Governance Guidelines for the Genesee Foundation

These Governance Guidelines from the 2021 Governance Committee are intended to be non-binding suggestions which will, hopefully, enhance the governance processes of Genesee.

Contents

Board of Directors

1.1 Board Responsibilities

Board positions are, ultimately, a pro bono commitment of service by community volunteers to the Genesee Foundation community members.

The Genesee community Board should **oversee and approve** the Genesee Foundation's:
1. Mission, values, and vision.
   a. The mission (or purpose) of a community organization is its long-term (10-20 years) essential reason for existing.
   b. The values are the important, lasting beliefs and ideals intended to guide community behavior, especially the behavior of its leaders.
   c. The vision is a clear, compelling description of what success looks like for the community in the medium-term future.
2. Long-Range Plan. The Long-Range Plan contains the Board's major initiatives for achieving its overarching financial and non-financial goals for the foreseeable future.

3. Execution of the strategy. The Board should track how successful it is in achieving its overarching financial and non-financial goals.
4. Financial plans. The Board should approve and monitor the community's financial statements, including the detailed budgets and the actual results versus the budgets in the Income Statement, Balance Sheet, and Cash Flows, and the reserve fund investment and banking practices of the Foundation.
5. Major expense and capital expenditures. The Board should set limits on operational and capital expenditures beyond which Board approval must be secured before expenditures are made by the staff.
6. Legal actions. The Board should review and approve in advance all significant actions which may have legal ramifications.
7. Risk policies. The Board should review and approve all actions in advance that may involve significant risk to the tangible or intangible assets of the community.
8. Board committees. The Board should create all standing and special committees and review and approve their written charters, members and progress.

The Board should **lead** in the areas of:
1. Board governance rules and Board behavior. The Board should comply with all appropriate governing documents and act in a manner that sets the appropriate standards of civility, acting as role models and encouraging constructive behavior throughout the community.
2. The Community Manager's employment. The Board should hire, supervise, compensate, coach, professionally develop, periodically assess and plan for the succession of the Community Manager.
3. Overarching community goals. The Board should set and prioritize the overall, major community financial and non-financial goals based on the community's long-range plan.
4. Community communications. The Board should communicate to the members of the community in a variety of written and electronic formats in a timely, clear, transparent and complete manner.

The Board should **partner** with Foundation staff on:
1. Strategic planning. Either the Board, a Board committee, a working group, the Community Manager, or some combination of these may, with the Board's approval, initiate a periodic and collaborative long-range planning effort and periodic updates.
2. Risk mitigation. The Board and the Community Manager should jointly discuss and implement plans to assess, evaluate and mitigate potential risks to the tangible and intangible assets of the community.
3. Staff development. The Board should assure that the Community Manager has adequate and effective plans in place for the professional development of all staff personnel, including the Community Manager.

The Board should **avoid:**
1. Tactical, operational decisions where authority was, or should be, delegated to the Community Manager or staff.
2. Micromanaging the staff through excessive controls and/or excessive attention to details that usurp the decision-making authority of the staff.

3. Decision-making in any areas where they individually have a conflict of interest.
4. Representing, committing or speaking for the community beyond their Board-approved responsibilities.

The Board may assign or delegate various tasks to the Community Manager, but the ultimate responsibility for those tasks remains with the Board.

1.2 Board Orientation and Continuing Education

New Board members shall:
1. Attend the annual Board Training Workshop to:
   a. Be briefed by legal counsel on their governance responsibilities.
   b. Read and become familiar with the Foundation's governing documents including Bylaws, Declarations, Covenants and the Colorado Common Interest Ownership Act (CCIOA).
   c. Become familiar with the Foundation's mission, values and vision.
   d. Become familiar with the Foundation's budget, financial statements, reserves and reserve analysis.
   e. Become familiar with Board versus staff responsibilities.
   f. Become familiar with the work of the Foundation's committees, including the Architectural Review Committee.
   g. Become familiar with community Governance Guidelines.
2. Read and sign the Code of Conduct and Conflict of Interest policies.
3. Early in their term, attend a meeting of each standing committee to learn about their work.
4. At the expense of the Foundation, join the Community Association Institute (CAI) and within four months attend a CAI board leadership workshop held by the Rocky Mountain chapter of CAI in person or online.
5. Tour Genesee and surrounding communities with a knowledgeable staff or community member for an understanding of our history and potential issues.
6. Read:
   a. The history of Genesee through past issues of "*The Genescene*" via the file copies in the Foundation office or the online website archives.
   b. The prior six months of Board minutes to become familiar with Board processes and issues.
7. Periodically, attend Genesee social events to meet, mingle with and listen to community members, continually seeking their feedback and input.
8. Interface with their designated continuing Board member mentor.
9. Seek, personally recruit and participate in community-wide recruitment efforts for new community volunteers, committee members and potential Board members.
10. Put the interests of the Community above their personal interests.

Continuing Board members shall:
1. Attend the annual Board Training Workshop as a refresher.
2. Annually re-sign the Code of Conduct and Conflict of Interest policies.
3. Periodically attend standing committee meetings for updates.
4. Keep current with CAI published information and events, and the Colorado Common Interest Ownership Act (CCIOA).

5. Periodically attend Genesee social events to meet, mingle with and listen to community members, continually seeking their feedback and input.
6. Mentor their designated new Board members to assist in their transition.
7. Seek, personally recruit and participate in community-wide recruitment efforts for new community volunteers, committee members, and potential Board members.
8. Put the interests of the Community above their personal interests.

1.3 Board Performance Assessments

Successful boards self-assess and receive assessments from bodies they represent regarding their overall performance. Such assessments must be approached cautiously to find the right process.

The Governance Committee suggests the following approach to start this assessment process for the Board:
1. Annually, at a minimum, the Board president (or the president's designee) shall ask committee Chairs and committee members for their thoughts on the Board's effectiveness.
   a. The Board president shall summarize this feedback to the Board; with feedback pertaining to any individual Board member(s)   shared with the relevant individual(s) privately and action steps, if any, agreed upon.
   b. The Board president shall also summarize Board feedback in a public Board meeting.
2. Annually, the Board shall seek community feedback on its effectiveness through a brief written or online survey.
   a. The Board president, or designee of the president, shall summarize the results for the Board.
   b. The president shall discuss   feedback pertaining to any individual Board member   privately with the relevant Board member(s) and agree on action steps, if any.
   c. The president, or designee of the president, shall discuss the results (except any feedback on individuals) in a public meeting with resulting action steps, if any, that are related to the feedback.
3. Annually, the Board president shall ask each Board member to self-assess the Board's overall effectiveness. A brief written set of questions shall be used for these assessments.
   a. The president shall summarize results for the Board.
   b. The president shall discuss any individual Board member feedback with the individual privately and agree on action steps, if any.
   c. The president shall summarize the Board self-assessment in a public meeting with the Board's plans for improvements.
   d. Any commitments made by the Board should be included with the Board's goals and progress reported at the end of the year.

1.4 Board President Job Description
1. Primary Importance:
    a. Be a member of the Genesee Foundation as an owner or resident.
    b. Sign the Board Code of Conduct and Conflict of Interest policies.
    c. Be willing to invest the time and energy required to perform all duties.
    d. Be willing to serve the best interests of the entire community.
    e. Display personal integrity and good character.

2. Desirable:
    a. Be a constructive communicator with good people skills.
    b. Have leadership experience in a volunteer organization, business, government office, educational institution, etc.
    c. Have successfully served the Genesee community as a committee member, participant in a working group, or as a volunteer.
    d. Have experience as an effective problem solver.
    e. Have calm, reasonable judgment and temperament.

3. Job Guidelines:
The Board president should:
    a. Be a proactive ambassador for the community, promoting overall Genesee interests and encouraging community engagement.
    b. Be an exemplary leader.
    c. Be the primary spokesperson for the Board and the community.
    d. Set the Board meeting agenda with input from the Community Manager, Board and committee members, and community members.
    e. Attend, facilitate and lead all Board meetings while maintaining civil decorum in a constructive, efficient and respectful manner.
    f. Be familiar with, and conduct meetings generally in accordance with, Robert's Rules of Order.
    g. Lead and effectively facilitate Executive Sessions of the Board.
    h. Constructively coach Board members, committee Chairs, and the Community Manager on their responsibilities, conduct and performance.
    i. Be the liaison between the Board and the Community Manager.
    j. Ensure the Board operates efficiently and effectively in a constructive and civil manner, achieving its goals and responsibilities and evaluating its performance periodically for the benefit of the community.

1.5   Board Member Job Description
1. Primary Importance:
    a. Be a member of the Genesee Foundation as an owner or resident.
    b. Sign the Board Code of Conduct and Conflict of Interest policies.

  c. Be willing to serve as a liaison to a standing committee.

  d. Be willing to invest the time required to perform all duties.

  e. Be willing to serve the best interests of the entire community.

  f. Display personal integrity and good character.

2. Desirable:

  a. Be a constructive communicator with good people skills.

  b. Have leadership experience in a volunteer organization, business, government office, educational institution, etc.

  c. Have successfully served the Genesee community as a committee member, participant in a working group, or as a volunteer.

  d. Have calm, reasonable judgment.

3. Job Guidelines:

Board members should:

  a. Work for the best interests of the overall community.

  b. Be a proactive ambassador for the community.

  c. Attend most Board meetings in person or virtually.

  d. Be familiar with these governance guidelines and the governing documents of the Foundation.

  e. Be willing to serve on one or more Genesee committees or as a Board liaison.

  f. Be open to being a Board officer.

2.0 Committees

Committees are extremely valuable to the Genesee community by expanding the working scope of the Board and assisting it to effectively perform its duties. Community members are encouraged to become involved, contributing their time and expertise to serve the community. Committee members are proposed by the committee to the Board for approval.

2.1 Types of Committees

There are several types of committees and subgroups of committees.

1. Standing Committee: A permanent committee authorized by the Board, which is required to publish its agendas in advance and publish minutes after meetings.
2. Special Committee: A committee authorized by the Board for a limited time and purpose, which is required to publish its agendas in advance and publish minutes after meetings.
3. Subcommittee: A subgroup of a committee as authorized by the Board. A subcommittee reports to the committee and is also required to publish agendas in advance and publish minutes after meetings.

4. Working Group: A subgroup of a committee or the Board which has a limited scope and term while working on a designated task. A working group reports to the committee or the Board and is not required to publish agendas in advance or publish minutes after meetings.

The Board also appoints liaisons to independent or outside organizations. Liaisons are community members or Board members who keep the Board informed of the activities of these organizations. They are not authorized to speak for the Board or the Genesee Foundation unless specifically authorized in advance by the Board.

2.2 Committee Chair Job Description

Qualifications:
1. Be a member of the Genesee Foundation as an owner or resident.
2. Be willing to invest the time and energy required to perform all duties.
3. Be willing to serve the best interests of the entire community.
4. Display personal integrity and good character.
5. Be a constructive communicator with good people skills.
6. Have prior leadership experience.
7. Have calm, patient and reasonable judgment.

Job Guidelines:
The Board-approved committee chair should:
1. Be a proactive ambassador for the community and the committee.
2. Be the primary spokesperson for the committee.
3. Assure the committee stays within the c   harter approved by the Board.
4. Set the committee meeting agenda with input from the Board, other committee members, and/or community members.
5. Attend, facilitate and lead committee meetings, generally in accordance with Robert's Rules of Order, to maintain civil decorum in a constructive, efficient and respectful manner.
6. Constructively coach other committee members on their responsibilities, conduct and performance.
7. Ensure all those present at a meeting have a chance to participate.
8. Ensure clear, concise minutes are submitted on a timely basis.
9. Ensure all administrative responsibilities of the committee are accomplished, including but not limited to budgeting, scheduling, and reporting to the Board via minutes or verbally at a Board meeting.
10. Reach out to community members who may have informed opinions on committee tasks.
11. Be responsible to the Board.

2.3 Committee Member Job Description

Qualifications:

1. Be a member of the Genesee Foundation as an owner or resident.
2. Be interested in the work of this committee.
3. Be willing to invest the time and energy required to perform all duties.

Job Guidelines:

Committee members should
1. Be a proactive ambassador for the committee.
2. Attend as many committee meetings as possible in person or virtually.
3. Prepare in advance of each meeting.
4. Participate constructively in committee meetings.
5. Be willing to work between meetings on committee assignments.

3.0 Community Association Policies

3.1 Guidelines for the Development of Policies

This module summarizes the essence of two books[1] and other documents that CAI has published about community association policies. For this recap, we have changed the word "rules" and substituted the word "policies." The purpose of this section is to provide suggested guidelines for the development of enforceable policies.

The essence of good community association policies is to use common sense to judge whether policies are reasonable and enforceable.

Policies are representations of rules, regulations, restrictions or processes that are enforceable. The difference between guidelines and policies is that guidelines are suggestions whereas policies are rules that are enforceable. Non-compliance with policies may result in the imposition of sanctions or penalties.

3.2 Goals of Policies:

The goals of policies are to:
1. Preserve, protect and enhance long-term tangible and intangible assets.
2. Promote the quality and safety of life envisioned for community members.

3.3 Drafting Policies:

In constructing policies, the Board should:
1. Have as its overarching objective to "be reasonable."
2. Put community first, only enacting policies when necessary.
3. Identify the problem or issue.
4. Question if a policy is needed by asking if there have been any complaints and, if so, how many and of what nature.
5. Gather and analyze the data by researching the laws, documents, best practices in other homeowner communities, other policies and prior actions.

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[1] "Be Reasonable" Kenneth Budd, CAI Press, 2014. "Drafting Policies," Gurdon H. Buck, CAI Press, 2015.
"Reinventing the Policies" 1st Edition, Lucia Ann Trigiani, 2002.

6. Based on the data, prepare the policy using legal counsel where appropriate.
7. Include the consequences for non-compliance.
8. Circulate the draft policy publicly to members.
9. Discuss the draft in open meeting(s) with appropriate notice.
10. Regularly review and amend policies as necessary.
11. Compile policies in a searchable database for member ease in access.
12. State policies in positive terms.
13. Make policies easy to understand, brief and concise.

3.4 Elements of Good Policies:
Good policies are:
1. Reasonable and relevant to the community.
2. Written in plain language.
3. Written in a consistent format.
4. Stated positively. (e.g., "Place trash in the designated container.")
5. Clear on the reason for the policy.
6. Designed to avoid unintended consequences.
7. Transparent.
8. Efficient.
9. Clear on the consequences of noncompliance.
10. Enforceable.

3.5 Reviewing Existing Policies:
Boards should:
1. Have periodic, specified dates for Board review of policies.
2. Have periodic legal reviews of policies.
3. Amend or cancel policies when they:
    a. Don't comply with the law.
    b. Are no longer needed.
    c. Are ambiguous, difficult to interpret or enforce.
    d. Don't allow the Board to operate efficiently.
    e. Contain inapplicable developer or unnecessary boilerplate language.
    f. Set unreasonable restrictions.
    g. Don't address current conditions.

**3.6 Shared Foundation and Board Roles in Facilitating Policy Compliance:**
1. Educate the community in multiple ways that are member-friendly,
2. Seek to gain community consensus if possible.
3. Review policies periodically.
4. Act promptly.
5. Be reasonable.
6. Give the opportunity to comply.
7. Provide clear information and guidelines.
8. Establish means to determine if policies are being followed.
9. Be consistent and uniform in seeking compliance and levying sanctions.
10. Be flexible:
    a. Under unusual circumstances, exceptions may be made by the Board.

    b. Adopt a "Grandfather Clause" to allow noncompliance in some cases where the action taken was before the policy was passed.

What Not to Do:
1. Regulate the personal lives of community members.
2. Give in to political pressures.
3. Go to extremes.
4. Use harsh consequences for small infractions.
5. Act on anonymous or unsubstantiated complaints.

Adopting New Rules Flowchart
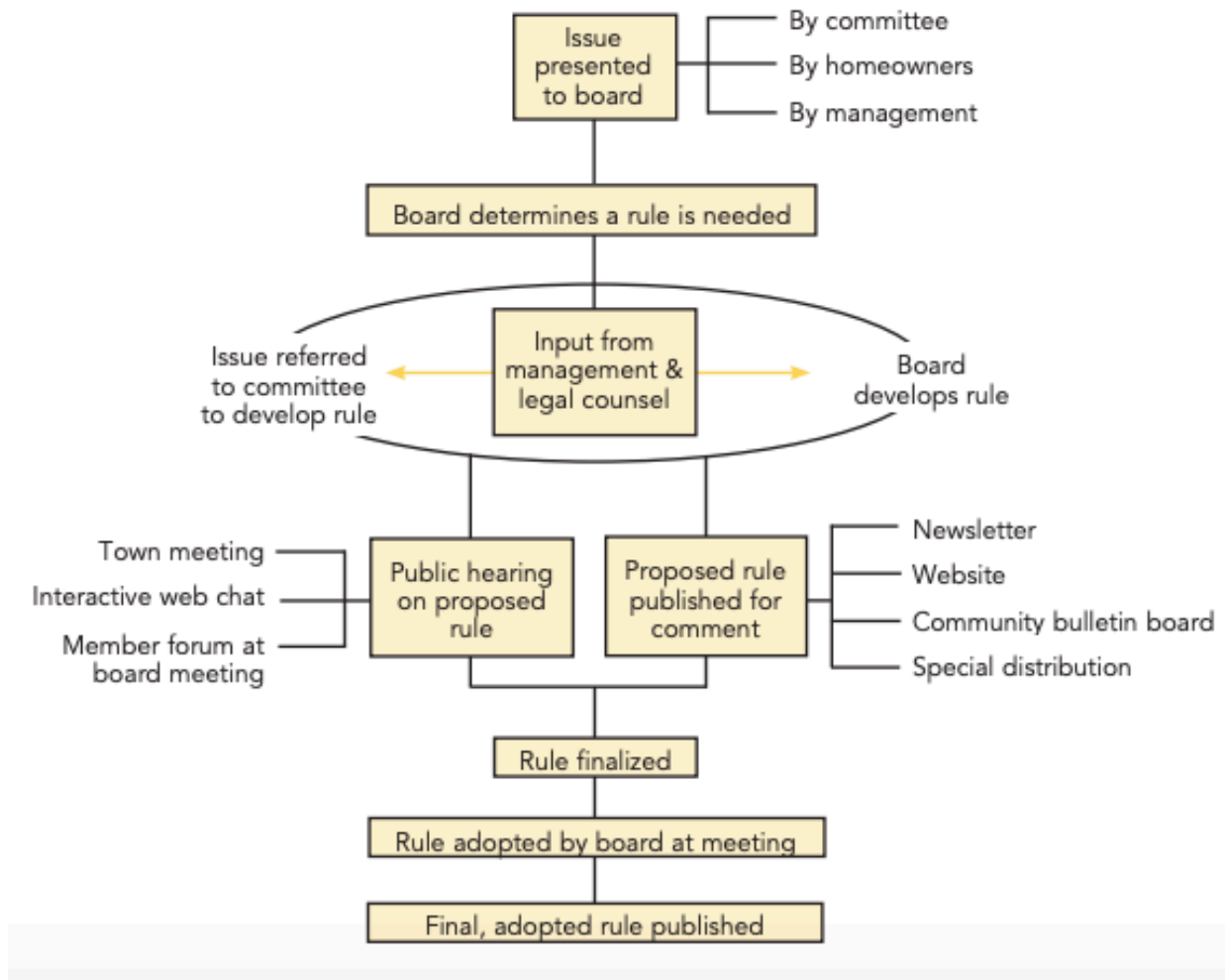
Source: CAI Press, "The Board Member Tool Kit, Third edition, 2014, section 15.6

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4. **Review Date: 3 years (2024)**

4.0 Resources and Bibliography

Sources of the 2017 governance work in Genesee:

1. Board of the Genesee Foundation: Jeff Chopin (president), Bill Deeley, Chris Garlasco, Tom Harris, Mary Monnet, Chip Starick and Bob Vanourek.
2. Governance Committee of the Genesee Foundation: Gary Anderson, Larry Dale, Rita Devassy, Ken Farber, Richelle Marek, Andrew Stirrat and Bob Vanourek(chairman).
3. Individual contributors to the work of the Governance Committee: Nancy Balter, Bob Dyer, Charles Eggleton, Ron Guthrie, Brad Knickel, Beth Moran, Mike Murphy, Chris O'Dell, Joe Peraino, Carol Salzmann, and John and Susie Siegesmund.
4. Discussions with former Genesee Community Manager Carla Andrews, Reviews by Genesee Foundation attorney Scott Albertson.

Bibliography of resources used:

1. Community Association Institute[2] publications:
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    b. "Be Reasonable: How Community Associations Can Enforce Rules Without Antagonizing Residents, Going to Court, or Starting WWIII," Kenneth Budd, CAI Press, 2014.
    c. "Community Association Leadership: A Guide for Volunteers," Third Edition, CAI Press, 2010.
    d. "Drafting Rules: How Community Associations Maintain Peace and Harmony," Gurdon H. Buck, CAI Press, 2015.
    e. "From Good to Great: Principles for Community Association Success," Community Association Institute, undated.
    f. "Leadership: A Guide for Volunteers," Third Edition, CAI Press, 2010.
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    h. "Meetings and Elections: How Community Associations Exercise Democracy," P. Michael Nagle, CAI Press, 2012.
    i. "Reinventing the Rules: A Step-by-Step Guide for Being Reasonable," 1st edition, Lucia Ann Trigiani, 2002.
    j. "The Board Member Toolkit," Third edition, CAI Press, 2014.
    k. "The Board President," Robert T. Dennistoun, CAI Press, 2005.
2. Foundation for Community Association Research[3] publications:
    a. "Best Practices Report #10 Ethics," Foundation for Community Association Research, 2014.

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[2] Founded in 1973, CAI and its U.S. and international chapters provide information, education and resources to the homeowner leaders and professionals who govern and manage homeowners' associations, condominium communities and cooperatives. CAI's 33,000-plus members include community association board members, other homeowner leaders, community managers, association management firms and other professionals who support common-interest communities.

[3] The Foundation for Community Association Research is a national, nonprofit 501(c)(3) organization devoted to common interest community research, development, and scholarship. Incorporated in 1975, the Foundation supports and conducts research in the community, homeowner, and condominium association industry.

      b. "Best Practices Report #2 Governance," Foundation for Community Association Research, 2014.

      c. "Best Practices Report #3, Strategic Planning," Foundation for Community Association Research, 2014.

3. Other sources:

      a. Boards That Lead: When to Take Charge, When to Partner, and When to Stay Out of the Way, Ram Charan, Dennis Carey, Michael Useem, Harvard Business Review Press, 2014.

      b. Corporate Boards That Create Value: Governing Company Performance from The Boardroom, John Carver with Caroline Oliver, Jossey-Bass, 2002.

      c. HindmanSanchez, Attorneys at Law, "Sample Board Policies and Procedures," http://www.hindmansanchez.com/wp-content/uploads/2011/10/Sample-Board-Policies-and-Procedures.pdf

      d. The Complete Idiot's Guide to Parliamentary Procedure, Jim Slaughter, Penguin Books, 2012.

      e. The Official Robert's Rules of Order website, http://www.robertsrules.com