Manual (*That Works*)

A Board Policy Manual is guidebook, a reference book, and a storage file all in one. It is a living manual containing the agency's foundational documents and the appropriate documentation of all significant decisions made by the board. Its purpose is to help the board act consistently over time and often provides helpful guidance when facing new and challenging situations.

In order to keep the manual current and useful, one individual should be appointed to update it each time the board sets new, or revises current policy, changes the bylaws or other foundational documents, or makes significant decisions as part of its governance and fiduciary responsibilities.

PART 1: Introduction & Administration



- Purpose of manual
- Initial date established by the board
- Responsibility for ongoing updates to the BPM (Person/Committee)
 - Timeliness
 - Process to approve additions/changes

PART 2: Organizational Essentials

- Vision Statement
- Mission statement
- Values
- General functions of the nonprofit
- Primary strategies
- Major organizational goals
- Current strategic plan
- Current goals/tactics/objectives

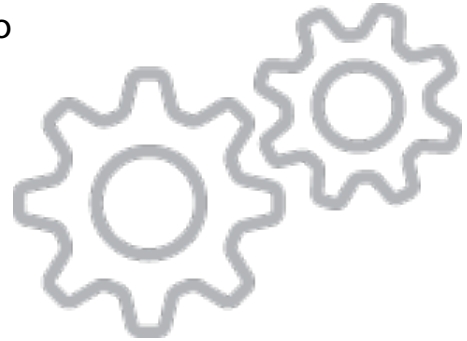
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PART 3: Board Structure and Process

Included is how the board will be structured, and operate, and what it expects from its officers, directors, and others. Governing rules, protocols, etc. are listed and some by-laws may be referenced.

- Responsibilities of the Board as a whole
- Board member criteria, responsibilities, and expectations
- Orientation process for new board members
- Board chair's role
- Board meetings-policies, processes, and understandings for how to conduct/how many to hold/who may attend them, etc
- Standing committees-
 - What are they
 - How are the spots filled
 - How is committee chair selected
 - Responsibilities
- Advisory committees, councils, Task Forces
 - Authorized?
 - Protocols
 - Extend of authority
- Guidelines or expectations about directors giving to the organization



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PART 4: Board Chair/Staff Relationship Referenced.

- Clear lines of authority, communication
- Leader to leader
- Board to staff
- Staff to Board
- Individual directors to everyone
- Job description of the ED/key staff
- General description of means and expectations on two-way communications and counsel between both Board chair and ED
- Board's responsibility to monitor and evaluate the ED's performance
- Standards for performance measurement
- Specific reporting requirements of Ed to the board/chair
- Annual ED performance review: ground rules, measurements, tools to be used, if any
- CEO transition procedures- permanent and leave of absence
- Board Reference Book-periodic and important reports provided to the board by ED/staff
- Other



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PART 5: Executive Parameters

- Financial parameters-
 - Budgeting protocols and understandings
 - Financial Controls
- Asset Protection parameters
 - Insurance
 - Bonds
 - Process for major purchases over \$____. Type, procedure, roles to be played...by whom
 - Investment Principles/ Protocols, Risk Management Considerations
- Communications plan, including restrictions
- Audit and compliance protocols and procedures-Internal and external

PART 6: Miscellaneous

- Conflict of Interest Policy
- Investment Policy
- Gifts policy
- Lobbying protocols
- Code of Ethics
- "Whistleblower" Policy
- Records retention and protection policy
- Risk management Policy
- Emergency Planning/Catastrophe Planning Policy
- Emergency Succession Planning Policy
- Board Self-Evaluation Policy
- Expense Reimbursement Policy



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