

The Principles of Policy Governance

1. **The Trust in Trusteeship.** Board members act as trustees on behalf of a larger group (the “moral ownership”). The board is a subset of that group. So the board must (1) identify who that larger group is and (2) make certain that the organization achieves what that group wants it to achieve. This requires the board to communicate (link) with its owners.
2. **The Board Speaks with One Voice or Not at All.** The board’s group decision (determined through input, discussion, and voting) must be unambiguous. It is recorded in policy and upheld by all the trustees. No member may speak for the board unless specifically authorized by the whole board. **Board policies are the board’s voice.**
3. **Board Decisions Are Policy Decisions.** Because the board’s voice is expressed in its policies, board decision-making is always an amendment of, or addition to, existing policy.
4. **The Board Forms Policy by Determining the Broadest Values before Progressing to Narrower Ones.** By “nesting” policies, the board delegates details and concentrates on why those details matter. Instead of setting the number of staff vacation days each year, for instance, the board decides that fair and competitive staff treatment is a congregational value. The board then leaves it to the executive team (exec team or ET) to interpret its words. Or, the board may go to the next level of specificity.
5. **The Board Defines and Delegates Rather than Reacts and Ratifies.** A board that truly chooses to govern is not led by staff members or by its own committees. The board works continually and obsessively to state what results the organization must produce (Ends policies) and to define the “acceptable boundaries” (Executive Limitations policies) within which the ET achieves them. The board does not just react to and ratify staff or committee ideas.
6. **Ends Determination Is the Pivotal Duty of Governance.** On behalf of the moral ownership, the board paints the target toward which the ET staff must shoot—the benefits produced, the people served, and the cost of meeting these goals. There is no greater governance job than this. It cannot be delegated.
7. **The Board Best Controls Staff Means by Limiting, Not Prescribing.** Some boards develop “to do” lists for those in charge (ET) or for other staff or committees. But no board can oversee every detail. It is easier and more complete for the board to tell the ET what to achieve on behalf of the moral ownership (Ends policies) and allow the ET to determine how best to get there within the limits of law, prudence, and ethics. (Executive Limitations policies)
8. **The Board Designs Its Own Products and Processes.** Because the **board’s governance function** is distinct from the **ET’s management function**, the board defines its governance and decides how it will govern. Board members must understand why the board exists—not to oversee staff but to define the future on behalf of the moral ownership and to ensure that future is achieved in a legal, ethical, and prudent manner. (Governance Process policies)
9. **The Board Forms an Empowering and Safe Linkage with Management.** Role clarity means that the board knows its own role and the ET, or staff, role. The ET must have a similar understanding. If both understand each other’s roles, if the roles do not overlap, and if both agree to adhere to these

roles, the ET can function freely yet be fully aware of its limitations. Board members essentially tell the ET, “We will not interfere if you can achieve the ends without the violating the limitations.”

10. The Board Monitors Exec Team Performance Rigorously but Only against Policy Criteria. In a fair contest, contestants are judged only by the stated rules. With policy governance, the board judges the ET only by the board’s own rules. The ET knows the rules because they are stated in policies.

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