

Monitoring Overview: August 22, 2022

Ends Policy 1; Governance Policies 6, 7, 8, 9, and 15; Executive Limitations Policies 8 and 11; and Board Executive Linkage Policy 1

Reporting Responsibility

- Executive Limitations and Ends policies are reported on by the CEO.
- Board Executive Linkage policies are reported on by the Board Chair.
- Governance Policies are reported on by the Chair of the Board Affairs committee.

Guidelines for writing a monitoring report:

1. Restate the policy
2. State the reasonable interpretation of the policy (may include defining words in the policy).
3. State why this interpretation is reasonable.
4. State what compliance looks like (observable condition).
5. Provide evidence of achievement and compliance.
6. Report of compliance or steps moving toward compliance.

The report is submitted to the Board in advance of their meeting and members review the report ahead of the meeting. If more data is needed or if there are any other questions, the responsible individual will address it at the next meeting. If policy needs to be revised, that can be passed by the Board at any Board meeting.

Ends Policy 1 (*Monitoring Report required by the CEO*)

Our primary ministry is Passionist preached retreats and programming, in order that the Passionist mission at St. Paul of the Cross Retreat Center will be fulfilled.

Reasonable interpretation: Our focus and use of resources will properly support our Passionist retreat ministry. Compliance to this policy will be evidenced through continuing to offer our weekends, expanding weekends as attendance grows, and keeping our retreat themes in line with our charism and mission. This interpretation is reasonable since it maintains our focus on the charism and mission of the retreat center and will help us to educate attendees as to the Passionist charism as it is lived out in their daily lives.

Compliance to this policy: Compliance will be evidenced through ...

Report of Compliance: We are presently in compliance with this policy.

Governance Policy 6 – Code of Ethics (*Monitoring Report required by the Chair of the Board Affairs Committee*)

The mission of SPC can only be realized through a common code of ethics upheld by the Board. As such, Board Members are expected to:

1. Act with integrity, honesty, and trustworthiness informed by the guiding values of SPC: Hospitality, Compassion, Christ-centered spirituality, providing a quiet and prayerful environment and Service to all.
2. Act with responsibility on behalf of the center and accountability and transparency to the constituents and fellow Board Members.
3. Respect for the opinions of others.
4. Be equitable in decision making and mindful of the impact those decisions have on others.
5. Act in a way that promotes the wellbeing of each other, the community, SPC, and the Owners.
6. Board members will adhere to all relevant Provincial Policies (found on the Provincial portal).
7. Board members do not have any power or individual authority over the Executive (Director of Mission and Ministry) unless explicitly authorized by the Board.
8. In their interaction with the public, press, or other entities, must not speak for the Board except to repeat explicitly stated Board decisions.
9. Board members will not express individual judgments of Executive (Director of Mission and Ministry) performance outside the “Boardroom”.
10. Board members may not attempt to exercise individual authority over the organization.

Governance Policy 7 – Confidentiality (*Monitoring Report required by the Chair of the Board Affairs Committee*)

SPC’s Board members must maintain confidentiality of sensitive information that belongs to or is obtained from SPC; e.g., financial, personal, or as identified as such. Such information cannot be disclosed or divulged to any person including relatives, friends, business associates, or professional associates unless a legitimate need for such information has received Board authorization for disclosure. This policy is not intended to prevent disclosure when required by law.

Board members must exercise good judgment to avoid unauthorized disclosure of confidential information. Public conversations should only occur regarding matters that do not pertain to sensitive, confidential matters. They will annually sign a confidentiality agreement while serving.

After a Board member completes his/her term of service, all documents, papers, and other materials, regardless of medium, that may contain or be derived from confidential information should be returned to SPC. Confidential information in electronic format (including emails) should also be deleted from the hard drives of the computers and/or servers where the information resides.

Governance Policy 8 – Conflict of Interest (*Monitoring Report required by the **Chair of the Board Affairs** Committee*)

SPC, as a nonprofit, tax-exempt organization, depends on charitable contributions from the public. Maintenance of its tax-exempt status is important both for its continued financial stability and for the receipt of contributions and public support. That having been stated, no presumption of a conflict is created by the mere existence of a relationship with outside firms. However, if a board member has any influence on any material business transactions, it's imperative he or she discloses to the Secretary of the Board as soon as possible the existence of any actual or potential conflict of interest so safeguards can be established to protect all parties.

It's imperative board members commit themselves to appropriate, ethical, and lawful conduct including proper use of authority and appropriate decorum when acting as a board member. Board members shall always govern through the lens of the love and compassion of Jesus Christ and in the charism of SPC.

Governance Policy 9 – Acceptance of Gifts (*Monitoring Report required by the **Chair of the Board Affairs** Committee*)

To protect both board members and the reputation of SPC from accusations of bribery or corruption, board members are not permitted, directly or indirectly, to accept any gift, hospitality, reward, or other benefit from any source except under the following circumstances:

1. Occasional gifts which are regarded as trivial and where the nominal value received by any one person is under \$25; e.g., pens, calendars, diaries, etc.
2. Occasional hospitality offers such as meals, product samples, event tickets, etc. where the nominal value received by any one person is under \$50 and where the frequency would not be construed by an impartial observer as affecting the board member's judgment regarding their duties as a board member.

If a board member receives an unsolicited gift exceeding the nominal value in the examples above, the board member should either return the gift to the sender, pay the sender full market value for the gift, or donate the gift to a charitable organization.

Reasonable interpretation: Board members are expected to adhere to SPC's policies regarding its Code of Ethics, Confidentiality, Conflict of Interest, and Acceptance of Gifts policies as outlined above.

Compliance to this policy: Annually, during the first meeting of each fiscal year, Board members are required to sign the "Annual Confidentiality Agreement" which contains excerpts from these four policies. Compliance on the part of the Board members is, obviously, voluntary. While the Board Affairs committee doesn't actively monitor compliance with these policies, the committee will investigate violations.

Report of Compliance: We are presently in compliance with this policy.

Governance Policy 15 – Exit Interviews (*Monitoring Report required by the Chair of the Board Affairs Committee*)

Exit Interviews will be conducted by the Board Affairs Committee for all members leaving their position on the Board. Such interviews will include an evaluation of the time spent in service.

1. The evaluation will include at least the following information:

- Whether or not he/she received an adequate orientation
- Whether or not Board expectations were clearly stated
- If the member felt the Board of Directors accomplished their goals during his/her tenure
- Whether or not he/she believed the Board of Directors and its committees had effective leadership

2. The interview will also seek recommendations for further actions by the Board of Directors.

Reasonable interpretation: The purpose of conducting an exit interview for outgoing board members is fourfold:

1. It's an opportunity to learn valuable insights into ways the board is currently functioning and how it might improve.
2. It's a meaningful way to capture wisdom that was gained while serving on the board so it can be passed on to others.
3. It's a graceful way to thank an outgoing board member, recognize his/her accomplishments, and end their involvement on a positive note.
4. It's a way to keep the individual connected to the organization as a supporter and donor.

Compliance to this policy: Within 60 days of a board member's resignation or the end of their term, one or more members of the Board Affairs Committee will conduct an exit interview using form GP15. Two board members (Bob Salter and Jim McKelvey) left the board at the end of June 2022 and both have been interviewed.

Report of Compliance: We are presently in compliance with this policy.

Executive Limitations Policy 8 – Financial Conditions and Activities (*Monitoring Report required by the CEO*)

With respect to the actual, ongoing financial condition and activities, the Director of Mission and Ministry shall not cause or allow the development of fiscal jeopardy or a material deviation of actual expenditures from the budget. Accordingly, he/she shall not:

1. Acquire, encumber, or dispose of real property.
2. Use any restricted funds for any other purpose than that designated by the donor(s).
3. Fail to provide for the Board of Directors an annual external Audited Financial Statement or Review.
4. Fail to provide programming in line with our Mission.

Reasonable interpretation: We are not to sell or acquire land or buildings, use any restricted funds differently than requested. We are to have an audit or review and be sure all programming fits within our Mission. We also shall not cause material deviation from our budget and, if it should occur, we follow the guidelines in the Policy Handbook. Compliance to this policy is evidenced by our financial statements presented to the Audit and Finance committee and to the Province regularly. Compliance is also achieved through an audit or review.

Compliance to this policy: Compliance will be evidenced through ... This interpretation is reasonable since ...

Report of Compliance: We are presently in compliance with this policy.

Executive Limitations Policy 11 – Communication and Support to the Board (*Monitoring Report required by the CEO*)

The Director of Mission and Ministry shall not permit the board to be uninformed or unsupported in its work. Accordingly, the Director of Mission and Ministry shall not:

1. Neglect to submit monitoring data required by the board (see policy on Monitoring Executive Performance) in a timely, accurate and understandable fashion.
2. Let the board be uninformed of relevant trends, anticipated adverse media coverage, or material external and internal changes, particularly changes in the assumptions upon which board policy has previously been established.
3. Fail to advise the board if the board is not in compliance with its own policies on Governance Process and Board-Executive Linkage, particularly as it relates to board behavior which is detrimental to the work relationship between the board and the Executive.
4. Fail to report in a timely manner an actual or anticipated noncompliance with any policy of the board.

Reasonable interpretation of this policy: We will not let the board be uninformed of material changes, trends or changes in assumptions. We will report according to the pre-set monitoring schedule and add areas as needed to keep the board informed of any noncompliance. Compliance to this policy will be through the monitoring reports, to acknowledge and inform the board of any material changes in assumptions and also if the BEL policies are out of compliance.

Compliance to this policy: Compliance will be evidenced through ...

Report of Compliance: We are presently in compliance with this policy.

Board Executive Linkage Policy 1 – Global Executive Constraint *(Monitoring Report required by the Board Chair)*

The Director of Mission and Ministry shall not cause or allow any policy, practice, activity, event, decision, or organizational circumstance which violates the spirit, traditions, and mission of the Congregation of the Passion of Holy Cross Province. The Director of Mission and Ministry will not allow any activity which is in conflict with the Magisterium of the church or Canon Law of the Roman Catholic Church. Including without limitation, as directed by the local Ordinary and the Archdiocese of Detroit or is either unlawful, negligent, or in violation of commonly accepted Catholic, business, or professional ethics.

Reasonable interpretation:

Compliance to this policy: Compliance will be evidenced through ...

Report of Compliance: We are presently in compliance with this policy.