

Board Policies Manual for The Foundation for the Advancement of Music Education

Approved on July 26, 2012

Part 1: Introduction and Administration

This Board Policies Manual (BPM) contains all of the current standing (ongoing) policies adopted by Board of Directors (Board) of the Foundation for the Advancement of Music Education (Foundation).

- 1.1 **Reasons for Adoption.** The reasons for adopting this BPM include:
 - Efficiency of having all ongoing 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
 - Providing clear policies to guide the Foundation staff and others responsible for implementing Board policies

- 1.2 **Consistency.** Each policy in this document is expected to be consistent with the law, the articles of incorporation, and the bylaws, all of which have precedence over these Board policies. Except for time-limited or procedural-only Board decisions (approving minutes, electing an officer, etc.), which are recorded in regular Board minutes, all standing Board policies shall be included or referred to in this document.

- 1.3 **Transition.** Whether adopted part by part or as a complete document, as soon as a version of a policy is voted on as the “one voice” of the Board, that policy becomes a part of the BPM and supersedes any past policy that might be found in old minutes unless a prior Board resolution or contract obligates the organization with regard to a specific matter.

- 1.4 **Changes.** These policies are meant to be reviewed constantly and to be frequently refined. When a new version of the BPM is proposed, it is presented in “tracked change” format with the new, revised, and deleted policies are made clear. Any change to this BPM must be approved by the Board. Proposed changes may be submitted by any Board member. Whenever changes are adopted, a new document should be printed, dated, and quickly made available to the Board and staff. The previous version should be kept on a disk for future reference if needed.

- 1.5 **Specificity.** Each new policy will be drafted to fit in the appropriate place within the BPM. Conceptually, policies should be drafted from the “outside in,” i.e., the broadest policy statement should be presented first, then the next broadest, etc., down to the level of detail that the Board finds

appropriate for Board action and below which management is afforded discretion as to how it implements the policies in this BPM.

- 1.7 **Maintenance of Policies.** The President or his/her representative shall maintain the BPM and provide updated copies to the Board whenever the policies change, or upon request. Discrete documents referred to in the BPM will be kept in a notebook called the Board Reference Book [see Section 4.8 of this BPM].

Part 2: Organization Essentials

- 2.1 The purpose of the Foundation is to promote music education by conducting quality research, testing innovative teaching techniques, sponsoring academic studies, recognizing excellence in teaching, and supporting other activities that enhance the cost effective delivery of music education.
- 2.2 The values that define the culture of the Foundation are [TBD]:
- 2.3 The primary Board strategies by which we will fulfill our purpose include [TBD]:
- 2.4 The major organizational goals and monitoring indicators for the year ahead are [TBD]:
- 2.5 Strategic Plan. The Board is expected to think strategically at all times. The President is expected to develop a strategic plan based on the policies in this BPM, update it as necessary, link major activities in the plan to the relevant sections of this BPM, and provide copies of the plan to the Board for information by December 1 of each year, starting in 2013.

Part 3: Board Structure and Processes

- 3.1 **Governing Style.** The Board will approach its task with a style that emphasizes outward vision rather than an internal preoccupation, encouragement of diversity in viewpoints, strategic leadership more than administrative detail, clear distinction of Board and staff roles, and proactivity rather than reactivity. In this spirit, the Board will:
 - 3.1.1 Enforce upon itself and its Board members whatever discipline is needed to govern with excellence. Discipline shall apply to matters such as attendance, respect for clarified roles, speaking to management and the members with one voice, and self-policing of any tendency to stray from the governance structure and processes adopted in these Board policies.

- 3.1.2 Be accountable to stakeholders for competent, conscientious, and effective accomplishment of its obligations as a body. It will allow no officer, individual, or committee of the Board to usurp this role or hinder this commitment.
- 3.1.3 Monitor and regularly discuss the Board's own processes and performance, seeking to ensure the continuity of its governance functions by orientation, training, and evaluation.
- 3.1.4 Be an initiator of policy, not merely a reactor to staff initiatives. The Board, not the staff, will be responsible for Board performance.

3.2 Board Job Description. The job of the Board is to lead the organization toward the desired performance and ensure that performance occurs. The Board's specific contributions are unique to its trusteeship role and necessary for proper governance and management. Consistent with the powers granted the Board in the Bylaws, the Board shall:

- 3.2.1 Hold the President accountable for developing a plan consistent with these policies.
- 3.2.2 Determine the limitations within which the President is expected to achieve the goals/outcomes.
- 3.2.3 Monitor the performance of the organization relative to the achievement of the goals/outcomes within the executive limitations.
- 3.2.4 Maintain and constantly improve all ongoing policies of the Board in this BPM.
- 3.2.6 Ensure financial solvency and integrity through policies and behavior.
- 3.2.7 Require periodic financial and other external audits to ensure compliance with the law and with good practices.
- 3.2.8 Evaluate and constantly improve the Board's performance and set expectations for Board members' involvement as volunteers.
- 3.2.9 Adopt limitations on the President's authority to execute contracts and authorize expenditures.

3.3 Board Member Criteria. In nominating members for the board, the Board shall be guided by the Board Profile (BPM Addendum A) showing the desired make-up of the board, requirements for all members, and categories of special expertise on the board.

3.3 Orientation. Prior to election, each nominee shall be given this BPM along with adequate briefings on the role of the Board, officers, and staff and an overview of programs, plans, and finances. Soon after election, each new Board member will be given more comprehensive orientation material and training.

3.4 Chair's Role. The Chair of the Board shall manage the Board so as to maintain the integrity of the Board's processes and policies as stated in

the BPM. The Chair ensures that the Board behaves in a manner consistent with its own rules and those legitimately imposed upon it from outside the organization. Meeting discussion content will be those issues that, according to Board policy, clearly belong to the Board to decide, not to staff.

The authority of the Chair consists only in making decisions on behalf of the Board that fall within and are consistent with any reasonable interpretation of Board policies in this BPM and in the Bylaws. The Chair shall be the spokesperson for the Board and shall communicate frequently with the members on Board issues, actions, and decisions.

3.5 Board Meetings. Policies that are intended to improve the process for planning and running meetings follow:

3.5.1. The schedule for Board meetings for the year shall be set at the beginning of the calendar year.

3.5.2. The Chair shall develop the agenda for all meetings, which shall be electronically mailed to all Board members no later than 3 days in advance of Board meetings.

3.6 Standing Committees. Committees help the Board be effective and efficient. They speak "to the Board" and not "for the Board." A committee may not exercise authority that is reserved to the Board by the Bylaws or by the applicable laws of Tennessee. Committees are not created to advise or exercise authority over staff. Once committees are created by the Board, the Board Chair shall appoint committee chairs and members for one-year terms, subject to Board approval.

3.7 Board Members' Code of Conduct. The Board expects of itself and its members ethical and businesslike conduct. Board members are required to abide by the provisions with respect to conflicts of interest as presented in Article VII of the Bylaws. Board members must be loyal to the interests of the entire organization, superseding any conflicting loyalty such as that to family members, advocacy or interest groups, and other Boards or staffs of which they are members. Board members must avoid any conflict of interest with respect to their fiduciary responsibility. There must be no self-dealing or conduct of private business or personal services between any Board member and the organization except as procedurally controlled to assure openness.

Each Board member is expected to complete and sign a Conflict of Interest Statement on an annual basis.

Board members are expected to keep in confidence the issues, discussions, and actions of the Board. As the spokesperson for the Board,

the Chair shall determine whether and when Board information is shared with persons other than Board members.

Part 4: Board–Staff Relationship

- 4.1 Delegation to the President as the Chief Executive Officer.** While the Board’s job is generally confined to establishing high-level policies, implementation of those policies and subsidiary policy development are delegated to the President, who is the Chief Executive Officer (CEO).
- 4.1.1 All Board authority delegated to staff is delegated through the CEO, so that all authority and accountability of staff—as far as the Board is concerned—is considered to be the authority and accountability of the President.
 - 4.1.2 Organization Essentials policies (BPM Part 2) direct the President to achieve certain results. The policies in BPM Part 5, Executive Limitations, define the acceptable boundaries within which the President is expected to operate. The President is authorized to establish further policies, make decisions, take actions, and develop activities as long as they are consistent with any reasonable interpretation of the Board’s policies in this BPM.
 - 4.1.3. The Board may change its policies during any meeting, thereby shifting the boundary between Board and President domains. Consequently, the Board may change the latitude of choice given to the President, but so long as any particular delegation is in place, the Board and its members will respect and support the President’s choices. This does not prevent the Board from obtaining information in the delegated areas.
- 4.2 President’s Job Description.** As the Board’s single official link to the operating organization and consistent with the Bylaws, the President’s performance will be considered to be synonymous with organizational performance as a whole. Consequently, the President’s job contributions can be stated as performance in two areas: (a) organizational accomplishment of the major organizational goals in Section 2.5 of this BPM, and (b) organization operations within the boundaries of prudence and ethics established in Board policies.
- 4.3 Communication and Counsel to the Board.** The President shall keep the Board informed about matters essential to carrying out its policy duties. Accordingly, the President shall:
- 4.3.1 Inform the Board of relevant trends, anticipated adverse media coverage, and material external and internal changes, particularly changes in the assumptions upon which any Board policy has

previously been established, always presenting information in as clear and concise a format as possible.

4.3.2 Relate to the Board as a whole except when fulfilling reasonable individual requests for information or responding to officers or committees.

4.3.3 Report immediately any actual or anticipated material noncompliance with a policy of the Board, along with suggested changes.

4.4 Monitoring Executive Performance. The purpose of monitoring is to determine the degree to which the mission is being accomplished and Board policies are being fulfilled. Monitoring will be as automatic as possible, using a minimum of Board time, so that meetings can be used to affect the future rather than to review the past. As reports are developed to monitor performance, they will be listed in this BPM section.

4.5 Board Reference Book and Web Site. In addition to reports that the President may choose to make to the Board, the President shall develop and maintain a Board Reference Book with all pertinent documents to which Board members might want to refer during Board and committee meetings (e.g., articles, bylaws, recent minutes, list of key volunteers/consultants, Board documents referred to in this BPM, etc.). In addition, as funding is available, the President shall maintain a secure Internet web site for Board members to allow them to access relevant data and reports on a timely basis. The President shall notify Board members as new key information is posted to the Board web site.

Part 5: Executive Limitations

5.1 General Guidance. The purpose of BPM Part 5 is to detail those executive limitations that will guide the President as he accomplishes the purpose of the Foundation. These limitations are intended to free the Foundation to make timely decisions without undue Board directives. As a general statement of policy in this regard, the Board expects that the President will do nothing that is illegal, unethical, or imprudent. In addition to these general limitations, the Board details its executive limitations in the sections that follow.

5.2 Finance Limitations. The General Manager must ensure that the financial integrity of the organization is maintained at all times; that proper care is exercised in the receiving, processing, and disbursing of funds; and that financial and non-financial assets are appropriately protected.

5.2.1 Budgeting. The budget during any fiscal period shall not (a) deviate materially from the Board's goals and priorities listed in Part

2, (b) risk fiscal jeopardy, or (c) fail to show a generally acceptable level of foresight. Accordingly, the President may not cause or allow budgeting that:

5.2.1.1 Contains too little detail to (a) enable accurate projection of revenues and expenses, (b) separate capital items from operational items, (c) monitor cash flow and subsequent audit trails, and (d) disclose planning assumptions.

5.2.1.2 Anticipates the expenditure in any fiscal year of more funds than are projected to be received in that period.

5.2.2 Financial Controls. The President must exercise care in accounting for and protecting the financial assets of the organization. To this end, the President is expected to incorporate generally accepted accounting principles and internal controls in the financial systems that are employed in the organization. In addition, the President may not:

5.2.2.1 Approve an unbudgeted expenditure or commitment of greater than \$5000 without the approval of the Board.

5.2.2.2 Fail to implement a prudent policy on separation of accounting duties, including the approval of expense reports, check signing authority, and other policies of good financial stewardship.

5.2.3 Asset Protection. The President may not allow assets to be unprotected, inadequately maintained, or unnecessarily risked. Accordingly, the President may not:

5.2.3.1 Fail to insure against material theft and casualty losses and against liability losses to Board members or the organization beyond an acceptable prudent level.

5.2.3.2 Unnecessarily expose the organization, its Board, or its staff to claims of liability.

5.3.1 Communications. The Chair shall be the sole spokesperson for the Board on matters of Board policies. The Chair shall also be the sole spokesperson to news media or other external persons except in those areas where he shall delegate a spokesperson.