

*Nazarene Compassionate
Ministries, Inc.*



*Challenged by Faith
to end Poverty*

BOARD OF DIRECTORS

***“A forward looking, value-defining
and facilitating board”***

***Board Standing Policies Manual
Adopted March 29, 2007***

Introduction

This Board Standing Policies Manual contains all of the standing, or on-going, policies adopted by the Board of Directors.

Reasons for Adoption. *The reasons for adopting this evolving manual include:*

- *Efficiency of having ALL on-going board policies in one place.*
- *Ability to quickly orient new board members to current policies.*
- *Elimination of redundant, or conflicting, policies over time.*
- *Ease of reviewing current policy when considering new issues.*
- *Clear, pro-active policies to guide the chief executive officer and staff.*
- *Models an approach to governance that sister organizations might use.*

Consistency. *Each policy is consistent with the “Articles of Incorporation” and Bylaws, which have precedence over this board policy document. The CEO will be held accountable for developing all other organizational policies and procedures to be consistent with this manual.*

Changes. *Changes to this manual are possible at every Board meeting. Except for time-limited or procedural-only policies (approve minutes, elect officers, etc), which are recorded in regular Board minutes, all new “standing policies” approved by the full board will be included in this manual. Recommendations may come from any committee, director, or the CEO.*

Specificity. *Each new policy will be drafted to fit within the most logical policy section listed below. Each set of policies is drafted from the “outside in,” meaning the broadest policy statement is made first, then the next broadest, etc. At this point in detailing each policy section, the Board has stopped and essentially is saying, “We are now willing for the appropriate leaders to give reasonable interpretation to our board policy.” Over time, the Board can reduce or add to the specificity of its policies.*

Maintenance of Policies. *The Board Secretary will oversee the recording and publication of these standing policies. The CEO’s designee will maintain the policies on computer and provide updated copies to the Board when revisions occur. This manual is not likely ever to exceed 15-20 pages. It may be amended to some extent at every Board meeting.*

Major Policy Sections.

I. Ends toward which we are working-Mission, Vision, Values

This section defines why we exist, for whom we exist, what we intend to contribute to those for whom we exist, and the priorities we assign to the benefits we provide to them.

II. Board Governance Process

This section defines how the board will go about doing its work of governing the organization.

III. Board-CEO Linkage

This section defines how the board will delegate authority and responsibility to the Chief Executive Officer.

IV. Executive Limitations

This section defines the parameters/limitations within which the Chief Executive Officer will work in accomplishing the task assigned to him/her.

BOARD STANDING POLICY MANUAL

I. Ends toward which we are working-mission, vision, values

Global Policy

- ED-1 The mission of NCM, Inc is to mobilize private and public resources to help the church fulfill its biblical mandate to eliminate poverty and its root causes, calling individuals to loving, compassionate and just service.

Ends to be Achieved

- ED-2 In pursuit of this mission NCMI will bring about results in three areas:
1. Create awareness among foundations, corporations, government agencies and with broader faith-based organizations that share the mission of NCMI
 2. Develop resources for the NCM network.
 3. Build capacity within the NCM network.

II. Board Governance Process

“Global” Policy

- GP-1 The purpose of the NCMI Board, on behalf of the General Board of General Superintendents of the Church of the Nazarene, is to ensure that NCMI (1) achieves its mission at an appropriate cost and (2) avoids unacceptable actions and situations.

Governance Process

- GP-2 The Board will govern with an emphasis on (1) outward vision rather than internal preoccupation, (2) strategic leadership more than administrative detail, (3) collective rather than individual decisions, (4) the future rather than the past or present, (5) pro-activity rather than reactivity, and (6) board acceptance of responsibility for excellence of governance.
- GP-3 The Board will direct, control, and inspire the organization through the careful establishment of broad written policies reflecting the values and perspective about, (I) Ends to be achieved, (II) Board governance process, (III) Board-CEO linkage, and (IV) Executive Limitations.

Ultimate Responsibility

- GP-4 The Board recognizes that on all projects secured through NCMI, whether domestic or international, the NCMI Board carries ultimate responsibility for the successful programmatic and financial completion of those projects. The NCMI administrators and Board will work with the appropriate persons to ensure that success.

Strategic and Annual Plans

- GP-5 The Board shall ensure that the CEO develops a three to five year Strategic Plan including financial projections for board approval. The plan shall be developed in consultation with the Executive Committee, with input from the Board and administrators.
- GP-6 The board shall ensure that the CEO annually develops a “Working Plan” including the year’s goals, objectives, actions, and the year’s budget, for board approval. The plan shall be developed in consultation with the Executive Committee, with input from the Board and administrators.

Board Committee Principles

- GP-7 The Board will establish the following committees: Executive, Finance/Audit, International Projects, Domestic Projects, and other committees it deems necessary. Committees will reinforce the Board’s job and not interfere with delegation from the Board to the CEO.
- GP-7.1 The committee meeting times shall be as stated in the Bylaws or as recommended by the chairperson and approved by the Board.

Executive Committee

- GP-8 The executive committee shall be established per NCMI Bylaws, section 6.2. Its role is to guide the organization between Board meetings within the context of policies that have been adopted by the full Board, using any reasonable interpretation of those policies.

Board Chairperson’s Role

- GP-9 The Chairperson assures the integrity of the Board’s process and occasionally represents the board to outside parties.
- GP-9.1 The authority of the Chairperson consists of making decisions that fall within topics covered by Board policies unless the Board has delegated portions of the authority to others. The Chairperson is authorized to use any reasonable interpretation of these policies.
- GP-9.2 The CEO reports only to the full Board therefore the Chairperson is not authorized to directly supervise or direct the CEO.
- GP-9.3 The Chairman and CEO recognize the difference between policy and administration and understand that they fulfill different roles. They also know that the partnership they form in these roles is crucial to the success of NCMI

Board Member’s Decision Making Role

- GP-10 The Board as an entity carries responsibility for the results, actions and activities of NCMI Individual Board members are a part of that entity and may recommend changes to policies, decisions or actions to the full board for action.

Board Member's Contribution Policy

GP-11 Each Board member is expected to participate financially in the work of NCMI as their circumstances permit.

Annual Calendar

GP-13 The Board will schedule its primary activity as follows:

March	Annual Board Meeting Elect Officers Adopt Auditor's Financial Report Strategic Planning Session
October	Semi-annual Board Meeting Conditionally Adopt Strategic & "Working" Plans Conduct Anti-fraud Review Recommend Nominees for Board Members
December	Sign "Code of Conduct" and "Conflict of Interest" Renewal Statements Adopt Strategic & "Working" Plans

Additional telephonic Board meetings will be scheduled as needed. Committee meetings will be scheduled by Committee Chairmen.

III. Board-CEO Linkage

"Global" Policy

BL-1 The Board's sole official connection to NCMI's operational organization, its achievements, and conduct will be through the CEO.

Unity of Control

BL-2 Only decisions of the Board acting as a body are binding on the CEO. Accordingly, decisions or instructions of individual Board members, officers, or committees are not binding on the CEO unless the board has authorized such exercise of authority.

BL-2.1 The CEO shall generate, and keep current, an organizational chart showing NCMI personnel and all related entities.

Strategic and Annual Planning

BL-3 A three to five year Strategic Plan including financial projections shall be developed by the CEO in accordance with GP-5.

BL-4 A "Working Plan" including the budget shall be developed annually by the CEO in accordance with GP-6.

Evaluating and Monitoring the CEO's Performance

- BL-5 The board will annually conduct an appraisal of the CEO's performance. The evaluation will be solely against the "Ends" per the Strategic and "Working Plan", GP-5 and GP-6, and the executive limitations established by the Board in EL-1 through EL-12.
- BL-5.1 The CEO shall provide brief email reports monthly to the Board on non-financial developments of importance, such as grant progress, program issues, and emerging opportunities.
- BL-5.2 The CEO shall provide monthly financial reports to the Finance Committee and quarterly financial reports to the Board. These reports shall include sufficient data for the Board to stay abreast of short, medium and long term progress toward the established goals.
- BL-5.3 Monitoring of the CEO's performance shall be accomplished by internal reports from the CEO, external reports from third parties, or direct discussion with designated Board personnel per the following:

Policy	Method	Frequency
Strategic Plan	Internal Report	Annually
Working Plan	Internal Report	Quarterly
Financial Planning and Budgeting	Internal Report	Monthly to Finance Committee
	Internal Report	Quarterly to the board
Financial Condition and Activities	Internal Report	Monthly to Finance Comm.
	Internal Report	Quarterly to the board
	Internal Report	Annually
Asset Protection	Internal Report	Annually
Treatment of Staff	Internal Report	Annually
Personnel Salary Schedule	Internal Report	Annually
Communication and Support	Direct-Executive Committee	Monthly

CEO's Remuneration

- BL-6 The CEO's compensation shall be set by the Board based on the Executive Committees' recommendation. The Executive Committees' recommendation shall be based on an assessment of performance of the organization per the Strategic Plan (GP-5) and the annual "Working Plan." (GP-6)

IV. Executive Limitations

“Global” Policy

- EL-1 The CEO shall not cause or allow conditions, procedures, or decisions that violate accepted business ethics, standards of prudence, laws of the country(s) of operation, and mission, vision and values of the General Board of the Church of the Nazarene. The CEO shall not fail to institute appropriate controls regarding this for all NCMI activity. In the event a violation is discovered, the CEO shall not fail to correct it immediately.

Administrative Policy Development

- EL-2 The CEO shall develop all other administrative policies and procedures to be consistent with this manual.

Program Boundaries

- EL-3 The CEO’s scope of activity is established by the Strategic Plan (GP-5) and the “Working Plan.” (GP-6)The CEO shall not add or delete a program or grant without the approval of the Board.

Programming Process

- EL-4 With respect to the securing of funds, development and ongoing implementation of international projects, the CEO shall not pursue funding opportunities, consult with or provide consultation for, create or establish projects or programs without the explicit authorization of the International Projects Committee and the President of International Projects.
- EL-5 With respect to the securing of funds, development and ongoing implementation of USA/Canada projects, the CEO shall not pursue funding opportunities, consult with or provide consultation for, create or establish projects or programs without the explicit authorization of the Domestic Projects Committee and the President of Domestic Projects.

Expenditure Boundaries

- EL-6 With respect to financial planning and budgeting, the CEO shall function within the three to five year budget established by the Strategic Plan (GP-5) and the annual budget established by the “Working Plan.” (GP-6)
- EL-7 If the CEO desires a budget revision, the CEO shall present the request to the Board for approval.

Financial Condition and Activities

- EL-8 With respect to the actual, ongoing financial condition and activities, the CEO shall not cause or allow the development of fiscal jeopardy or a material deviation of actual expenditures from board priorities established in the Strategic and “Working Plan.” (GP-5, GP-6)

Asset Protection

EL-9 The CEO shall not allow the assets to be unprotected, inadequately maintained, or unnecessarily risked.

Treatment of Staff

EL-10 With respect to paid and volunteer staff, the CEO may not cause or allow conditions that are unfair or undignified, accordingly he may not:

1. Operate without written personnel policies that clarify rules for staff, provide for effective handling of grievances, and protect against wrongful conditions such as nepotism and grossly preferential treatment for personal reasons.
2. Discriminate against staff members for expressing an ethical dissent.
3. Prevent staff from grieving to the Board when: (A) internal grievance procedures have been exhausted and (B) the employee alleges either that (a) board policy has been violated to his or her detriment or (b) board policy does not adequately protect his or her human rights.

Personnel Salary Schedule

EL-11 The CEO shall establish the compensation of all persons reporting directly or by contract to the CEO based on salary ranges and inflation estimates set by the Board.

Communication and Support to the Board

EL-12 The CEO shall not permit the Board to be uninformed or unsupported in its work, accordingly the CEO may not:

1. Fail to submit monitoring data in a timely, accurate, and understandable fashion.
2. Fail to let the Board be aware of relevant trends, anticipated adverse media coverage, material external and internal changes, particularly changes in the assumptions used by the Board in establishing policy.
3. Fail to report in a timely manner an actual or anticipated non-compliance with any policy of the Board.
4. Fail to advise the Board of all items delegated to the CEO yet required by law or contract to be Board approved.
5. Fail to advise the Board at the appropriate time during each year of Board committee action or Board decisions required by policies subordinate to this manual.