

LAKE TRAVIS FIRE RESCUE COMMUNITY FOUNDATION POLICY & PROCEDURE MANUAL

BOARD GOVERNANCE

I. Board Job Description

The purpose of the LTFRCF Board is to fulfill its social compact with the community and, in doing so, serve as a wise steward of its resources while preventing unacceptable actions and situations.

- o The job of the Board is to represent the moral ownership in determining and demanding appropriate organizational performance. Accordingly:
 1. The Board is responsible for maintaining the connection between the LTFRCF and its Community.
 2. The Board will produce written governing policies as described in the ByLaws and the Policy & Procedure Manual.

II. Governing Style

The Board provides strategic leadership. In order to do this, the Board will:

1. Look to the future and keep informed of issues and trends that may affect the mission and organizational health.
 2. Make decisions based on knowledge of LTFRCF needs and best practices and in accordance with the Foundation's Mission.
 3. Be proactive and visionary in its thinking.
 4. Encourage thoughtful deliberation, incorporating a diversity of viewpoints.
 5. Work together as colleagues, encouraging mutual support and good humor.
 6. Have the courage to lead and make difficult decisions.
 7. Commit to excellence in governance, including regularly monitoring, assessing and improving its own performance.
- o The Board will monitor and discuss the Board's process and performance at each meeting including an Agenda and taking Minutes.
 - o In governing, the Board will fulfill its legal responsibilities of:
 1. **The Duty of Obedience** that requires Board Members to be faithful to the mission of LTFRCF's policies and actions.

LAKE TRAVIS FIRE RESCUE COMMUNITY FOUNDATION POLICY & PROCEDURE MANUAL

2. **The *Duty of Care*** that requires that in fulfillment of his/her duties, a Board member owes LTFRCF the care that an ordinarily prudent person would exercise in a like position and under similar circumstances.
3. **The *Duty of Loyalty*** that requires Board members to always put the best interest of LTFRCF first when making decisions affecting the organization.

III. Code of Conduct

- o The Board commits itself and its volunteers to ethical, businesslike, and lawful conduct, including proper use of authority and professional decorum when dealing with Foundation business.
- o Board Members must demonstrate un-conflicted loyalty to the interests of LTFRCF.
- o Board Members must avoid conflicts of interest with respect to their fiduciary responsibility.
 - a) Board Members will disclose their involvement with other organizations or vendors that currently do business or may do business with LTFRCF.
 - b) Information exclusive to LTFRCF shall not be used by Board Members for personal gain or the gain of a family member or associate.
 - c) It is the Board Member's obligation to immediately disclose to the Board any and all impending conflict of interest. That Board Member shall absent herself or himself without comment from both the deliberation and final decision-making.
 - d) Board Members must not use their positions to obtain employment or special considerations at LTFRCF or agencies with whom LTFRCF has formal contracts for themselves, family members or close associates.
 - e) There will be no self-dealing or any conduct of private business or personal services between any Board Member and LTFRCF. Once procedures are established by the Board, then an exception may apply for arrangements which meet established procedures for openness, competitive opportunity and equal access to inside information.
- o Board Members will respect the confidentiality appropriate to issues of a sensitive nature.
- o Board Members are expected to attend every regularly scheduled meeting. A Board Member with more than three (3) consecutive non-excused absences from regularly scheduled meetings, may be dismissed from the Board. The Board may consider to reinstating said member.

IV. Decision-making Process

- o The Board will make decisions by a process of careful deliberation which may include LTFRCF, volunteers, and others with knowledge of its Mission.
 - a) The Board will strive for consensus of opinion in its decision-making.
 - b) If consensus isn't reached after a reasonable period of deliberation, to be determined by the Board President, then a simple majority of Board Members, present for a quorum, will make the final decision.

LAKE TRAVIS FIRE RESCUE COMMUNITY FOUNDATION POLICY & PROCEDURE MANUAL

V. Board Committee Principles

- o Board committees are created to make suggestions and/or recommendations to the Board.
 - a) Committees will assist the Board by preparing policy alternatives and implications for Board deliberation.
 - b) Board committees may not speak or act for the Board except when formally given such authority.

VI. Board Nominations Process

- o The Board seeks to recruit individuals as Board Members who are committed to the mission and governing process of the LTFRCF.
- o The Board seeks out candidates who:
 - a) Have a passion for the mission.
 - b) Support the Board governing structure and can meet Board work expectations.
 - c) Will engage in deliberative and collegial decision-making.
 - d) Are committed to their stewardship responsibilities
 - e) Have knowledge of Board systems, organization development, change management, strategic thinking, organizational growth, or strategic legal and nonprofit issues.
- o In the process of recruiting and nominating candidates, the Board will require:
 - a) Letter of interest
 - b) Resume or summary of experience
- o In the process of determining final candidates, the Board will assign a Committee to do the following and present the three best qualified applicants to the Board for consideration:
 - a) Conduct an initial screening of letters of interest/resumes
 - b) Interview promising candidates
 - c) Provide finalists with adequate information about LTFRCF's mission and governance for the candidate to make a knowledgeable and informed decision on their fit for the Board
 - d) Check for competencies
 - e) Discuss the qualifications of nominees and their value to the Board
- Final Board selection will be made in accordance with the provisions outlined above.

VII. TREATMENT OF CONSULTANTS AND VOLUNTEERS

Treatment of Consultants and Volunteers

All consultants and volunteers of LTFRCF will receive fair, humane and dignified treatment and shall be afforded all rights guaranteed under municipal, state or federal law. Accordingly,

- a) LTFRCF practices will promote pluralism and diversity within the volunteer community.
- b) LTFRCF will not discriminate against any consultant or volunteer.
- c) Consultants and Volunteers must avoid conflicts of interest.

LAKE TRAVIS FIRE RESCUE COMMUNITY FOUNDATION POLICY & PROCEDURE MANUAL

- 1) There must be no self-dealing or any conduct of private business or personal services between any consultant or volunteer and the organization and must meet established Board Procedures for openness, competitive opportunity and equal access to inside information.
 - 2) Consultants and Volunteers will disclose their involvement with other organizations, with vendors or any other associations which might produce a conflict.
 - 3) Consultants and Volunteers will immediately disclose and recues themselves from all discussions and decisions on which they have a material conflict.
- d) A Consultant and/or Volunteer shall have the ability to bring grievances to the Board when (1) internal grievance procedures have been exhausted and (2) the volunteer alleges either that (a) Board Policy has been violated to his or her detriment or (b) Board Policy does not adequately protect his/her human rights.
- e) The Board will post the Policy & Procedures on the Web Site and ask all Consultants and Volunteers to be informed of their responsibilities for this Foundation.

VIII. Treatment of Consumers

- o LTFRCF shall establish in writing and implement procedures, conditions and practices in which all consumers or those applying to be consumers are treated in a manner which is fair, dignified, humane, legal, ethical, safe, appropriately protects confidentiality or privacy, and is not unnecessarily intrusive.
- o LTFRCF shall promote diversity and provide equal opportunity for participation to qualified individuals without regard to gender, race, age, cultural background, disability, sexual orientation or veteran status.
- o The only information solicited from clients should be information necessary for LTFRCF to best serve their needs.
- o LTFRCF shall ensure that consumers have a clear understanding of what may be expected and what may not be expected from the services provided.

IX. Financial Condition and Activities

With respect to the actual, ongoing financial condition and activities, the Board will operate LTFRCF in a sound and prudent fiscal manner for short- and long-term financial health, not deviating materially from Board-stated priorities.

1. Accordingly:
 - a) total expenses shall not exceed available organizational resources

LAKE TRAVIS FIRE RESCUE COMMUNITY FOUNDATION POLICY & PROCEDURE MANUAL

- b) unrestricted operating expenses shall not exceed unrestricted operating income
 - c) all other Board policies (see Budgeting) are met
2. The Treasurer will maintain internal financial reports sufficient to monitor the financial activity of LTFRCF in accordance with all other financial policies. The Treasurer will:
- a) Prepare a monthly “top line report” as defined by the Board
 - b) Prepare monthly balance and income statements compared to budget
 - c) Maintain internal controls to provide reasonable assurance on the reliability of financial reporting, effectiveness and efficiency of the operation, and compliance with applicable laws and regulations.
3. The Treasurer will accurately prepare and file on a timely basis all reports, fees and documentation required by federal, state, and local government.
4. The Treasurer will settle all debts in a timely manner.
5. Any single purchase of \$100 or more needs a check co-signature by either the President or the Vice President of the Board, in order to ensure the purchase is legitimate and properly documented. Any single purchase which commits 10% or more of the total LTFRCF annual budget must be approved by the Board.
6. The Treasurer shall not indebt LTFRCF in an amount greater than can be repaid by certain, otherwise unencumbered revenues within thirty days. The Treasurer must seek Board approval before incurring any debt.
7. The Treasurer will aggressively pursue receivables after a reasonable grace period.

X. Financial Planning and Budgeting

The Board will prepare financial plans and annual operating and capital budgets that achieve approved Ends Policies and promote the long-term stability and sustainability of LTFRCF.

1. Accordingly, the Board will prepare an annual budget:
 - a) in which expenses do not exceed the amount of funds which are conservatively expected to be received in that period.
 - b) in which temporarily and permanently restricted assets will be segregated to ensure that LTFRCF complies with donor restrictions and requests.
 - c) which includes an operating reserve at no less than three months of operating expenses.
2. In addition, the Board will prepare and maintain:
 - a) a long-term Financial Plan.
3. The Annual Budget will be reviewed and revised at the sixth month of the Fiscal Year to assure continued compliance with all Board Financial Policies. This is to be prepared by the Budget Committee and the final presented to the Board at the Special Annual Board Meeting for approval.

LAKE TRAVIS FIRE RESCUE COMMUNITY FOUNDATION POLICY & PROCEDURE MANUAL

Financial Planning and Budgeting policies will be monitored:

- Annual budget: internal report: prepared for the Special Annual Board meeting
- Long -term financial plan: Internal report, annually during budget preparation
- Revised budget: Internal report, prepared for Special Annual Board meeting

XI. Asset Protection

1. The Treasurer will protect and adequately maintain all tangible and intangible assets of LTFRCF. Accordingly, the LTFRCF will:
 - a) Maintain theft and casualty insurance of at least 80% of replacement value and liability insurance to cover board, staff and the organization in an amount greater than the average for comparable organizations.
 - b) Assure that only certain Board Officers have access to material amounts of funds, that being the Secretary/Treasurer, President and Vice President.
 - c) Assure that assets and equipment are adequately maintained and repaired
 - d) Assure that the Foundation and its Board are not unnecessarily exposed to claims of liability.
 - e) Approve purchases only in the instances that he or she is sure that 1) prudent protection has been exercised against conflict of interest, 2) comparative prices and quality have been investigated for all purchases over \$500, 3) all purchases over \$1,000 have been subjected to stringent criteria for comparison of long-term cost and quality.
 - f) Assure that intellectual property, information and files are protected from loss or significant damage.
 - g) Invest or hold operating capital only in secure instruments such as interest-bearing, insured savings or checking accounts.
 - h) Protect LTFRCF's public image and credibility at all times.
2. The LTFRCF will not encumber or dispose of real property, with a current market value or more, without Board approval.

XII.Grants and Contracts

Grant funds must be used in prudent, lawful and ethical ways and in accordance with donor restrictions. In addition, the Board shall:

- a) Only enter into those grant arrangements in which LTFRCF has a reasonable expectation of delivering the promised activities and results.
- b) Any subcontractors must also be reasonably expected to deliver promised activities and results and to use funds in prudent, lawful and ethical ways. All subcontracts of state and federal funds must conform to grant requirements.

**LAKE TRAVIS FIRE RESCUE COMMUNITY FOUNDATION
POLICY & PROCEDURE MANUAL**

- c) Not enter into grant or contract arrangements which place the financial solvency of LTFRCF at risk.
Assure that temporarily restricted and permanently restricted assets are appropriately segregated to ensure compliance with donor restrictions

XII. Fund raising, lobbying and political activity

The Board will operate any fund raising, lobbying or managerial activity not discussed elsewhere in a manner which is legal, ethical, prudent, and embodies sound business practices.

- o LTFRCF shall comply with all applicable local, state and federal laws regulating fund raising.
- o LTFRCF will meet all IRS requirements on a timely basis.
- o Fund raising practices should meet the following standards for ethical practices outlined by the Council of Better Business Bureaus (www.cbbb.org) or other non-profit guidelines.
 - a) On request and in accordance with donor wishes, prospective donors will be provided with an annual report, audited financial statements and/or Form 990. Those documents will include sufficient information to provide a basis for informed giving decisions.
 - b) Annual fund raising costs shall be reasonable over time.
 - c) Solicitations, promotional and informational materials, distributed by any means, shall be accurate, truthful and not misleading, in whole or in part, and shall include a clear description of the programs and activities for which funds are being requested.
 - d) LTFRCF shall, to the best of its ability, ensure that general contributions are used in accordance with donors' wishes or LTFRCF's stated purposes. Restricted gifts will be used in accordance with donors' specific requirements. Donor gifts shall be acknowledged on a timely basis.
 - e) LTFRCF will establish and exercise adequate controls over fund raising activities conducted by volunteers, consultants, and contractors, including commitment to writing of all fund raising contracts and agreements.
 - f) LTFRCF may engage in compensation-based fund raising based on a percentage of charitable contributions raised.
 - g) LTFRCF will honor donor requests for confidentiality and shall not publicize the identity of donors without prior permission.
 - h) Donors shall, on a scheduled basis, have the opportunity to have their names removed from the Foundations database.
 - i) Donor lists shall not be rented, sold or exchanged with other organizations.
 - j) Fund raising practices should encourage voluntary giving and should not apply unwarranted pressure.
- o The Board may conduct revenue generating activities not directly related to the exempt purposes of LTFRCF. At no time, however, may unrelated revenues or activities devoted to the production of these revenues become substantial.

**LAKE TRAVIS FIRE RESCUE COMMUNITY FOUNDATION
POLICY & PROCEDURE MANUAL**

BOARD LINKAGE

I. Transition Policy

- o All existing policies remain in place until amended by the Board of Directors.

II. Executive Constraint

The Board shall operate LTFRCF in a manner which is lawful, prudent, and in accordance with commonly accepted nonprofit business practices and professional ethics.

- The Board's sole official connection to the operating organization, its achievement, and conduct will be through the Board of Directors.
- Only decisions of the Board acting as a body are binding.

III. Communication & Support to the Board

- o The President shall communicate with the Board in a timely and sufficient manner to keep the Board informed and prepared for its work.
 - a) The President shall submit monitoring information required by the Board in a timely, accurate, and understandable fashion, directly addressing the Board policies being monitored.
 - b) The President shall report and prepare recommendations and suggest corrective action in a timely manner on any actual or anticipated non-compliance with any policy of the Board allowing sufficient time for the Board to consider corrective action. The President shall keep the Board informed of relevant trends, anticipated adverse media coverage, material external and internal changes, particularly changes in assumptions, upon which any Board policy has been or is being established.

Board Member Job Description

1. Regularly attends Board meetings and important related meetings.
2. Makes serious commitment to participate actively in committee work.
3. Volunteers for and willingly accepts assignments and completes them thoroughly and on time.
4. Stays informed about policies and procedures, committee matters, prepares themselves well for meetings, and reviews and comments on minutes and reports.
5. Gets to know other committee members and builds a collegial working relationship that contributes to consensus.
6. Is an active participant in the committee's annual evaluation and planning efforts.
7. Participates in fund raising for the organization

LAKE TRAVIS FIRE RESCUE COMMUNITY FOUNDATION POLICY & PROCEDURE MANUAL

Board President Job Description

1. Is a member of the Board
 2. The President shall chair meetings after preparing an Agenda
 3. The President may execute any deeds, mortgages, bonds, contracts, or other instruments that the Board of Directors have the authorization to be executed; however, the President may not execute instruments on behalf of the Foundation if this power is expressly delegated to another Officer or Agent of the Foundation by the Board of Directors and the ByLaws.
 4. The President shall perform other duties prescribed by the Board of Directors and all duties incident to the Office of President
 5. Encourage Board's role in strategic planning
 6. Monitor financial planning and financial reports
 7. Play a leading role in fundraising activities
 8. Perform other responsibilities assigned by the Board
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Vice President Job Description

This position is typically the successor to the President position. In addition to the responsibilities outlined in the Committee Member Job Description, this position:

1. Is a member of the Board
 2. Performs responsibilities when the President cannot be available
 3. Works closely with the Chair and Committee Chairs
 4. Submits Standard Committees for Board approval
 5. Participates closely with the President to develop and implement Officer Transition Plans
 6. Performs other Board responsibilities
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Board Secretary Job Description

1. Is a member of the Board
2. Maintains Board Records and ensures effective management of such
3. Takes and prepares Minutes of Board Meetings and keeps them as part of the Foundation's Records
4. Ensures Minutes are distributed to Board Members shortly after each meeting
5. Is sufficiently familiar with legal documents (ByLaws, IRS letters, etc.) to note applicability during meetings
6. Maintains custody of Foundation Records

**LAKE TRAVIS FIRE RESCUE COMMUNITY FOUNDATION
POLICY & PROCEDURE MANUAL**

7. Keep a register of the mailing address/email addresses of each Director, Officer, and volunteer of the LTFRCF
 8. Prepares and keeps current record of all Committees and Members
 9. Prepares and keeps current record of all Area Representatives
 10. Perform duties as assigned by the President or by the Board of Directors
 11. Perform all duties incident to the Office of Secretary
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Board Treasurer Job Description

1. Is a member of the Board
2. Manages finances for the LTFRCF and has charge and custody of and be responsible for all funds and securities of the LTFRCF
3. Administrates fiscal matters for the Foundation
4. Provide annual budget to the Board for approval
5. Ensures development and Board review of financial policies and procedures
6. Receive and give receipt for moneys due and payable to the LTFRCF from any source and send out “Thank You” notes for donations
7. Deposit all moneys in the name of LTFRCF in banks, trust companies or other depositories as provided in the ByLaws or as directed by the Board of Director.

8. Write checks and disburse funds to discharge obligation of the LTFRCF. Funds may not be drawn from the LTFRCF or its accounts for amounts greater than \$300.00 without authorization from the Board of Directors

Committee Chair Job Description

1. Is a member of the Board
2. Sets tone for the committee work
3. Ensures that members have the information needed to do their jobs
4. Oversees the logistics of committee's operations
5. Reports to the Board's Chair
6. Reports to the full Board on committee's decisions/recommendations
7. Assigns work to the committee members, sets the agenda and runs the meetings, and ensures distribution of Meeting Minutes
8. Initiates and leads the committee's annual evaluation <http://managementhelp.org/boards/job-descriptions.htm - anchor343486>

This Policy and Procedure Manual was approved by the LTFRCF Board on _____.

President Signature

Secretary Signature