

How to Use This Guide

This self-help guide supports both the **executive director** and the **board** in fulfilling their shared responsibility for policy monitoring under Policy Governance. It includes: (1) guidance for preparing and assessing monitoring reports, (2) a universal monitoring template for all policies, (3) two sample monitoring reports and 4) a glossary of prompts for the executive director when thinking about content for Operational Interpretations and Compliance. The executive director and board each have distinct roles in the monitoring process, and this guide keeps those roles clear while fostering mutual understanding and accountability. Whether you're writing or reviewing a report, you'll find concise tools and prompts to help you do your part well.

Monitoring is how the board holds itself and its delegate (usually called an executive director) accountable. Under Policy Governance, this process is part of the board’s core work of listening for expectations from members, setting direction clearly through policy and verifying performance. This guide supports the board and the executive director in fulfilling their distinct responsibilities: writing meaningful reports and assessing them with discipline.

# Board Member Monitoring Guide

## Purpose

This guide helps board members review monitoring reports submitted by the executive director. Your role is to assess whether the report meets your governance expectations within the framework of Policy Governance.

### 1. Assess the Operational Interpretation

Is the executive director’s interpretation of the policy **reasonable**? It should:

* Cover all relevant parts of the policy
* Be plausible, prudent and understandable
* Make sense for the organization – even if it’s not how *you* would interpret it

Use this test: Would most reasonable people consider this a valid interpretation?

### 2. Review the Compliance Indicators

Make sure the indicators:

* Are logically aligned with the interpretation
* Would generate data sufficient to prove compliance

### 3. Evaluate the evidence provided

The data must be:

* Relevant to the indicators
* Verifiable and complete
* Tied to the stated time period

### 4. Consider the Compliance Statement

Has the executive director clearly stated whether the organization is in compliance? If not, that’s a red flag. If noncompliance is reported:

* Is the plan for correction reasonable and time-bound?

### 5. Record your opinions in the Assessment Zones

In the monitoring report, assess:

* Interpretation reasonableness
* Indicator soundness
* Evidence of compliance
* Recommended board action

Based on your review you may recommend the board:

* Accept the report as compliant
* Accept the report as partially compliant
* Reject the report and request a revised or partial report

## Tips

### Prepare

Do your individual review before the board meeting. Some boards require members to submit assessments to the chair in advance. Show up ready for a deliberative decision.

### Understand “Reasonableness”

As a board member, your job isn’t to decide whether you agree with the executive director’s interpretation or would have done it differently. Your job is to decide whether the interpretation is **reasonable**. A reasonable interpretation is one that is:

* **Acceptable** – it covers the key parts of the policy
* **Supportable** – it makes sense in the context of your organization
* **Prudent** – it shows care and judgment

It does **not** have to be your preferred way – just a way that most people would see as plausible and responsible.

### Understand Compliance

The same goes for how compliance is demonstrated. You’re looking at whether the **evidence** is a reasonable match for the **indicators** the executive director used. Ask yourself, “Would the information provided convince a reasonable person that the organization followed the policy?”

This may include data, but not everything important is strictly measurable. That's why many boards use **rubrics** as well – tools that allow for professional judgment when interpreting qualitative or complex information.

### Stay out of advice-giving mode.

Your role isn’t to rewrite the executive director’s interpretation. It’s to determine whether what was presented is solid, thoughtful and complete even if it’s not how you would have done it.

## Board Member Assessment Zones

To help board members stay focused and consistent, each monitoring report includes Assessment Zones – short sets of questions that guide your judgment. There are two points in the report where you’re asked to reflect:

### 1. Before the Evidence

Here, you're evaluating the *reasonableness* of the executive director’s:

* **Operational interpretation** – Does it clearly explain what the policy means in the organization’s context?
* **Compliance indicators** – Are the chosen ways of measuring compliance appropriate and sufficient?

You're not judging the results yet – just whether the setup makes sense and shows good judgment.

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| --- |
| Board Member Assessment Zone |
| Was this interpretation “reasonable”? *(Did it address all the important parts of the policy? Did it give you a clear understanding of how the organization dealt with the board’s concern? Even if it was not how you, personally, would have interpreted the policy, would most people still consider it to be a reasonable interpretation?) Yes/No/In between (Explain your answer)*Were the compliance indictors “reasonable”? *(Would the data generated based on them give you the proof you would need to see to be convinced the organization was in compliance with the operational interpretation?) Yes/No/In between (Explain your answer)* |

### 2. After the Evidence

Now that you’ve seen the data or documentation, you're asked:

* Did the information actually demonstrate compliance with the executive director’s interpretation?

Finally, you can make a recommendation: accept the report, note partial noncompliance or ask for a revision.

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| Board Member Assessment Zone |
| Does the data provide sufficient evidence to support that the organization was in compliance?*Yes/No/In between (Explain your answer)* |

### Handling the Communication and Support to the Board Policy Assessment

Including this policy as an Executive Limitation ensures the executive director is aware of this expectation and acts accordingly.

Because compliance is determined subjectively (“Did I feel I was adequately informed and supported as a board member?”), the executive director is not required to submit a written monitoring report for this policy. Instead, the board uses modified Deliberation Guide questions to determine whether the executive director complied with the policy. Usually, this evolves into a useful conversation between the board and the executive director about the strengths and challenges of the existing communication and information storage tools used by the board and organization. Board members can use the following questions when they are preparing for the group assessment discussion for each of the provisions within the policy template found in the Board Manual Template.

Provision: Present reports or other information to the board that are unnecessarily complex or lengthy.

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| Board Member Deliberation Zone |
| **Do the majority of us feel monitoring reports or other information received was too complex or unnecessarily long?** *Yes/No/Partial (Explain your answer)*  **If No or Partial, are there issues to be discussed or resolved with the executive director?** |

Provision: Let the board be unaware of any information affecting the image or credibility of the association.

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| Board Member Deliberation Zone |
| **Do the majority of us feel we were promptly, regularly and thoroughly informed when the association’s image or credibility was in question?** *Yes/No/Partial (Explain your answer)*  **If No or Partial, are there issues to be discussed or resolved with the executive director?** |

Provision: Allow the board to be without a workable communications system and online document accessibility for its official board, officer and committee communications.

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| Board Member Deliberation Zone |
| **Do the majority of us feel we had a communication and information storage system that reasonably supported our needs?** *Yes/No/Partial (Explain your answer)*  **If No or Partial, are there issues to be discussed or resolved with the executive director?** |

Provision: The executive director shall not cause or allow the board to be uninformed or unsupported in its work.

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| Board Member Deliberation Zone |
| **Looking more globally, do the majority of us feel we were informed and supported in our work (e.g. received information useful to board deliberations, general sense of organization in order for you to get to work), so that we could govern effectively?** *Yes/No/Partial (Explain your answer)*  **If No or Partial, are there issues to be discussed or resolved with the executive director?** |

|  |
| --- |
| Board Assessment |
| **Does a majority of the board feel the executive director is in compliance with this policy?**  *Yes/No/Partial (Explain your answer)*  *Record your final decision in your meeting minutes.* |

# Executive Director Monitoring Guide

## Purpose

This guide is for executive directors preparing monitoring reports under a Policy Governance system. It simplifies your role and offers best practices to help you present clear, accountable and compliant reports.

### 1. Understand the Policy You’re Monitoring

Read the specific policy or provision carefully. Determine what it means in the context of your organization. If the policy is vague or broad, your role is to provide a **reasonable interpretation** – a clear, supportable explanation of what the policy means operationally and within the context of your specific organization. Your job is not to explain why the policy is important – the board knows it is important, or they wouldn’t have written it in the first place.

### 2. Draft a Reasonable Interpretation

Your interpretation should:

* Address all critical parts of the policy
* Be logical, prudent and supportable
* Make sense in your setting – even if it’s not how the board might have interpreted it

Example: For “protect assets,” your interpretation might include details about financial safeguards, insurance coverage and cybersecurity protocols.

### 3. Identify Compliance Indicators

List how you will prove compliance with your interpretation. These indicators might include:

* Financial reports
* Survey results
* Internal documentation
* Meeting minutes or public records

Each indicator must link clearly to a part of your interpretation.

### 4. Report Actual Data from the Monitoring Period

Monitoring is **retrospective**. Don’t describe what you intend to do – only what occurred during the time period being reported on.

### 5. State Your Compliance

Conclude with one of the following:

* “I am in compliance with this policy”
* “I am not in compliance with this policy”

If not compliant, explain:

* Why
* What you’re doing to fix it
* When you expect to be in compliance

### 6. Common Pitfalls to Avoid

* Interpreting only part of the policy
* Reporting on future plans instead of past actions
* Omitting a compliance statement
* Avoiding noncompliance – acknowledge it and show your plan

### Tip

Save completed reports to your designated policy folder. This maintains history and supports transparency with the board.

# Universal Monitoring Report Template

## Policy Name and Type

### Monitoring Period

*From \_\_\_\_\_\_\_\_\_\_\_\_ to \_\_\_\_\_\_\_\_\_\_\_\_*

### Report Due Date

### Date Report Submitted

### Policy Text

*(Place full board-approved policy here)*

### Operational Interpretation

*(What does this policy mean in your setting? What would compliance look like?)*

### Compliance Indicators

*(List how you will show compliance. This must support parts of your interpretation.)*

### Evidence

*(What actually happened during the monitoring period? Provide the data in this section.)*

### Executive Director’s Statement of Compliance

☐ I am in compliance  
☐ I am not in compliance  
☐ Partial compliance (explain)

**Signature**: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
**Date**: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Noncompliance Plan (if applicable)**

*(What actions will you take to restore compliance? When?)*

### Board Member Assessment Zone Questions

**1. Was the interpretation reasonable?** ☐ Yes ☐ No ☐ In between

Explanation:

**2. Were the compliance indicators reasonable?** ☐ Yes ☐ No ☐ In between

Explanation:

**3. Did the data provide sufficient evidence of compliance?** ☐ Yes ☐ No ☐ In between Explanation:

**4. What action should the board take?**

☐ Accept ☐ Accept with note ☐ Reject ☐ Request more info  
(Explain recommendation)

**5. Are policy language changes necessary?**

☐ Yes ☐ No ☐ In between Explanation:

# Sample Reports

Here are two sample monitoring reports (minus the board assessment boxes). Together with the Glossary of Prompts in the next section, they will give you ideas about how to complete a monitoring report that is unique to your association.

## Global Constraint (Executive Limitation)

### Exact Period of Time Being Monitored

*(Month/date/year to month/date/year)*

### Date Due to the Board/Date Received by the Board

*(Usually 7-10 days before meeting date specified in the Board’s Monitoring Calendar/actual date received by board. The timing of this report should be at the end of an annual cycle of monitoring the other Executive Limitation policies.)*

#### **Policy**

The executive director shall not cause or allow any association practice, activity, decision or circumstance that is unlawful, imprudent or in violation of commonly accepted business and professional ethics and practices.

#### **Operational Interpretation**

First, the board has already provided further interpretation of this policy through their subsequent Executive Limitation policies.

In addition, this policy means I must ensure that everything (state association) does follows the law, avoids unnecessary risk and reflects ethical standards expected in the nonprofit sector.

* “Unlawful” means complying with all applicable federal, state and local laws – including tax filings, employment laws, contracts and nonprofit regulations.
* “Imprudent” means avoiding actions that would expose the association to serious risk – like spending money we don’t have, signing contracts without review or making decisions without sufficient information.
* “Violates commonly accepted ethics” means we operate with transparency, fairness, and accountability. For example, we avoid conflicts of interest, keep clear records and treat staff, volunteers, and members with respect.

If a situation feels questionable, I check applicable standards (e.g., IRS guidance, nonprofit best practices, legal counsel or the ASCA division charter expectations) before proceeding.

#### **Compliance Indicators**

Compliance is demonstrated when:

1. Compliance with all other Executive Limitation policies during the preceding 12 month monitoring cycle was demonstrated.
2. **Legal compliance**
   * Annual IRS Form 990 and all required state filings (e.g., charitable registrations, business license renewals) are submitted on time and without penalty.
   * Employment practices follow state and federal laws (e.g., wage/hour rules, anti-discrimination laws).
3. **Financial prudence**
   * No contracts exceeding board-approved spending limits are signed without prior approval.
   * Monthly financial statements are reviewed, and variances are documented and explained.
   * Adequate insurance coverage is maintained and renewed (general liability, D&O, etc.).
4. **Ethical standards**
   * Conflict of interest disclosures are reviewed and updated annually for all board and staff.
   * No complaints were filed during the monitoring period regarding unethical behavior by staff or volunteers.
   * Vendor selection follows fair, documented processes.
5. **Risk awareness**
   * A record is kept of any incidents, disputes or near-miss risks, with follow-up actions documented and addressed.
   * A basic risk register or log is maintained and reviewed quarterly.

#### **Evidence for Compliance Indicators/Data**

*(The report writer could provide brief, summary statements and/or create hyperlinks to the following information)*

**1. Executive Limitation policy compliance**

* Emergency Executive Director Succession: compliant
* Protection of Assets: compliant
* Financial Planning and Budgeting: compliant
* Ongoing Financial Conditions
* Communication and Support to the Board: compliant
* Treatment of Staff, Volunteers and Contractors: compliant
* Treatment of Members: compliant

**2. Legal Compliance**

* Copies or confirmation of:
  + IRS Form 990 filing and state charity filings (with timestamps or submission confirmations)
  + Secretary of State annual report filing
* W-9s (as redacted examples)

**3. Financial Prudence**

* Monthly or quarterly financial statements, including:
  + Budget-to-actual comparisons
  + Notes explaining any major variances
* Board minutes showing review of significant contracts or expenditures
* Insurance declarations showing active coverage for:
  + General liability
  + Directors and officers
  + Workers’ compensation

1. **Ethical Standards**

* Annual conflict of interest disclosure forms (signed and dated)
* Policy on ethics or code of conduct for staff and volunteers
* Incident log showing:
  + No complaints received, or
  + Complaint resolutions documented with dates and outcomes
* Documentation of procurement or selection process (e.g., comparison quotes, board vote records)

1. **Risk Awareness**

* Risk log or register noting any issues, near misses or legal threats – even if resolved
* Follow-up documentation showing how risks were addressed or mitigated
* Meeting notes where risk scenarios were discussed or policies reviewed

**Executive Director’s Statement of Compliance**

☐ I am in compliance  
☐ I am not in compliance  
☐ I am in partial compliance *(explain in space below)*

**Signature**: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
**Date**: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Noncompliance plan:**

## Protection of Assets (Executive Limitation)

### Exact Period of Time Being Monitored

*(Month/date/year to month/date/year)*

### Date Due to the Board /Date Received by the Board

*(Usually 7-10 days before meeting date specified in the Board’s monitoring calendar/actual date received by board)*

#### **Policy**

The executive director shall not cause or allow the association’s assets to be unprotected, inadequately maintained or unnecessarily risked.

#### **Operational Interpretation**

Although (association name) is small compared to other types of associations, it does have some property, corporate documents and merchandise that require vigilance. I interpret this policy to be concerned primarily with physical assets rather than intangible assets such as the association’s reputation. *(Note: Concern about the association’s reputation may be reflected in some versions of Communication and Support to the Board so compliance could be considered when the board reviews performance against that policy. If that is not the case with your organization, consider addressing that intangible asset in this report).*

The following defines what I consider the association’s assets and, generally, how those assets are attended to within the context of this policy.

**Inadequately maintained**

(Association name) owns items in the following categories:

* Merchandise (T-shirts, conference merchandise, professional texts, etc.)
* Association records (modest amount of historical archives, financial records, etc.)
* Equipment and supplies (printer and other technology, conference banners, office supplies, etc.)

Because of the small amount of actual property and because I operate the association’s business out of my home office, all of these materials are stored in my home. With this in mind, I consider association assets to be *inadequately* maintained if they were not inventoried and contained in a reasonable fashion. All association property that is stored until needed is housed in clear plastic containers in my basement storage room. My office is also located in the lower level of my home. The majority of the association’s records are kept online and backed up to the cloud for safety.

The annual state conference is the most impactful on association merchandise, equipment and supplies, which is a good time for me to assess supply levels, assess wear and tear, etc. Restowing all merchandise and supplies after the conference also gives me an opportunity to repack in a way that ensures nothing gets ruined due to poor storage habits.

**Unprotected**

I equate unprotected with being inadequately insured. My interpretation relies on ASCA guidance regarding what coverage is appropriate. ASCA recommends:

* General liability insurance to protect from property damage and loss. This extends to cover personal injury for event attendees, etc.
* Directors and officers insurance (sometimes called D&O insurance) to protect association leaders from liabilities related to their service.
* Conference cancellation insurance to protect from the financial impact of a conference cancellation.

I believe the conference cancellation insurance is a reasonable investment of association resources given how historically well attended our conference has been and how reliant we are on the revenue it generates.

**Unnecessarily risked**

I consider association assets to be unnecessarily risked if the assets are left open to theft when in use publicly or housed in an environment that is susceptible to damage. The basement in question is fully finished and has never experienced flooding. Less frequently used assets are stored in lidded plastic containers, which are stored in their own area in an enclosed storage room. During conferences or other times during which association assets are in public, I am conscious of how any set up or staffing might cause theft issues and prepare accordingly.

#### **Compliance Indicators**

Compliance is demonstrated by:

1. An annually updated inventory list of items stored at the executive directors home office and hyperlinks to electronic files storage if board members don’t already have access.
2. Current photos of the storage site clearly showing association property.
3. Proof of annual renewal of all three insurance policies and coverage over entire period being monitored.
4. No reports of stolen items are reported during the period being monitored.

#### **Evidence for Compliance Indicators/Data**

*Insert a numbered list here with the proof (photos, hyperlinks to lists, brief statements, etc.) related to each item listed above.*  
**Executive Director’s Statement of Compliance**

☐ I am in compliance  
☐ I am not in compliance  
☐ I am in partial compliance *(explain in space below)*

**Signature**: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
**Date**: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Noncompliance plan:**

# Useful Glossary of Prompts

This glossary is useful to the report writer when considering what information to provide in their operational interpretation so that those assessing the report can determine its reasonableness within the context of your specific association. Also provided are ideas for how compliance with that interpretation might be demonstrated. These are not the *only* ways to approach these report sections. They are provided to get your own ideas flowing.

## Policy Name and Type

### Emergency Executive Succession (Executive Limitation)

To protect the board from sudden loss of executive director services, the executive director shall not permit the board to be with fewer than two other volunteer leaders or contractor identified and prepared to take over interim operations of the association.

#### Operational Interpretation prompts

* Write a few paragraphs about what the key aspects of this policy mean within your own, unique setting.
* What would qualify as a “sudden loss”? This policy is not about planned retirements.
* What, specifically, would the two people identified need to know or have access to in order to be prepared to immediately step in?
* Don’t forget the possible need for that interim person to be prepared to manage emergency communications or crisis planning if the sudden loss of the executive director has public relations implications for the organization.
* What qualifies as “interim operations”? Until the board’s next meeting? Until a permanent resolution to the sudden loss of executive director services has been found?

#### Compliance Indicator prompts

* A signed statement is provided that proves two people were identified and prepared to step in as executive director in an emergency situation during the *full period* being monitored.
* A plan outlining what constituted preparation for the individuals and when that preparation was completed during the period being monitored.

## Policy Name and Type

### Protection of Assets (Executive Limitation)

The executive director shall not cause or allow the association’s assets to be unprotected, inadequately maintained or unnecessarily risked.

#### Operational Interpretation prompts

* Write a few paragraphs about what the key aspects of this policy mean within your own unique setting.
* How might the executive director specifically cause or allow assets to be harmed?
* What *are* the organization’s assets, anyway? Office equipment? Products? Membership lists?
* What could reasonably happen if those assets weren’t protected, maintained or were put at risk?

#### Compliance Indicator prompts

* Proof of coverage is shown for each of the following policies during the period being monitored:
  + Automobile Liability
  + Commercial General Liability
  + Directors and Officers (D&O)
  + Excess Error and Omissions Liability
  + Excess Liability
  + Property Insurance
  + Umbrella Liability
  + Workers Compensation and Employer’s Liability
* Through an audit report showing the executive director did not allow the SCA to be exposed to risk of misappropriation or misuse of funds during the period being monitored.
* Proof of staff completion of security training during the period being monitored.
* Through an audit report demonstrating the executive director did not compromise the independence of the board’s audit.

## Policy Name and Type

### Financial Planning, Budgeting and Management (Executive Limitation)

The executive director shall not cause or allow financial planning or budgeting that:

* Deviates materially from achieving the board’s Ends,
* Risks financial jeopardy or
* Compromises long-term organizational sustainability.

#### Operational Interpretation prompts

* What are the financial resources necessary to ensure the association can meet its Ends as laid out by the board?
* Will all provisions in the Ends be doable? If so, how are the resources prioritized?
* Are there any provisions in the Ends that cannot be addressed in this fiscal year? If so, why not, and what is the plan for addressing them in future years?
* What type of annual operating plans and budgets are in place for the fiscal year?
* Over time, how will the association remain sustainable?
* What are the risks (e.g., membership, conference attendance, investments)?

#### Compliance Indicator prompts

1. Annual Operating Plans and Annual Budget (with appropriate breakdowns by month or quarter).
2. List of major budget assumptions for the year being monitored.

## Policy Name and Type

### Ongoing Financial Conditions (Executive Limitation)

Throughout the course of the year, the executive director shall not allow undesirable financial conditions to develop. Accordingly, the executive director shall not:

### Provision: Financial Expenditure

Expend more funds than have been received in the fiscal year unless otherwise approved by the board.

#### Operational Interpretation prompts

* Does this mean the SCA will have no shortfalls in the annual budget?
* Does this policy mean projects/programs revenues need to be projected to ensure SCA is consistently in the black?
* Is it projected that the SCA will be in the red for some period during the year but end up in the black?
* Discuss here how the annual budget will be conservatively projected to meet this policy’s criteria.

#### Compliance Indicator prompts

* Compliance will be demonstrated when the annual budget is planned as a breakeven or a surplus.
* No more money than was allocated in the budget was actually spent.

### Provision: Incurring Debt

Incur short-term debts in an amount greater than can be repaid within 60 days.

#### Operational Interpretation prompts

* Here, list the most common types of debt that occur during a year [e.g., state conference materials paid for by association credit card or \_\_\_\_\_\_\_] and the system set up to assure short-term debts are paid within 60 days.
* Take care to explain how much cash on hand is needed to avoid noncompliance.
* Note that cash on hand is different from reserves, which are generally restricted.

#### Compliance Indicator prompts

* The quarterly financial statement shows no unfunded shortfalls.
* An explanation is provided for variances.

### Provision: Use of Long-Term Reserves

Use any long-term reserves without board approval.

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#### Operational Interpretation prompts

* Important note: Pay attention to the board’s conversation about this policy when policies are being confirmed to know what the board intends by long-term reserves. If there isn’t a board policy on the purpose or how much money should be in long-term reserve, the executive director has the latitude to create an internal one.
* Long-term reserves are the balance sheet assets reserved for managing emergencies and long-term risks beyond the current year. These reserves protect the organization’s mission over the life of its purpose and cause.
* This policy is suggested so the board can have a conversation about whether to have long-term reserves and whether they will be invested for the future (savings, CD).
* See Policy 2.1. Operating reserves are different. It may be prudent for the executive director to create operating reserves as part of the long-term budgeting and planning. Operating reserves are balance sheet assets reserved for meeting commitments for day-to-day operations. The executive director might determine, for example, the organization needs at least 3-6 months of operating costs in reserve to be fiscally sound. (This avoids issues of shortfalls during unforeseen events such as COVID-19 cancellations). This amount is determined through the annual budgeting process.
* Striking the right balance between the current operating reserves and long-term reserves is extremely important. It also dictates the amount of acceptable risk the SCA’s balance sheet can handle.

#### Compliance Indicators prompts

* A bank statement showing no specified long-term reserves have been used during the period being monitored.

### Provision: Repaying Debt

Allow contract agreements and payroll debts to remain unpaid beyond what was promised in the agreement or policy.

#### Operational Interpretation prompts

* A detailed interpretation here goes a long way toward helping the board understand the SCA’s costs and current financial situation.
* This includes employees and/or contractors, as well as payment for technology or other professional expenses.
* What are the liabilities for the conference hotel contract or other venue?
* What is the plan to ensure these expenses are met and the SCA remains in good standing with vendors?

#### Compliance Indicator prompts

* Bank records demonstrate payment of all contractors (per contract agreement) or staff (payroll).
* Accounts payables show zero amount outstanding, unless there is documentation of change to a vendor’s terms, or a payment is under dispute.

### Provision 2.4.5. Required Filings

Allow tax payments or other government-ordered payments or filings to be overdue or inaccurately filed.

#### Operational Interpretation prompts

* For this provision, the executive director needs to provide evidence of 990 filings (or any other required filing under the Internal Revenue Code) and any state-required filings. Check the IRS’s compliance guide for public charities (501c3) or tax-exempt organizations other than 501c3 for detailed information about what to include.
* Your state association of nonprofits or the secretary of state can provide information for state documents and deadlines. It’s important for the executive director to say here when these are due and when the board will see them. The board sees them for the sake of fulfilling on duty of care, not for approval.

#### Compliance Indicator prompts

* Evidence of 990 filings and any state-required filings for the period being monitored is provided.

### Provision: Purchasing

Make a single purchase or commitment of greater than $\_\_\_\_\_\_. Splitting orders to avoid this limit is not acceptable.

#### Operational Interpretation prompts

* It is important to anticipate when and if purchases or other payments may exceed this amount and its impact on your decision making throughout the year.
* Help the board understand the amount and timing of significant purchases typical throughout the course of a year.
* If a dollar amount is in place and board permission must be secured for purchases that exceed that amount, consider planning purchases to coincide with board meetings so the item can be placed on the board’s agenda for approval.
* If the board has designated authority to the chair or treasurer to sign off on larger purchases, explain this in the Interpretation. As for splitting orders, don’t.

#### Compliance Indicator prompts

* A list of all purchases over the designated amount with the corresponding date of board approval during the period being monitored is provided.
* Proof of no order splitting.

## Policy Name and Type

### Treatment of Staff, Volunteers and Contractors (Executive Limitation)

With respect to the treatment of paid and volunteer staff and contractors, the executive director shall not cause or allow conditions that are unfair, disorganized or exclusionary.

#### Operational Interpretation prompts

* Write a few paragraphs about what the key aspects of this policy mean within your own, unique setting.
* What specific situations would you reasonably work to avoid so as not to be fostering an unfair, disorganized or exclusionary environment (take these on one at a time).
* Are there special or different considerations for volunteers than for those getting paid for their work?

#### Compliance Indicator prompts

* Is the remuneration for those receiving pay for their work appropriate? Is it in line with other positions during the period being monitored?
* Current job descriptions for all paid and unpaid positions exist and are thoroughly reviewed with the person during the period being monitored.
* Evidence of increased diversity year-over-year exists among ranks of paid and volunteer staff.

## Policy Name and Type

### Treatment of Members (Executive Limitations)

With respect to interactions with members or those applying to be members, the executive director shall not cause or allow conditions, procedures or decisions that are unfair, disorganized, unnecessarily intrusive, or exclusionary.

#### Operational Interpretation prompts

* Write a few paragraphs about what the key aspects of this policy mean within your own unique setting.
* Think back to when you applied for membership to your association. What about that process should be out of bounds? Did you experience a slow or cumbersome application process? Were you asked for personal information that was not absolutely necessary?
* Thoroughly unpack the “conditions, procedures or decisions” reasonably associated with your relationship with current members.
* What would it look like if they were “unfair, disorganized, unnecessarily intrusive or exclusionary”? Conversely, you could describe the inverse, what a good, healthy environment would look like. Just try to be consistent.

#### Compliance Indicator prompts

* Clear and current member and nonmember benefits are listed on the association’s website.
* A survey of those that applied for membership shows at least a 95% satisfaction rate with the membership application process during the period being monitored.
* An annual member sample survey shows at least 90% satisfaction related to member service specifically regarding association decision making, fair treatment, organization, inclusivity and appropriate requests for information during the period being monitored.
* Association programming targeting new members that represent underrepresented communities results in a minimum X% increase in membership growth during the period being monitored.

## Policy Name

### Ends

(See samples in Board Manual Template)

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#### Operational Interpretation prompts

Without knowing how your SCA will define its desired Ends, we have included these general prompts for consideration as you begin thinking about your interpretation:

* How do you define professional success?
* What are success criteria?
* What are barriers that prevent your members from achieving success?
* How does public policy affect professional success?
* How do societal roles affect professional success and opportunities for professional growth?
* Are school counselors satisfied with their ability to achieve their professional goals?
* Do members have the confidence, support and access to information, education, role models and mentors to realize their full potential?
* Do members have access to resources that are key to professional development and success?
* With expanding and multifaceted roles in your state or territory school system, how are you specifically working to help your members achieve success?

#### Compliance Indicator prompts

* What are your members’ professional development needs, preferences and practices?
* What obstacles do your members identify in achieving professional success?
* How does your SCA maximize members’ personal time and expense spent on developing skills and knowledge needed to be successful?
* How do you know your SCA is strategically advancing professional development that contributes to success? Specifically, how is your state or territory SCA meeting school counselors’ real needs in terms of the regulations for licensure, certification or other requirements?
* What level of success is considered an achievement of the Ends? For example, how many members (or what percentage) will respond favorably to questions regarding important criteria for success?