



# Board of Directors Policy Manual

Revised April 2024

## Definition of Key Terms

### Ends Policies

- E-1. School Counselors
- E-2. Influencers and Authorities
- E-3. Leaders of School Counseling Profession

### Governance Process

- Global Governance Process Policy
- GP-1. Governing Style
- GP-2. Board Job Products
- GP-3. Agenda Planning
- GP-4. Governance Officers' Roles and Responsibilities
- GP-5. Board Members' Code of Conduct
- GP-6. Board Committees
- GP-7. Governance Investment

### Board-Management Delegation

- Global Board-Management Delegation Policy
- BMD-1. Unity of Control
- BMD- 2. Accountability of the CEO
- BMD-3. Delegation to the CEO
- BMD-4. Monitoring CEO Performance
- BMD-5. CEO Compensation

### Executive Limitations

- Global Executive Limitations Policy
- EL-1. Treatment of Customers
- EL-2. Treatment of Staff
- EL-3. Financial Planning and Budgeting
- EL.4. Financial Conditions and Activities
- EL-5. Emergency CEO Succession
- EL-6. Asset Protection
- EL-7. Communications and Support to the Board

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## Definition of Key Terms

**Assistant Chief Governance Officer:** A board member selected by the board to help the Chief Governance Officer (CGO) ensure the integrity of the board process and to serve as CGO in the CGO's absence.

**Belonging:** Relates to the feeling of being welcomed, accepted, and valued within a group or community. It goes beyond mere inclusion and speaks to the emotional connection and sense of being an integral part of a collective. When individuals have a strong sense of belonging, they are more likely to be comfortable, engaged, productive, and motivated in the setting.

**Board-Management Delegation:** How power is delegated, and its proper use monitored including, if applicable, the CEO role, authority, and accountability.

**Chief Executive Officer (CEO):** The Executive Director, who is the chief staff member and executive officer. The CEO also functions as the Corporate Secretary.

**Chief Governance Officer (CGO):** A board member selected by the board to ensure the integrity of the board process.

**Customers:** Anyone who can benefit from ASCA programs and services, regardless of whether the benefit is a desired outcome or a means to support school counselors.

**Diversity:** Refers to the presence of individuals or groups from different backgrounds and identities within a given setting. This diversity can encompass differences in identities including race, ethnicity, gender, age, sexual orientation, abilities, socioeconomic background, and more, and everyone has intersecting identities. Embracing diversity means recognizing and valuing these differences, which can lead to a richer and more inclusive environment.

**Ends:** Organizational products, impacts, benefits, outcomes; the recipients of these outcomes; and the relative worth of the outcomes stated as a priority or a percentage of available resources.

**Equity:** The concept of ensuring that everyone has fair and just access to opportunities, resources, and treatment. It acknowledges that different individuals or groups may start from different positions and face varying barriers. Achieving equity involves addressing these disparities and providing support or adjustments as needed to level the playing field and promote fairness.

**Executive Limitations:** Constraints on executive authority that establish the professional and ethical boundaries that determine how staff activity and decisions must take place.

**Fiscal Year:** ASCA's fiscal year starts on Oct. 1 each year and ends on Sept. 30 the following year. All other ASCA calendars, including board terms, follow the fiscal year.

**Governance Process:** How the board conceives, carries out and monitors its own tasks.

**Inclusion:** Involves creating an environment in which all individuals, regardless of their individual identities and differences, are respected, valued, and included as full participants. In an inclusive setting, people are not only present but also actively engaged, contributing their unique perspectives and talents. Inclusion strives to foster a sense of belonging and community among all members.

**Means:** Processes and procedures used to accomplish outcomes. Board members control the means to accomplish desired governance outcomes. Staff members control the means to accomplish the Ends Policies.

**Monitoring Reports:** Periodic reports submitted by the CEO to the Board of Directors to facilitate the board's ability to fulfill its governance responsibilities.

**Owners:** Members of ASCA.

**Policy Governance:** System of governance developed by John Carver that clearly delineates the roles and responsibilities of board distinctly from staff.

## **I. ENDS**

### **GLOBAL ENDS POLICY**

ASCA exists so that members are equipped to create equitable opportunities and inclusive environments for all pK-12 students to justify expenditure of 100% of the operational budget.

- E.1 School counselors share a common and consistent professional identity.
  - E.1-A School counselors design, implement and assess comprehensive school counseling programs that promote equity and inclusion aligned with the ASCA National Model and the ASCA Student Standards: Mindsets & Behaviors for Student Success.
  - E.1-B School counselors know and practice professional competencies and standards, including the ASCA Ethical Standards for School Counselors and the ASCA School Counselor Professional Standards and Competencies.
- E.2. Decision makers are aware of and support the school counseling profession.
  - E.2-A Federal and state - Policymakers are increasingly aware of the impact of the school counseling profession and supportive of the appropriate role of the school counselor.
  - E.2-B District and school - Administrators, superintendents, and school board members are increasingly aware of the impact of comprehensive school counseling programs aligned with the ASCA National Model and supportive of the appropriate role of the school counselor.
- E.3 ASCA-chartered state and territory school counselor associations are equipped to lead effectively.

## GOVERNANCE PROCESS

### GLOBAL GOVERNANCE PROCESS POLICY

The purpose of the board, on behalf of the ASCA members, is to ensure that ASCA  
a) achieves appropriate results for appropriate persons at an appropriate value, as specified in board Ends policies and b) avoids unacceptable actions and situations, as prohibited in board Executive Limitations policies.

#### GP.1 GOVERNING STYLE

The board will govern lawfully, observing the principles of the Policy Governance model, with an emphasis on (a) outward vision rather than an internal preoccupation, (b) encouragement of diversity in viewpoints, (c) strategic leadership more than administrative detail, (d) clear distinction of board and chief executive roles, (e) collective rather than individual decisions, (f) future rather than past or present, (g) pro-activity rather than reactivity, and (h) demonstrating diversity, equity, inclusion and belonging practices. Accordingly:

GP.1-A Group Responsibility The board will cultivate a sense of group responsibility.

Accordingly:

GP.1-A.1 Board Responsibility The board, not the staff, will be responsible for excellence in governing.

GP.1-A.2 Board Initiates Policy The board will be the initiator of policy, not merely a reactor to staff initiatives.

GP. 1-A.3 Use of Expertise The board will not use the expertise of individual members to substitute for the judgment of the board, although the expertise of individual members may be used to enhance the understanding of the board as a body.

GP.1-A.4 Group Obligation The board will allow no officer, individual, or committee of the board to hinder or serve as an excuse for not fulfilling group obligations.

GP 1-A.5 Group Culture The board will foster a culture of trust and collaboration among Board members.

GP.1-A.6 Meeting Individual Deadlines Board members will submit all reports and other materials requested by the board or CGO by the specified deadline date.

GP.1-A.7 Expense Procedures Members will follow expenditure procedures as presented in the Board Procedures Manual.

GP.1-A.8 Attendance Board members will attend all official board meetings, events as agreed upon by the board and meetings of committees to which they are appointed

GP.1-B Policy Focus The board will direct, control, and inspire the organization through the careful establishment of broad written policies reflecting the board's values and perspectives. The board will use an equity lens, to focus on intended long-term impacts, and not on the administrative or programmatic means of attaining those effects.

GP.1-C Board Discipline The board will enforce upon itself whatever discipline is needed to govern with excellence. Discipline will apply to matters such as attendance, preparation for meetings, policymaking principles, respect of roles, and ensuring the continuance of governance capability. Although the board can change its Governance Process policies at any time, it will scrupulously observe those currently in force.

GP.1-D Board Development Continual board development will include onboarding of new board members in the board's Governance Process. The board will use an equity lens to regularly discuss improvements to the process.

GP.1-E Diversity, Equity, Inclusion and Belonging The board will seek to maintain the highest standards of equitable and nondiscriminatory practices to support the board in its equity-focused work.

GP.1-F Self-Assessment The board will monitor and discuss the board's process and performance at the end of each regularly scheduled board meeting.

GP.1-G Self-Monitoring The board will conduct regular formal monitoring to compare board activity and discipline to policies in the Governance Process and Board-Management Delegation policies.

## GP.2 BOARD JOB PRODUCTS

Specific job outputs of the board, on behalf of the membership, lead the organization toward desired and appropriate organizational performance. Accordingly, the board has direct responsibility to create:

GP.2-A Membership Linkage The linkage between the ownership and the operational organization specifically to gather owner input that guides board decision making and to report on organizational performance.

GP.2-B Governing Policies Written governing policies that address the broadest levels of all organizational decisions and situations including:

**Ends** Organizational products, impacts, benefits, outcomes, recipients, and their relative worth (what good for which recipients at what cost).

**Executive Limitations** Constraints on executive authority that establish the boundaries of prudence and ethics within which all executive activity and decisions must take place.

**Governance Process** How the board conceives, carries out, and monitors its own tasks.

**Board-Management Delegation** How power is delegated and used, as well as the CEO's role, authority, and accountability.

GP.2-C Executive Performance Assessment Assurance of executive performance, and therefore, organizational performance as measured against Ends and Executive limitations policies.

## GP.3 AGENDA PLANNING

To accomplish its job products with a governance style consistent with board policies, the board will follow an annual agenda that (a) completes a re-exploration of Ends policies annually and (b) continually improves board performance through board education and enriched input and deliberation. Accordingly:

GP.3-A Annual Board Agenda Cycle The cycle will conclude each year on the last day of September so that administrative planning and budgeting can be based on accomplishing a one-year segment of the board's most recent statement of Ends.

GP.3-B Annual Board Agenda The cycle will start with the board's development of its agenda for the next year.

GP.3-C Membership Consultation Consultations with diverse groups in the membership, or other methods of gaining ownership input, will be determined and arranged in the first quarter, to be held during the balance of the year.

GP.3-D Governance Education Governance education and education related to ends determination will be arranged in the first quarter, to be held during the balance of the year.

GP.3-E Submitting Agenda Items A board member may recommend or request an item related to board work for board discussion by submitting the item to the CGO no later than five days before the board meeting.

GP.3-E.1 Any proposed policy revision must be submitted in writing to the CGO no later than five days before the board meeting.

GP.3-E.2 The board will review the proposed policy revision(s).

GP.3-E.3 Voting, if necessary, on the proposed policy change(s) will occur at a future board meeting.

GP.3-F Consent Items Throughout the year, the board will attend to consent agenda items as expeditiously as possible.

GP.3-G CEO Monitoring Additional time will be included on the agenda if CEO monitoring reports show policy violations, if policy criteria are to be debated, or if the board, for any reason, chooses to debate amending its monitoring schedule.

GP.3-H Executive Session The board recognizes that situations arise where sensitive and confidential matters require private deliberation. These items may be considered in Executive Sessions.

#### **GP.4 GOVERNANCE OFFICERS' ROLES AND RESPONSIBILITIES**

The Chief Governance Officer (CGO) and Assistant CGO are board members selected by the board, tasked with ensuring the integrity of the board's process. Accordingly:

GP.4-A Officer Selection The Chief Governance Officer (CGO) and Assistant CGO will be selected no later than two months prior to the end of the fiscal year. Board members who have been elected to serve during the term of the CGO and Assistant CGO are eligible to be selected CGO or Assistant CGO, however, board members are not eligible to serve as CGO or Assistant CGO during their first year on the board.

GP.4-B Chairperson Responsibility The assigned result of the CGO and Assistant CGO's job is that the board behaves consistently with its own rules and those legitimately imposed upon it from outside the organization.

GP.4-C Chairperson Authority The authority of the CGO and Assistant CGO consists of making decisions that fall within topics covered by board policies. The CGO and Assistant CGO are authorized to use any reasonable operational definition of the provisions in these policies.

GP.4-C.1 Chairing Board Meetings The CGO is empowered to chair board meetings with all the commonly accepted power of that position, such as ruling and recognizing. Board deliberations are to be fair, open, and thorough, but also timely, orderly, and kept to the point.

GP.4-C.2 Authority Limits The CGO has no authority to make decisions about policies created by the board within Ends and Executive Limitations policy areas. Therefore, the CGO has no authority to hire, terminate, supervise or direct the CEO.

GP.4-C.3 Board Representation The CGO may represent the board to outside parties in announcing board-stated positions and in stating chair decisions and interpretations within the area delegated to them.

GP.4-C.4 Agenda Planning The CGO and Assistant CGO develop meeting agendas that comply and enhance the board's annual agenda and support the board's compliance with Governance Process and Board-CEO Delegation policies.

GP.4-D Delegating Authority The CGO or Assistant CGO may delegate their authority but remains accountable for its use.

GP.4-E Assistant CGO Role The Assistant CGO performs the functions of the CGO if the CGO is unable to perform such functions.

## **GP.5 BOARD MEMBERS' CODE OF CONDUCT**

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.

GP.5-A Loyalty to Organization Board members must have loyalty to the membership, unconflicted by any personal interest or loyalties to other organizations or individuals, including staff or other board members.

- GP.5-B Conflict of Interest Board members must avoid conflict of interest with respect to their fiduciary responsibility. Accordingly:
- GP.5-B.1 Annual Disclosure There will be no self-dealing or business by a member with the organization. Members will annually disclose their involvements with other organizations, with vendors, or any associations that might be or might reasonably be seen as being a conflict.
  - GP.5-B.2 Conflict Discussion When the board is to decide upon an issue, about which a board member has an unavoidable conflict of interest, that member shall absent herself or himself without comment from not only the vote, but also from the deliberation.
  - GP.5-B.3 Employment Influence Board members will not use their board position to obtain employment in the organization for themselves, family members, or close associates. Should a board member apply for employment, he or she must first resign from the board.
- GP.5-C Individual Authority Limitations Board members may not attempt to exercise individual authority over the organization. Additionally:
- GP.5-C.1 Staff Interactions Board members' interaction with the CEO or with staff must recognize the lack of authority vested in individuals except when explicitly board authorized.
  - GP.4-C.2 Speaking for the Board Board members' interaction with public, press or other entities must reflect the action and vision of the full board and the stated positions of the Association.
  - GP5-C.3 Staff Evaluation Except for participation in board deliberation about whether the CEO has achieved any reasonable interpretation of board policy, members will not express individual judgements of performance of employees or the CEO.

- GP.5-D Product Endorsement Board members will not identify their position on the ASCA board when endorsing products, services, programs, organizations, or individuals.
- GP.5-E Confidentiality Board members will respect the confidentiality appropriate to issues of a sensitive nature.
- GP.5-F Support of Final Decisions Board members will support the legitimacy and authority of board decisions, irrespective of the member's personal position on the issue.
- GP.5-G Eligibility to Serve Board members will maintain all eligibility requirements to serve on the board. Board members must notify the CGO in writing within 30 days after learning they are or will become ineligible to continue serving on the board. The CGO must notify the Assistant CGO in writing within 30 days after learning they are or will become ineligible to continue serving on the board.

## **GP.6 BOARD COMMITTEES**

Board committees, which are only used when necessary, will reinforce the job of the board as a whole and never interfere with responsibilities already delegated to the CEO. The only board committees are those that are set forth in this policy and created by the board. Unless otherwise stated, a committee ceases to exist as soon as its task is complete. Accordingly:

- GP.6-A Committee Appointment The CGO is an ex-officio member of all committees. The CGO and Assistant CGO recommend board members of the board committees after soliciting preferences from the board members. Members of committees are appointed by the board.
- GP.6-B Committee Authority Board committees cannot exercise authority over staff. Because the CEO works for the full board, he or she will not be required to obtain approval of a board committee before an executive action.
- GP.6-C Board Committee Distinction This policy applies to any group that is formed by board action, whether or not it is called a committee and regardless of whether the group includes board members. It does not apply to committees formed under the authority of the CEO.
- GP.6-D Nominations and Elections Committee Appointed to serve a one-year term and members must re-apply each year if they desire to continue their service on the committee. Purpose and applicant requirements are as follows:

- GP.6-D.1 Facilitates the selection and election of qualified candidates for the ASCA Board of Directors as described in the Board Procedures Manual and performs duties as directed.
  - GP.6-D.2 Members have completed ASCA leadership training or currently serve on the ASCA Board of Directors.
  - GP.6-D.3 Consists of ASCA members and must include at least two board members.
  - GP.6-D.4 Candidates for the Board of Directors shall not serve on the Nominations and Elections Committee during the time of their candidacy. Therefore, board members on the Nominations and Elections Committee who decide to seek another board term must resign from the committee as soon as their intentions are made known to ASCA's Board of Directors.
- GP.6-E The Bylaws Review Committee Appointed to serve a one-year term and members must re-apply each year if they desire to continue their service on the committee. Purpose and applicant requirements are as follows:
- GP.6-E.1 Reviews the ASCA Bylaws annually to ensure they meet the needs of the Association and do not duplicate or conflict with the board's governing policies. The Bylaws Review Committee performs other duties as directed.
  - GP.6-E.2 Consists of ASCA members and must include at least two board members.
  - GP.6-E.3 Reviews amendments proposed by the Board of Directors, the Delegate Assembly, or by petition from the membership to ensure that any proposed revisions are not in conflict with existing Bylaw provisions and to make recommendations to the Board of Directors and Delegate Assembly.
- GP.6-F The Membership Linkage Committee Appointed to serve a one-year term and members must re-apply each year if they desire to continue their service on the committee.
- GP.6-F.1 Assists the board in its duty to proactively link with the ownership/members in order for the board to be fully accountable to those it represents.
  - GP.6-F.2 Plans the annual business meeting in accordance with ASCA Bylaws, policies and procedures.

GP.6-F.3 Consists of ASCA members and must include at least two board members.

## **GP.7 GOVERNANCE INVESTMENT**

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

GP. 7-A Adequate Investment in Governance Board skills, methods, and supports will be sufficient to ensure governing with excellence. Accordingly:

GP.7-A.1 Training Training and retraining will be used liberally to orient new members and candidates for membership, as well as to maintain and increase existing member skills and understandings.

GP. 7-A.2 Monitoring Assistance Outside monitoring assistance will be arranged so that the board can exercise confident control over organizational performance. This includes, but is not limited to, financial audits.

GP.7-A.3 Outreach Outreach mechanisms will be used as needed to ensure the board's ability to listen to owner viewpoints and values.

GP.7-B Budgeting Governance Costs Costs will be prudently incurred, though not at the expense of endangering the development and maintenance of superior capability.

GP.7-C Governance Cost Budget Timing The board will establish its cost of governance budget for the next fiscal year during the month of October.

## **BOARD-MANAGEMENT DELEGATION**

### **GLOBAL BOARD-MANAGEMENT DELEGATION POLICY:**

The board's sole authority for the organization's operations, achievements and conduct will be exercised through a Chief Executive Officer, titled the Executive Director.

**BMD.1 UNITY OF CONTROL:** Only officially passed motions of the board that make or amend Executive Limitations or Ends policies are binding on the CEO.

**BMD.1-A.** Decisions or instructions of individual board members, officers, or board committees are not binding on the CEO except in rare instances when the board has specifically authorized such exercise of authority.

**BMD.1-B** In the case of board members or committees requesting information or assistance without board authorization, the CEO can refuse such requests that require, in the CEO's opinion, a material amount of staff time or funds or is disruptive.

**BMD.2 ACCOUNTABILITY OF THE CEO:** The CEO 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 CEO.

**BMD.2-A** The board will never give instructions to persons who report directly or indirectly to the CEO.

**BMD.2-B** The board will not evaluate, either formally or informally, any staff other than the CEO.

**BMD.2-C** The board will view CEO 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 CEO performance.

**BMD.3 DELEGATION TO THE CEO:** The board will instruct the CEO through written policies that prescribe the organizational Ends to be achieved, and describe organizational situations and actions to be avoided, allowing the CEO to use any reasonable operational definition of these policies.

**BMD.4 MONITORING CEO PERFORMANCE:** Systematic and rigorous monitoring of CEO performance will be solely against the board's required CEO job outputs: organizational accomplishment of any reasonable operational definition of board policies on Ends and organizational operation within the boundaries established in board policies on Executive Limitations, reasonably interpreted.

**BMD.4-A** Monitoring is simply to determine whether expectations expressed in board policies have been met. Information that does not disclose this will not be considered to be monitoring information.

BMD.4-B For every policy that is monitored, the board will determine the reasonableness of the CEO's operational definition and accomplishment of the operational definition.

BMD.4-B1 Both the CEO reasonable operational definition and the accomplishment of the operational definition will be supported by data for the board's consideration.

BMD.4-B2 The board will use data collected through internal reports, external reports and direct inspection to assess whether data demonstrate the accomplishment of the CEO's reasonable operational definition.

BMD.4-C All policies that instruct the CEO 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 normally use a routine schedule.

**BMD.5 COMPENSATION OF THE CEO:** The board will hire, regularly monitor the performance of and determine remuneration for the CEO. The board and CEO will negotiate the CEO contract for the upcoming fiscal year at the last board meeting of the current fiscal year.

BMD.5-A The board will review the following components of the board's executive compensation philosophy, relevant executive compensation benchmark studies, and the most recently completed audit to determine the CEO's salary.

BMD.5-A.1 Initial (starting) executive compensation should be industry competitive, which is defined as approximately the mid-point from an executive compensation benchmarking study conducted within the past three years.

BMD.5-A.2 Executive compensation comprises base salary only (no bonus) and employee benefits.

BMD.5-A.3 Future increases in executive salary will be based on CEO performance evaluation and the financial health of the organization.

BMD.5-A.4 Executive compensation should be industry competitive in accordance with an independent executive compensation benchmarking study.

BMD.5-A.5 The CGO and Assistant CGO collect data about CEO salaries to present to the board for determining the

CEO's salary. Data will be presented in advance of the meeting and will be included in the agenda.

BMD.5-A.6 The board will engage an external consultant to complete an independent executive compensation benchmarking study every three years.

BMD.5-B The board will develop a transition plan with the option of hiring a consultant to ensure continuity in the CEO position when needed.

## EXECUTIVE LIMITATIONS

### GLOBAL EXECUTIVE LIMITATIONS POLICY

The CEO will not cause or allow any organizational practice, activity, decision, or circumstance that is either unlawful, imprudent or in violation of commonly accepted business and professional ethics and practices.

- EL.1 TREATMENT OF CUSTOMERS:** With respect to interactions with customers or those applying to be customers, the CEO will not cause or allow conditions, procedures, or decisions that are undignified, discriminatory or intrusive.
- EL.1-A The CEO will not cause or allow customers to be unaware of what may be expected and what may not be expected from services.
- EL.1-B The CEO will not leave customers uninformed of this policy or leave them without a way to be heard if they believe they have not been afforded a reasonable operational definition of their protections under this policy.
- EL.1-C The CEO will not hinder access to the board for any person who alleges unethical or unlawful action or circumstance in ASCA or by its representatives.
- EL.2 TREATMENT OF STAFF:** With respect to the treatment of paid and volunteer staff, the CEO will not cause or allow conditions, procedures, or decisions that are unsafe, unfair, undignified, discriminatory or that jeopardize ASCA's ability to accomplish the Ends policies.
- EL.2-A The CEO will not cause or allow paid or volunteer staff to be unaware of what may be expected and what may not be expected from employment with and service to ASCA.
- EL.2-B The CEO will not leave paid or volunteer staff uninformed of this policy or leave them without a way to be heard if they believe they have not been afforded a reasonable operational definition of their protections under this policy.
- EL.2-C The CEO will not hinder access to the board for any person who alleges unethical or unlawful action or circumstance in ASCA or by its representatives.
- EL.2-D The CEO will not change the CEO's own compensation and benefits, except as his or her benefits are consistent with a package for all other employees.
- EL.3 FINANCIAL PLANNING/BUDGETING:** The CEO will not cause or allow financial planning for any fiscal year or the remaining part of any fiscal year that provides for less

than the board's cost of governance, deviates materially from board priorities established in Ends policies or risks fiscal jeopardy.

EL.4 **FINANCIAL CONDITION AND ACTIVITIES:** The CEO will not cause or allow actual, ongoing financial condition and activities that provide for less than the board's cost of governance, deviate materially from board priorities established in Ends policies or risk fiscal jeopardy.

EL.4-A The CEO will not expend more funds than are expected to be received by the end of the fiscal year.

EL.4-B The CEO will not acquire, encumber or dispose of real estate.

EL.4-C The CEO will not receive, process or disburse funds under controls that are insufficient to meet Generally Accepted Accounting Principles.

EL.4-D The CEO will not fail to maintain a low-risk reserve fund to ensure the continuation of ASCA operations in the event of an emergency.

EL.4-D1 The CEO will not fail to increase the total of the reserve fund each year to a maximum of 50 percent, or six months, of the projected expenses in the current budget.

EL.4-D2 The CEO will not withdraw funds from the reserve fund or use such funds for any purpose without authorization by the board.

EL.5 **EMERGENCY CEO SUCCESSION:** In order to protect the board from sudden loss of CEO services, the CEO will have no fewer than two other executives sufficiently familiar with board and CEO issues and processes to enable either to take over with reasonable proficiency as an interim successor.

EL.6 **ASSET PROTECTION:** The CEO will not cause or allow tangible and intangible corporate assets to be unprotected or unnecessarily exposed to risk.

EL.6-A The CEO will not allow board members, staff and ASCA itself to be inadequately insured against casualty, property and liability losses.

EL.6-B The CEO will not allow ASCA to be exposed to risk of misappropriation or misuse of funds.

EL.6-C The CEO will not allow intellectual property, information and files to be exposed to loss or significant damage.

- EL.6-D The CEO will not compromise the independence of the board’s audit or other external monitoring or advice and will not engage parties already chosen by the board as consultants or advisers without board consent.
  - EL.6-E The CEO will not allow average annual growth of investments to be less than inflation over a five-year period.
  - EL.6-F The CEO will not endanger ASCA’s public image or credibility.
  - EL.6-G The CEO will not substantially alter ASCA’s identity.
  - EL.6-H The CEO will not create or purchase any subsidiary corporation.
- EL.7 **COMMUNICATION AND SUPPORT TO THE BOARD:** The CEO will not permit the board to be uninformed or unsupported in its work.
- EL.7-A The CEO will not withhold, impede, or confound information relevant to the board’s informed accomplishment of its job.
    - EL.7-A1 The CEO will not neglect to submit monitoring data required by the board in Board-Management Delegation policy “Monitoring CEO Performance” in a timely, accurate and understandable fashion.
    - EL.7-A2 The CEO will not allow the board to be unaware of any actual or anticipated noncompliance with any Ends or Executive Limitations policy, regardless of the board’s monitoring schedule
    - EL.7-A3 The CEO will not allow the board to be unaware of any incidental information. The CEO will not allow the board to be unaware of any anticipated negative media coverage, threatened or pending lawsuits and material internal change nor a potential plan of action.
    - EL.7-A4 The CEO will not allow the board to be unaware if, in the CEO’s opinion, the board is not in compliance with its own policies on Governance Process and Board-Management Delegation, particularly in the case of board or board member behavior that is detrimental to the work relationship between the board and the CEO.
    - EL.7-A5 The CEO will not allow the board to be uninformed about the expenditures related to the cost of governance.
  - EL.7-B The CEO will not withhold logistical and clerical assistance from the board necessary to the board’s accomplishment of its job.

EL.7-C The CEO will not deal with the board in a way that favors or privileges certain board members over others except when fulfilling individual requests for information or responding to officers or committees with respect to duties charged to them by the board.