



Motorcycling New Zealand

GOVERNANCE

POLICY MANUAL

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POLICY TYPE: ENDS

Policy 1: Ends Temporary 'Plug'

MNZ events are seen as being as good as, or better than, events offered by our competitors

People attending motorcycle sport are provided a safe environment

Talented riders taken to the next level

Riders have access to the right machine, coaching and events for identified riders

Riders and New Zealander's can enjoy the sport of motorcycling within the resources available (financial, human and reputational)

Clubs are financially viable and well functioning

Non-affiliated clubs to affiliate to MNZ

Funding sources are secured

Conflicting code (affiliated) events reduced

Provide rules and framework for riders compete fairly

Recruitment and development of all volunteers improved

Future of clubs protected by having volunteers succession sorted

Increased non-competitive club members engaged with MNZ events

Access to land and venues is secured

Profile of MNZ is improved and has a favourable public image

Land owners happy with the environmental code policy

Success of club application for external funding improved

Value added offerings to members increased

National champs profile and professionalism improved

POLICY TYPE: EXECUTIVE LIMITATIONS

Policy 2: Global Executive Constraint

The GMO will not cause or allow any organisational practice, activity, decision or circumstance which is either unlawful, imprudent or in violation of commonly accepted business and professional ethics and practices.

This policy forms the largest (i.e. broadest and therefore most open to interpretation) of all policies in the Executive Limitations policy category. Any further Executive Limitations policies will merely be a narrowing of the provisions of this policy. The next several pages that follow are examples of such further narrowing. Remember that the GMO is granted the authority to use any reasonable interpretation of the board's words he or she chooses.

POLICY TYPE: EXECUTIVE LIMITATIONS

Policy 2.1: Interactions with Clubs and Members

With respect to interactions with clubs and members, the GMO will not cause or allow conditions, procedures, or decisions that are unsupportive, unfair, unsafe, disrespectful, unclear or untimely.

The GMO will not

1. Elicit information for which there is no clear policy or necessity.
2. Use methods of collecting, sharing, using, transmitting, or storing or destruction of personal information that fail to protect against improper access to that information.
3. Allow unauthorised control of monies or possessions of clubs or members.
4. Operate facilities and services without appropriate consideration of accessibility and privacy.
5. Allow clubs and members to be unaware of what may or may not be expected from our services.
6. Fail to promote and respect the autonomy and interests of clubs
7. Leave clubs and members uninformed of this policy, or without a way to be heard for persons who believe they have not received a reasonable interpretation of their protections under this policy.

POLICY TYPE: EXECUTIVE LIMITATIONS

Policy 2.2: Event Management

The CEO will not allow events to be organised in MNZ's name, without formal event planning and management controls in place.

The CEO will not permit MNZ events to proceed that have not formally provided for rider, officials and public safety.

POLICY TYPE: EXECUTIVE LIMITATIONS

Policy 2.3: Treatment of Staff and Volunteers

With respect to the treatment of staff and volunteers (e.g. officials, commissioners, etc.) the GMO will not cause or allow *conditions, procedures, or decisions that are unfair, unsafe, disrespectful or unclear.*

The GMO will not

1. Fail to provide employees with clear guidelines as to their rights, entitlements and workplace obligations.
2. Disadvantage any staff member for non-disruptive expression of dissent.
3. Allow the board to be at odds with applicable Health and Safety laws and codes.
4. Leave staff uninformed of this policy or without a way to be heard for persons who believe they have not received a reasonable interpretation of their protections under this policy.

POLICY TYPE: EXECUTIVE LIMITATIONS

Policy 2.4: Interactions with Key Stakeholders

The GMO shall not fail to ensure that sound relations are maintained with all key stakeholders, especially those with whom the organisation has a funding relationship. Accordingly, the General Manager Operations must not:

1. Neglect to ensure that there is a formal process for addressing stakeholder expectations and contractual relationships.
2. Fail to meet all compliance requirements relating to stakeholder/funder contracts
- 3.

POLICY TYPE: EXECUTIVE LIMITATIONS

Policy 2.5: Financial Planning/Budgeting

Financial planning for any financial year or the remaining part of any financial year will not

- deviate materially from the board's Ends policies,
- risk financial jeopardy or impropriety,
- or fail to be derived from a three year rolling strategic plan.

The GMO will not allow budgeting that

1. Risks incurring those situations or conditions described as unacceptable in the board policy (2.6) *'Financial Condition and Activities'*.
2. Omits credible projection of revenues, expenses and cash flow; separation of capital and operational items; and disclosure of planning assumptions.
3. Provides less for board funding during the year than is set out in the Cost of Governance policy (3.11).

POLICY TYPE: EXECUTIVE LIMITATIONS

Policy 2.6: Financial Condition and Activities

With respect to the actual, ongoing financial condition and activities, the GMO will not cause or allow the development of financial jeopardy, impropriety, or material deviation of actual expenditures from board priorities established in Ends policies.

The GMO will not

1. Expend no more than \$100,000 more funds than have been received in the financial year to date unless the debt guideline (sub-clause 2 below is met).
2. Incur debt in an amount greater than can be repaid by certain, otherwise unencumbered revenues within 90 days.
3. Other than allowed in (1) above, use any long term reserves for a purpose other than for which the reserve was created.
 - a: The GMO will not fail to have an operational reserve of at least \$500,000
 - b: The GMO will not fail to have a special projects amount of \$250,000

4. Conduct inter-fund shifting.
5. Allow payroll, disbursements and debts to be settled in an untimely manner.
6. Allow tax payments or other government ordered payments or filings to be overdue or inaccurately filed.
7. Make a single purchase of greater than \$4,000 or new multi-year commitment of greater than \$4,000 outside of budget, nor split orders to avoid this limit.
8. Acquire, encumber or dispose of real estate or assets with a higher book value of \$5,000.
9. Allow receivables to be un-pursued after a reasonable grace period.

POLICY TYPE: EXECUTIVE LIMITATIONS

Policy 2.7: Emergency GMO Succession

In order to protect the board from sudden loss of GMO services, the organisation will not be without at least one other staff member sufficiently familiar with board and GMO issues and processes to enable them to take over with reasonable proficiency as an interim successor.

POLICY TYPE: EXECUTIVE LIMITATIONS

Policy 2.8: Asset Protection

The GMO will not cause or allow assets to be unprotected, inadequately maintained, or unnecessarily risked.

The GMO will not

1. Expose the organisation, its board or staff to claims of liability.
2. Allow board members, staff, and the organisation itself to be inadequately insured.
3. Allow staff access to funds for personal use.
4. Allow unauthorised control of MNZ monies or possessions by clubs and members.
5. Subject property, vehicles and equipment to improper wear and tear or insufficient maintenance.
6. Make any purchase wherein normally prudent protection has not been given against conflict of interest.

7. Allow intellectual property, information and files to be exposed to loss or significant damage.
8. Receive, process or disburse funds under controls that are insufficient to meet the board-appointed auditor's standards.
9. Compromise the independence of the board's external monitoring or advice. Engaging parties already chosen by the board as consultants or advisers is unacceptable.
10. Invest or hold operating capital in insecure instruments, including uninsured cheque accounts and bonds of less than AA- rating at any time, or in non-interest-bearing accounts except where necessary to facilitate ease in operational transactions.
11. Endanger the organisation's public image, credibility, or its ability to accomplish Ends.
12. Change the organisation's name or substantially alter its identity in the community.
13. Cause or allow the MNZ staff and volunteer resource pool to be inadequately maintained.

POLICY TYPE: EXECUTIVE LIMITATIONS

Policy 2.9: Remuneration and Benefits

With respect to employment, remuneration, and benefits to staff, the GMO will not cause or allow jeopardy to financial integrity or to public image.

The GMO will not

1. Change the GMO's own remuneration and benefits.
2. Promise or imply on-going employment that is not provided for in a staff establishment plan.
3. Establish current remuneration and benefit scales that deviate materially from the geographic or sports sector for the skills employed.
4. Establish or change benefits so as to cause unpredictable or inequitable situations.

POLICY TYPE: EXECUTIVE LIMITATIONS

Policy 2.10: Communication and Support to the Board

The GMO will not permit the board to be uninformed or unsupported in its work.

The GMO will not

1. Withhold, impede, or confound information relevant to the board's informed accomplishment of its job.
 - a. Neglect to submit monitoring data required by the board in Board-Management Delegation policy 'Monitoring GMO Performance' in a timely, accurate and understandable fashion, directly addressing provisions of board policies being monitored, and including GMO interpretations consistent with Board-Management Delegation policy 'Delegation to GMO', as well as relevant data.
 - b. Allow the board to be unaware of any actual or anticipated non-compliance with any Ends or Executive Limitations policy, regardless of the board's monitoring schedule.
 - c. Allow the board to be without decision information required periodically by the board or let the board be unaware of relevant trends.
 - d. Present information in unnecessarily complex or lengthy form or in a form that fails to differentiate among information of three types: monitoring, decision preparation, and other.
 - e. Let the board be unaware of any incidental information it desires including anticipated media coverage, threatened legal action and material internal changes.
 - f. Let the board be unaware if, in the GMO's opinion, the board is not in compliance with its own policies on Governance Process and Board-Management Delegation, particularly in the case of board behaviour that is detrimental to the work relationship between the board and the GMO.
2. Withhold from the board and its processes logistical and clerical assistance.
3. Impede the board's holism, misrepresent its processes and role, or impede its lawful obligations.
 - a. Deal with the board in a way that favours or privileges certain board members over others except when (i) fulfilling individual requests for information or (ii) responding to officers or committees with respect to duties charged to them by the board.
 - b. Allow the board to do its work without the necessary items on its 'Required Approvals' agenda. Necessary items are those decisions delegated to the GMO yet required by law, regulation or contract to be board-approved, along with applicable monitoring information.
 - c. Hinder access to the board for any person who alleges unethical or unlawful action or circumstance in the organisation or by its representatives.

POLICY TYPE: EXECUTIVE LIMITATIONS

Policy 2.11: Marketing, Sponsorship and Fundraising

The GMO will not

1. Allow the organisation to be without a marketing, sponsorship and fundraising plan.
 - a. Fail to inform and consult clubs in the preparation of this plan.
2. Allow people to be pressured into contributing funds.
3. Allow sponsorship and fundraising activity that is in conflict with organisational values or those of key stakeholders.

POLICY TYPE: EXECUTIVE LIMITATIONS

Policy 2.12: Ends Focus of Grants or Contracts

The GMO will not enter into any grant or contract arrangements that are inconsistent with the production of the ends and/or avoids unacceptable means.

The GMO will not

1. Allow other parties to be unaware of restrictions on particular methods and activities, to preclude funds from being used in imprudent, unlawful or unethical ways.
2. Fail to formally assess if service providers have, in the GMO's opinion, the capacity to produce appropriately targeted, efficient results.

POLICY TYPE: EXECUTIVE LIMITATIONS

Policy 2.13: Responsible Advocacy

The GMO will not allow any lobbying or advocacy that is not focused on the completion of Ends policy or the avoidance of unacceptable means, especially with regard to the *“Interactions with Clubs and Members”* policy.

The GMO will not

1. Allow politically partisan advocacy.
2. Allow advocacy that is not part of a written multi-year strategy/plan.
3. Allow the dissemination of an official position that might be controversial or questionable to government or media, without conducting a formal risk assessment first.
4. Allow relationships with other individuals or entities to hinder the organisation’s ability to advocate strongly without fear or favour to the people we support.

POLICY TYPE: GOVERNANCE PROCESS

Policy 3: Global Governance Commitment

The purpose of the board, on behalf of members and wider moral ownership, is to see to it that Motorcycling New Zealand achieves appropriate outcomes, for appropriate persons, at an appropriate worth (as specified in board Ends policies), and (b) avoids unacceptable actions and situations (as prohibited in board Executive Limitations policies).

POLICY TYPE: GOVERNANCE PROCESS

Policy 3.1: Governing Style

The board will govern lawfully with an emphasis on (a) outward vision rather than an internal preoccupation, (b) encouragement of diversity in viewpoints, (c) strategic leadership more than administrative detail, (d) clear distinction of board and GMO role, (e) collective rather than individual decisions, (f) future rather than past or present, and (g) proactivity rather than reactivity.

Accordingly

1. The board will cultivate a sense of group responsibility. The board, not the staff, will be responsible for excellence in governing. The board will be the initiator of *governance* policy, not merely a reactor to staff initiatives. The board will not use the expertise of individual members to substitute for the judgment of the board, although the expertise of individual members may be used to enhance the understanding of the board as a body.
2. The board will direct, control and inspire the organisation through the careful establishment of broad written policies reflecting the board's values and perspectives. The board's major policy focus will be on the intended long-term impacts outside the staff organisation, not on the administrative or programmatic means of attaining those effects.
3. The board will enforce upon itself whatever discipline is needed to govern with excellence. Discipline will apply to matters such as attendance, preparation for meetings, policymaking principles, respect of roles, and ensuring the continuance of governance capability. Although the board can change its governance process policies at any time, it will rigorously observe those currently in force.
4. Continual board development will include orientation of new board members in the board's governance process and periodic board discussion of process improvement and training.
5. The board will allow no officer, individual, or committee of the board to hinder or be an excuse for not fulfilling group obligations.
6. The board will monitor and discuss the board's process and performance at each meeting. Self-monitoring will include comparison of board activity and discipline to policies in the Governance Process and Board-Management Delegation categories.

POLICY TYPE: GOVERNANCE PROCESS

Policy 3.2: Board Job Description

Specific job outputs of the board, as an informed agent of the ownership, are those that ensure appropriate organisational performance.

Accordingly, the board has direct responsibility to create:

1. The link between the ownership and the operation organisation.
2. Written governing policies that address the broadest levels of all organisational decisions and situations.
 - a. Ends: Organisation outcomes, recipients, and their relative worth (what good, for which recipients, at what worth/priority).
 - b. Executive Limitations: Constraints on GMO authority that establish the prudence and ethical boundaries within which all management activity and decisions must take place.
 - c. Governance Process: Specification of how the board conceives, carries out and monitors its own task.
 - d. Board-Management Delegation: How power is delegated and its proper use monitored, including the GMO role, authority, and accountability.
3. Assured successful organisation performance on Ends and Executive Limitations.

POLICY TYPE: GOVERNANCE PROCESS

Policy 3.3: Agenda Planning

To accomplish its job, the board will follow an annual agenda which (a) completes a re-exploration of Ends policies annually and (b) continually improves board performance through board education and enriched input and deliberation.

1. The cycle will conclude each year on 31 December so that administrative planning and budgeting can be based on accomplishing a one year segment of the board's most recent statement of long term Ends.
2. The cycle will start with the board's development of its agenda for the next year.
 - a. Consultations with selected groups in the ownership, or other methods of gaining ownership input, will be determined and arranged in the first quarter, to be held during the balance of the year.
 - b. Governance education, and education related to Ends determination (e.g. presentations by futurists, demographers, advocacy groups, staff, etc.), will be arranged in the first quarter, to be held during the balance of the year.
3. Throughout the year, the board will attend to 'required approvals' items as expeditiously as possible.
4. At any meeting following the circulation of a monitoring report, the board will ascertain by vote whether a majority of members judge the individual reports to have demonstrated fulfillment of a reasonable interpretation of the applicable policy.
5. GMO remuneration will be decided after a review of monitoring reports received in the last year during the month of March

POLICY TYPE: GOVERNANCE PROCESS

Policy 3.4: Board Meetings

The majority of board business will be conducted in Board meetings. In order to ensure effective meetings the following principles apply:

1. The Board will make the best possible use of its meetings by dealing only with matters that have governance-level significance, by focusing primarily on the future and, within a defined policy framework, by delegating as much as possible to the General Manager Operations.
2. The Board will develop a work plan covering the next 12 months that (1) ensures the Board regularly reviews progress towards the achievement of the strategic direction/strategic plan and relevant strategic issues (2) provides assurance that all relevant compliance requirements are addressed, and (3) improves Board performance through education and continuous focus on its governance effectiveness.
3. The Chairperson will, in consultation with the General Manager Operations, establish the agenda for each Board meeting although each Board member is free to suggest the inclusion of item(s) on the agenda. The focus of the meeting will be a topic(s) drawn from the work plan. All Board members have the opportunity to contribute to the agenda.
4. The Board will normally meet in person once every two months, and via audio conference or video link up every other month, however, board meetings may be scheduled at other times or at other frequencies as determined by the Board.
5. Board members will receive their Board papers at least 5 working days prior to the meeting. Agenda items must be accompanied by supporting information and received ten (10) days prior to the meeting. Urgent matters will be considered by the CGO.
6. Others (e.g. staff) may participate in Board meetings at the Board's discretion. Such attendees will respect the Boards' integrity and accountability and will thus accept any constraints imposed by the Board or the Chairperson on their participation and presence.
7. The Board may hold 'Board only' sessions at its discretion. Such sessions which will usually be scheduled prior to or at the commencement of the meeting should not exclude the General Manager Operations from deliberations on matters to which his/her role as the Board's chief adviser would be compromised.

POLICY TYPE: GOVERNANCE PROCESS

Policy 3.5: Chief Governance Officer's Role

The Chief Governance Officer (CGO)* (footnote re Chair in constitution) assures the integrity of the board's process.

Accordingly

1. The assigned results of the CGO's job is that the board behaves consistently with its own rules and those legitimately imposed upon it from outside the organisation.
 - a. Meeting discussion content will be on those issues which, according to board policy, clearly belong to the board to decide or to monitor.
 - b. Information that is for neither monitoring performance nor board decisions will be avoided or minimised and always noted as such.
 - c. Deliberations will be fair, open and thorough, but also timely, orderly, and kept to the point.
2. The authority of the CGO consists in making decisions that fall within topics covered by board policies on Governance Process and Board-Management Delegation, with the exception of (a) employment or termination of a GMO and (b) where the board specifically delegates portions of this authority to others. The CGO is authorised to use any reasonable interpretation of the provisions in these policies.
 - a. The CGO is empowered to chair board meetings with all the commonly accepted power of that position, such as ruling and recognising.
 - b. The CGO has no authority to make decisions about policies created by the board within Ends and Executive Limitations policy areas. Therefore, the CGO has no authority to supervise or direct the GMO.
 - c. The CGO may represent the board to outside parties in announcing board-stated positions and in stating CGO decisions and interpretations within the area delegated to her or him.
 - d. The CGO may delegate this authority, but remains accountable for its use.

POLICY TYPE: GOVERNANCE PROCESS

Policy 3.6: Board Secretary's Role

The Board Secretary is an officer of the board whose purpose is to ensure the integrity of the board's documents.

1. The assigned result of the Secretary's job is to see to it that all board documents and filings are accurate and timely.
 - a. Policies will be current in their reflection of board decisions. Decisions upon which no subsequent decisions are to be based, such as 'required approvals,' agenda decisions, motions to adjourn, and staff or board member recognitions need not be placed in policy.
 - b. Policies will rigorously follow Policy Governance principles.
 - c. Elements of the organisation's constitution necessary for legal compliance and for consistency with the principles of Policy Governance will be known to the board.
2. The authority of the Secretary is access to and control over board documents, and use of reasonable staff time.

POLICY TYPE: GOVERNANCE PROCESS

Policy 3.7: Board Members' Code of Conduct

The board (including the GMO) commits itself and its members to ethical, business-like, and lawful conduct, including proper use of authority and appropriate decorum.

1. Board members must have loyalty to the ownership, un-conflicted by loyalties to staff, other organisations, and any personal interest as a member.
2. Board members must avoid conflict of interest with respect to their fiduciary responsibility.
 - a. There will be no self-dealing or business by a member with the organisation. Members will disclose at the beginning of each meeting their involvements with other organisations, with vendors, or any associations that might be or might reasonably be seen as being a conflict.
 - b. When the board is to decide upon an issue, about which a board member has an unavoidable conflict of interest, that member shall offer to absent herself or himself without comment from the vote and the deliberation.
 - c. Board members will not use their board position to obtain employment in the organisation for themselves, family members, or close associates. Should a board member be engaged

in a key role the board member must offer to resign from the Board.

3. Board members may not attempt to exercise individual authority over the organisation.
 - a. Board members' interaction with the GMO or with staff must recognise the lack of authority vested in individuals except when explicitly board authorised.
 - b. Board members' interaction with public or other entities must recognise the same limitation and the inability of any board member to speak for the board except to repeat explicitly stated board decisions. Only the President can talk to the media on behalf of the board.
 - c. Except for participation in board deliberation about whether the GMO has achieved any reasonable interpretation of board policy, members will not express individual judgments of performance of employees or the GMO.
4. Board members will respect the confidentiality appropriate to issues of a sensitive nature.
5. Board members will be properly prepared for board deliberation.
6. Board members will support the legitimacy and authority of board decisions, irrespective of the member's personal position on the issue.
7. Board members will attend all meetings or tender apologies as soon as they are aware they are unable to attend any meeting and will respond to monitoring reports within advised timeframes.

POLICY TYPE: GOVERNANCE PROCESS

Policy 3.8: Reimbursement of Board Members' Expenses

Motorcycling New Zealand will reimburse all reasonable expenses incurred by Board Members in the carrying out of their role.

POLICY TYPE: GOVERNANCE PROCESS

Policy 3.9: Board Committee Principles

Board committees, when used, will be assigned so as to reinforce the wholeness of the board's job and so as never to interfere with delegation from board to GMO.

Accordingly

1. Board committees are to help the board do its job, not to help or advise the staff. Committees ordinarily will assist the board by preparing policy alternatives and implications for board deliberation. In keeping with the board's broader focus, board committees will normally not have direct dealings with current staff operations.
2. Board committees may not speak or act for the board except when formally given such authority for specific and time-limited purposes. Expectations and authority will be carefully stated in order not to conflict with authority delegated to the GMO.
3. Board committees cannot exercise authority over staff. Because the GMO works for the full board, he or she will not be required to obtain approval of a board committee before an executive action.
4. Board committees are to avoid over-identification with organisational parts rather than the whole.
5. Committees will be used sparingly and ordinarily in an ad hoc capacity.
6. This policy applies to any group which is formed by board action, whether or not it is called a committee and regardless whether the group includes board members. It does not apply to committees formed under the authority of the GMO.

POLICY TYPE: GOVERNANCE PROCESS

Policy 3.10: Board Committee Structure

A committee is a board committee only if its existence and charge come from the board, regardless whether board members sit on the committee. The only board committees are those which are set forth in this policy (currently there are no committees). Unless otherwise stated, a committee ceases to exist as soon as its task is complete.

POLICY TYPE: GOVERNANCE PROCESS

Policy 3.11: Cost of Governance

Because poor governance costs more than learning to govern well, the board will invest in its governance capacity.

Accordingly

1. Board skills, methods, and supports will be sufficient to assure governing with excellence.
 - a. Training and retraining will be used liberally to orientate new board members and candidates for membership, as well as to maintain and increase existing member skills and understandings.
 - b. Outside monitoring assistance will be arranged so that the board can exercise confident control over organisational performance. This includes, but is not limited to, financial audit.
 - c. Outreach mechanisms will be used as needed to ensure the board's ability to listen to members (as owners) viewpoints and values.
2. Costs will be prudently incurred, though not at the expense of endangering the development and maintenance of superior board capability.
 - a. Up to \$ 38,000 in financial year 2015 for honorarium, meetings, training, including attendance at conferences and workshops.
 - b. Up to \$ 3,500 in financial year 2015 for audit and other third-party monitoring of organisational performance.
 - c. Up to \$2,000 in financial year 2015 for surveys, guest speakers, focus groups, opinion analyses, and meeting costs

POLICY TYPE: BOARD-MANAGEMENT DELEGATION

Policy 4: Global Governance-Management Connection

The board's sole official connection to the operational organisation, its achievements and conduct will be through the GMO.

POLICY TYPE: BOARD-MANAGEMENT DELEGATION

Policy 4.1: Unity of Control

Only officially passed resolutions of the board that make or amend Executive Limitations or Ends policies are binding on the GMO.

Accordingly

1. Decisions or instructions of individual board members, officers, or committees are not binding on the GMO except in rare instances when the board has specifically authorised such exercise of authority.
2. In the case of board members or committees requesting information or assistance without board authorisation, the GMO can refuse such requests that require, in the GMO's opinion, a material amount of staff time or funds or is disruptive.

POLICY TYPE: BOARD-MANAGEMENT DELEGATION

Policy 4.2: Accountability of the GMO

The GMO is the board's only link to operational achievement and conduct, so that all authority and accountability of staff, as far as the board is concerned, is considered the authority and accountability of the GMO.

Accordingly

1. The board will never give instructions to persons who report directly or indirectly to the GMO.
2. The board will not evaluate, either formally or informally, any staff other than the GMO.
3. The board will view GMO performance as identical to organisational performance, so that organisational accomplishment of board stated Ends and avoidance of board proscribed means will be viewed as successful GMO performance.

POLICY TYPE: BOARD-MANAGEMENT DELEGATION

Policy 4.3: Delegation to the General Manager Operations

The board will instruct the GMO through written policies which prescribe the organisational Ends to be achieved, and proscribe organisational situations and actions to be avoided, allowing the GMO to use any reasonable interpretation of these policies.

Accordingly

1. The board will develop policies instructing the GMO to achieve specified outcomes, for specified recipients at a specified relationship between cost and outcomes. These policies will be developed systematically from the broadest, most general level to more defined levels, and will be called Ends policies. All issues that are not Ends issues as defined above are Means issues.
2. The board will develop policies that limit the latitude the GMO may exercise in choosing the organisational means. These limiting policies will describe those practices, activities, decisions and circumstances that would be unacceptable to the board, even if they were to be effective. These policies will be developed systematically from the broadest, most general level to more defined levels; they will be called Executive Limitations policies. The board will never prescribe organisational means to the GMO.
3. As long as the GMO uses *any reasonable interpretation* of the board's Ends and Executive Limitations policies, the GMO is authorised to establish all further policies, make all decisions, take all actions, establish all practices and develop all activities. Such decisions of the GMO shall have full force and authority as if decided by the board.
4. The board may change its Ends and Executive Limitations policies, thereby shifting the boundary between board and GMO domains. By doing so, the board changes the latitude of choice given to the GMO. But as long as any particular delegation is in place, the board will respect and support the GMO's choices.

The Board delegates to the General Manager Operations responsibility for implementation of its strategic direction/strategic plan while complying with the General Manager Operations Delegation policies.

1. The General Manager Operations is the sole linkage and point of accountability between the board and the operational organisation.
2. The Board will view General Manager Operations performance as identical to total management performance so that the achievement of successful organisation outcomes will be regarded as successful General Manager Operations performance.

3. Only the Board acting as a body can instruct the General Manager Operations. Typically all instruction to the General Manager Operations will be codified as policy.
4. The Board will make clear Motorcycling New Zealand's strategic direction including performance indicators to be applied by the Board when reviewing the organisation's and the General Manager Operations performance.
5. The Board will make clear to the General Manager Operations in writing any limits it chooses to place on his or her freedom to take actions or make decisions that the Board deems to be unacceptable within the delegation, allowing the General Manager.
6. Operations any reasonable interpretation of these policies (further defined in the General Manager Operations Authority policy).
7. The General Manager Operations is responsible for the employment, management and performance evaluation of all organisation employees or contractors.
8. Neither the Board nor individual Board Members will 'instruct' employees in any matters relating to their work.
9. Provided that the General Manager Operations achieves the outcomes sought by the Board and does so in a manner consistent with the Board's policies and Motorcycling New Zealand's values, the Board will respect and support the General Manager Operations choice of actions.
10. The expert knowledge and experience of individual Board members is available to the General Manager Operations.

POLICY TYPE: BOARD-MANAGEMENT DELEGATION

Policy 4.4: General Manager Operations Authority

1. As long as the General Manager Operations applies 'any reasonable interpretation' of the board's policies, i.e. does not set out to defeat the stated intent or the spirit of the policies, he/she is authorised to establish all operational policies, make all operational decisions and design and implement and manage all operational practices and activities.
2. Acknowledging a Board member's right to have access to information necessary to meet his/her duty of care to the organisation, the General Manager Operations may refuse instructions or requests from individual Board members or from unofficial groups of Board members if, in his/her opinion, such requests or instructions are:
 - a. Inconsistent with the Board's policies,
 - b. are deemed to make unjustifiable intrusions into the General Managers Operations or other employees members' time; or
 - c. are an unjustifiable cost to the organisation.
3. The General Manager Operations must notify the CGO of the use of point 2.

POLICY TYPE: BOARD-MANAGEMENT DELEGATION

Policy 4.5: Monitoring GMO Performance

Systematic and rigorous monitoring of the GMO performance will be solely against the board's required GMO job outputs: organisational accomplishment of any reasonable interpretation of board policies on Ends and organisation operation within the boundaries established in board policies on Executive Limitations, reasonably interpreted.

Accordingly

1. Monitoring is simply to determine whether or not expectations expressed in board policies have been met. Information that does not disclose this will not be considered to be monitoring information.
2. The board will obtain disclosure about the GMO's interpretations of the board policy being monitored from the GMO himself or herself.
3. The board will obtain data disclosing whether or not the GMO's interpretations have been accomplished using one or more of three methods: (a) by internal report, in which the GMO discloses the data to the board; (b) by external report, in which an external, disinterested third party selected by the board collects the data; and (c) by direct inspection, in which the data are collected by the board, a designated board member or by designated board members.
4. In every case, the board will determine: (a) the reasonableness of the GMO's interpretations, using a 'reasonable person test' rather than with interpretations favoured by board members or the board as a whole. The board is the final arbiter of reasonableness. The board will also assess: (b) whether data demonstrate the accomplishment of the interpretation.
5. All policies that instruct the GMO 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 normally use a routine schedule.

POLICY TYPE: BOARD-MANAGEMENT DELEGATION

Policy 4.6: Monitoring Operational Performance

The Board has a duty to oversee and monitor the performance of the operational organisation.

1. The General Manager Operations will report to the Board on the performance of Motorcycling New Zealand at a frequency and to a standard specified by the board.
2. All such reporting should be targeted at the board's interests and duties rather than a description of management actions.

POLICY TYPE: BOARD-MANAGEMENT DELEGATION

Policy 4.5: GMO's Performance Assessment

The General Manager Operations performance will be continuously, systematically and rigorously assessed by the Board against achievement of the Board-determined strategic outcomes and compliance with General Manager Operations Delegation policies. The Board will provide regular performance feedback to the General Manager Operations.

1. Organisation performance will be only that performance revealed by the monitoring system to be directly related to criteria given by the Board in policy.
2. The standard applied to all facets of the performance assessment shall be that the General Manager Operations has met or can demonstrate compliance with the intent or spirit of the Board's policies.
3. The Board may monitor any policy at any time using any method but will normally base its monitoring on a predetermined schedule.
4. The Board may use any one or more of the following three methods to gather information necessary to ensure General Manager Operations compliance with Board policies and thus to determine its satisfaction with that person's performance:
 - a. General Manager Operations reporting,
 - b. Advice from an independent, disinterested third party, or
 - c. Direct inspection by a Board approved Board member or group of Board members.

Appendix The Rolling 12 month Board Calendar

	Apr 15	May 15	Jun 15	Jul 15	Aug 15	Sep 15	Oct 15	Nov 15	Dec 15	Jan 16	Feb 16	Mar 16
‘Ownership’ (Membership) Connection	Consult on Draft Ends	Confirm 2016 Ends										
Board’s own Tasks	Draft 2016 Ends	AGM Ends Report 2014 & update			Board meeting			Board meeting				
GMO to Board Monitor Reports	1 2014 Ends summary 2.6 Financial Conditions & activities	1 Ends (Part A) 2 Global Executive Constraint	2.1 Interactions with Club and Members 2.13 Responsible Advocacy	2.2 Event Management	2.5 Financial Planning/ Budgeting 2.6 Financial Conditions & activities	1 Ends (Part B) 2.3 Treatment of Staff and Volunteers	2.4 Interactions with Key Stakeholders	2.6 Financial Conditions & Activities 2.7 Emergency GMO Succession	2.9 Remuneration and Benefits	1 Ends (Part C) 2.10 Communication and Support to the Board	2.11 Marketing Sponsorship and Fundraising	2.6 Financial Conditions & Activities 2.12 Ends Focus of Grants or Contracts

Next Steps

You are now engaged in Policy Governance, a powerful tool to express board leadership while valuing staff leadership as well. The hard part is just beginning. But it is also the most rewarding, the most far-reaching and the fullest expression of your trusteeship. Adopt whatever mechanisms of discipline are required to keep you on course, including evaluation of your process every board meeting. Like any improvement effort, this one will not sustain itself. Your commitment and discipline are necessary to make it work. Almost every rule, principle or concept needed to make the process successful is included in the policy language you have just worked out. When in doubt, do not overlook the simple expedient of simply going to your policies to see what you have already said. Link with other boards that are working in this way to exchange ideas and support, and even gimmicks that help.