**Harmony Board C Policies. GM-Board Relationship**

**(as of 2021)**

**C1: Unity of Control**

Only decisions of the Board acting as a body are binding on the General Manager.

Accordingly,

1. Decisions or instructions of individual Board members, officers or committees are not binding on the General Manager 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 General Manager can refuse such requests that in the General Manager’s opinion require a material amount of staff time, funds or are disruptive.

This policy will be monitored annually by direct Board inspection and internal report**.**

Approved by Board of Directors as of April 22, 2008

**C2: Delegation to the GM**

The Board job is generally confined to establishing topmost policies, leaving implementation and subsidiary policy development to the General Manager. Ends policies direct the General Manager to achieve certain results; Executive Limitations policies constrain the General Manager to act within acceptable boundaries of prudence and ethics. All Board authority delegated to staff is delegated through the General Manager, so that all authority and accountability of staff can be phrased – insofar as the Board is concerned – as authority and accountability of the General Manager.

1. The General Manager is authorized to establish all operational policies, make all decisions, take all actions and develop all activities which are consistent with the Board’s policies. The Board may, by extending its policies, “undelegate” areas of the General Manager’s authority, but will respect the General Manager’s choices so long as the delegation continues. This does not prevent the Board from obtaining information about activities in the delegated areas.
2. The General Manager may not perform, allow or cause to be performed any act which is contrary to the explicit Board constraints (see Executive Limitations policies) on executive authority.

This policy will be monitored annually by Direct Board Inspection and Internal Report.

Approved by Board of Directors as of April 22, 2008
Amended by Board of Directors as of June 25, 2008

**C3: GM Job Contribution**

As the Board’s single official link to the operating organization, the General Manager is accountable for organizational performance and exercises all authority transmitted into the organization by the Board. General Manager performance will be considered to be synonymous with organizational performance as a total.

Consequently, the General Manager’s job contribution can be stated as performance in only two areas:

1. Accomplishment of the Board policies on Ends.
2. Organizational operation within the boundaries of prudence and ethics established in Board policies on Executive Limitations.

This policy will be monitored annually by internal report and direct Board inspection.

Approved by Board of Directors as of April 22, 2008

**C4: Monitoring Performance**

Monitoring management performance is synonymous with monitoring organizational performance against Board policies on Ends and Executive Limitations. Monitoring and measuring gives shape to progress and improvement.

The purpose of monitoring is simply to determine the degree to which Board policies are fulfilled. Other kinds of information will not be considered monitoring. A given policy can be monitored in any or all three ways:

* Internal report: disclosure of compliance information to the Board from the General Manager.
* Direct Board inspection: discovery of compliance information by a Board member, a committee or the Board as a whole. This is a Board inspection of documents, activities or circumstances directed by the Board which allows a “prudent person” test of policy compliance.
* External report: discovery of compliance information by a disinterested, external auditor, inspector or judge who is selected by and reports directly to the Board. Such reports must assess executive performance only against policies of the Board, not the standards set by the third party.

Upon the choice of the Board, any policy can be monitored by any method at any time. However, each ENDS and Executive Limitation policy of the Board will be classified by the Board according to the frequency and method. Monitoring schedules by month and by policy number are attached.

There are two general ways to measure conformance with Board policies.

* Compliance with requirements: policies that require full compliance for effective operation of the organization. Typically financial in nature (e.g., current assets must always be twice current liabilities). Reporting requires a yes/no answer.
* Incremental progress toward long-term outcomes (Ends): policies that are visionary in nature require short-term measures that indicate steady progress. Short-term(12-month) targets must be set, with valid baselines and believable measurement tools. An example is the monitoring of progress toward having “an economic self-reliant community.”

These policies require the following structure for measurement and reporting to be meaningful:

* A baseline (or a history) for comparison
* A reliable and credible measurement technique
* A short-term (12-month) target

**C5: GM Evaluation**

The purpose of the General Manager Evaluation is to:

* Monitor General Manager compliance with Board policies,
* Coordinate, tabulate and summarize Board responses to annual General Manager evaluation forms,
* Negotiate compensation and benefits with the General Manager

Activities:
1.A. Establish the calendar for the annual General Manager evaluation process.

1.B. Monitor compliance with Board policies throughout the year.

* Ask the General Manager to submit recommendations for changes in Board policy and ensure that all Board members receive a copy of any such request.
* Ensure that all Board members have a current copy of the official record of Board required action on General Manager compliance reports.

1.E.Coordinate special Board meeting or executive session of the Board in which Directors discuss overall General Manager performance in light of previously received monitoring reports and make decisions regarding compensation and benefits.

1.F.Meet with the General Manager to report the Board’s conclusions on performance, compensation, benefits and continuation of employment.

* Negotiate compensation, benefits and contract with General Manager.
* Prepare documentation of the evaluation process and GM’s final contract.

1.I. Ensure confidentiality in handling all information involved in the annual General Manager evaluation process.

* The board will meet at least quarterly (February, May, August and November) for General Manager Evaluation and more often as needed in order to complete the annual General Manager evaluation process November of each year.

This policy will be monitored annually by direct Board inspection.

Amended by Board of Directors as of November 19, 2008
Approved by Board of Directors as of April 22, 2008