**POLICY GOVERNANCE POLICY HANDBOOK**

**3/8/2017**

*Mater Dolorosa Passionist Retreat Center Draft – Board Adopted Version*

**BOARD‐CEO LINKAGE POLICIES**

**BCL.1: Global Governance Management Connection**

**BCL.2: Unity of Control**

**BCL.3: Accountability of the CEO**

**BCL.4: Delegation to the CEO**

**BCL.5: Monitoring CEO Performance**

***Note: The term CEO is used throughout this document to indicate the Chief Executive Officer of the Retreat Center***

**BCL.1: Global Governance Management Connection**

The board's sole connection to the operation of the retreat center, its achievements and conduct will be through a Chief Executive Officer.

**BCL.2: Unity of Control**

Only officially passed motions of the board are binding on the CEO.

Accordingly, decisions or instructions of individual board members, officers, or committees are not binding on the CEO except in rare instances when the board has specifically authorized such exercise of authority.

**BCL.3: Accountability of the CEO**

The CEO is the board's only link to operational achievement and conduct of the Retreat Center, and the CEO has full control and authority over the staff.

Accordingly, the board will:

1. never give instructions to persons who report directly or indirectly to the CEO;
2. refrain from evaluating, either formally or informally, any staff other than the CEO;
3. view CEO performance as identical to organizational accomplishment of board stated ENDS policies and adherence to its EXECUTIVE LIMITATIONS Policies.

**BCL.4: Delegation to the CEO**

The board will provide the following written policies to the CEO:

1. ENDS policies to be achieved;
2. EXECUTIVE LIMITATION policies describing organizational situations and actions to be avoided.

The CEO may use any reasonable interpretation of these policies.

Accordingly, the board will:

1. develop policies instructing the CEO to achieve certain results for certain recipients at a specified cost or relative worth. These policies will be developed systematically from the broadest, most general level to more defined levels, and will be called ENDS policies.
2. develop policies which limit the latitude the CEO 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;
3. authorize the CEO to establish all further policies, make all decisions, take all actions, establish all practices and develop all activities, using any reasonable interpretation of the board's ENDS and EXECUTIVE LIMITATIONS policies;
4. reserve to itself the right to change its ENDS and EXECUTIVE LIMITATIONS policies, thereby shifting the boundary between board and CEO domains. By doing so, the board changes the latitude of choice given to the CEO. But as long as any particular delegation is in place, the board will respect and support the CEO's reasonable interpretation of these policies.

**BCL.5: Monitoring CEO Performance**

Systematic and rigorous monitoring of CEO performance will be measured against only expected CEO job results: organizational accomplishment of board policies on ENDS and organizational operation within the boundaries established in board policies on EXECUTIVE LIMITATIONS.

Accordingly:

1. monitoring is simply to determine the degree to which board policies are being met. Only data which does this will be monitoring data;
2. the board will acquire monitoring data by one or more of three methods:
   1. by internal report, in which the CEO discloses compliance information to the board,
   2. by external report, in which an external, disinterested third party selected by the board assesses compliance with board policies,
      1. for example, the board will require an annual audit in accordance with Holy Cross Province policy, and
   3. by direct board inspection, in which a designated member or members of the board assess compliance with the appropriate policy criteria;
3. in every case, the standard for compliance shall be any reasonable interpretation of the board policy by the CEO;
4. all policies which 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 ordinarily depend on a routine schedule;
5. the board will conduct a summative CEO performance evaluation each year.