

**NESEA**  
**BOARD OF DIRECTORS**  
**GOVERNANCE POLICIES**

Amended February 2, 2018

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# NESEA GOVERNANCE POLICIES

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These Governance Process Policies describe the role of the NESEA Board of Directors and the Board's relationship with the Executive Director.

## GOVERNANCE PROCESS POLICIES

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### *GOVERNANCE PROCESS POLICY #1*

#### **GLOBAL GOVERNANCE COMMITMENT**

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The Board as a group, and as individuals, acts as trustees on behalf of the members of the organization. It/they must ensure that Northeast Sustainable Energy Association achieves appropriate ends for the organization at an appropriate cost and avoids unacceptable actions and situations.

### *GOVERNANCE PROCESS POLICY #2*

#### **GOVERNING STYLE**

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The Board will govern with an emphasis on:

- Outward vision rather than internal preoccupation
  - Encouragement of diversity in viewpoints
  - Strategic leadership rather than administrative detail
  - Clear distinction of Board, executive committee, and Chair roles
  - Collective rather than individual decisions
  - Future rather than past or present
  - Pro-activity rather than reactivity.
1. The Board will cultivate a sense of group responsibility. The Board will be responsible for excellence in governing. The Board will use the expertise of individual members to enhance the ability of the Board as a body rather than to substitute individual judgments for the Board's values.
  2. The Board will direct, control, and inspire the organization through the careful establishment of policies reflecting the Board's values and perspectives about ends to be achieved
  3. The Board will enforce upon itself whatever discipline is needed to govern with excellence. Discipline will apply to matters such as attendance, preparation, policy-making principles, respect of roles, and ensuring continuance of governance capability. Continual Board development will include orientation of new Board members in the Board's governance process and periodic Board discussion of process improvement.
  4. The Board will monitor and discuss the Board's process and performance at the annual Board retreat or more frequently as required.

**GOVERNANCE PROCESS POLICY #3**  
**AGENDA PLANNING**

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To accomplish its purpose, the Board will follow an annual agenda that:

1. Reviews policies and explores and implements ways to improve Board performance through Board education and enriched input and deliberation.
2. The Board's annual agenda will be reviewed and adjusted at an annual retreat, held sufficiently close to the end of the fiscal year of the organization so that administrative planning and budgeting can be based on accomplishing a one-year segment of the Board's most recent statement of long-term Ends.
3. The Board is the sole authority over its own agenda. The Chair and Executive Committee will exercise this control on behalf of the Board, but any member - with the majority agreeing - may add or delete items from the agenda.
4. The Board will review the following topics on a regular basis
  - a. Budget and financial reporting format
  - b. Governance policies
  - c. Organization's by-laws
  - d. Board composition and maintenance of a "Board Candidate Pool"
  - e. Fundraising and resource development
5. Executive Director remuneration, both base salary and incentive bonus payments, will be determined by the Board upon advice from the Executive Committee after a review of monitoring reports and the incentive payment objectives set at the beginning of the fiscal year, conversations with key NESEA staff members (if appropriate), and a review of the evaluation received in the previous year. This Evaluation will be conducted annually.

**GOVERNANCE PROCESS POLICY #4**  
**CHAIRPERSON'S ROLE**

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The Chairperson assures the integrity of the Board's process and occasionally represents the Board to outside parties.

1. The Chairperson ensures that the Board behaves consistently with its own values and standards and those required from outside the organization.
  - a. Meeting discussion content will be only those issues identified in policy #4.
  - b. Deliberation will be fair, open, and thorough but also timely, orderly, and to the point.
  - c. Meetings will attempt to discover the group wisdom through members listening carefully and with respect to each other.
2. The authority of the Chairperson consists in making decisions that fall within topics covered by Board policies except where the Board specifically delegates portions of this authority to others. The Chairperson is authorized to use any reasonable interpretation of the provisions in these policies.
  - a. The Chairperson is empowered to chair Board meetings, with all the commonly accepted power of that position (e.g. ruling, recognizing).
  - b. The Chairperson may represent the Board to outside parties in announcing Board-stated position and in stating Chair decisions and interpretations within the area delegated to her or him.
  - c. The Chairperson may delegate this authority but remains accountable for its use.

3. In conjunction with the Executive Committee, the Chair will organize Board Committees and set the tasks and work plans for these Committees. (Note: Board Committees may, and indeed should, include members who are not (yet) Board members – especially those currently in the “Board Candidate Pool.”)
4. The Chair will ensure orientation and training of the Board.

*GOVERNANCE PROCESS POLICY #5*  
**BOARD MEMBERS' CODE OF CONDUCT**

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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 represent the interests of the total membership. This accountability supersedes any conflicting loyalty such as that to advocacy or interest groups and membership on other Boards or staffs. It also supersedes the personal interest of any Board member as a clientele of the organization’s services.
2. Board members may not attempt to exercise individual authority over the organization except as explicitly set forth in Board policies.
  - a. Board members’ interaction with the Executive Director or with staff must recognize the lack of authority vested in an individual except when explicitly Board-authorized.
  - b. Board members' interactions 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. Board members will not voice individual judgments of Executive Director or staff performance to those other than members of the Board.
3. Board members will respect the confidentiality appropriate to issues of a sensitive nature.

*GOVERNANCE PROCESS POLICY #6*  
**BOARD COMMITTEE PRINCIPLES**

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Board committees will reinforce the the Board's job and shall not interfere with delegation from Board to Executive Director.

1. Board committees are not to direct or to advise the staff. Committees ordinarily will assist the Board by preparing policy alternatives and implications for Board deliberation. Board committees will normally not deal with current staff operations.
2. Board committees may not speak or act for the Board except when formally given such authority for specific and time limited purposes. Expectations and authority will be carefully stated in order not to conflict with authority delegated to the Executive Director.
3. Board committees cannot exercise authority over staff. Because the Executive Director works for the full Board, he or she will not be required to obtain approval of a Board committee before an executive action.
4. Board committees are to avoid over-identification with organizational parts rather than the whole. Therefore a Board committee that has helped the Board create policy on some topic will not be used to monitor organizational performance on that same topic.
5. This policy applies to any group that is formed by Board action, whether or not it is called a committee and regardless whether the group includes Board members.

*GOVERNANCE PROCESS POLICY #7*  
**COST OF GOVERNANCE**

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Because poor governance costs more than learning to govern well, the Board will invest in its governance capacity.

1. Board skills, methods, and supports will be sufficient to assure governing with excellence.
  - a. Training and retraining will be used liberally to orient new Board members and Board candidates, as well as to maintain and increase existing member skills and understandings.
  - b. The Board will coordinate with the Executive Director to budget for any training it deems necessary.

## **BOARD-EXECUTIVE DIRECTOR LINKAGE POLICIES**

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**BOARD-EXECUTIVE DIRECTOR LINKAGE #1**  
**GLOBAL POLICY**

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

**BOARD-EXECUTIVE DIRECTOR LINKAGE #2**  
**UNITY OF CONTROL**

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Only decisions of the Board acting as a body are binding on the Executive Director.

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

*BOARD-EXECUTIVE DIRECTOR LINKAGE #3*  
**ACCOUNTABILITY OF THE EXECUTIVE DIRECTOR**

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The Executive Director 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 Executive Director.

1. It is not the role of the Board to give instructions to persons who report directly or indirectly to the Executive Director.

2. The Board will refrain from evaluation, either formally or informally, of any staff other than the Executive Director, unless requested by the ED.

#### **BOARD-EXECUTIVE DIRECTOR LINKAGE #4 DELEGATION TO THE EXECUTIVE DIRECTOR**

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In general, the Board will instruct the Executive Director through written policies and directives, including Board meeting notes, that prescribe the organizational Ends to be achieved and describe organizational situations and actions to be avoided, allowing the Executive Director to use any reasonable interpretation of these policies.

1. The Board will develop policies instructing the Executive Director to achieve certain ends, for certain recipients, at a specified cost.
2. The Board may develop policies that limit the latitude the Executive Director may exercise in choosing the operational means.
3. As long as the Executive Director uses any reasonable interpretation of the Board's policies, the Executive Director is authorized to establish all further policies, make all decisions, take all actions, establish all practices, and develop all activities.

#### **BOARD-EXECUTIVE DIRECTOR LINKAGE #5 MONITORING EXECUTIVE DIRECTOR PERFORMANCE**

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The Executive Director's performance will be measured solely against the job outputs adopted by the Board.

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 methods:
  - a. Internal Report, in which the Executive Director discloses compliance information to the Board
  - b. External Report, in which an external, disinterested third party selected by the Board assesses compliance with Board policies
  - c. Direct Board inspection, in which a designated member or members of the Board assess compliance with the appropriate policy criteria.
3. The standard for compliance shall be how would *any reasonable Executive Director* comply with the Board policy being monitored.
4. All policies that instruct the Executive Director 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 do so on a routine schedule.
5. In general, evaluations will take place annually at the initiation of the Board. If organizational performance or condition require, the Board may initiate interim evaluations.