



Governance Manual

Napier Kindergarten Association – Board Policies

Board policies are designed to help Boards, General Manager and staff leaders advance the Napier Kindergarten Association, to make better collective decisions, and guide individual actions and behaviours. They establish fundamental principles as a basis and guide for later action. Board policies are intended to be enduring rather than responses to a particular issue. Procedures are occasionally part of Board policies when such procedures bring clarity to the nature of the principle. More often, procedures are developed and refined administratively. Board policies should not conflict with the NKA Constitution.

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BOARD SELF MANAGEMENT POLICIES

I. Governing Style

The Board will govern with an emphasis on:

- (1) outward vision rather than internal preoccupation,
- (2) encouragement of diversity in viewpoints,
- (3) strategic leadership rather than administrative detail,
- (4) clear distinction of Board and General Manager roles,
- (5) collective rather than individual decisions,
- 6) future rather than past or present, and
- (7) pro-activity rather than reactivity.

Accordingly:

Group Action

The Board shall exercise its governing authority as a whole. No individual Board member may exercise such authority except as instructed by the Board.

Policy Review and Revisions

Any Board member or the General Manager may request that the Chair place on the Board's agenda a review of or a change of specific policies. The Chair shall determine how significant a suggested change is. If the suggested change does not significantly alter the meaning of the policy, the Chair shall have the authority to either revise or not revise the policy. The Chair shall notify the Board of all revisions made to policy. Any revision that will significantly alter the meaning of a policy shall be decided by the Board.

Monitoring

The Board shall establish effective and regular ways of monitoring compliance with these policies, as well as determining monitoring for the strategic plan.

In governing, the Board will fulfill its legal responsibilities of:

1. The *Duty of Obedience* that requires board members to be faithful to the mission of Napier Kindergarten Association in its policies and actions.
2. The *Duty of Care* that requires that in fulfillment of his/her duties, a Board member owes Napier Kindergarten Association the care that an ordinarily prudent person would exercise in a like position and under similar circumstances.
3. The *Duty of Loyalty* that requires Board members to always put the best interest of Napier Kindergarten Association first when making decisions affecting the Association.

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II. Board Job Description

The job of the Board, on behalf of the community, is to see that our Association achieves appropriate programme performance, serving as a wise steward of our resources while preventing unacceptable actions and situations. To distinguish its own unique job from the tasks of staff, the Board will:

- a) Set strategic directions and long-term plans, monitoring the Board's progress against them
- b) Monitor financial management of the Association and approve the budget
- c) Manage risk (Financial, Assets, Liabilities, Continuity, Health & Safety etc)
- d) Ensure compliance with legal requirements (such as Employment Act, Protected Disclosures Act, Health & Safety Act, Privacy Act etc) and the Association's constitution
- e) Hold Board meetings and take an active role as a Board Member
- f) Approve/review Governance policies and procedures
- g) Respect the Treaty of Waitangi by valuing and reflecting New Zealand's dual cultural heritage
- h) Act as good employers
- i) Appoint, monitor, assess the performance of and support the General Manager
- j) Deal with disputes and conflicts referred to the Board in an appropriate manner
- k) Oversee, conserve and enhance the resource base, including employees
- l) Hand over governance to new Board Members at election time

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III. Code of Conduct

The Board commits itself and its Members to ethical, businesslike and lawful conduct, including proper use of authority and professional decorum when acting as Board Members.

Each Board Member shall:

- a) Maintain and understand the values and goals of the Association
- b) Be loyal to the Association and its mission
- c) Publicly represent the Association in a positive manner
- d) Respect the integrity of the General Manager and staff
- e) Observe the confidentiality of non-public information acquired in his/her role as a Board Member and not disclose to any other persons such information that might be harmful to the Association
- f) Be diligent and attend Board meetings prepared for full and appropriate participation in discussion and, where appropriate, decision making
- g) Make all reasonable effort to attend every regularly scheduled Board meeting. A Member with more than three (3) consecutive absences from regularly scheduled Board meetings without leave is automatically dismissed from the Board. The Board may consider reinstatement.
- h) Ensure that he/she does not act independently of the Board's decisions
- i) Speak with one voice through the Board's adopted policies and ensure that any disagreements with the Board's stance are resolved within the Board
- j) Avoid and/or disclose any conflicts of interest with respect to his/her fiduciary responsibility between his/her position as a Board Member and his/her personal and professional life.
- k) Recognise the lack of authority in any individual Board Member or subgroup of the Board in any interaction with the General Manager or staff
- l) Recognise that only the President or delegated Board Member can speak publicly for the board
- m) Continually self-monitor his/her individual performance as a Board Member against the Board's adopted policies and against any other current Board evaluation tools
- n) Make all reasonable effort to be available to undertake appropriate professional development

IV. Conflict of Interest

In their capacity on the Board, Members must demonstrate unconflicted loyalty to the interests of the ownership of Napier Kindergarten Association.

Board Members must avoid conflicts of interest with respect to their fiduciary responsibility.

Members will annually disclose their involvement with other organisations, vendors, or any other associations that currently do business or may do business with Napier Kindergarten Association.

It is the Board Member's obligation to immediately disclose to the Board any and all impending conflict of interest. That Member shall absent herself or himself without comment from both the deliberation and final decision-making.

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Board Members must not use their positions to obtain employment or special considerations with Napier Kindergarten Association or agencies with whom Napier Kindergarten Association has formal contracts for themselves, family members or close associates. If a Board Member desires employment with Napier Kindergarten Association, he or she must first resign from the Board (excluding the elected Staff Board Member).

There will be no self-dealing or any conduct of private business or personal services between any Board Member and Napier Kindergarten Association. Once procedures are established by the Board, then an exception may apply for arrangements which meet established procedures for openness, competitive opportunity and equal access to inside information.

V. Decision-making Process

The Board will make decisions by a process of careful deliberation and consultation, as appropriate, with parents, whanau, Life Members, employees, volunteers, Local Kindergarten Committees and whoever else may have relevant expertise.

- a) The Board will strive for consensus of opinion in its decision-making.
- b) If consensus isn't reached after a reasonable period of deliberation, a decision may be reached by a simple majority basis (in accordance with clause 9 of NKA Constitution).

VI. Role of the Board Chair

- 1) The Board Chair may or may not be the Board President;
- 2) The Board Chair assures the integrity and fulfillment of the Board's process;
- 3) The Board Chair assures that the Board conducts business consistent with its own rules in accordance with the Constitution;
- 4) The Board Chair will assure that deliberations will be fair, open, thorough, timely, orderly and to the point;
- 5) The Board Chair is empowered to chair Board meetings and exercise the commonly accepted power of that position;
- 6) The Board Chair has no authority to supervise or direct the General Manager; and
- 7) The Board Chair may represent the Board to outside parties in announcing Board-stated positions if so delegated by the President in accordance with III (I) of this manual.

VII. Meetings

The Board intentionally establishes a basic agenda format for its meetings to assist the Board and General Manager in processing information in order to maintain a policy based orientation. Additional items can be added as needed, but the basic agenda format needs to be maintained. This Board agenda format shall work in tandem with the annual plan, policy review and monitoring calendar.

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VIII. Board Committee Principles

Board committees are created to do Board work and should never interfere with delegation from Board to General Manager.

- a) Committees will be used sparingly and ordinarily in an ad hoc capacity under the provisions of the Constitution;
- b) Committees will assist the Board, where appropriate, by preparing policy alternatives and implications for Board deliberation;
- c) Board committees may not speak or act for the Board except when formally given such authority as provided by clause 14.2.8 of the Constitution. Expectations and authority will be carefully stated in order not to conflict with authority delegated to the General Manager;
- d) Board committees cannot exercise authority over staff; and
- e) No majority of members of a Board committee that has helped the Board create policy on some topic shall be used to monitor organizational performance on that same topic.

IX. Cost of Governance

The Board will invest in and develop its governance capacity.

- a) This investment may include training, third-party monitoring (e.g. audit), administrative costs, and other activities as needed to ensure the Board's ability to fulfill its moral and legal obligations and to represent and link to the Members;
- b) The cost of governance will be integrated into strategic planning and annual budgeting; and
- c) *Statement re Probity required*

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X. Board Nominations Process check

The Board seeks to recruit individuals as Board members who are committed to the mission and governing process of the Napier Kindergarten Association (“the Association”).

The Board will provide candidates with adequate information about Napier Kindergarten Association’s mission and governance for the candidate to make a knowledgeable and informed decision on their suitability for a Board position.

The Board seeks out nominees who possess the following characteristics:

- 1) Passion for the mission.
- 2) Reflect the diversity of cultures, abilities, family structure, race, socio-economic status and geography of the Association’s service area.
- 3) Support the Board governing structure and the role of Governance.
- 4) Can meet Board work expectations
- 5) Deliberative and collegial decision-making.
- 6) Commitment to stewardship responsibilities.
- 7) Knowledge of systems, organisational development, change management, strategic thinking, organisational growth, or strategic legal and nonprofit issues.

In the process of recruiting nominees, the Board will request all nominees to complete a prescribed form which will require (but is not limited to):

- 1) A letter of interest
- 2) Resume or summary of experience
- 3) References to verify demonstrated competencies and provision of referees
- 4) Agreement for Candidate to undertake a Criminal Disclosures check

It is desirable that in respect of nominees, the Board will:

- 1) Interview each nominee, such interview may be conducted by any 2 designated Members of the Board
- 2) Where possible, invite potential nominees to a Board Meeting to observe the process
- 3) Reference check for competencies by designated Board Members
- 4) Discussion by designated Board Members of the qualifications of nominees and their value to the Board

Final Board selection will be made in accordance with the provisions outlined in the Constitution.

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XI. Concerns and Complaints

Concerns and complaints received from either members of the public, kindergarten communities or employees to the Board will be dealt with in the following way.

- 1) Direct the complainant to taking the issue to the person involved.
- 2) If unresolved, direct the complainant to take the issue to the General Manager.
- 3) If unresolved, direct the complainant to send a written letter of concern/complaint to the President of the Board.
- 4) The President will convene a committee of three Board Members to consider the course of action, seeking advice as prudent.

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EXECUTIVE LIMITATIONS

I. Executive Constraint

The General Manager shall operate Napier Kindergarten Association in a manner which is lawful, prudent, and in accordance with commonly accepted association business practices and professional ethics.

- 1) The Board's sole official connection to the operating organisation, its achievement, and conduct will be through a General Manager.
- 2) Only decisions of the Board acting as a body are binding on the General Manager.

II. Personnel

The Board delegates responsibility to the General Manager on all matters relating to the management of staff in the expectation that they will be managed in a sound, fair, and respectful manner in accordance with the current terms of employment documents. Therefore, the General Manager shall not:

- 1) Operate without personnel policies that make clear rules for staff and guard against unethical practices.
- 2) Discriminate against employees on other than clearly job-related criteria, individual performance or qualifications.
- 3) Deny to employees their rights to personal dignity, safety and access to an approved and fair internal grievance process.
- 4) Fail to check that all teaching staff are appropriately qualified and registered or have a current Limited Authority to Teach.
- 5) Violate any part of workplace employment legislation
- 6) Fail to provide a suitable professional development programme which takes into consideration the requirements of the strategic and annual plan
- 7) Fail to carry out annual performance appraisals
- 8) Neglect to take reasonable steps to protect staff from unsafe or unhealthy working conditions
- 9) Fail to provide Protective Disclosure protection.

III. Financial Condition

The financial viability of the Association must be protected at all times. Therefore, the General Manager shall not:

- 1) Incur unauthorised debt.
- 2) Violate generally accepted accounting practices or principles.
- 3) Use tagged funds for purposes other than those approved.
- 4) Spend more funds than have been allocated in the fiscal year.
- 5) Fail to ensure all money owed to the association is collected in a timely manner and in accordance with the Board's policies.
- 6) Fail to make timely payment to staff and other creditors.
- 7) Sell or purchase unauthorised property.
- 8) Spend on single items beyond a Board-established limit.

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- 9) Fail to ensure that all relevant government returns are completed on time.
- 10) Fail to ensure that no one person has complete authority over the Association's financial transactions.
- 11) Make any purchase:
 - Of over \$ 10,000 without having obtained comparative prices and quality.
 - Of over \$ 5,000 without an adequate review on ongoing costs, value and reliability
- 12) Agree to any settlement in mediation that exceeds \$ 10,000 without the express consent of the Board

IV. Budgeting

Budgeting shall not fail to reflect the Board's strategic results, risk financial jeopardy nor fail to show a generally acceptable level of foresight. Thus the General Manager shall not develop a budget that:

- 1) Contains too little information to enable a credible projection of revenues and expenses
- 2) Does not reflect the results sought by the Board.
- 3) Does not reflect the priorities as established by the Board.
- 4) Fails to comply with the Board's requirement of a balanced budget.
- 5) Fails to ensure adequate working capital.
- 6) Neglects to demonstrate responsible management of the organisation's assets.
- 7) Fails to demonstrate an appropriate degree of conservatism in all estimates.

V. Protection of Assets

Assets may not be unprotected, inadequately maintained or unnecessarily risked. The Board is responsible for over viewing the programming and funding of general maintenance of the kindergarten grounds, buildings, facilities and other assets to provide a clean, safe, tidy and hygienic work and learning environment for staff and children. Accordingly, the General Manager shall not:

- 1) Fail to insure assets.
- 2) Allow unauthorised personnel to handle funds or Association property.
- 3) Subject plant and equipment to improper wear and tear or insufficient maintenance or inappropriate use
- 4) Fail to maintain an up to date asset register for all items of furnishing, plant machinery, equipment, and teaching materials costing more than \$1,000.00
- 5) Fail to ensure the implementation of property plans
- 6) Fail to engage sufficient property maintenance staff for the association within budget limitations
- 7) Fail to receive Board approval for maintenance contracts over \$5000 for any one contract
- 8) Fail to conduct competitive tenders for all contracting
- 9) Fail to protect intellectual property, information and files from loss or significant damage or unauthorised access or duplication.
- 10) Receive, process or disburse funds under controls that are insufficient to meet the Board-appointed auditor's standards.
- 11) Invest or hold operating capital in insecure accounts, or in non-interest bearing accounts except where necessary to facilitate ease in operational transactions.

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VI. Health & Safety

Staff and children shall have a safe physical and emotional environment. Therefore, the General Manager shall not fail to:

- 1) take reasonable steps to protect users of our services from unsafe or unhealthy conditions
- 2) comply with the provisions of the Health and Safety Act 1992
- 3) provide a smoke free environment
- 4) ensure a risk analysis management system (RAMS) is carried out where and when appropriate.
- 5) provide privacy of personal documentation held
- 6) develop procedures that assure the safety and well-being of staff, students and volunteers.

VII. Legal Responsibilities

The General Manager shall ensure that all the Association's legal responsibilities are met.

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BOARD-GENERAL MANAGER LINKAGE

I. Accountability of the General Manager

The General Manager is the Board's formal link to Napier Kindergarten Association's 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 General Manager .

II. Delegation to the General Manager

The Board will instruct the General Manager through written policies.

- a) From time to time, the Board may change its policies, thereby shifting the boundaries between Board and General Manager responsibilities.

As long as the General Manager uses any reasonable interpretation of the Strategic Plan and policies, the General Manager is authorised to establish all further operating policies, make all decisions, take all actions, establish all practices, and develop all activities.

III. Monitoring General Manager Performance

The Board will provide systematic and rigorous monitoring of General Manager job performance.

- 1) General Manager monitoring will be based on expected General Manager outcomes as expressed in the General Manager annual plan approved by the Board.
- 2) In every case, the standard for compliance shall be any reasonable interpretation of the Board policy being monitored.

The Board will acquire monitoring data by any of the following methods:

- 1) internal reports prepared by the General Manager;
- 2) external reports prepared by a third-party selected by the Board; and
- 3) direct inspection by a designated Member or Members of the Board, including inputs from selected community owners and staff.

All policies that instruct the General Manager 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.

IV. Communication & Support to the Board

The General Manager shall communicate with the Board in a timely, informative and sufficient manner to keep the Board informed and prepared for its work.

- 1) The General Manager shall submit monitoring information required by the Board in a timely, accurate, and understandable fashion, directly addressing the Board policies being monitored.

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- 2) The General Manager shall report and prepare recommendations and suggest corrective action in a timely manner on any actual or anticipated non-compliance with any policy of the Board allowing sufficient time for the Board to consider corrective action.
- 3) The General Manager shall keep the Board informed of relevant trends, anticipated adverse media coverage, material external and internal changes, particularly changes in assumptions upon which any Board policy has been or is being established, including changes in assumptions upon which capital or budget expenditure decisions are being made.

V. Relationship between President and General Manager

The President is the leader of the Board and works on behalf of the Board on a day to day basis with the General Manager.

Therefore it is expected that:

- 1) A positive, productive working relationship between the General Manager and the President is both central and vital to the organisation;
- 2) This relationship is based on mutual trust and respect;
- 3) The two must work as a team and there should be no surprises;
- 4) The relationship must be professional;
- 5) Each must be able to counsel each other on performance concerns;
- 6) There is understanding/acceptance of each other's strengths and weaknesses;
- 7) Each agree not to undermine each other's authority;
- 8) Each agree and accept the need to follow policy and procedures;
- 9) Agree not to hold back relevant information; and
- 10) Agree and understand that the President has no authority except that granted by the Board.