



T H E C E N T E R F O R
E F F E C T I V E P H I L A N T H R O P Y

A nonprofit organization

GOVERNANCE POLICIES

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MISSION AND VALUES

Tagline: *Providing Comparative Data to Enable Higher Performing Foundations*

Mission: To provide management and governance tools to define, assess, and improve overall foundation performance.

Vision: A world in which pressing social needs are more effectively addressed. We believe improved performance of funders, and in particular foundations, can have a profoundly positive impact on nonprofit organizations and the people and communities they serve.

Code of Ethics:

- CEP is committed to being responsible, transparent, and accountable.
- CEP adheres to a formal confidentiality policy and treats client and survey respondent information as confidential. CEP neither takes advantage of privileged information gathered during research activities, nor enables others to do so.
- CEP compiles data and executes research in a manner consistent with the highest standards of rigor and integrity. CEP performs independent data analysis and is solely responsible for its content.
- CEP is dedicated to complying with both the spirit and the letter of the law.
- CEP strives to create an environment in which everyone has an opportunity to participate in creating success. CEP's policies and supporting practices are built upon this philosophy as well as a set of values that include a strong belief that all should be treated with dignity and respect.
- CEP values diversity of backgrounds, skills, experiences, and perspectives and has adopted a diversity and inclusiveness policy (pdf) that outlines our values and principles.
- CEP has an active Board of Directors that is responsible for setting the mission and strategic direction of the organization. The Board of Directors has adopted a board manual, which outlines roles, structure, policies, and responsibilities.
- CEP provides comprehensive and timely information to the public, funders, clients, and the media. All information about the organization fully and honestly

reflects the policies and practices of CEP. CEP posts basic information on our Web site, including the Form 990 and audited financial statements.

- CEP develops solicitation materials that accurately represent CEP's policies and practices. All financial, organizational, and program reports are complete and accurate.
- CEP fundraises in a manner that is consistent with our mission, compatible with our organizational capacity, and respectful of the interests of our donors and prospective donors. CEP's fundraising program is maintained on a foundation of truthfulness and responsible stewardship.

BOARD POLICIES

The Role of the Board

Members of the Board serve as trustees of the organization. The Board is responsible for the organization, including oversight of:

- Center for Effective Philanthropy (CEP) performance.
- The future direction and strategy of CEP.
- The fiscal health of CEP.
- Assuring that CEP has the necessary resources to accomplish its mission.
- Ensuring that CEP plays a leadership role in the field.
- Maintaining the highest standards of integrity and responsibility.
- Ensuring that CEP's research is of the highest quality and relevance to its mission.

The Board plans to meet four times annually. Agendas will be geared to the timely needs of CEP. Schedule and key agenda items are:

- February: focus on prior year results and performance indicators; discussion of ED performance.
- May: strategic issues facing CEP.
- September: budgeting and planning.
- December: budget approval and compensation and performance bonus levels.

Member Responsibilities

CEP's Board members play a central role in helping the organization achieve its mission. To this end, each Board member makes a commitment to participate actively in CEP's work, supporting CEP's policies, and sharing their professional expertise. To fulfill their responsibilities, Board members will:

- Support CEP's mission.
- Keep abreast of major issues that affect CEP's mission.

- Attend and actively participate in Board and committee meetings, Board retreats, and CEP events, and serve on at least one Board committee.
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- Notify the Board Chair or Executive Director's (ED) office when unable to attend a meeting.
- Actively participate in CEP's fundraising activities.
- Cover their own expenses in connection with participation on the Board. Exceptions are made when such expenses cause a financial burden. Board members should contact the Board Chair or ED to discuss.
- Avoid any conflict of interest with respect to their Board responsibility and complete a conflict of interest disclosure for this purpose.
- Abide by all of CEP's policies with regard to confidentiality of information and intellectual property and respect the confidentiality appropriate to issues of a sensitive nature.
- Maintain honest and open working relationships with staff, and use appropriate channels for formal feedback related to staff performance.
- Serve as ambassadors for CEP's mission and programs, promoting the benefits of CEP's work.
- Refer questions of a sensitive nature to the Board Chair or ED unless this is superseded by an agreed upon communications plan.
- If necessary, request a leave of absence in writing to the Chair. The Chair is charged with the responsibility of authorizing leaves of absence.

The Structure of the Board

Officers

The Board conducts itself under the leadership of the Chair. Officer positions are occupied by staff and include:

- President
- Treasurer
- Clerk

Role of Chair

The Chair of the Board assures the integrity of the Board's process and represents the Board to outside parties. The ED is the primary spokesperson for the organization as a whole but the Chair is the spokesperson for the Board. In addition, the role of the Chair is to ensure that the Board conducts itself according to its governance policies. To this end, the Chair is responsible for the following:

- Planning and conducting meetings of the Board.
- Assuring that Board deliberation is fair, open, and thorough.
- Serving as an *ex officio* member of all other Board committees.
- Facilitating Board meetings.
- Collaborating with and advising the ED on organizational and governance matters.
- Representing the Board to outside parties, announcing Board-stated positions, and stating Chair decisions and interpretations within the areas delegated to him or her. The Chair may delegate this authority but remains accountable for its use.
- Appointing committee chairs and committee members.
- Granting Board members leaves of absence.

The Board Chair is elected by the full Board of Directors. The Board may ask the Chair to serve for up to two consecutive terms of up to three years. The Board has the discretion to make exceptions to this norm and allow the Chair to exceed CEP's term limits if advisable.

Board Committees

Board committees exist to assist the Board. Board committees may speak or act for the Board only when formally given such authority. The standing committees of the Board, whose responsibilities are described on the following pages, include the Governance & Nominating Committee, Audit Committee, Finance Committee, and Compensation Committee. Additional ad hoc committees may be appointed by the Board.

A Board committee derives its charge from the full Board. Board committee meetings are open to all Board members.

The Chair and the ED (or his/her designated staff member) shall be *ex officio* members of all committees.

Governance & Nominating Committee

Responsibilities:

- Screen and recommend candidates to fill Board member vacancies.
 - Orient new Board members.
 - Recommend changes in nominating and election processes for Board members and officers.
- Recommend changes in the existence, structure, and duties of Board committees.
- Recommend changes in Board members' and officers' positions, duties, terms and rotations.
- Recommend removal of Board members when necessary.
- Monitor and recommend changes in CEP's bylaws and all Board operating policies.
- Determine the appropriate mechanism and timing for Board self-assessment and

for providing performance feedback to individual Board members.

- Assess the performance of the CEP Board.

Authority: Make recommendations and report to the Board on responsibilities listed above.

Committee Size and Selection: Size and selection at discretion of the Board Chair. The Board Chair and ED (or his/her designate) will be non-voting members.

Committee Chair: Appointed by Board Chair.

Audit Committee

Responsibilities:

- Advise Board on selection of CPA firm to conduct annual audit.
- Approve the overall specifications of the audit prior to engaging the CPA firm.
- Upon the completion of the audit, review the findings and conduct an executive session with the auditors.
- Oversee recommended changes in policy and practices that emerge from the audit.

Authority: Make recommendations and report to the Board on responsibilities listed above.

Committee Size and Selection: Size of the committee and appointment of its members are at the discretion of the Board Chair in consultation with the committee Chair.

Committee Chair: Appointed by Board Chair.

Finance Committee

Responsibilities:

- Monitor all of CEP's finances and financial commitments on an ongoing basis.
- Review, recommend to the Board, and monitor CEP's annual budget.

Authority: Make recommendations and report to the Board on responsibilities listed above.

Committee Size and Selection: Size of the committee and appointment of its members are at the discretion of the Board Chair in consultation with the committee Chair.

Committee Chair: Appointed by Board Chair.

Compensation Committee

Responsibilities:

- Develop and oversee CEP's compensation philosophy.
- Benchmark ED compensation level against other comparable organizations.
- Evaluate the ED's performance, determine the ED's compensation (including bonus level and benefits), and inform the Board.
- Review and approve the salary and bonus recommendations made by the ED for members of the staff.

Authority: As described above, make recommendations for Board action on compensation levels for the ED and approve salary and bonus recommendations made by the ED for other staff.

Committee Size and Selection: Board Chair and an additional Board member appointed by the Chair.

Committee Chair: Board Chair.

Ad Hoc Committees

Ad Hoc committees may be formed from time to time as the Board deems necessary, with responsibilities and authority determined by the Board. Size of the committee and selection of its members are at the discretion of the Board Chair in consultation with the committee Chair. The Board Chair will appoint the chairs of ad hoc committees.

Committee Size and Selection: Size of the committee and selection of its members are at the discretion of the Board Chair in consultation with the committee Chair.

Committee Chairs: Appointed by Board Chair.