

## **2.0 Governance-Management Connection**

---

### **Global Governance-Management Connection**

The Board's sole official connection to the operational organization, its achievements, and its conduct will be through a chief executive officer, titled Executive Director.

#### **2.1 Unity of Control**

The Executive Director and the Board operate as partners – with both entities working together and supporting each other toward a common end.

Accordingly,

- 2.11 The Board shall have authority over the Executive Director only when speaking as a body. Only official decisions of the Board adopted by the Board as a body are binding on the Executive Director.
- 2.12 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.
- 2.13 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 material amount of staff time or funds or is disruptive.

#### **2.2 Accountability of the Executive Director**

The Executive Director is accountable to the Board for the performance of Wisconsin Youth Company, Inc. 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.

Accordingly,

- 2.21 The Board will never give instructions to persons who report directly or indirectly to the Executive Director.

## **2.0 Governance-Management Connection (continued)**

---

2.22 The Board will not evaluate, either formally or informally, any staff other than the Executive Director.

2.23 The Board will view Executive Director 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 Executive Director performance.

### **2.3 Delegation to the Executive Director**

The Board will instruct the Executive Director through written policies 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.

Accordingly,

2.31 The Board will develop policies instructing the Executive Director to achieve specified results for specified recipients at a specified cost. These policies will be developed systematically and will be called Ends policies. All issues that are not ends issues as defined here are means issues.

2.32 The Board will develop policies that limit the latitude the Executive Director may exercise in choosing the organizational means. These policies will be developed systematically from the broadest, most general level to more defined levels, and they will be called Executive Limitations policies. Except as provided in 2.34 below, the Board will never prescribe organizational means delegated to the Executive Director.

2.33 As long as the Executive Director uses *any reasonable interpretation* of the Board's Ends and Executive Limitations policies, the Executive Director is authorized to establish all further policies, make all decisions, take all actions, establish all practices, and pursue all

## **2.0 Governance-Management Connection (continued)**

---

activities. Such decisions of the Executive Director shall have full force and authority as if decided by the Board. While the Ends and Executive Limitations policies established by the Board prescribe the expected levels of performance, further decisions in these areas belong to the Executive Director.

- 2.34 The Board may change its Ends and Executive Limitations policies, thereby shifting the boundary between Board and Executive Director domains. By doing so, the Board changes the latitude of choice given to the Executive Director. When making such a change, the Board will specify the expected compliance date. But as long as any particular delegation is in place, the Board will respect and support the Executive Director's choices.

### **2.4 Monitoring of Executive Director Performance**

Systematic and rigorous monitoring of Executive Director job performance will be solely against the only expected Executive Director job outputs: organizational accomplishment of Board policies on Ends and organizational operation within the boundaries established in Board policies on Executive Limitations.

Accordingly,

- 2.41 Monitoring is simply to determine the degree to which Board policies are being met. Information that does not do this will not be considered to be monitoring information.
- 2.42 The Board will acquire monitoring information by one or more of three methods: (a) by internal report, in which the Executive Director discloses interpretations and compliance information to the Board; (b) by external report, in which an external disinterested third party selected by the Board assesses compliance with Board policies; or (c) by direct Board inspection, in which a designated member or members of the Board assess compliance with the appropriate policy criteria.
- 2.43 In every case, the Board will judge (a) the reasonableness of the Executive Director's interpretation and (b) whether data demonstrate accomplishment of the interpretation. Monitoring reports shall include the

## **2.0 Governance-Management Connection (continued)**

---

Executive Director's interpretation and data for each part of the policy. Statements of compliance alone, unsupported by data, will not be accepted.

- 2.44 In every case, the standard for compliance shall be *any reasonable Executive Director interpretation* of the Board policy being monitored. The Board is the final arbiter of reasonableness, but will always judge with a "reasonable person" test rather than with interpretations favored by Board members or by the Board as a whole.
- 2.45 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 depend on a routine schedule. The monitoring for each policy will appear at the end of the policy document.
- 2.46 For the purposes of the Executive Director's annual evaluation, a document is to be kept each year listing each Executive Limitation, reporting frequency, month to be reported, with space allotted to track the date each report was received, whether the report was found to be in compliance, and any action items or special comments.
- 2.47 Should the Executive Director deem it necessary to violate an Ends or Executive Limitations policy, s/he shall notify the Board in writing. Such action shall not, however, exempt the Executive Director from subsequent Board judgment of the action.

Adopted 7/18/09

## **2.0 Governance-Management Connection (continued)**

---

### **2.5 Transition to New CEO**

Whenever the organization transitions to a new CEO, it is important to keep in mind that unity of control requires the Board and the CEO to act as mutually supportive partners in pursuit of the WYC ends. Such a partnership develops from a solid policy governance foundation. Accordingly, during the first six month's of a new CEO's tenure the Board and the new CEO shall work cooperatively to ensure a successful CEO orientation and transition which:

- 2.51 Provides the new CEO with training and tools in Policy Governance and WYC Board Policies.
- 2.52 Establishes a supportive, positive Board-Executive relationship;
- 2.53 Introduces the new CEO to the internal organization;
- 2.54 Introduces the new CEO to the external community including the moral ownership and stakeholders in Dane and Waukesha Counties and fosters successful community relations;
- 2.55 Keeps lines of communication open between the board and the new CEO through, at a minimum, monthly dialogue at the regular Board meetings.

Adopted 7/18/09