



The Board Connection

A FOUNDATION FOR CREATING THE FUTURE

Jannice Moore, IPGA Chair



A major focus of the May IPGA board meeting held in Atlanta was to spend a significant amount of time in dialogue with John and Miriam Carver. The board felt that this was of particular importance as a foundation for our ongoing work in establishing future-focused Ends.

Our highest-priority End is public awareness of the effectiveness of Policy Governance®. This requires us to have clarity about exactly what Policy Governance is and what it is not. As increasing numbers of boards and consultants apply the model, maintaining this clarity becomes critical for several reasons. It will prevent dilution of the model's conceptual integrity; it will enable "best practices" in application of the model to be developed, but always tested against the conceptual whole of the model; and it will enable those who use and teach the model to communicate more clearly how and why the model is effective.

Our dialogue with John and Miriam was wide-ranging. The board recognizes John, as creator of the model, and Miriam, as his fellow master teacher, as the "authoritative source" regarding what Policy Governance is, and is not. We talked about various potential roles for IPGA in supporting the "authoritative source" to maintain the conceptual integrity of the model, so that its value will continue as a benefit into the future. There was recognition that the IPGA board will have to make priority choices among a number of possible desirable Ends within the mega-End of owner-accountable, effective governance.

As part of the board's exercise of due diligence, we also talked about the future of the model and how the role of "authoritative source" be addressed in the long term. The board and the Carvers agreed on a process for regular, ongoing dialogue at minimum on an annual basis, to continuously explore issues and challenges related both to the content of the model, and IPGA's relationship with the authoritative source.

In addition to the comprehensive dialogue just described, the board also further examined membership input regarding the difference that IPGA should make in the world. We identified the need for more information about the potential for an End related to research, and will be exploring that more fully in June. We also

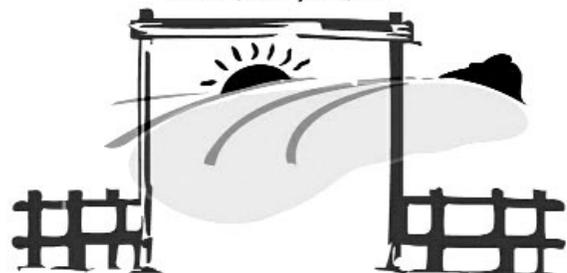
continued discussion about the implications of a code of ethics/conduct for IPGA members. Further information will be brought forward regarding this item in June as well.

We are excited about the opportunity that IPGA has to literally "create the future" by enabling boards throughout the world to be owner-accountable and effective. Maintaining the principles, practice and evolution of Policy Governance, as one of our members eloquently stated, will provide "permanence that spans future generations."

What's New and Exciting

- IPGA will be holding its 2006 conference at the Marriott Riverwalk Hotel in downtown San Antonio, Texas on June 1-3. The theme is Responsible Governance: The Power of Accountable Boards. This conference will feature a special dinner outing at a real Texas ranch, along with the top quality workshops and plenary sessions you have come to expect. Watch the IPGA conference website for further details and a soon-to-be-released Call for Presentations.

RESPONSIBLE GOVERNANCE
The Power of Accountable Boards
San Antonio, Texas - June 1-3, 2006



- IPGA has recently launched a new discussion forum through Yahoo Groups for the exclusive use of IPGA members. If you missed or did not receive an invitation to join, please send an e-mail to Susan at info@policygovernanceassociation.org so you can connect with fellow IPGA members!

Hot Tip!

SEEING BOARD TIME

by Mark Goehring, Board President, Brattleboro (Vermont) Food Co-op

Creating the future requires a board to manage its time to allow for the necessary outreach and dialogue. Here Mark Goehring passes on an idea which might help your board to see where it is spending its time right now.

Time at board meetings is a limited resource. How do we use it? As president of the board at the Brattleboro (Vermont) Food Co-op (BFC), and as a board consultant with Cooperative Development Services, I've found this simple question gets to the heart of effectiveness governance.

To see the general shape and pattern of how a board uses its time, I developed an image that shows the distribution of time based on Policy Governance quadrants.

The chart is easy to make. You'll need:

- a) A spreadsheet program
- b) Agendas, minutes or notes for the time period you want to chart (your job will be easier if your board follows the good practice of identifying the main relevant policy or policies for every agenda item)

At BFC, meetings run from as early as 5 p.m. to as late as 9 p.m. Put the early time in the top row and the late time in the bottom row. I used 1 row = 5 minutes. List the months across the top with one month in each column.

Pick a color to use for each quadrant. You might want to use colors that relate to other color coded tools like the ones in the March 2005 Hot Tip! At BFC, our annual meeting calendar is color-coded with the same colors used in this chart.

Using your source documents, fill each cell with the appropriate color. Don't get stuck making this an exact record of time. It's about creating a general shape and pattern. For example, in July and September the BFC had all-day retreats focused on Ends. I decided it was good enough to show these within the 4-hour time scale.

Include a key that shows what the colors mean and a title that describes the chart and the time frame.

A full-page pdf of the sample is available at: www.cdsfood.coop/fccmark.html or at www.policygovernanceassociation.org

You can contact Mark at: markgoehring@cdsfood.coop

About IPGA

Launched in June 2001, the International Policy Governance Association (IPGA) is committed to owner-accountable, effective governance and is a 501-c(3) not-for-profit corporation.

It pays to join IPGA

In addition to being part of a growing, thriving community dedicated to owner-accountable, effective governance, IPGA members receive the following benefits in 2005:

- Save 10% on IPGA's annual conference registration fees
- Save 10% on seminars and courses offered by Carver Governance Design, Inc.
- Receive a 40% discount on a subscription to Board Leadership
- Save 10% on designated On Target Governance events
- Members have access to a "Members Only" section of the IPGA website at www.policygovernanceassociation.org

Three Ways to Join IPGA

- 1) Phone Susan Mogensen at (613) 833-3644
- 2) E-mail us at info@policygovernanceassociation.org
- 3) Join online by visiting: www.policygovernanceassociation.org

Welcome to IPGA!

New members since March 1, 2005

- David Ball, Colorado Springs, Colorado
- Lloyd Brown, Dartmouth, Nova Scotia
- Brian Carpenter, Midland, Michigan
- Community Financial, Plymouth, Michigan
- Conestoga Students Inc., Kitchener, Ontario
- Tim Duprey, Winnipeg, Manitoba
- Jane Hammoud, Colorado Springs, Colorado

- Philip Levy, Denver, Colorado
- Mary Litynski, San Francisco, California
- Richard Stringham, Sherwood Park, Alberta
- Betty Ann Tiltman, Winnipeg, Manitoba
- Teresa Walsh, Prescott, Arizona

Contact IPGA

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Visit the IPGA website at www.policygovernanceassociation.org



The Best of Policy Governance

CLEARING THE BOARD'S VISION

by Sidney Blanchard, Executive Director and Board Member, Community Access Unlimited

Community Access Unlimited (CAU) in New Jersey was incorporated in 1979 with a grant to help 20 people with disabilities become integrated into the community. To date, CAU has helped over 3,000 people with disabilities and transitioning youth, with their quest for independence. Recently, the American Association on Mental Retardation selected CAU to be the recipient of the 2004 Full Community Inclusion Award.

Here, founder, Executive Director and Board Member Sidney Blanchard talks about the relationship between Policy Governance and his organization's future.

We have been using aspects of Policy Governance since 1990. Our initial training was very sketchy, however. There followed a significant period of turbulence between two visions — one based upon narrowing the organization's focus (largely supported by board members who were also parents of children the organization was currently helping) — one broader. By mid-2000, the latter vision was in the ascendancy and the board began to renew its commitment to Policy Governance. The board spent two years going through its policies word by word and has had considerable support from Miriam Carver as well as having the Board President and Executive Director and another board member attending Carver Governance workshops.

Both the Executive Director and the Board President present monitoring reports in relation to Ends and Executive Limitations, and Board Process and Board-Staff Linkage Policies respectively at each board meeting and the board is paying someone to act as a permanent monitor and coach of its commitment to practising Policy Governance.

It is good to feel now that Policy Governance is really working. We are in good shape and, although of course we can and will always seek to improve our governance process, we can now move into addressing the questions at the heart of the board's true calling — ownership linkage and Ends. In other words, to me, all our hard work is now paying off and through our policies and policy monitoring we have secured the present sufficiently to have the space we need to create the future.

To get away from the confusion between user and owner interests, we have defined our

ownership to be people whose values and beliefs are congruent with our vision of ourselves as a social movement as well as a service provider. We are now ready to link with other organizations and the wider community that form that ownership and to develop Ends accordingly. We recognize that it is vital that we create time for the necessary debate and think carefully about the questions we need to ask ourselves.

Some of our board members sit on other boards which do not practise Policy Governance. We have to constantly remind ourselves that the benefits which using Policy Governance gives us will only be fully realized

if we expand to taking on the board's real leadership work of determining the organization's future impact (so different from traditional board's "real" work of reviewing and approving). I think we all know that we have the capacity to stand for something very important in this world. We have a unique perspective on independence for people with disabilities and concrete evidence for what is possible. I am clear that using Policy Governance has brought us to the point that we are ready, willing and able to create the future.

You can contact Sidney at: sblanchard@caunj.org

And Another Thing...

EMPOWERMENT TO CREATE THE FUTURE

Caroline Oliver, General Editor



One way of looking at Policy Governance is to say that it is about enabling boards to secure the present so that they can create the future. Once boards are into the routine of regularly monitoring comprehensive yet concise policies which govern what they have today they can focus on what they want tomorrow.

One thing is certain, the future is coming anyway. The question for us all is whether we are going to watch it happen or deliberately seek to create it. Do we take responsibility for how things go or do we say it's all out of our hands?

Let us applaud those boards that have the humility to realize they need a system to help them to govern, the wisdom to know that they need to empower others to get things done and the courage to create the future.

Question Ideas for Creating the Future

- 1) Some boards wait for the future to happen and some boards create it. What do you want your board to do?
- 2) How much time are you spending talking about the future? How much time do you

think you should spend talking about the future?

- 3) What can your organization learn from its past that will be significant for its future?
- 4) Who are your owners (those to whom you feel legally/morally accountable?) and what impact do they want you to have in the world?
- 5) What are the visions of the other related organizations around you?
- 6) What do you know about the future? What don't you know?
- 7) What is the worst possible future scenario? What is the best possible future scenario?
- 8) What alternate ways could you write your Ends and what kind of futures would that create?

You can contact Caroline at coliver@policygovernanceassociation.org

Submissions Welcome

To submit an item for *Governing Excellence*, please contact Caroline Oliver, General Editor, at: coliver@policygovernanceassociation.org

Reasonable Interpretations

BOARDS CAN ACHIEVE GREATNESS

Susan Mogensen, IPGA CEO



Time and again, we witness boards of directors that, while filled with intelligent, well-meaning people, just never seem to get rolling in healthy, productive ways. Perhaps the story I hear most frequently is the one of board members getting mired in the most inane details, from the colour of the letter-head paper to the size of the gravel in the parking lot to the wording of a small RFP.

Frustration on boards and between boards and management seems to be the rule, rather than the exception. I believe that this frustration exists because people genuinely want to

be great, and boards want to do great things, but obstacles keep getting in the way. A majority of these obstacles seem to stem from a lack of shared understanding of what governance is, and who is responsible for what.

Policy Governance® represents an enormous advancement in creating clarity and understanding about the job of boards, and many of us are struck by the enormity of potential that would exist if boards were fully functioning as we know they can. Imagine if boards could break through this frustration and have the tools to govern effectively. Imagine if boards could not only be effective and accountable, but driven to achieve greatness as

well. Because when we talk of creating the future, it is not a mediocre or even status quo reality that we envision, but rather a hopeful, successful and prosperous one.

This future is within our grasp, and is being created by many acts and conversations that are happening every day. Thank you for all the contributions you have made already. In whichever way you can, please join with IPGA to create a future where owner-accountable governance is the norm, and where boards are free to be great.

You can contact Susan at info@policygovernanceassociation.org

Policy Governance Seen and Heard

Articles

The last issue of *Board Leadership: Policy Governance in Action* (Volume 2005, Issue 78, March/April 2005) features the following articles:

- "The Legal and Fiduciary Duties of Directors"
- "On a Personal Note — Policy Governance and the Law"
- "Legal Concerns with Policy Governance"
- "The Contrast Between Accountability and Liability"

"Governing Together as a Board" by Caroline Oliver, *Governance Matters*, Issue 2, 2005. *Governance Matters* is a newsletter for healthcare boards and senior managers in the UK and around the world. For further information see www.witherbys.com

IPGA CEO Susan Mogensen is featured in an article on governance and CEO compensation published in the *Ottawa Business Journal* May 23, 2005.

Radio

The Audio Journal of Education conducted a 10-minute interview in April with John Carver describing Policy Governance with special reference to its use in public education. The website is www.audioed-online.com/

Susan Mogensen was interviewed by Rob Snow about Policy Governance on the "Business at Night" show on CFRA 580 radio in Ottawa, Ontario on Tuesday, May 17.

Speeches

Brian Acheson spoke on Best Practice in Corporate Governance: The Policy Governance® Model at the Effective Governance Seminar organized by BMF Conferences and supported by Deloitte on April 12, 2005 at the Culloden Hotel, Belfast.

Linda Dawson and Randy Quinn presented at the North Carolina School Boards Association convention in San Diego on April 15 and April 16, 2005.

Jannice Moore presented "Using the Policy Governance Model to Shape a Company's Risk Culture" on April 7 in Calgary at the Conference

Board of Canada's "Western Corporate Governance Forum: Shaping Governance Controls to Fit Your Organization."

Caroline Oliver gave a seminar at the University of East London on March 8 titled "Exploring Policy Governance® An Operating System for Governing Boards" discussing current knowledge about PG and exploring applicability in the UK.

Glen Peterson gave a 90-minute session on Policy Governance® at the annual meeting of the Association of Enterprise Opportunity in Portland, Oregon, May 10-13, 2005.

Stacy Sjogren led a session titled, "Taking the High Road — The Policy Governance® Approach to Governance" at the Association of Commuter Transportation's biennial TMA Summit on May 16, in Minneapolis, MN.

Books

Corporate Boards That Create Value by John Carver with Caroline Oliver published by Jossey Bass, August 2002 ISBN: 0-7879-6114-0 has now been published in Croatian to add to the Portuguese and English editions.

And I Quote...

"If you want to know your past, look into your present conditions. If you want to know your future, look into your present actions."

— Buddhist saying