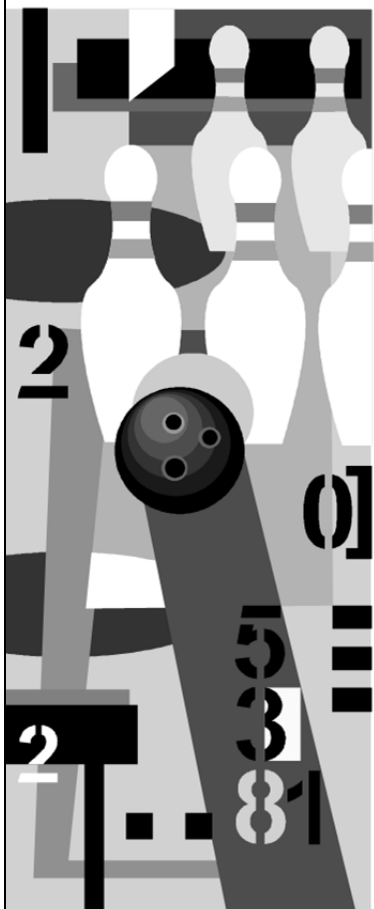


State Association Policies

As referenced from Pg. 6 of the *State Board and Leadership Guide*

BOWLING PROPRIETORS' ASSOCIATION OF AMERICA
State Board *and* Leadership Guide Samples Section

January 2013



ILLINOIS STATE BOWLING PROPRIETORS ASSOCIATION



BOARD OF DIRECTORS POLICY MANUAL

Updated June, 2010



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Policy Table of Contents

- 1.0 Ends Global Statement
- 2.0 Global Executive Limitations
 - 2.1 Treatment of Consumers
 - 2.2 Treatment of Staff
 - 2.3 Compensation & Benefits
 - 2.4 Financial Planning/Budgeting
 - 2.5 Financial Condition & Activities
 - 2.6 Asset Protection
 - 2.7 Ends Focus of Contracts
 - 2.8 Communication & Support to the Board
 - 2.9 Emergency Executive Director Succession
- 3.0 Global Governance Process/Ownership Linkage Commitment
 - 3.1 Governing Style
 - 3.2 Board Job Description
 - 3.3 Board Member's Code of Conduct
 - 3.4 Agenda Planning
 - 3.5 President's Role
 - 3.6 Board Committee Principles
 - 3.7 Board Committee Structure
 - 3.8 Cost of Governance
- 4.0 Global Board-Executive Director Linkage
 - 4.1 Unity of Control
 - 4.2 Accountability of the Executive Director
 - 4.3 Delegation to the Executive Director
 - 4.4 Monitoring Executive Director Performance
 - 4.5 Executive Director Compensation & Benefits



ISBPA MISSION STATEMENT –

The mission of the Illinois State Bowling Proprietors Association is to enhance the profitability of our members and foster the growth of bowling.

POLICY TYPE: ENDS

1.0 POLICY TITLE: Global Ends of ISBPA

The Mission of the Illinois State Bowling Proprietors Association is to enhance the profitability of our members and foster the growth of bowling through:

- 1. Youth/School Initiatives**
ISBPA will ensure the growth of youth/school programs.
- 2. Bowler Development**
ISBPA will pursue programs for bowler development.
- 3. Marketing & Public Relations**
ISBPA will aggressively market bowling.
- 4. Group Purchasing**
ISBPA will pursue group purchasing agreements.
- 5. Pro Tours**
ISBPA will pursue promotion of pro tour events.
- 6. Advocacy**
ISBPA will support legislative action that will positively impact the future of our member businesses and oppose any negative impact legislation.
- 7. Management Education**
ISBPA will provide educational opportunities to improve the fiscal management and operations of our centers, increase professionalism, and enhance the image of bowling management.

(updated 11/12/07)

POLICY TYPE: EXECUTIVE LIMITATIONS

2.0 POLICY TITLE: *GLOBAL EXECUTIVE CONSTRAINT*

The Executive Director shall not cause or allow any practice, activity, decision, or organizational circumstance which is either unlawful, imprudent or in violation of commonly accepted business and professional ethics.

2.1 POLICY TITLE: *TREATMENT OF CONSUMERS (Anyone who has contact with the association.)*

With respect to interactions with consumers or those applying to be consumers, the Executive Director shall not cause or allow conditions, procedures, or decisions that are unsafe, undignified, or unnecessarily intrusive.

Accordingly, he or she shall not:

1. Elicit information for which there is no clear necessity.
2. Use methods of collecting, reviewing, transmitting, or storing client information that fail to protect against improper access to the material elicited.
3. Fail to establish with consumers a clear understanding of what may be expected and what may not be expected from the service offered.
4. Fail to inform consumers of this policy or to provide a written appeal process for persons to be heard who believe they have not been accorded a reasonable interpretation of their protections under this policy.

2.2 POLICY TITLE: *TREATMENT OF STAFF*

With respect to the treatment of paid and volunteer staff, the Executive Director may not cause or allow conditions that are unfair, undignified, disorganized, or unclear.

Accordingly, he or she shall not:

1. Fail to provide employees a written job description that (a) clarify rules for that position, (b) provides opportunities for negotiating changes, (c) provides provisions for handling grievances, and (d) protects against wrongful conditions, such as sexual harassment, nepotism and preferential treatment.
2. Fail to reasonably address all unsafe and unhealthy work conditions.
3. Discriminate against any staff member for non-disruptive expression of dissent.
4. Fail to acquaint staff with the Executive Director's interpretation of their protections under this policy.

2.3 POLICY TITLE: *COMPENSATION AND BENEFITS*

With respect to employment, compensation, and benefits to employees, consultants, contract workers and volunteers, the Executive Director shall not cause or allow jeopardy to fiscal integrity or public image.

Accordingly, he or she shall not:

1. Change his or her own compensation and benefits, except as his or her benefits are consistent with a package for all other employees.
2. Promise or imply permanent or guaranteed employment.
3. Establish current compensation and benefits that deviate materially from the geographic or professional market for the skills employed.
4. Create obligations over a longer term than revenues can be safely projected, in no event longer than one year and in all events subject to losses in revenue.
5. Establish or change retirement benefits so as to cause unpredictable or inequitable situations, including those that:
 - A. Incur unfunded liabilities.
 - B. Provide less than some basic level of benefits to all full time employees, though differential benefits to encourage longevity are not prohibited.
 - C. Allow any employee to lose benefits already accrued from any foregoing plan.
 - D. Treat them differently from other key employees.

2.4 POLICY TITLE: *FINANCIAL BUDGETING/PLANNING*

Financial planning for any fiscal year or the remaining part of any fiscal year shall not deviate materially from board's Ends priorities, or risk fiscal jeopardy.

Accordingly, he or she shall not:

1. Fail to operate without a balanced budget, driven by a strategic management plan.
2. Fail to include credible projection of revenues and expenses, separation of capital and operational items, cash flow, and disclosure of planning assumptions.
3. Plan the expenditure in any fiscal year of more funds than are conservatively projected to be received in that period.
4. Allow cash and cash equivalents to drop below a safety reserve of less than 6 months or 50% of the current operating budget liabilities at any time.
5. Provide less for board prerogatives during the year than is set forth in the Cost of Governance policy.
6. Unanticipated income can not be disbursed unless first approved by the Board.

2.5 POLICY TITLE: *FINANCIAL CONDITION AND ACTIVITIES*

With respect to the actual, ongoing financial condition and activities, the Executive Director shall not cause or allow the development of fiscal jeopardy or a material deviation of actual expenditures from board priorities established in Ends policies.

Accordingly, he or she shall not:

1. Expend more funds than have been received in the fiscal year to date unless the debt guidelines (below) are met.
2. Indebt the organization in an amount greater than can be in 60 days.
3. Use any long-term reserves without Board approval.
4. Conduct interfund shifting without a concurring opinion of an association officer.
5. Fail to settle payroll and debts in a timely manner.
6. Allow tax payments or other government ordered payments or filings to be overdue or inaccurately filed.
7. Make a single purchase or commitment of greater than \$2500. Splitting orders to avoid this limit is not acceptable.
8. Acquire, encumber or dispose of real property.
9. Fail to aggressively pursue receivables after a reasonable grace period.
10. Withhold national dues without Board approval.

2.6 POLICY TITLE: *ASSET PROTECTION*

The Executive Director shall not allow corporate assets to be unprotected, inadequately maintained or unnecessarily risked.

Accordingly, he or she shall not:

1. Fail to insure against theft and casualty losses to at least 80% percent replacement value and against liability losses to board members, staff and the organization itself in an amount greater than the average for comparable organizations.
2. Allow unbonded personnel access to material amounts of funds.
3. Subject plant and equipment to improper wear and tear or insufficient maintenance.
4. Unnecessarily expose the organization, its board or staff to claims of liability.
5. Make any purchase: (a) wherein normally prudent protection has not been given against conflict of interest; (b) of over \$1500 without having obtained comparative prices and quality; (c) of over \$2500 without a stringent method of assuring the balance of long term quality and cost.
6. Fail to obtain bids from exclusive vendors every two years.
7. Fail to protect intellectual property, information and files from loss or significant damage.
8. Receive, process or disburse funds under controls that are insufficient to meet the board-appointed auditor's standards.
9. Invest or hold operating capital in insecure instruments, including uninsured checking 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.
10. Endanger the organization's public image or credibility, particularly in ways that would hinder its accomplishment of mission.
11. Invest reserve funds outside of the Board's reserve fund policy.

2.7 POLICY TITLE: *ENDS FOCUS OF CONTRACTS*

The Executive Director may not enter into any contract arrangements that fail to emphasize primarily the production of Ends and, secondarily, the avoidance of unacceptable means.

Accordingly, he or she shall not:

1. Fail to prohibit particular methods and activities to preclude association funds from being used in imprudent, unlawful or unethical ways.
2. Fail to assess and consider a service provider's capability to produce appropriately targeted, efficient results.
3. Enter into new contracts or agreements that require membership participation without Board approval.

2.8 POLICY TITLE: *COMMUNICATION AND SUPPORT TO THE BOARD*

The Executive Director shall not permit the board to be uninformed or unsupported in its work.

Accordingly, he or she shall not:

1. Neglect to submit monitoring data required by the board in a timely, accurate and understandable fashion, directly addressing provisions of board policies being monitored.
2. Let the board be unaware of relevant trends, anticipated adverse media coverage, threatened or pending lawsuits, material external and internal changes, particularly changes in the assumptions upon which any board policy has previously been established.
3. Fail to advise the board if, in the Executive Director's opinion, the board is not in compliance with its own policies on Governance Process and Board-Executive Director Linkage, particularly in the case of board behavior which is detrimental to the working relationship between the board and the Executive Director.
4. Fail to gather for the board as many staff and external points of view, issues and options as needed for fully informed board choices.
5. Present information in an understandable fashion and differentiate among three types of reports: monitoring, decision preparation, and other.
6. Fail to provide a mechanism for official board, officer or committee communications.
7. Fail to deal with the board as a whole except when (a) fulfilling individual requests for information or (b) responding to officers or committees duly charged by the board.
8. Fail to report in a timely manner an actual or anticipated noncompliance with any policy of the board.
9. Fail to supply all the consent agenda items delegated to the Executive Director.
10. Enter into affinity agreements with another organization without informing the Board.

2.9 POLICY TITLE: *EMERGENCY EXECUTIVE DIRECTOR SUCCESSION*

In order to protect the board from sudden loss of Executive Director services, the Executive Director may have no less than one other executive familiar with board and Executive Director issues and processes.

POLICY TYPE: GOVERNANCE PROCESS

3.0 POLICY TITLE: *GLOBAL GOVERNANCE COMMITMENT*

The purpose of the board, on behalf of its membership, is to see to it that the ISBPA (a) achieves appropriate results for appropriate persons at an appropriate cost, and (b) avoids unacceptable actions and situations.

Accordingly, the ISBPA Board of Directors adopts the following policy for certification of local associations:

In order to be recognized as a certified local affiliated association of the Illinois State BPA, an Affiliate must:

1. Meet a minimum of twice each year, having at least 3 members or 25% of membership (whichever is greater) present at each meeting.
2. Elect a minimum of two officers and a director at least once every two years. Sections of an affiliate must elect a Vice-President (director) at least once every two years.
3. Provide minutes of each meeting to the ISBPA Executive Director within 30 days.
4. At least once per year, conduct a group project that promotes bowling. Report results of project to ISBPA Executive Director.
5. Support state tournaments, programs and activities.

Each certified local association shall submit a minimum of one name for a Director's-At-Large position.

3.1 POLICY TITLE: *GOVERNING STYLE*

The board will govern in a way that emphasizes strategic planning more than administrative detail, clear distinction of Board and staff roles, future orientation and proactively rather than reactively.

On any issue, the Board must elicit as much diversity as possible to ensure that it is adequately considering all views held by the membership. These views must be resolved into a single organizational position, spoken with one voice.

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 policy, not merely a reactor to staff initiatives. The board may use the expertise of individual members to enhance the ability of the board as a body, rather than to substitute the individual judgments for the board's values.
2. The board will direct, control and inspire the organization 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 organization, 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, policy making 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 observe them scrupulously while in force.
 - a. In accordance with this discipline, the board will only allow itself to address a topic after it has answered these questions:
 - i. Whose issue is this? Is it the Board's or the Executive Director's?
 - ii. Has the board dealt with this subject in a policy? If so, what has the board already said on this subject and how is this issue related? If the board has already addressed the matter, does the board wish to change what it has already said?
 - iii. If the matter is several levels below board level, what is the broadest way to address this issue so that it is still under existing board policy? Does that policy suffice to deal with our concern?
 - b. It is out of order for board members to talk about content until these questions of appropriateness are settled.
4. All Board agenda items will be brought to one of three conclusions at every meeting: approval, disapproval, or table.
5. Continual board development will include orientation of new board members in the board's governance process and periodic board discussion of process improvement.
6. The board will allow no officer, individual or committee of the board to hinder or be an excuse for not fulfilling its commitments.
7. The board will monitor and discuss the board's process and performance at each meeting.

3.2 POLICY TITLE: *BOARD JOB DESCRIPTION*

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

Accordingly, the board has direct responsibility to create:

1. The link between the ownership and the operational organization.
2. Written governing policies which address the broadest levels of all organizational decisions and situations.
 - A. Ends: Organizational products, impacts, benefits, outcomes, recipients, and their relative worth (what good for which recipients at what cost or priority).
 1. Including a legislative agenda.

- B. Executive Limitations: Constraints on executive authority that establish the prudence and ethics boundaries within which all executive activity and decisions must take place.
 - C. Governance Process: Specification of how the board conceives, carries out and monitors its own task.
 - D. Board- Executive Director Linkage: How power is delegated and its proper use monitored; the Executive Director role, authority and accountability.
3. Assurance of successful Executive Director performance.

For voting purposes at membership meetings, each member center is permitted to be represented by one proprietor or proprietor-designate. Each center is limited to one individual who may serve on the Board of Directors. A center may have multiple representatives attend meetings and contribute to Board or Staff Committees.

(Added 11/12/07)

3.3 POLICY TITLE: *BOARD MEMBERS' CODE OF CONDUCT*

The board commits itself and its members to ethical, businesslike, and lawful conduct, including proper use of authority and appropriate decorum when acting as board members.

- 1. Members must have loyalty to the ownership, unconflicted by loyalties to staff, other organizations, and any personal interest as a consumer.
- 2. 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 organization. Members will annually disclose their involvement with other organizations, 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 member has an unavoidable conflict of interest, that member shall absent herself or himself without comment from not only the vote, but also from the deliberation.
 - C. Board members will not use their board position to obtain employment in the organization for themselves, family members, or close associates. Should a board member apply for employment, he or she must first resign from the board.
- 3. Board members may not attempt to exercise individual authority over the organization.
 - A. Members' interaction with the Executive Director or with staff must recognize the lack of authority vested in individuals except when explicitly board authorized.

- B. Members' interaction with public, press or other entities must recognize the same limitation and the inability of any board member to speak for the board except to repeat explicitly stated board decisions.
 - C. Except for participation in board deliberation about whether reasonable interpretation of board policy has been achieved by the Executive Director, members will not express individual judgments of performance of employees of the Executive Director.
4. Members will respect the confidentiality appropriate to issues during closed sessions of the Board.
 5. Members will be properly prepared for board deliberation.
 6. In accordance with ISBPA Bylaws, absence from more than two regular meetings a year may result in dismissal from the Board. Emergencies will be handled on a case by case basis by the Sgt.-At-Arms.
 7. Officer and Director Board Attendance Policy
 - This Attendance Policy refers to any meeting convened with at least 10 days notification.
 - Attendance will be taken at each meeting by the Sgt.-At-Arms. He/she will keep a yearly record of attendance.
 - All members' attendance will be recorded as part of the minutes of each meeting.
 - Excused absences will be determined by the Sgt.-At-Arms.
 - The Sgt.-At-Arms will report to the President any board members not in compliance with the Board of Directors Policy Manual for possible action by the Board.

Line Officers may miss only one meeting per year without cause or by emergency.

3.4 POLICY TITLE: *AGENDA PLANNING*

To accomplish its job products with a governance style consistent with board policies, 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 the first Board meeting after officer & director elections 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 calendar year, with input from the ownership.

A. Consultations with selected groups in the ownership, or other methods of gaining

ownership input will be determined and arranged accordingly to the schedule, 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 according to the schedule, to be held during the balance of the year.
- 3. Throughout the year, the board will attend to consent agenda items as expeditiously as possible.
- 4. Executive Director monitoring will be included on the agenda if monitoring reports show policy violations, or if policy criteria are to be debated.

3.5 POLICY TITLE: *PRESIDENT'S ROLE*

The President assures the integrity of the board's process and, secondarily, occasionally represents the board to outside parties.

Accordingly:

- 1. The job result of the president is that the board behaves consistently with its own rules and those legitimately imposed upon it from outside the organization.
 - A. Meeting discussion content will be only those issues which, according to board policy, clearly belong to the board to decide, not the Executive Director.
 - B. Deliberation will be fair, open, and thorough, but also timely, orderly, and kept to the point.
- 2. The authority of the president consists in making decisions that fall within topics covered by board policies on Governance Process and Board- Executive Director Linkage, with the exception of (a) employment or termination of a Executive Director and (b) where the board specifically delegates portions of this authority to others. The president is authorized to use any reasonable interpretation of the provisions in these policies.
 - A. The president is empowered to chair board meetings with all the commonly accepted power of that position (e.g., ruling, recognizing).
 - B. The president has no authority to make decisions about policies created by the board within Ends and Executive Limitations policy areas. Therefore, the president has no authority to supervise or direct the Executive Director.
 - C. The president may represent the board to outside parties in announcing board-stated positions and in stating chair decisions and interpretations within the area delegated to her or him.

- D. The president may delegate this authority, but remains accountable for its use.
- E. The President shall appoint an individual to serve as the “Carver Coach” to monitor the Board’s performance at each meeting.

3.6 POLICY TITLE: *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 Executive Director.

Accordingly:

1. Board committees are to help the board do its job. 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 Executive Director.
3. Board committees cannot exercise authority over staff. Because the Executive Director 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 organizational parts rather than the whole. Therefore, a board committee which has helped the board create policy on some topic will not be used to monitor organizational performance on that same subject.
5. Committees will be used judiciously and ordinarily in a temporary “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 Executive Director.
7. Committee Chairs must be a member of the Association. However, any individual appointed by the chairman may serve on any Committee, regardless of whether they are a member of the Association.

3.7 POLICY TITLE: *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. Unless otherwise stated, a committee ceases to exist as soon as its task is complete.

Executive Committee

Purpose:

- Sounding Board for Executive Director
- Review and recommend to the Board the Executive Director compensation issue.
- Review the Executive Director's Strategic Management Plan.
- Appoint an "interim executive" Executive Director in the event of resignation or termination of existing Executive Director and designate a committee member to provide advice/consultation as needed to the "acting interim Executive.

Makeup: All line officers

Authority: To direct up to \$5000 for unbudgeted expenditures.

Nominating Committee

Purpose:

- To nominate officers for election by the membership.

Makeup: Active members in good standing, appointed by the President.

Criteria for nominations:

- Representative of a regular member in good standing
- Active in association functions
- Demonstrated ability to follow through on assignments
- Desire to serve and develop in a leadership role.

Nominating Committee Guidelines

- Officers do not necessarily have to move up sequentially in line-office.
- Officers do not automatically have to be nominated for a second term.

Directors-At-Large – Each certified local association shall submit a minimum of one name for a Directors-At-Large position.

National Director representing ISBPA

- The position shall be appointed by the President, with the approval of the Executive Committee. This individual will serve on the ISBPA Board of Directors as an Ex-Officio member, unless already elected/appointed.
- Must be currently serving on the ISBPA Board of Directors or a Past President and an active member of the ISBPA for the past 5 years.
- Reports on all national activities to the Board of Directors.
- The National Director may be removed from office by a majority vote of the Executive Committee if it is determined this individual is not attending required meetings, submitting required reports, or not acting in the best interest of the ISBPA.
- Provide a written report to the General Membership at its annual meeting.

National At-Large Director residing in Illinois

- This individual will serve on the ISBPA Board of Directors as an Ex-Officio member, unless already elected/appointed.
- Provide a written report to the General Membership at its annual meeting.

Affiliated Association Board Representation

- At the Board’s discretion, an affiliated association partnering with ISBPA (i.e. Illinois Licensed Beverage Association) may appoint an individual within their organization to serve in an Ex-Officio capacity on the Board of the Illinois State BPA.

3.8 POLICY TITLE: *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 orient new members and candidates for membership, as well as to maintain and increase existing member skills and understandings. This includes, but is not limited to, taking advantage of existing training programs including sending the Executive Director, President, and others to BPAA’s Mid-Winter meeting.
 - B. Outside monitoring assistance will be arranged so that the board can exercise confident control over organizational performance. This includes, but is not limited to, fiscal audit.
 - C. Outreach mechanisms will be used as needed to ensure the board’s ability to listen to owner viewpoints and values.
2. Costs will be prudently incurred, though not at the expense of endangering the development and maintenance of superior capability.
 - A. Up to \$ 3,000.00 per fiscal year for training, including attendance at conferences and workshops, i.e. Dynamic Leaders Conference.
 - B. Up to \$ 6,000.00 per fiscal year for surveys, focus groups, opinion analyses, and meeting costs, plus mailings, surveys, and attending local meetings.

POLICY TYPE: BOARD-EXECUTIVE DIRECTOR LINKAGE

4.0 POLICY TITLE: *GLOBAL GOVERNANCE-MANAGEMENT CONNECTION*

The board's sole official connection to the operational organization, its achievements and conduct will be through a Chief Executive Officer, titled Executive Director.

4.1 POLICY TITLE: *UNITY OF CONTROL*

Only officially passed motions of the board are binding on the Executive Director.

Accordingly:

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

4.2 POLICY TITLE: *ACCOUNTABILITY OF THE EXECUTIVE DIRECTOR*

The Executive Director 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 Executive Director.

Accordingly:

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

4.3 POLICY TITLE: *DELEGATION TO THE EXECUTIVE DIRECTOR*

The board will instruct the Executive Director through written policies which prescribe the organizational Ends to be achieved, and describe organizational situations and actions to be avoided, allowing the Executive Director to use any reasonable interpretation of these policies.

Accordingly:

1. The board will develop policies instructing the Executive Director to achieve certain results, for certain recipients at a specified cost. These policies will be developed systematically from the broadest, most general level to more defined levels, and will be called Ends policies.
2. The board will develop policies that limit the latitude the Executive Director may exercise in choosing the organizational means. These policies will be developed systematically from the broadest, most general level to more defined levels, and they will be called Executive Limitations policies.
3. As long as the Executive Director uses *any reasonable interpretation* of the board's Ends and Executive Limitations policies, the Executive Director is authorized to establish all further policies, make all decisions, take all actions, establish all practices and develop all activities.
4. The board may change its Ends and Executive Limitations policies, thereby shifting the boundary between board and Executive Director domains. But as long as any particular delegation is in place, the board will respect and support the Executive Director's choices.

4.4 POLICY TITLE: *MONITORING EXECUTIVE DIRECTOR PERFORMANCE*

Systematic and rigorous monitoring of Executive Director job performance will be solely against the only expected Executive Director job outputs: organizational accomplishment of board policies on Ends and organizational operation within the boundaries established in board policies on Executive Limitations.

Accordingly:

1. Monitoring is simply to determine the degree to which board policies are being met. Data that does not do this will not be considered to be monitoring data.
2. The board will acquire monitoring data by one or more of three methods: (a) by internal report, in which the Executive Director discloses compliance information to the board, (b) by external report, in which an external, disinterested third party selected by the board assesses compliance with board policies, and (c) by direct board inspection, in which a designated member or members of the board assess compliance with the appropriate policy criteria.
3. In every case, the standard for compliance shall be *any reasonable Executive Director interpretation* of the board policy being monitored.
4. All policies that instruct the Executive Director will be monitored at a frequency and by a method chosen by the board. The board can monitor any policy at any time by any method, but will ordinarily depend on a routine schedule.

<u>Policy</u>	<u>Method</u>	<u>Frequency-30 days prior to the indicated Board meeting</u>
2.1 Treatment of Consumers	Internal	September
2.2 Treatment of Staff	Internal	November
2.3 Compensation & Benefits	Internal	November
2.4 Financial Planning/Budgeting	Internal	November
2.5 Financial Condition & Activities	Internal	May, September
	External	November
2.6 Asset Protection	External	September
2.7 Contracts	Internal	May
2.8 Communication & Support	Direct Inspection	September
2.9 Emergency Succession	Internal	September

4.5 POLICY TITLE: EXECUTIVE DIRECTOR COMPENSATION & BENEFITS POLICY

The Board shall negotiate a contract with the Executive Director, which will stipulate compensation and benefits for the Executive Director.

1. Executive Director remuneration will be decided after a review of monitoring reports received in the last year during the month of May.
2. The Executive Committee is responsible to evaluate Executive Director performance.

Ends Standards proposed:

Tournament standards

- 50% of membership will participate
- Publicity outside trade media
- 5% net gain on repeat business
- Must produce revenue for ISBPA

Youth Bowling

- Additional school teams
- Number of registered bowlers: no net loss
- 10% increase annually in school bowling programs

Profitability

- Group purchasing programs
 - 25% discount to members from retail pricing
 - Number of members participating
- Attract more bowlers into the centers
 - 5% increase in database
 - increase in lineage revenue during defined period.

Advocacy on the system of bowling

- No harm to lane surface
- No rules that hurt the business, i.e. makes game more difficult

Legislative advocacy on matters that positively impact center business.

- Minimize taxation
- Support small business interests
- B-PAC
- Form an IL-Pac?



**Illinois State
Bowling Proprietors Association, Inc.**



POLICY ON THE PROCESS FOR DETERMINING COMPENSATION

This Policy on the process for Determining Compensation of Illinois State Bowling Proprietors Association applies to the compensation of the following person employed by the Association:

The Organization's Executive Director

The process includes all of these elements: (a) review and approval by the Board of Directors or Executive Committee of the ISBPA; (b) use of data as to comparable compensation; and (c) contemporaneous documentation and recordkeeping.

1. Review and approval.

The compensation of the Executive Director is reviewed and approved by the Board of Directors or Executive Committee of the ISBPA, provided that persons with conflicts of interest with respect to the compensation arrangements at issue are not involved in this review and approval.

2. Use of data as to comparable compensation.

The compensation of the Executive Director is reviewed and approved using data as to comparable compensation for similarly qualified persons in functionally comparable positions as similarly situated organizations.

3. Contemporaneous documentation and recordkeeping.

There is contemporaneous documentation and recordkeeping with respect to the deliberations and decisions regarding the compensation arrangement.



**Illinois State
Bowling Proprietors Association, Inc.**

CONFLICT OF INTEREST POLICY

WHEREAS, the Illinois State Bowling Proprietors Association, Inc. (ISBPA) is a Illinois not-for-profit corporation whose members are proprietors of bowling centers and others interested in promoting bowling;

WHEREAS, the officers, directors, committee members, and other volunteers (collectively, "Volunteers") who devote a valuable time and effort in supporting the ISBPA are persons who are generally engaged in, and have other interests in, the bowling industry;

WHEREAS, as a result of such interests and activities, Volunteers occasionally are involved or interested in transactions in which the ISBPA may have, or may appear to have, a different or conflicting interest;

WHEREAS, the outside activities of the ISBPA's volunteers are essential to the Association's success, and conflicts of interests (actual or perceived) with the Association arising from such activities are inevitable and in no way reflect adversely on persons with such conflicts of interest; and

WHEREAS, the ISBPA desires to adopt a policy to assist its Volunteers in identifying potential conflicts of interest so that such conflicts, actual or perceived, can be properly disclosed in accordance with the Association's policy and Illinois law.

NOW, THEREFORE, BE IT

RESOLVED, that the ISBPA acknowledges that it is the responsibility of every Volunteer to be aware of potential conflicts of interest between his or her activities unrelated to the Association and the interests of the Association (as understood by such Volunteer);

RESOLVED, that if a Volunteer believes that he or she may have a conflict of interest, or an apparent conflict of interest, with the ISBPA as the result of any activities or interests, such Volunteer shall (i) fully disclose such conflict, or apparent conflict, to the President or Vice-President (in the case of an officer or director), or to the Committee Chairman or Vice-Chairman (in the case of a committee member), of the Association, and (ii) shall refrain from any participation in any meeting or other deliberation in which such transaction may be considered;

RESOLVED, that for purposes of this Policy, a conflict of interest shall be deemed to exist if a Volunteer is directly or indirectly a party to a transaction or an activity which such Volunteer knows, or should know, is adverse to, in competition with, or otherwise incompatible with, an activity or interest of the ISBPA. A Volunteer shall be “indirectly” a party to a transaction if the other party to the transaction is an entity in which the Volunteer, or any member of his or her immediate family, has a material financial interest or is an officer, director or general partner.

RESOLVED, if a transaction that is fair to a Corporation is approved or ratified in accordance with this policy, the fact that a Volunteer is directly or indirectly a party to the transaction shall not be grounds for invalidating the transaction so long as, prior to acting on such transaction, the body approving such action was informed of all the material facts of the transaction, including the Volunteer’s interest, and the Volunteer did not participate in the vote or other action approving or ratifying such action (provided that such Volunteer may be counted in determining whether a quorum is present at such meeting).

RESOLVED, that it shall be the obligation of each Volunteer to maintain in confidence and not disclose proprietary or confidential information of the Association, other than in furtherance of ISBPA’s interest or as may be required by law.

RESOLVED, that each Volunteer execute and deliver to the ISBPA, upon becoming an officer, director, or committee member, and annually thereafter, a Conflict of Interest Statement in the form attached thereto.

CONFLICT OF INTEREST STATEMENT

As an officer, director, or committee member of the Illinois State Bowling Proprietors Association, Inc. (ISBPA), I acknowledge that I have an obligation to (i) monitor my activities unrelated to the ISBPA to determine actual and potential conflicts of interest or apparent conflicts of interest, and (ii) fully disclose any such conflicts of interest or apparent conflicts of interest to the ISBPA.

As of the date hereof, I confirm that I am not involved in any transactions or interested in any other entities which, in my judgment, create an actual or potential conflict of interest, or apparent conflict of interest, with ISBPA, except as set forth below. I will update this certificate as necessary.

I acknowledge that it is my obligation to maintain in confidence and not disclose proprietary or confidential information of the ISBPA, other than in furtherance of the Association's interest or as may be required by law.

This Statement is intended to clarify my fiduciary obligations as an officer, director, or committee member of the ISBPA, and shall not create or impose any legal liability or obligation on me beyond those which arise under law.

**I THERE BY DISCLOSE THE FOLLOWING ACTUAL OR POTENTIAL
CONFLICTS OF INTEREST OR APPARENT CONFLICTS OF INTEREST:**

Date: _____

Signature

Print Name



**Illinois State
Bowling Proprietors Association, Inc.**



DOCUMENT RETENTION and DESTRUCTION POLICY

This Document and Retention and Destruction Policy of the Illinois State Bowling Proprietors Association identifies the record retention responsibilities of staff, volunteers, members of the Board of Directors, and outsiders for maintaining and documenting the storage and destruction of the Association's documents and records.

1. Rules

ISBPA's staff, volunteers, members of the Board of Directors and outsiders (i.e. independent contractors via agreements with them) are required to honor these rules: (a) paper or electronic documents indicated under the terms for the retention below will be transferred and maintained by the Human Resources, Legal or Administrative staffs or their equivalents; (b) all other paper documents will be destroyed after three years; (c) all other electronic backup storage after one year; and (d) no paper or electronic documents will be destroyed or deleted if pertinent to any ongoing or anticipated government investigation or proceeding or private litigation.

2. Terms for retention.

a. Retain permanently:

Governance records - Charter and amendments, Bylaws, other organizational documents, governing board and board committee minutes.

Tax records – Filed state and federal tax returns/reports and supporting records, tax exemption determination letter and related correspondence, files related to tax audits.

Intellectual property records – Copyright and trademark registrations and samples of protected works.

Financial records – Audited financial statements, attorney contingent liability letters.

b. Retain for ten years:

Pension and benefit records – Pension (ERISA) plan participant/beneficiary records, actuarial reports, related correspondence with government contribution reports and supporting records.

Government relations records – State and federal lobbying and political contribution reports and supporting records.

c. Retain for three years:

Employee/employment records – Employee names, addresses, social security numbers, dates of birth, INS Form I-9, resume/application materials, job descriptions, dates of hire and termination/separation, evaluations, compensation information, promotions, transfers, disciplinary matters, time/payroll records, leave/comp time/FLMA, engagement and discharge correspondence, documentation of basis for independent contractor status (retain for all current

employees and independent contractors and for three years after departure of each individual).

Lease, insurance, and contract/license records – Software license agreements, vendor, hotel, and service agreements, independent contractor agreements, employment agreements, consultant agreements, and all other agreements (retain during the term of the agreement and for three years after the termination, expiration, non-renewal of each agreement).

d. Retain for one year:

All other electronic records, documents and files – Correspondence files, past budgets, bank statements, publications, employee manuals/policies and procedures, survey information.

3. Exceptions

Exceptions to these rules and terms for retention may be granted only by ISBPA's Executive Director or President.



**Illinois State
Bowling Proprietors Association, Inc.**



JOINT VENTURE POLICY

This Joint Venture Policy of the Illinois State Bowling Proprietors Association requires that the ISBPA evaluate its participation in joint venture arrangements under Federal tax law and takes steps to safeguard the Association's exempt status with respect to such arrangements. It applies to any joint ownership or contractual arrangement through which there is an agreement to jointly undertake a specific business enterprise, investment, or exempt-purpose activity as further defined in this policy.

1. Joint ventures or similar arrangements with taxable entities.

For purposes of this policy, a joint venture or similar arrangement (or a "venture or arrangement") means any joint ownership or contractual arrangement through which there is an agreement to jointly undertake a specific business enterprise, investment, or exempt-purpose activity without regard to: (1) whether the Association controls the venture or arrangement; (2) the legal structure of the venture or arrangement; or (3) whether the venture or arrangement is taxed as a partnership or as an association or corporation for federal income tax purposes. A venture or arrangement is disregarded if it meets both of the following conditions:

- a. 95% or more of the venture's or arrangement's income for its tax year ending within the ISBPA's tax year is excluded from unrelated business income taxation (including, but not limited to:
 - i. dividends, interest, and annuities;
 - ii. royalties;
 - iii. rent from real property and incidental related personal property except to the extent of debt-financing; and
 - iv. gains or losses from the sale of property; and
- b. the primary purpose of the ISBPA's contribution to, or investment or participation in, the venture arrangement is the production of income or appreciation of property.

2. Safeguards to ensure exempt status protection.

The ISBPA will:

- a. Negotiate in its transactions and arrangements with other members of the venture or arrangement such terms and safeguards adequate to ensure that the ISBPA's exempt status is protected; and
- b. Take steps to safeguard the ISBPA's exempt status with respect to the venture or arrangement. Some examples of safeguards include:
 - i. Control over the venture or arrangement sufficient to ensure that it furthers the exempt purpose of the organization;
 - ii. Requirements that the venture or arrangement gives priority to exempt purposes over maximizing profits for the participants;
 - iii. That the venture or arrangement not engage in activities that would jeopardize the ISBPA's organization; and
 - iv. That all contracts entered into with the ISBPA be on terms that are arm's length or more favorable to the Association.



**Illinois State
Bowling Proprietors Association, Inc.**



WHISTLEBLOWER POLICY

This whistleblower Policy of the Illinois State Bowling Proprietors Association (ISBPA):

- (1) encourages staff and volunteers to come forward with credible information on illegal practices or serious violations of adopted policies of the ISBPA; (2) specifies that the ISBPA will protect the person from retaliation; and (3) identifies where such information can be reported.

1. Encouragement of reporting.

ISBPA encourages complaints, reports or inquiries about illegal practices or serious violations of the Association's policies, including illegal or improper conduct by the Organization itself, by its leadership, or by others on its behalf. Appropriate subjects to raise under this policy would include financial improprieties, accounting or audit matters, ethical violations, or other similar illegal or improper practices or policies. Other subjects on which the Association has existing complaint mechanisms should be addressed under those mechanisms, such as raising matters of alleged discrimination or harassment via ISBPA's Employment Handbook. This policy is not intended to provide a means of appeal from outcomes in those other mechanisms.

2. Protection form retaliation.

ISBPA prohibits retaliation by or on behalf of the Association against staff or volunteers for making good faith complaints, reports or inquiries under this policy or for participating in a review or investigation under this policy. This protection extends to those whose allegations are made in good faith but prove to be mistaken. ISBPA reserves the right to discipline persons who made bad faith, knowingly false, or vexatious complaints, reports or inquiries or who otherwise abuse this policy.

3. Where to report.

Complaints, reports or inquiries may be made under this policy on a confidential or anonymous basis. They should describe in detail the specific facts demonstrating the basis for the complaints, reports or inquiries. They should be directed to the Association's Executive Director or President; if both of those persons are implicated in the complaint, report of inquiry, it should be directed to ISBPA's Sgt.-At-Arms. The Association will conduct a prompt, discreet, and objective review or investigation. Staff or volunteers must recognize that the Association may be unable to fully evaluate a vague or general complaint, report or inquiry that is made anonymously.