

RAIL PASSENGERS ASSOCIATION - NATIONAL ASSOCIATION OF RAILROAD PASSENGERS
BOARD POLICIES

POLICY TYPE: **GOVERNANCE PROCESS**

POLICY #: **GP-1**

POLICY TITLE: ***GLOBAL GOVERNANCE COMMITMENT***

The purpose of the board, on behalf of its membership, is to see to it that The National Association of Railroad Passengers (a) achieves appropriate results for appropriate persons at an appropriate cost (as specified in board Ends policies), and (b) avoids unacceptable actions and situations (as prohibited in board Executive Limitations policies).

Initially Drafted: July 13, 2016
Initially Adopted: August 18, 2016

Policy Review Frequency: Annual
Policy Review Month: May
Policy Reviewed Date(s): 5/25/17; 4/15/18

RAIL PASSENGERS ASSOCIATION - NATIONAL ASSOCIATION OF RAILROAD PASSENGERS
BOARD POLICIES

POLICY TYPE: **GOVERNANCE PROCESS**

POLICY #: **GP-2**

POLICY TITLE: ***GOVERNING PHILOSOPHY***

The board will govern lawfully with an emphasis on (a) outward vision rather than an internal preoccupation, (b) encouragement of diversity in viewpoints, (c) strategic leadership more than administrative detail, (d) clear distinction of board and chief executive roles, (e) collective rather than individual decisions, (f) future rather than past or present, and (g) proactivity rather than reactivity.

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 will not use the expertise of individual members to substitute for the judgment of the board, although the expertise of individual members may be used to enhance the understanding of the board as a body.
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 staff 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, policymaking 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 those currently in force scrupulously.
4. Continual board development will include orientation of new board members in the board's governance process and periodic board discussion of process improvement.
5. The board will allow no officer, individual or committee of the board to hinder or be an excuse for not fulfilling group obligations.
6. 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-Management Delegation categories.

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RAIL PASSENGERS ASSOCIATION - NATIONAL ASSOCIATION OF RAILROAD PASSENGERS
BOARD POLICIES

POLICY TYPE: **GOVERNANCE PROCESS**

POLICY #: **GP-3**

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 that 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).
 - 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-CEO Linkage: How power is delegated and its proper use monitored; the CEO role, authority and accountability.
3. Assurance of successful organizational performance on Ends and Executive Limitations.

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RAIL PASSENGERS ASSOCIATION - NATIONAL ASSOCIATION OF RAILROAD PASSENGERS
BOARD POLICIES

POLICY TYPE: **GOVERNANCE PROCESS**

POLICY #: **GP-4**

POLICY TITLE: ***AGENDA PLANNING***

To accomplish its job products with a governance philosophy 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 in **July** 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 year.
 - A. Consultations with selected groups in the ownership, or other methods of gaining ownership input will be determined and arranged in the first quarter, 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 in the first quarter, 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. At any meeting prior to which monitoring reports have been received, the board will ascertain by vote whether a majority of board members judge the individual reports to have demonstrated fulfillment of a reasonable interpretation of the applicable policy.
5. CEO remuneration will be decided after a review of monitoring reports received in the last year during the month of **September**.

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RAIL PASSENGERS ASSOCIATION - NATIONAL ASSOCIATION OF RAILROAD PASSENGERS
BOARD POLICIES

POLICY TYPE: GOVERNANCE PROCESS

POLICY #: GP-5

POLICY TITLE: *ROLE OF BOARD CHAIR*

The Chair, a specially empowered member of the Board, assures the integrity of the board's process.

Accordingly:

1. The assigned result of the Chair's job 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 on those issues which, according to board policy, clearly belong to the board to decide or to monitor.
 - B. Information that is for neither monitoring performance nor board decisions will be avoided or minimized and always noted as such.
 - C. Deliberation will be fair, open and thorough, but also timely, orderly and kept to the point.
2. The authority of the Chair consists in making decisions that fall within topics covered by board policies on Governance Process and Board-CEO Linkage, with the exception of (a) employment or termination of a CEO and (b) where the board specifically delegates portions of this authority to others.

The Chair is authorized to use any reasonable interpretation of the provisions in these policies.

- A. The Chair is empowered to chair board meetings with all the commonly accepted power of that position, such as ruling and recognizing.
- B. The Chair has no authority to make decisions about policies created by the board within Ends and Executive Limitations policy areas.
- C. The Chair 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.
- D. The Chair may delegate this authority, but remains accountable for its use.

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RAIL PASSENGERS ASSOCIATION - NATIONAL ASSOCIATION OF RAILROAD PASSENGERS
BOARD POLICIES

POLICY TYPE: GOVERNANCE PROCESS

POLICY #: GP-6

POLICY TITLE: *ROLE OF BOARD SECRETARY*

The Board Secretary is an officer of the board whose purpose is to ensure the integrity of the board's documents.

1. The assigned result of the Secretary's job is to see to it that all board documents and filings are accurate and timely.

- A. Policies will be current in their reflection of board decisions. Decisions upon which no subsequent decisions are to be based, such as consent agenda decisions, motions to adjourn, and staff or board member recognitions need not be placed in policy.
- B. Policies will rigorously follow Policy Governance principles.
- C. Requirements for format, brevity, and accuracy of board minutes will be known to the CEO.

2. The authority of the Secretary is access to and control over board documents, and the use of staff time not to exceed **48** hours per year.

Note: Hold a discussion on consistency of formatting when the Secretary Officer is about to change

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RAIL PASSENGERS ASSOCIATION - NATIONAL ASSOCIATION OF RAILROAD PASSENGERS
BOARD POLICIES

POLICY TYPE: GOVERNANCE PROCESS

POLICY #: GP-7

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. Board members must have loyalty to the ownership, unconflicted by loyalties to staff, other organizations, and any personal interest as a consumer.
2. Board 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 involvements 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 board 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.
 1. Board members' interaction with the CEO or with staff must recognize the lack of authority vested in individuals except when explicitly board authorized.
 2. Board 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.
 3. Except for participation in board deliberation about whether the CEO has achieved any reasonable interpretation of board policy, members will not express individual judgments of performance of employees of the CEO.
4. Board members will respect the confidentiality appropriate to issues of a sensitive nature.
5. Board members will be properly prepared for board deliberation.

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POLICY TYPE: GOVERNANCE PROCESS

POLICY #: GP-7

POLICY TITLE: BOARD MEMBERS' CODE OF CONDUCT

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6. Board members will support the legitimacy and authority of board decisions, irrespective of the member's personal position on the issue.
7. Board members will make an annual commitment to the organization.

Note: Review and discuss the interpretation of "commitment", as possibly meaning time as well as a financial commitment

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RAIL PASSENGERS ASSOCIATION - NATIONAL ASSOCIATION OF RAILROAD PASSENGERS
BOARD POLICIES

POLICY TYPE: GOVERNANCE PROCESS

POLICY #: GP-8

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 CEO.

Accordingly:

1. Board committees are to help the board do its job, not 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 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 CEO.
3. Board committees cannot exercise authority over staff. Because the CEO 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 that 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 sparingly and ordinarily in an *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 CEO.

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RAIL PASSENGERS ASSOCIATION - NATIONAL ASSOCIATION OF RAILROAD PASSENGERS
BOARD POLICIES

POLICY TYPE: **GOVERNANCE PROCESS**

POLICY #: **GP-9**

POLICY TITLE: ***BOARD COMMITTEE STRUCTURE***

A Governance 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 Governance 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.

Note: The Board Governance Committee established by the policy is not a Board Committee as defined in the Bylaws.

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RAIL PASSENGERS ASSOCIATION - NATIONAL ASSOCIATION OF RAILROAD PASSENGERS
BOARD POLICIES

POLICY TYPE: **GOVERNANCE PROCESS**

POLICY #: **GP-10**

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.
 - 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 **\$35,000** in fiscal year **2018** for:
 - a. Training, including attendance at conferences and workshops.
 - b. Audit and other third-party monitoring of organizational performance.
 - c. Surveys, focus groups, opinion analyses, and meeting costs.

\$20,000.00 for 2018 Board Retreat

\$ 8,000.00 for 2018 Board Travel

\$ 7,000.00 for 2018 Board-directed legal services; Board Education & Training and Board Governance Logistics

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Item #2 A. Revised for FY 2018

RAIL PASSENGERS ASSOCIATION - NATIONAL ASSOCIATION OF RAILROAD PASSENGERS
BOARD POLICIES

POLICY TYPE: **GOVERNANCE PROCESS**

POLICY #: **GP-11**

POLICY TITLE: ***ROLE OF BOARD TREASURER***

The role of the Treasurer as a board officer outlined in Bylaws Article VIII Section 13, will be to provide monitoring assurance to the board of the performance and compliance of the President/CEO with board Executive Limitation policies related to finance.

The President/CEO has responsibility and authority for managing the financial operations of NARP as identified in board policies EL-4, EL-5, and EL-7.

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RAIL PASSENGERS ASSOCIATION - NATIONAL ASSOCIATION OF RAILROAD PASSENGERS
BOARD POLICIES

POLICY TYPE: **GOVERNANCE PROCESS**

POLICY #: **GP-12**

POLICY TITLE: ***ROLE OF VICE-CHAIRS***

Refer to Governance Process # GP-5 with regards to Vice Chair delegation and authority.

The responsibilities and roles of Vice Chairs are outlined in Bylaws Article VII Section 12.

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RAIL PASSENGERS ASSOCIATION - NATIONAL ASSOCIATION OF RAILROAD PASSENGERS
BOARD POLICIES

POLICY TYPE: GOVERNANCE PROCESS

POLICY #: GP-13

POLICY TITLE: *ROLE AND PRINCIPLES OF THE DIRECTORS' CIRCLE*

An informal body known as the **'Directors' Circle'** shall be established and maintained by the Association.

The **'Directors' Circle'** is established to encourage those members who were once closely involved in volunteer leadership positions with NARP - Rail Passengers Association, as members of the Council of Representatives and/or the Board of Directors, to continue a close, personal relationship with and loyalty to the Association. The **'Directors' Circle'** serves to nurture ongoing relationships that can lead to donations, major gifts and bequests as well as continued volunteer involvement and activities.

The **'Directors' Circle'** shall be composed of those former leaders of the Association who wish to participate and who are qualified to participate. The **'Directors Circle'** shall have no formal powers, duties or responsibilities other than as established by the Board of Directors from time to time.

1) Qualifications for the **'Directors Circle'**:

- a. Having served at least one full term on either the Council of Representatives and/ or the Board of Directors
- b. Having not been removed from any office or position for cause
- c. Remain a dues-paying member of NARP - RPA

2) Any member meeting the above qualifications will become a member of the **'Directors Circle'** when they leave office without any action by the Council of Representative or the Board of Directors.

3) Members of the **'Directors Circle'** shall remain on a distribution list for Council of Representative correspondence and shall receive periodic communications designed for **'Directors Circle'**, unless they elect to not receive such communications.

4) Members of the **'Directors Circle'** will be removed due to:

- a. Election or appointment to the Council of Representatives or Board of Directors
- b. Failure to pay dues after two notices of delinquency
- c. Voluntary resignation
- d. A majority vote of the Board of Directors
- e. Upon death

5) Staff will be responsible for maintaining and updating the roster of current Directors' Circle members.

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