



STANDARDS OF
CONDUCT & COMMITMENT
CRAFTING YOUR POLICY

Crafting Your Policy

- Six Steps to Sound Statements
 1. Research developments in policy subject matter
 2. Acquire examples
 3. “Harvest” applicable provisions
 4. Devise procedures
 5. Develop forms
 6. Create a compliance instrument
- Steps do not always follow this exact sequence
- Not all steps are necessary in each case

Research Policy Developments

- Research current developments in the policy topic area
 - ◆ Include recent legal and/or system-wide requirements
 - ◆ Robert has already done this for you for this subject matter
- Employ a a risk-based approach to determine which provisions are necessary
 - ◆ Likelihood of non-compliance
 - ◆ Consequence of non-compliance

Acquire Examples

- Scour the Internet for examples of relevant policies and procedures
 - ◆ Nonprofit businesses and higher education institutions
 - ◆ Search Terms
 - ★ policy on board conduct + “.org”
- Excellent example of COI Policy in Appendix A of the IRS Publication “Instructions for Form 1023”

Harvest Portions

- “Harvest” applicable portions of policies and procedures
- Integrate them into a draft policy
 - ◆ Having "Master Policy" format helps
 - ★ Purpose
 - ★ Policy Statement
 - ★ Applicability
 - ★ Definitions
 - ★ Regulations/Procedures
 - ★ Forms
- Adapt to the language and tone of your organization

Devise Procedures

- Devise procedures for carrying out the policy provisions
 - ◆ Script format
 - ◆ Flow charts
- Procedures should be CURT
 - ◆ Consequential
 - ◆ Understandable
 - ◆ Realistic
 - ◆ Time-specific

Develop Forms

- Develop forms to help execute the policy
 - ◆ Often find form samples when searching for policy samples
 - ◆ Adapt the form to your organization's particular style & use
- Make sure the data requested on the form is actually necessary for implementing the policy

Create Compliance Instruments

- How will you know that the policy is being followed?
- Documents enforcement of policy
- Helps identify policy weaknesses
- Use information obtained to improve policy wording, streamline procedures, revise forms, etc.

Sample Policy Format

- Purpose
- Policy Statement
- Who Should Know This Policy
- Definitions
- Regulations
- Forms

Sample Policy Contents

- Board Transactions
 - ◆ Use of Proprietary Information
 - ◆ Annual Certification
- Other Transactions
 - ◆ Gifts and Entertainment
 - ◆ Discounts
 - ◆ Business Meetings
 - ◆ Outside Employment
 - ◆ Relationships with Suppliers and Customers
 - ◆ Employment of Relatives
 - ◆ Compliance
- Reporting Violations

Sample Forms

- Conflict of Interest Disclosure Statement
- Ethics Report
- Gift Policy and Disclosure Form
- Proposed Acceptance of Gifts
- Signature Authorization Card

Sample Compliance Instruments

- Policy Compliance Checklist
 - ◆ Formatted each provision of the policy into a “yes” or “no” question
- Board Member Compliance Log
 - ◆ Monitored and distributed to board members