

## DELEGATION TO THE GENERAL MANAGER

The board's 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 further policies, make all decisions, take all actions, and develop all activities that are true to 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. No individual board member, officer, or committee has the authority over the General Manager. Information may be requested, but if such request, in the General Manager's judgment, requires a material amount of staff time, it may be refused.
3. The General Manager may not perform, allow or cause to be performed any act which is contrary to explicit board constraints on executive authority. (see Executive Limitations policies)
4. Should the General Manager deem it necessary to violate board policy, s/he shall inform an officer of the board. Informing is simply to guarantee no violation may be intentionally kept from the board, not to request approval. Officer response, either approving or disapproving, does not exempt the General Manager from subsequent board judgment of the action.

### **GENERAL MANAGER'S 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 contributions can be stated as performance in only two areas:

1. Accomplishing the board's Ends policies.
2. Operating the organization within the boundaries of prudence and ethics established in the board's Executive Limitations policies.

**MONITORING GENERAL MANAGER PERFORMANCE**

Monitoring executive performance is synonymous with monitoring organizational performance against board policies on Ends and Executive Limitations. Any evaluation of General Manager performance, formal or informal, may be derived only from these monitoring data.

1. The purpose of monitoring is simply to determine the degree to which board policies are being fulfilled. Information which does not do this will not be considered to be monitoring. Monitoring will be as automatic as possible, using a minimum of board time so that meetings can be used to create the future rather than to review the past.
2. A given policy may be monitored in any or all of three ways:
  - a) Internal report: disclosure of compliance information to the board from the GM.
  - b) External report: discovery of compliance information by a disinterested, external auditor, inspector, or judge whom is selected by and reports directly to the board. Such reports must assess executive performance only against policies of the board, not those of the external party unless the board has previously indicated that party’s opinion to be the standard.
  - c) Direct board inspection: discovery of compliance information directly 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 that allows a “prudent person” test of policy compliance.
3. Upon the choice of the board, any policy can be monitored by any method at any time. For regular monitoring, however, each Ends and Executive Limitations policy will be classified by the board according to frequency and method.

Policy	1-1	Ends Statement	Internal/Annually
	2-1	GM Constraint	Direct Inspection/Annually
	2-3	Treatment of Staff	Internal/Annually
	2-4	Compensation & Benefits	Internal/Annually
	2-5	Planning and Budgeting	Internal/Annually
	2-6	Financial Condition	Internal/Provisions 1-9: Quarterly; Provision 10: Annually
	2-7	Asset Protection	Internal/Annually
	2-8	Communication & Counsel	Direct Inspection/Annually
	2-9	Emergency Mgt Succession	Internal/Annually
	2-10	Treatment of Consumers	Internal/Annually
	2-11	(deleted)	
	2-12	Treatment of Vendors	Internally/Annually

4. A formal evaluation of the GM will occur in the year. This evaluation will only consider monitoring data as defined here, but as it has appeared over the intervening year.

## **GENERAL MANAGER COMPENSATION**

The General Manager's compensation will be:

1. Based on a fair market value for skills and experience as required by the accomplishment of the Ends Statement and in compliance with Executive Limitations.
2. Fiscally feasible
3. Motivating to the GM – for example the GM may elect to forego some compensation monies in return for other benefits within legal, moral and policy restrictions and subject to approval by the Board of Directors.
4. Consistent with board policies.
5. The board may award a bonus based on board determined criteria for any of the following reasons:
  - Retention
  - Recruitment
  - Reward
  - Recompense for a conservative base pay

### **CHIEF EXECUTIVE ROLE**

The General Manager, as chief executive officer, is accountable to the board acting as a body. The board will instruct the chief executive through written policies, delegating to him or her interpretation and implementation of those policies.