

# PSIA-Northwest Board of Directors Governing Policies and Procedures

## **ENDS**

With equal priority, PSIA-NW exists so that:

(Education) Members experience relevant and inspiring educational opportunities.

(Community) Members feel they are part of the PSIA-NW family.

(Credentials) Members develop valuable and distinct skills via specialist opportunities.

(Certification) Certification validates members 'skills set relative to the premier standard of snow sports instruction.

(Member Schools) Snowsport schools use PSIA-NW resources to meaningfully benefit their business success.

## **Executive Limitations Policies**

### **2.0 GLOBAL CONSTRAINT**

The Chief Executive Officer (CEO) shall not cause or allow any organization practice, activity, decision, or circumstance that is unlawful, imprudent, or in violation of commonly accepted business and professional ethics and practices.

#### **2.1 Emergency Executive Succession**

In order to protect the board from sudden loss of CEO services, the CEO shall not permit the board to have fewer than two other executive leaders or contractors identified and prepared to take over interim operations of the organization.

#### **2.2 Protection of Assets**

The CEO shall not cause or allow the organization's assets to be unprotected, inadequately maintained, or create unnecessary risk.

Further, the CEO will not:

1. Allow Northwest to be uninsured for general liability, fire and loss, and liability losses to Board members (e.g., Director & Officer Liability Insurance).
2. Allow Northwest's information and files to be exposed to loss, improper access, misuse, or significant damage.
3. Will not make investment decisions without credible supporting information.

#### **2.3 Financial Planning and Budgeting**

The CEO shall not cause or allow planning for any fiscal year to deviate from the board's Ends priorities, risk financial jeopardy, or be insufficient to ensure a sustainable multi-year plan.

The CEO will not allow budgeting that:

- 2.3.1 Risks incurring those situations or conditions described as unacceptable in the board policy "Financial Condition and Activities."
- 2.3.2 Omits credible projection of revenues and expenses, separation of capital and operational items, cash flow, and disclosure of planning assumptions.
- 2.3.3 Provides less for board prerogatives during the year than is set forth in the Cost of Governance policy.

## **2.4 Financial Condition and Activities**

With respect to the actual, ongoing financial condition and activities, the CEO will not cause or allow the development of fiscal jeopardy or material deviation of actual expenditures from board priorities established in Ends policies.

Accordingly, the CEO will not:

2.4.1 Expend more funds than have been received in the fiscal year.

2.4.2 Incur short-term debts in an amount greater than can be repaid within 60 days.

2.4.3 Use any long-term reserves. (*Note: long-term reserves are not operational reserves*).

2.4.4 Allow contract agreements and payroll debts to remain unpaid beyond what was promised in the agreement or policy.

2.4.5 Allow tax payments or other government ordered payments or filings to be overdue or inaccurately filed.

2.4.6 Acquire, encumber, commit to a new lease, or dispose of real property.

## **2.5 Communication and Support to the Board**

The CEO shall not cause or allow the board to be uninformed or unsupported in its work.

Accordingly, the CEO will not:

2.5.1 Neglect to submit Ends and Executive Limitation policy monitoring reports to the board according to the schedule set in Board-CEO Delegation.

2.5.2 Present reports, or other information, to the board that are unnecessarily complex, irrelevant or lengthy.

2.5.3 Fail to inform the board in a timely manner of any information affecting the image or credibility of the organization (e.g., anticipated non-compliance with any policy, media coverage, threatened or pending lawsuits, major changes to the operation, major changes anticipated in the external environment).

2.5.4 Allow the board to be without a workable communications system and online access to its governing documents (e.g., bylaws, policies, minutes).

2.5.5. Let the Board be unaware of any Board or Board member actions that, in the CEO's opinion, are not consistent with the Board's own policies.

## **2.6 Treatment of Staff, Volunteers, and Contractors**

With respect to the treatment of paid and volunteer staff and contractors, the CEO shall not cause or allow conditions that are unfair, exclusionary, disorganized, unclear, unsafe, or not in compliance with federal, state and local laws

## **2.7 Treatment of Members**

With respect to interactions with members, or prospective members, the CEO shall not cause or allow conditions, procedures, or decisions that are inaccessible, unfair, disorganized, unnecessarily intrusive, unsafe, or exclusionary.

## **Board-CEO Delegation Policies**

### **3. Board-CEO Delegation**

The board delegates operational organization authority to the Chief Executive Officer (CEO) and directs the CEO through its collectively written Ends and Executive Limitations policies allowing the CEO to use any reasonable interpretation of these policies.

#### **3.1.1. Monitoring CEO Performance**

Regular and routine monitoring of the CEO will be solely against the prescribed Ends to be achieved and the proscribed Executive Limitations to be avoided.

#### **3.1.1 Monitoring Method and Frequency**

The board will usually receive **internal** reports generated by the CEO or the CEO's team (this is "Internal" monitoring), except in the case of policy 2.5 Communication and Support to the Board. For this policy, the board is in the best position to determine if the CEO is compliant or not (this is monitored by "**Direct** Inspection"). Evidence of compliance with the CEO's policy interpretations will be provided to the board by the CEO.

The board could also invite an **external** third party or independent report (such as a CPA compilation, review, or audit) to collect evidence of compliance with the CEO's policy interpretations. Any expense for independent reports needs to be considered prior to the CEO's annual planning and budgeting and reflected annually in 4.6 Cost of Good Governance and must be carefully and thoughtfully exercised.

#### **3.1.2 Reasonable Interpretation**

For every Ends and Executive Limitations monitoring report, the board will determine:  
(a) the reasonableness of the CEO's interpretations, using a "reasonable person test"

rather than with interpretations favored by board members or the board as a whole. The board is the final arbiter of reasonableness. The board will also assess: (b) whether data demonstrate the accomplishment of the interpretation.

All policies that direct the CEO will be monitored, ordinarily, on the following routine schedule:

Policy	Method	Frequency	Month
1.0 Ends	Internal	Annually	September
2.0 Global Executive Constraint	Internal	Annually	September via monitoring report
2.1 Emergency Succession	Internal	Every year during board transition, as part of onboarding (e.g., July)	September via monitoring report
2.2 Protection of Assets	Internal	Every year during board transition	September via monitoring report
2.3 Financial Planning and Budgeting	Internal	Quarterly (some budgeting provisions annually)	30 days after end of every quarter via financial dashboard
2.4 Financial Condition and Activities	Internal	Annually	September via monitoring report
2.5 Communication and Support to the Board	Direct	Annually	Board work
2.6 Treatment of Staff, Volunteers, and Contractors	Internal	Annually	September via monitoring report

### **3.2 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:

**3.2.1** The board will never give instructions to persons who report directly or indirectly to the CEO.

**3.2.2** The board will not evaluate, either formally or informally, any staff other than the CEO.

**3.2.3** The board will view CEO performance as identical to organizational performance, so that organizational accomplishment of board stated Ends and avoidance of board proscribed means will be viewed as successful CEO performance.

## **Governance Process Policies**

### **4. GOVERNANCE PROCESS GLOBAL**

On behalf of its snowsport instructor community, the Board of Directors (the Board) shall ensure that PSIA-NW achieves appropriate results for appropriate persons for an appropriate cost, as specified in its Ends policies, and avoids unacceptable actions and situations, as prohibited in its Executive Limitations policies.

#### **4.1 Governing Commitments**

The Board will govern lawfully and with collective responsibility. The board will have a long-term perspective, rather than focusing solely on short-term interests; the board will take a holistic approach to governance, recognizing the interconnectedness of the organization with the greater community; the board will honor divergent opinions and listen attentively to divergent opinions.

#### **4.2 Board's Job Products**

The job of the Board is to a) be accountable to the greater community by listening to their expectations of the organization and build trust by reporting on the organization's results, b) craft policies to guide organizational decisions, and c) monitor that the organization has fulfilled the expectations laid out in policy.

#### **4.3 Group Responsibilities**

The Board develops policies that guide organizational decisions and sets the expectation for an open, honest, and ethical organizational culture. Although individual board members may have expertise and knowledge important to the work of the board, the board will develop a sense of group responsibility (rather than defaulting to the chairperson) to ensure decisions are made through good group process.

#### **4.4 Code of Conduct**

The Board commits itself to ethical, professional, and lawful conduct, including adequate individual study and preparation prior to meetings, proper use of authority, and appropriate decorum when acting as board members.

#### **4.5 Conflict of Interest**

Board directors (Directors) must avoid conflicts of interest with respect to their fiduciary responsibilities of care, loyalty, and obedience. There will be no self-dealing or business by a director. Directors will not be employees or contractors (e.g. education staff, examiners) with the organization. Directors will not have involvement with other like organizations or with vendors or any organizations that might be reasonably seen as representing a conflict of interest. Annually the Board of Directors is required to disclose any conflicts of interest. When the Board of Directors is to decide on an issue about which an individual director has an unavoidable conflict of interest, that director shall recuse themselves from discussions and voting.

#### **4.6 Cost of Good Governance**

The Board of Directors will plan thoughtfully and prudently for annual board training, onboarding, and any outside assistance. As such, the board will submit annual requests to the CEO for budgetary consideration.

#### **4.7 Fulfillment of Commitments**

The Board will develop policies that guide operational decision-making and assess compliance. This role is separate and distinct from the role of the CEO who plans and completes the strategic planning and day-to-day work.

#### **4.8 Agenda Planning (Board Calendar)**

To accomplish its stated objectives, the Board will follow an annual calendar and periodic governing agenda as necessary that schedules continuing review, monitoring and refinement of policies, demonstrate its accountability to community members, monitoring of policies, and activities to improve board performance through education, enriched dialogue and deliberation.

#### 4.9 Board Assessment

The Board will regularly and continually improve its capacity to govern effectively by using its Governance Process and Board-CEO Delegation policies as its guide and be completed according to the following schedule:

Policy	Frequency	*Month (add column to indicate in which month(s) the board will monitor itself according to each GP and BCD policy)
BCD 3.0		
BCD 3.1		
BCD 3.2 [optional]		
BCD 3.3 [optional]		
GP 4.0		
GP 4.1		
GP 4.2		
GP 4.3		
GP 4.4		
GP 4.5		
GP 4.6		
GP 4.7		
GP 4.8		
GP 4.9		

GP 4.10

GP 4.11

GP 4.12

#### **4.10 Selection of Directors**

The Board shall select directors in accordance with the Bylaws and shall maintain between 7 and 9 members on the Board.

#### **4.11 Officer roles**

**4.11.1** Chair. The chair is the Chief Governance Officer (CGO), and the leader of the board and of the organization. The chair partners with the organization's leadership to promote the organization and represent it to outside third parties. The chair prepares agendas and conducts board meetings and ensures that the board's directives stated in policy are implemented and monitored.

**4.11.2** Vice Chair. The Vice Chair assumes the duties of the Chair in the absence of the Chair or if the Chair is unable to perform the duties.

**4.11.3** Secretary/Treasurer. Per RCW 24.03A.585, these roles can be combined. The secretary provides guidance on proper meeting procedures as adopted by the board. The secretary takes minutes at board meetings, or designates a person for the task, and reviews and distributes the approved minutes.

The secretary prepares and maintains board records, such as minutes, monitoring reports, and committee reports, and ensures the accuracy and security of the records. The secretary is prepared to assume the leadership role when the Chair or Vice Chair is unavailable.

The Treasurer is an officer of the board whose purpose is to assist the board with its obligations related to the board (governance) budget and the fiduciary oversight of PSIA-NW finances.

#### **4.12 Use of Board Committees**

Board committees, when used, support the work of the Board and reinforce the wholeness of the Board's job and are never to interfere with delegation of authority from the board to the CEO.

The Chair may appoint Board members or others as appropriate to serve on Board Committees.

*If you create any board committees, list them and their mandates here.*