

World Renew Policies

Section 1

GLOBAL ENDS POLICY

1.0 World Renew exists to increase the capacity of communities and missional partners to engage in transformative practices that improve, in sustainable ways, the well-being of people made vulnerable by circumstances of poverty, disaster or injustice, in a manner that is consistent with available resources.

Defining Terms

1.01 **World Renew** is an agency of the CRCNA, working cross-culturally in multiple partnerships and leveraging resources of many collaborators to effect sustainable change. Because of such complexity, and recognizing the inter-relatedness of communities, economies and partners around the world, World Renew identifies two related but distinct contexts in which it pursues particular ends, namely *communities* and *constituency*.

1.02 **Missional Partners:** Strategic missional partnerships enhance reciprocal learning and are most likely to enable World Renew to achieve its objectives. World Renew missional partners can be classified as follows:

1.02.1 Partner Organizations: These include indigenous NGOs, church agencies, civil society organizations or other agencies that share World Renew's values and with whom we enter into covenant to share multiple resources for mutual strengthening. The partnership is dynamic enabling World Renew to adapt to changing partner needs and capacities.

1.02.2 Communities: Groups of people brought together by common geography and need, opportunity, experience or interest and who work together for a common vision or task.

The interpretation of this definition of community is: "A community is a human system of people who live in a geographic area and whose lives and well-being are affected by one another's actions."

1.02.3 Constituency: individual members, congregations and assemblies of the CRCNA (and other responsive churches) with whom World Renew actively engages to: increase knowledge about poverty issues; promote justice advocacy; extend personal involvement; increase financial stewardship.

1.02.4 Collaborative Entities and Networks: organizations through whom we are able to access resources, training and opportunity (such as USAID, CIDA), and leverage influence (such as CFGB, Micah Network)

1.03 Capacity

Capacity refers to the discovery, acquisition, development and propagation of the various necessary assets that equip World Renew, partners and communities to respond meaningfully and sustainably to the conditions that affect their well-being. Assets include knowledge, leadership, ownership, technical skills (such as literacy and numeracy, health care, income generation, creation care), material resources, problem-solving capability, community strengthening skills and more.

1.04 Transformative Practices

World Renew's approach to community development assumes that poverty is not simply material deficit, but is the result of brokenness or insufficient growth in relationships which in turn are reflective of inadequate belief systems. These relational limitations directly and profoundly affect a community's capacity (as defined in 1.03)

1.04.1 *Relational*

Human beings are relationally embedded in multiple complex relationships which affect their personal and communal wellbeing. Poverty and injustice occur when these relationships are broken, both at local and global levels, marked by such distortions as power imbalance, marginalization, fear, exploitation and systemic injustice.

1.04.2 *Belief Systems*

Relational brokenness and harmful practices are themselves deeply rooted in belief systems, ideologies and worldviews. Hence, the restoration of such broken relationships depends on a healthy belief system or world view that fosters liberation from unjust systemic practices, oppressive ideologies and narrow self-interest.

Capacity building activities therefore become transformative when they are undertaken within the broader missional aim of renewing belief systems and restoring broken relationships through peacemaking, reconciliation, advocacy, creation care, justice awareness and action and the renewal of systems and structures.

Communities and constituencies undergo transformation when members are increasingly able to embrace and live out their calling as human beings bearing the image of God, marred by sin but being restored in Christ Jesus, receiving and expressing justice and mercy and peace, as evidenced in healthy (Shalom) relationships with God, neighbor, self and the creation.

1.05 Sustainability

Improvements in community well-being are sustainable when they are achieved through participatory involvement, are proportionate to the community's resources and capacity, are meaningfully supported at the local level, and are integrated with the community's deeply held belief system as this is renewed by the Gospel

- 1.06 In the context of communities where people suffer the indignities of poverty, disaster or injustice, World Renew employs a holistic multi-sectoral capacity building approach to assist communities to achieve their own locally defined goals.
- 1.07 In the context of the supporting constituency World Renew educates, informs, and engages churches to become actively involved in addressing poverty, locally and globally, by developing their gifts and contributing resources; forming partnerships and alliances; becoming active advocates for just policies and practices that create better access and opportunities for people in need.

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February 2002
February 2003
May 2003
Sept 2003
September 2006
December 2009
November 2015
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Section 2

EXECUTIVE LIMITATIONS POLICY

2.0 Global Executive Limitations Policy

The Co-Directorate shall not cause or allow any practice, activity, decision, or organizational circumstance that is either unlawful, imprudent, or in violation of commonly accepted business and professional ethics, or CRCNA policies.

2.1 Treatment of Partners and Participants

With respect to interactions with partners and participants or those applying to be partners and participants, the Co-Directorate shall not cause or allow conditions, procedures, or decisions that are unsafe, undignified, unnecessarily intrusive, or that fail to provide appropriate confidentiality or privacy.

The Co-Directorate shall not

2.1.1 Use application forms that elicit information for which there is no clear necessity.

2.1.2 Use methods of collecting, reviewing, transmitting, or storing partner and/or participant information that fail to protect against improper access to the material elicited.

2.1.3 Maintain facilities that fail to provide a reasonable level of privacy, both visual and aural.

2.1.4 Fail to negotiate with partners a mutually acceptable memorandum of understanding which clearly indicates the type and extent of services offered, financial obligations, reporting expectations, and terms for changing the memorandum.

2.1.5 Fail to provide partners with at least three month's notice of decreases greater than 20% in the amount of funding the partner receives according to the partnership agreement/MOU.

2.1.6 Fail to inform partners and/or participants of this policy or to provide a grievance process to those who believe they have not been accorded a reasonable interpretation of their rights under this policy.

2.1.7 Fail to seek Board approval for any decision to discontinue a country program;

2.1.8 Fail to inform the board of any decision to enter into a new partnership or phase out of an existing one.

2.2 Treatment of Staff

With respect to the treatment of paid and volunteer staff, the Co-Directorate may not cause or allow conditions that are unfair or undignified.

The Co-Directorate shall not

2.2.1 Operate without written personnel policies that clarify personnel rules for staff, provide for effective handling of grievances, and protect against wrongful conditions such as racial or gender discrimination, nepotism and grossly preferential treatment for personal reasons.

2.2.2 Discriminate against any staff member for expressing an ethical dissent.

2.2.3 Prevent staff from grieving to the board when (1) internal procedures have been exhausted, and (2) the employee alleges either that (3) board policy has been violated to his or her detriment or (4) board policy does not adequately protect his or her human rights.

2.2.4 Fail to exercise prudence when the health and physical safety of staff is in jeopardy.

2.2.5 Fail to acquaint staff with their rights under this policy.

2.3 Financial Planning and Budgeting

Financial planning for any fiscal year or the remaining part of any fiscal year shall not deviate materially from the board's End priorities, risk financial jeopardy, or fail to be derived from a multiyear plan.

The Co-Directorate shall not allow budgeting that

2.3.1 Contains too little information to enable credible projection of revenues and expenses, separation of capital and operational items, cash flow, and disclosure of planning assumptions.

2.3.2 Plans the expenditure in any fiscal year of more funds than are conservatively projected to be received or released to unrestricted and undesignated funds in that period.

Notwithstanding this limitation, when working capital exceeds the required amount computed as of the prior June 30, the overage shall be depleted over the following four years. If a working capital shortage is determined as of June 30, the shortage shall be replenished over the following four years.

2.3.3 Reduces working capital below the required level, which shall be the greater of:

- i. the balance of the Joseph Fund, less the funds to be released for the current budget year, or
- ii. 25% of budgeted or expected total operating expenses for the coming fiscal year.

The working capital position shall be computed based on the June 30 audit, and presented annually to the board. For purposes of this limitation, working capital consists of:

i. unrestricted assets (except fixed assets, funds designated for disaster, deferred revenue, receivables not expected to be paid within one year, and prepaid expenses) less liabilities.

ii. allowance of \$500,000 for real estate known as "the cottage", so long as it is owned and remains unencumbered.

2.3.4 Provides less for board prerogatives during the year than is set forth in the Cost of Governance policy.

2.4 Financial Condition and Activities

With respect to the actual, ongoing financial conditions and activities, the Co-Directorate shall not cause or allow development of financial conditions which will jeopardize the financial position of the organization or for material deviations of actual expenditures from board priorities established in the Ends Policies.

The Co-Directorate shall not

2.4.1 Expend more funds than have been received or released to unrestricted and undesignated funds in the fiscal year to-date, except more funds may be expended than received in a year if: the debt guideline has been met, the over-expended funds have been carried over from prior years, and the working capital requirement is met.

2.4.2 Indebt the organization in an amount greater than can be repaid by certain, otherwise unencumbered revenues within sixty days.

2.4.3 Use the principle or interest of the Joseph Fund in excess of the seven-year term designated for each gift in the Fund.

2.4.4 Allow long-term reserves to fall below the value of charitable and revocable gift annuity obligations.

2.4.5 Conduct inter-fund shifting in amounts greater than can be restored to a condition of discrete fund balances by certain, otherwise unencumbered revenue within thirty days.

2.4.6 Fail to settle payroll and debts in a timely manner.

2.4.7 Allow tax payments or government-ordered payments or filings to be overdue or inaccurately filed.

2.4.8 Fail to obtain board approval for a plan for any disaster response where it is expected that World Renew will be accountable for over \$1,000,000 of expenditures, or where World Renew's funding, exclusive of grants from other entities, is expected to exceed \$200,000. An initial disaster response plan may include multiple projects, years, countries, donors and partners, as may be appropriate depending on the scope of the disaster event or disaster situation. Board approval is not required for expansion of a previously approved response when the expansion results primarily from use of designated gifts or grants which are more than were initially expected.

2.4.9 Acquire real property for operations without board approval.

2.4.10 Acquire real property for purposes of fund development without a financial plan which projects at least a 50% return on investment, or acquire such real property with acquisition and development costs projected to exceed \$100,000 without board approval.

2.4.11 Fail to aggressively pursue receivables after a reasonable grace period.

2.4.12 Fail to sell any assets that are donated to the agency in a timely manner.

2.5 Emergency Co-Directorate Succession

In order to protect the board from sudden loss of Director services, the Co-Directorate may have no fewer than two other staff members familiar with board and Co-Directorate issues and processes.

2.6 Asset Protection

The Co-Directorate shall not allow the assets to be unprotected, inadequately maintained, or unnecessarily risked.

The Co-Directorate shall not

2.6.1 Fail to insure against theft and casualty losses and against liability losses to board members, staff, and the organization itself in an amount greater than the average for comparable organizations.

2.6.2 Allow unbonded personnel access to material amounts of funds.

2.6.3 Subject plant and equipment to improper wear and tear or insufficient maintenance.

2.6.4 Unnecessarily expose the organization, its board, or its staff to claims of liability.

2.6.5 Fail to protect intellectual property, information, and files from loss or significant damage.

2.6.6 Receive, process, or disburse funds under controls that are insufficient to meet board-appointed auditor's standards.

2.6.7 Invest or hold operating capital in instruments contrary to the CRCNA investment policy.

2.6.8 Endanger the organization's public image or credibility, particularly in ways that would hinder its accomplishment of mission.

2.7 Asset Protection

The U.S. director shall not:

2.7.1 Allow the U.S. organization's funds to be invested except into funds or portfolios designated and administered by the Christian Reformed Church in North America and CRCNA Funds LLC (cash concentration accounts, fixed income and balanced portfolios) as these accounts are designed to be in compliance with investment guidelines approved by Synod, providing reasonable risk and return characteristic for CRC agencies;

2.7.2 Allow funds to be invested into an investment with a reasonably expected holding period significantly longer than the time of the expected need for the funds to be liquid;

2.7.3 Fail to develop and monitor an investment plan consistent with the above with the denominational financial services department.

The Co-Directorate shall not:

2.7.4 Fail to respond with appropriate action when a Partner breaks trust or fails to meet agreed upon expectations.

2.8 Compensation and Benefits

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

The Co-Directorate shall not

2.8.1 Change his or her own compensation and benefits.

2.8.2 Promise or imply permanent or guaranteed employment.

2.8.3 Establish current compensation and benefits that deviate materially from the geographic or professional market for the skills employed.

2.8.4 Create compensation 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.

2.8.5 Establish or change pension benefits so as to cause unpredictable or inequitable situations.

i. Incur unfunded liabilities.

ii. Provide less than some basic level of benefits to all full-time employees, though differential benefits to encourage longevity are not prohibited.

iii. Allow any employee to lose benefits already accrued from any foregoing plan.

iv. Treat the Co-Directorate differently from other key employees.

2.9 Communication and Support to the Board

The Co-Directorate shall not permit the board to be uninformed or unsupported in its work.

The Co-Directorate shall not

2.9.1 Neglect to submit monitoring data required by the board (see policy on Monitoring Executive Performance) in a timely, accurate, and understandable fashion, directly addressing provisions of board policies being monitored.

2.9.2 Let the board be unaware of relevant trends, anticipated adverse media coverage, and material external and internal changes, particularly changes in the assumptions upon which any board policy has previously been established.

2.9.3 Fail to advise the board if, in the Co-Directorate's opinion, the board is not in compliance with its own policies on Governance Process and Board-Co-Directorate Linkage, particularly in the case of board behavior that is detrimental to the work relationship between the board and the Co-Directorate.

2.9.4 Fail to marshal for the board as many staff and external points of view, issues, and options as needed for fully informed board choices.

2.9.5 Present information in unnecessarily complex or lengthy form or in a form that fails to differentiate among information of three types: monitoring, decision preparation, and other.

2.9.6 Fail to provide a mechanism for official board, officer, or committee communications.

2.9.7 Fail to deal with the board as a whole except when fulfilling individual requests for information or responding to officers or committees duly charged by the board.

2.9.8 Fail to report in a timely manner an actual or anticipated noncompliance with any policy of the board.

2.9.9 Fail to supply for the consent agenda all items delegated to the Co-Directorate, yet required by law, contract, Board of Trustees or Synod to be board-approved, along with the monitoring assurance pertaining thereto.

2.9.10 Fail to attend all board meetings.

2.9.11 Fail to provide complete organizational financial statements, including a Statement of Financial Position, Statement of Activities and Statement of Changes in net Assets, to the Board at least quarterly.

2.9.12 Fail to provide a plan for compliance for the executive limitations reported in the monitoring report as non-compliant at least on the same frequency as the required monitoring report (as provided in BCL#3d4).

2.10 Ends Focus of Grants or Contracts

The Co-Directorate may not enter into any grants and contract arrangements that fail to emphasize primarily the accomplishment of Ends and, secondarily, the avoidance of unacceptable means.

The Co-Directorate shall not

2.10.1 Fail to prohibit particular methods and activities to preclude grant funds from being used in imprudent, unlawful, or unethical ways.

2.10.2 Fail to assess and consider an applicant's capability to produce appropriately targeted, efficient results.

2.10.3 Enter into funding arrangements when the related activities are research in nature, unless such research produces knowledge about differential effectiveness of various development methods.

2.11 Gender and Racial Equity

The Co-Directorate shall not fail to advocate for gender and racial equity.

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February 2002

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May 2003

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September 2005

May 2010

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February 2012

February 2013

November 2015

Section 3

CO-DIRECTORATE LINKAGE POLICIES

3.0 Global Board-Co-Directorate Policy

The board's sole official connection to the operating organization, its achievement, and conduct will be through the U.S. and Canadian Directors, also known as the Co-Directorate.

3.1 Unity of Control

Only decisions of the board acting as a body are binding on the Co-Directorate.

3.1.1 Decisions or instructions of individual board members, officers, or committees are not binding on the Co-Directorate except in rare instances when the board has specifically authorized such exercise of authority.

3.1.2 In the case of board members or committees requesting information or assistance without board authorization, the Co-Directorate can refuse such requests that require, in the Co-Directorate's opinion, a material amount of staff time or funds, or are disruptive.

3.2 Accountability of the Co-Directorate

The Co-Directorate 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 Co-Directorate.

3.2.1 The board will never give instructions to persons who report directly or indirectly to the Co-Directorate.

3.2.2 The board will refrain from evaluating, either formally or informally, any staff other than the Co-Directorate.

3.2.3 The board will view Co-Directorate 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 Co-Directorate performance.

3.3 Delegation to the Co-Directorate

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

3.3.1 The board will develop policies instructing the Co-Directorate 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.

3.3.2 The board will develop policies that limit the latitude the Co-Directorate 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.

3.3.3 As long as the Co-Directorate uses any reasonable interpretation of the board's Ends and Executive Limitations policies, the Co-Directorate is authorized to establish all further policies, make all decisions, take all actions, establish all practices, and develop all activities.

3.3.4 The board may change Ends and Executive Limitations policies, thereby shifting the boundary between board and Co-

Directorate domains. By doing so, the board changes the latitude of choice given to the Co-Directorate. But as long as any particular delegation is in place, the board will respect and support the Co-Directorate's choices.

3.5 Monitoring Co-Directorate Performance

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

3.5.1 Monitoring is simply to determine the degree to which board policies are being met. Data that do not do this will not be considered to be monitoring data.

3.5.2 The board will acquire monitoring data by one or more of three methods: (a) by internal report, in which the Co-Directorate 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.

3.5.3. In every case, the standard for compliance shall be any reasonable Co-Directorate interpretation of the board policy being monitored.

3.5.4. All policies that instruct the Co-Directorate 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</u>
Treatment of Partners/Participants	Internal	Annually
Treatment of Staff	Internal	Annually
Financial Planning and Budgeting	Internal	Quarterly
Financial Condition and Activities	Internal	Quarterly
	External	Annually
Emergency Co-Directorate Succession	Internal	Annually
Asset Protection	Internal	Quarterly
Compensation and Benefits	Internal	Annually
	External	Biannually
Communication and Support to Board	Direct Inspect.	Annually
Ends Focus of Grants or Contracts	Internal	Annually
Gender & Racial Equity	Internal	Annually
Ends	Internal	Quarterly

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December 2000
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Section 4

GOVERNANCE PROCESS POLICIES

4.0 Global Governance Process Policy

The purpose of the board, on behalf of the Christian Reformed Church in North America, is to see to it that World Renew

(1) achieves what it should and (2) avoids unacceptable actions and situations.

The Christian Reformed Church in North America (CRCNA) ownership is defined as follows: the ecclesiastical owner is the Christian Reformed Church Board of Trustees. The primary moral owners are the people of the Christian Reformed Church congregations in North America.

4.1 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 more than administrative detail, (4) clear distinction of board and Co-Directorate roles, (5) collective rather than individual decisions, (6) future rather than past or present, (7) pro-activity rather than reactivity.

4.1.1 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 will use the expertise of individual members to enhance the ability of the board as a body rather than to substitute individual judgments for the board's values. The board will allow no officer, individual, or committee of the board to hinder or be an excuse for not fulfilling board commitments.

4.1.2 The board will direct, control, and inspire the organization through the careful establishment of broad written policies reflecting the board's values and perspectives about ends to be achieved and means to be avoided. The board's major policy focus will be on the intended long-term effects outside the organization, not on the administrative or programmatic means of attaining those effects.

4.1.3 The board will enforce upon itself whatever discipline is needed to govern with excellence. Discipline will apply to matters such as attendance, preparation, policy-making principles, respect of roles, and ensuring continuance of governance capability. Continual board development will include orientation of new board members in the board's governance process and periodic board discussion of process improvement.

4.1.4 The board will monitor and discuss the board's process and performance at each meeting. Self-monitoring will include comparison of board activity and discipline to policies in the Governance Process and Board-Co-Directorate Linkage categories.

4.2 Board Job Outputs

The specific job outputs of the board are those unique "values-added" that tie ownership prerogatives to organizational performance.

4.2.1 The board will produce the link between the organization and the ownership.

4.2.2 The board will produce written governing policies that, at the broadest levels, address each category of organizational decision.

- i. Ends: Organizational products, effects, benefits, impacts, outcomes, recipients, and their cost or

relative worth (what good for which recipients at what cost).

- ii. Executive Limitations: Constraints on executive authority that establish the prudence and ethics boundaries within which all executive activity and decisions must take place
- iii. Governance Process: Specification of how the board conceives, carries out, and monitors its own task.
- iv. Board-Co-Directorate Linkage: How power is delegated and its proper use monitored; authority and accountability of the Co-Directorate role.

4.3 Board Job Description

To accomplish its job products with a governance style consistent with board policies, the board will follow an annual agenda that (1) completes re-exploration of Ends policies annually and (2) continually improves board performance through board education and enriched input and deliberation.

4.3.1 The cycle will conclude each year on the last day of March 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.

4.3.2 The cycle will start with the board's development of its agenda for the next year.

- i. Consultations with selected groups in the ownership, or other methods of gaining ownership input, will be determined and arranged in the fiscal first quarter, to be held during the balance of the year.
- ii. Governance education and education related to ends determination (for example, presentations by futurists, demographers, advocacy groups, and staff)

will be arranged in the fiscal first quarter, to be held during the balance of the year.

4.3.3 Throughout the year, the board will use a consent agenda and will attend to those consent agenda items as expeditiously as possible. Items can be moved from the consent agenda to the main agenda by majority vote.

4.3.4 Co-Directorate monitoring will be included on the agenda if monitoring reports show policy violations or if policy criteria are to be debated.

4.3.5 The board will be assisted in its governing role by an education committee that:

- i. Locates resources that offer informative, challenging and accessible perspectives on issues related to World Renew's Ends, and presents these resources to the board in the fiscal first quarter to allow the board to plan for the coming year.
- ii. Prepares discussion guides to be distributed with the chosen materials and arranges for facilitated discussions at board meetings.
- iii. Arranges for other relevant materials to be made available to the board through the "World Renew Board" online group.
- iv. Encourages board members to use trips as an opportunity for focused learning and reflection, and arranges appropriate presentation opportunities at board meetings.

4.4. President's Role

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

4.4.1 The job result of the President is that the board behaves consistently with its own rules and those legitimately imposed on it from outside the organization.

- i. Meeting discussion content will be only issues that, according to board policy, clearly belong to the board to decide, not the Co-Directorate.
- ii. Deliberation will be fair, open, and thorough but also timely, orderly, and to the point.

4.4.2 The authority of the President consists in making decisions that fall within topics covered by board policies on Governance Process and Board-Co-Directorate Linkage, except 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.

- i. The President is empowered to chair board meetings with all the commonly accepted power of that position (for example, ruling, recognizing).
- ii. 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 Co-Directorate.
- iii. 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 him or her.
- iv. The President may delegate this authority but remains accountable for its use.

4.5 Board Members' Code of Conduct

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

4.5.1. Members must represent unconflicted loyalty to the interests of the ownership. This accountability supersedes any conflicting loyalty such as that to advocacy or interest groups and membership on other boards or staffs. It also supersedes the personal interest of any board member acting as a consumer of the organization's services.

4.5.2 Members must avoid conflict of interest with respect to their fiduciary responsibility by complying with the CRCNA Conflict of Interest and Disclosure Policy.

4.5.3 Board members may not attempt to exercise individual authority over the organization except as explicitly set forth in board policies.

- i. 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 policies.
- ii. Members will give no consequence or voice to individual judgments of Co-Directorate or staff performance.

4.6. 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 the Co-Directorate.

4.6.1 Board committees are to help the board do its job, never to help or advise the staff. Committees ordinarily will assist the board by preparing policy alternatives and implications for board deliberation. In keeping with the board's broader focus, board committees will normally not have dealings with current staff operations.

4.6.2 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 Co-Directorate.

4.6.3 Board committees cannot exercise authority over staff. Because the Co-Directorate works for the full board, he or she will not be required to obtain approval of a board committee before an executive action.

4.6.4 Board committees are to avoid over-identification with organization parts rather than the whole. Therefore a board committee that has helped the board create policy on some topic will not be used to monitor organizational performance on that same topic.

4.6.5 Committees will be used sparingly and ordinarily in an ad hoc capacity.

4.6.6 This policy applies to any group that is formed by board action, whether or not it is called a committee and regardless of whether the group includes board members. It does not apply to committees formed under the authority of the Co-Directorate.

4.7 Cost of Governance

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

4.7.1 Board skills, methods, and supports will be sufficient to assure governing with excellence.

- i. 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. New board members will receive training in Policy Governance as soon as possible after their election to the board.

- ii. Board members are encouraged to experience World Renew's work in the field through Discovery Tours or other opportunities, as an opportunity for focused learning and reflection on World Renew's Ends. The cost of these trips may be partially covered by World Renew.
- iii. Outside monitoring assistance will be arranged so that the board can exercise confident control over organizational performance. This includes but is not limited to financial audit.
- iv. Outreach mechanisms will be used as needed to ensure the board's ability to listen to owner viewpoints and values.

4.7.2 Costs will be prudently incurred, though not at the expense of endangering the development and maintenance of superior capability.

- i. An annual board governance budget will be developed for cost related to:
 - training (including attendance at conferences and workshops),
 - third-party monitoring of organizational performance,
 - board meetings, surveys, focus groups, and opinion analyses, and governance coaching and consulting.

4.8 Equity

The board shall pursue gender, racial, and ethnic equity.

4.8.1 The board shall pursue its gender, racial and ethnic equity by monitoring and evaluating the fair treatment of board members at meetings.

4.8.2 The board shall advise classis and churches of the diversity needs when finding and/or appointing qualified future board members or champions.

4.8.3 The nominating committee shall not fail to consider gender, racial and ethnic equity when requesting nominees for the Joint Ministry Council.

4.9 Justice Advocacy

The board shall take appropriate action to advocate for issues of justice and to communicate concerns for justice to its constituency.

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December 2000

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