

Alaska State Fair

Board Policy Manual

This Policy Manual is the result of the Board of Directors' (hereinafter, "Board") efforts to establish a consistent means of serving the needs of the people of the State of Alaska and the membership. It reflects the goals of the Organization, brings consistency to its operation, provides fair treatment for all concerned, increases Staff efficiency, cuts down on wasted effort, and relieves the Board and Management of the burden of making repetitious decisions.

The guidelines offered here form the basis upon which Management and Staff conducts the business of the Organization. The Board, as a policy-setting body, has ultimate responsibility for this manual's content. Its collective decisions will be the impetus for any change. Such changes in the Policy Manual shall be made only as an attempt to further improve the Fair's service to the membership, and will be kept sufficiently broad and practical so as not to place undue limits or burdens on Management.

Policy Table of Contents

<u>Policy #</u>	<u>Policy Title</u>	<u>Adopted/ Amended</u>
Section 1	Ends	
1.0	Global Ends Statement	Jan 5, 2005
Section 2	Executive Limitations	
2.0	Global Executive Constraint	Jan 5, 2005
2.1	Treatment of Consumers	Jan 5, 2005
2.2	Treatment of Staff	Jan 5, 2005
2.3	Financial Planning and Budgeting	Jan 5, 2005
2.4	Financial Condition and Activities	Jan 5, 2005
		Aug 11, 2005
2.5	Emergency General Manager Succession	Jan 5, 2005
2.6	Asset Protection	Jan 5, 2005
2.7	Compensation and Benefits	Jan 5, 2005
2.8	Communication and Support to the Board	Jan 5, 2005
2.9	Ends Focus of Contracts	Jan 5, 2005
2.X	Treatment of Vendors	Nov 10, 2005
Section 3	Governance Process/Ownership Linkage	
3.0	Global Governance Commitment	Jan 5, 2005
3.1	Governing Style	Jan 5, 2005
3.2	Board Structure	Jan 5, 2005
3.3	Board Job Description	Jan 5, 2005
3.4	Agenda Planning	Jan 5, 2005
3.5	President's Role	Jan 5, 2005
3.6	Board Member's Code of Conduct	Jan 5, 2005
3.7	Board Committee Principles	Jan 5, 2005
3.8	Board Committee Structure	Jan 5, 2005
3.9	Cost of Governance	Jan 5, 2005
Section 4	Board-CEO Linkage	
4.0	Global Governance – Management Connection	Jan 5, 2005
4.1	Unity of Control	Jan 5, 2005
4.2	Accountability of the General Manager	Jan 5, 2005
4.3	Delegation to the General Manager	Jan 5, 2005
4.4	Monitoring General Manager Performance	Jan 5, 2005

Adopted: January 5, 2005

Attested by: _____
President of ASF Board

POLICY TYPE: ENDS

1.0 POLICY TITLE: *Global Ends Statement*

Pending further board determinations, *Ends* of the organization will remain as previously stated explicitly by the board or as found implicitly in previously adopted board documents.

Mission Statement
Adopted October 1991

We want to produce a dynamic and successful State Fair which educates and entertains Fairgoers and allows the community to gather in a traditional, wholesome, and safe atmosphere. Our touchstones shall be stable finances and public response.

Adopted: January 5, 2005

Attested by: _____
President of ASF Board

POLICY TYPE: EXECUTIVE LIMITATIONS

2.0 POLICY TITLE: *GLOBAL EXECUTIVE CONSTRAINT*

The General Manager shall not cause or allow any practice, activity, decision, or organizational circumstance which is either unlawful, imprudent or in violation of commonly accepted business and professional ethics and practices.

Adopted: January 5, 2005

Attested by: _____
President of ASF Board

POLICY TYPE: EXECUTIVE LIMITATIONS

2.1 POLICY TITLE: *TREATMENT OF CONSUMERS*

With respect to interactions with consumers or those applying to be consumers, the General Manager shall not cause or allow conditions, procedures, or decisions which are unsafe, undignified, or unnecessarily intrusive.

Further, without limiting the scope of the foregoing by this enumeration, he or she shall not:

1. Use application forms that elicit information for which there is no clear necessity.
2. Use methods of collecting, reviewing, transmitting, or storing client information that fail to protect against improper access to the material elicited.
3. Fail to operate facilities with appropriate accessibility, privacy, and security.
4. Fail to establish with consumers a clear understanding of what may be expected and what may not be expected from the service offered.
5. Fail to make this policy available to consumers, or to provide a way to be heard for persons who believe they have not been accorded a reasonable interpretation of their protections under this policy.

Adopted: January 5, 2005

Attested by: _____
President of ASF Board

POLICY TYPE: EXECUTIVE LIMITATIONS

2.2 POLICY TITLE: *TREATMENT OF STAFF*

With respect to the treatment of paid and volunteer staff, the General Manager may not cause or allow conditions which are unfair, unsafe, undignified, disorganized, or unclear.

Further, without limiting the scope of the foregoing by this enumeration, he or she shall not:

1. Operate without written personnel rules which: (a) clarify rules for staff, (b) provide for effective handling of grievances, and (c) protect against wrongful conditions, such as nepotism and grossly preferential treatment for personal reasons.
2. Discriminate against any staff member for non-disruptive expression of dissent.
3. Prevent staff from grieving to the board when (A) internal grievance procedures have been exhausted and (B) the employee alleges that board policy has been violated to his or her detriment.
4. Fail to acquaint staff with the General Manager's interpretation of their protections under this policy.
5. Fail to be in compliance with current non-discrimination laws.

Adopted: January 5, 2005

Attested by: _____
President of ASF Board

POLICY TYPE: EXECUTIVE LIMITATIONS

2.3 POLICY TITLE: *FINANCIAL PLANNING/BUDGETING*

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

Further, without limiting the scope of the foregoing by this enumeration, he or she shall not plan in a manner that:

1. Doesn't include a competitive selection process for capital expansion projects with a value over \$100,000.
2. Risks the organization incurring those situations or conditions described as unacceptable in the board's policy Financial Condition and Activities.
3. Fails to include credible projection of revenues and expenses, separation of capital and operational items, cash flow, and disclosure of planning assumptions.
4. Provides less for board/supervisory committee prerogatives during the year than is set forth in the Cost of Governance policy.

Adopted: January 5, 2005

Attested by: _____
President of ASF Board

POLICY TYPE: EXECUTIVE LIMITATIONS

2.4 POLICY TITLE: *FINANCIAL CONDITION AND ACTIVITIES*

With respect to the actual, ongoing financial condition and activities, the General Manager shall not cause or allow the development of fiscal jeopardy or a material deviation of actual expenditures from board priorities established in Ends policies.

Further, without limiting the scope of the foregoing by this enumeration, he or she shall not:

1. Fail to settle payroll and debts in a timely manner.
2. Allow tax payments or other government ordered payments or filings to be overdue or inaccurately filed.
3. Make a single purchase or commitment of greater than \$10,000. Splitting orders to avoid this limit is not acceptable.
4. Acquire, encumber or dispose of real property held for the Alaska State Fair use.
5. Borrow funds in excess of \$10,000 of total outstanding.
6. Fail to comply with the Local Preference Policy, that the Alaska State Fair is dedicated to provide safe educational and entertainment experiences with outstanding customer service. When quality and costs are comparable, local preference in contracts, supplier, and employees shall be exercised. Resources from outside Alaska may be used to accomplish unique Fair goals and to develop Alaskan expertise.

Adopted: January 5, 2005
Amended August 11, 2005

Attested by: _____
President of ASF Board

POLICY TYPE: EXECUTIVE LIMITATIONS

2.5 POLICY TITLE: *EMERGENCY General Manager SUCCESSION*

In order to protect the board from sudden loss of General Manager services, the General Manager may have no fewer than two other regular employees familiar with board and General Manager issues and processes.

Adopted: January 5, 2005

Attested by: _____
President of ASF Board

POLICY TYPE: EXECUTIVE LIMITATIONS

2.6 POLICY TITLE: ASSET PROTECTION

The General Manager shall not allow corporate assets to be unprotected, inadequately maintained or unnecessarily risked.

Further, without limiting the scope of the foregoing by this enumeration, he or she shall not:

1. Fail to insure against theft and casualty losses to at least 80% percent replacement value and against liability losses to board members, staff and the organization itself in an amount at least equal to the average for comparable organizations.
2. Allow unbonded personnel access to material amounts of funds.
3. Subject plant and equipment to improper wear and tear or insufficient maintenance.
4. Unnecessarily expose the organization, its board or staff to claims of liability.
5. Make any purchase: (a) wherein normally prudent protection has not been given against conflict of interest; (b) of over \$10,000 without having obtained comparative prices and quality when available. Orders shall not be split to avoid these criteria.
6. Fail to protect intellectual property*, information and files from loss or significant damage.
7. Receive, process or disburse funds under controls which are insufficient to meet the standard accounting practices.
8. Invest or hold operating capital in insecure instruments, including uninsured checking accounts and bonds of less than AA rating at any time, or in non interest-bearing accounts except where necessary to facilitate ease in operational transactions.
9. Endanger the organization's public image or credibility, particularly in ways that would hinder its accomplishment of Ends.
10. Change the organization's name or substantially alter its identity in the community.
11. Create or purchase any subsidiary corporation.

* Intellectual Property: A product of the intellect that has commercial value, including copyrighted property such as literary or artistic works, and ideational property, such as patents, appellations of origin, business methods, and industrial processes.

Adopted: January 5, 2005

Attested by: _____
President of ASF Board

POLICY TYPE: EXECUTIVE LIMITATIONS

2.7 POLICY TITLE: *COMPENSATION AND BENEFITS*

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

Further, without limiting the scope of the foregoing by this enumeration, he or she shall not:

1. Change his or her own compensation and benefits, except as his or her benefits are consistent with a package for all other employees.
2. Promise or imply permanent or guaranteed employment.
3. Establish current compensation and benefits which deviate materially from the geographic or professional market for the skills employed.
4. Establish or change pension benefits so as to cause unpredictable or inequitable situations, including those that:
 - A. Incur unfunded liabilities.
 - B. Provide less than some basic level of benefits to all regular employees, though differential benefits to encourage longevity are not prohibited.
 - C. Allow any employee to lose benefits already accrued from any foregoing plan.
 - D. Treat the General Manager differently from other key employees.

Adopted: January 5, 2005

Attested by: _____
President of ASF Board

POLICY TYPE: EXECUTIVE LIMITATIONS

2.8 POLICY TITLE: *COMMUNICATION AND SUPPORT TO THE BOARD*

The General Manager shall not permit the board to be uninformed or unsupported in its work.

Further, without limiting the scope of the foregoing by this enumeration, he or she shall not:

1. Neglect to submit monitoring data required by the board (see policy on Monitoring General Manager Performance) in a timely, accurate and understandable fashion, directly addressing provisions of board policies being monitored.
2. Fail to report in a timely manner an actual or anticipated noncompliance with any policy of the board, in particular, director's attendance.
3. Let the board be unaware of relevant trends, membership's concerns, anticipated media coverage, threatened or pending lawsuits, material external and internal changes, particularly changes in the assumptions upon which any board policy has previously been established.
4. Let the board be unaware of major events that the Alaska State Fair is participating in.
5. Fail to advise the board if, in the General Manager's opinion, the board is not in compliance with its own policies on Governance Process and Board-General Manager Linkage, particularly in the case of board behavior which is detrimental to the work relationship between the board and the General Manager.
6. Fail to marshal for the board as many staff and external points of view, issues and options as the board determines it needs for fully informed board choices.
7. 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.
8. Fail to provide a mechanism for official board, officer or committee communications.
9. Fail to deal with the board as a whole except when (a) fulfilling individual requests for information or (b) responding to officers or committees duly charged by the board.
10. Fail to supply for the consent agenda all items delegated to the General Manager yet required by law or contract to be board-approved, along with the monitoring assurance pertaining thereto.

Adopted: January 5, 2005

Attested by: _____
President of ASF Board

POLICY TYPE: EXECUTIVE LIMITATIONS

2.9 POLICY TITLE: *ENDS FOCUS OF CONTRACTS*

The General Manager may not enter into any contract, unless it emphasizes the production of ends and the avoidance of unacceptable means.

Adopted: January 5, 2005

Attested by: _____
President of ASF Board

POLICY TYPE: EXECUTIVE LIMITATIONS

2.X POLICY TITLE: *TREATMENT OF VENDORS*

With respect to interactions with vendors or those applying to be vendors, which includes any third party that provides goods or services to consumers and leases space during any event on the fairgrounds, the General Manager shall not cause or allow conditions, procedures, or decisions which are unsafe, undignified, or unnecessarily intrusive.

Further, without limiting the scope of the foregoing by this enumeration, he or she shall not:

1. Use application forms that elicit information for which there is no clear necessity.
2. Use methods of collecting, reviewing, transmitting, or storing vendor information that fail to protect against improper access to the material elicited.
3. Fail to operate facilities with appropriate accessibility, privacy, and security.
4. Promise or imply permanent or guaranteed rights or privileges beyond current contractual agreements.
5. Operate without written vendor rules which: (a) clarify rules for vendors, (b) provide for effective handling of grievances, and (c) protect against wrongful conditions, such as nepotism and grossly preferential treatment for personal reasons.
6. Discriminate against any vendor for non-disruptive expression of dissent.
7. Prevent vendors from grieving to the board when (a) internal grievance procedures have been exhausted and b) the vendor alleges that board policy has been violated to his or her detriment.
8. Fail to be in compliance with current non-discrimination laws.
9. Fail to make this policy available to vendors.
10. Allow a vendor to operate without a contract.

Adopted: November 10, 2005

Attested by: _____

President of ASF Board

POLICY TYPE: GOVERNANCE PROCESS

3.0 POLICY TITLE: *GLOBAL GOVERNANCE COMMITMENT*

The purpose of the board, on behalf of members, is to see to it that the Alaska State Fair (a) achieves appropriate results for appropriate persons at an appropriate cost, and (b) avoids unacceptable actions and situations.

Adopted: January 5, 2005

Attested by: _____
President of ASF Board

POLICY TYPE: GOVERNANCE PROCESS

3.1 POLICY TITLE: *GOVERNING STYLE*

The board will govern lawfully with an emphasis on (a) outward vision rather than an internal focus, (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 them scrupulously while in force.
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 its commitments.
6. The board will monitor and discuss the board's process and performance regularly. Self-monitoring will include comparison of board activity and discipline to policies in the Governance Process and Board-General Manager Linkage categories.
7. The presence of four Directors constitutes a quorum. Any changes to the policies herein require a 2/3 majority vote of the entire board of directors. Actions other than changes to the policies herein may result when a simple majority of quorum votes "yes" on a motion.
8. The board will follow Robert's Rules of Order for all meetings.

Adopted: January 5, 2005

Attested by: _____
President of ASF Board

POLICY TYPE: GOVERNANCE PROCESS

3.2 POLICY TITLE: *BOARD STRUCTURE*

The board will be comprised of seven individuals, each of whom is a member of the Alaska State Fair, is at least 19 years of age, and is a resident of the State of Alaska. The board is to meet periodically for the express purpose of conducting the governance function of the organization.

Accordingly:

1. Directors are to be elected from the Alaska State Fair membership according to the election process as prescribed in the Bylaws and operations manual.
2. The board will conduct regular meetings at least once each month.
3. An Executive Session may be called as part of an agenda of any regular meeting to discuss Personnel, Security, Confidential Gifts of Donations, or Pending Litigation. An Executive Session may be called by the President or, in the President's absence, the Vice President at the request of the Manager or any Director. Immediately following the close of an Executive Session or at the beginning of the next meeting, an announcement detailing the action taken (but not the discussion leading up to the action) will be made by the President.
4. Emergency Board meetings of the full Board may be called only when Board action is required as a result of an event that severely impairs public health and safety, or administrative matters requiring immediate attention. Emergency meetings may be requested by the Manager or by any Director. The Manager will call the meeting by first notifying the President, or in case of the President's absence, the Vice President, and other Directors.
5. Special meetings may be called by the President on two days' notice to each Director, either personally or by e-mail, telephone, mail, or facsimile. Special meetings shall be called by the President or Secretary in like manner and on like notice on the written request of any Director. Unless otherwise indicated in the notice thereof, any and all business may be transacted at a special meeting. No notice of any adjourned and reconvened meeting need be given.
6. Teleconferencing is acceptable for regular, Emergency and Special meetings, but not executive sessions.
7. A Director may resign at any time by mailing or delivering his/her resignation, in writing, to the Organization. The acceptance of such resignation shall not be necessary to make it effective. The remaining Directors shall appoint a new Director as stated in the by-laws. The newly appointed Director shall serve until the next annual meeting, when he/she shall stand for election. Should this circumstance require an election to fill a partial term, the person(s) receiving the most votes at the annual meeting shall fill the three year term(s) and the person with the next highest vote tally shall fill the remainder of the partial term.

Adopted: January 5, 2005

Attested by: _____
President of ASF Board

POLICY TYPE: GOVERNANCE PROCESS

3.3 POLICY TITLE: BOARD JOB DESCRIPTION

Specific job outputs of the board, as an informed agent of the membership, are those that ensure appropriate organizational performance.

Accordingly, the board has direct responsibility to create:

1. The link between the membership and community, and the operational organization.
2. Written governing policies which 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 which 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-General Manager Linkage: How power is delegated and its proper use monitored; the General Manager role, authority and accountability.
3. Assurance of successful General Manager performance.

Adopted: January 5, 2005

Attested by: _____
President of ASF Board

POLICY TYPE: GOVERNANCE PROCESS

3.4 POLICY TITLE: AGENDA PLANNING

To accomplish its job products with a governance style 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 on the last day of October 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 membership, or other methods of gaining community input will be determined and arranged between November and January each year.
 - B. Governance education, and education related to Ends determination, (e.g. presentations by futurists, demographers, advocacy groups, staff, etc.) will be arranged between November and January each year.
3. Throughout the year, the board will attend to consent agenda items as expeditiously as possible.
4. General Manager monitoring will be included on the agenda if monitoring reports show policy violations, or if policy criteria are to be debated.
5. General Manager remuneration will be decided during the month of February after a review of monitoring reports received in the last year.
6. Persons who wish to appear before the Board and seek action must first confer with the Manager. If after such a meeting, a person still wishes to approach the Board, they will be asked to submit a written summary of their concerns to the Manager no later than seven calendar days prior to the next regularly scheduled meeting.

Adopted: January 5, 2005

Attested by: _____
President of ASF Board

POLICY TYPE: GOVERNANCE PROCESS

3.5 POLICY TITLE: *BOARD PRESIDENT'S ROLE*

The Board President, a specially empowered member of the board, assures the integrity of the board's process and, secondarily, occasionally represents the board to outside parties.

Accordingly:

1. The assigned result of the 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 which 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 President consists in making decisions that fall within topics covered by board policies on Governance Process and Board-General Manager Linkage, with the exception of (a) employment or termination of a General Manager and (b) 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.
 - A. The President is empowered to chair board meetings with all the commonly accepted power of that position, such as ruling and recognizing.
 - B. 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 General Manager.
 - C. 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 her or him.
 - D. The President may delegate this authority, but remains accountable for its use.

Adopted: January 5, 2005

Attested by: _____
President of ASF Board

POLICY TYPE: GOVERNANCE PROCESS

3.6 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. Directors must have loyalty to the membership, unconflicted by loyalties to staff, other organizations, and any personal interest as a consumer.
2. Directors must avoid conflict of interest with respect to their fiduciary responsibility.
 - A. Directors will not use their board position to obtain business with the Alaska State Fair. Directors will annually disclose their involvements with other organizations, with vendors, or any associations which might be or might reasonably be seen as being a conflict.
 - B. When the board is to decide upon an issue, about which a director has an unavoidable conflict of interest, that director shall absent herself or himself without comment from not only the vote, but also from the deliberation.
 - C. Directors 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.
 - D. Directors will read and, if agreeable, will sign a Conflict of Interest form.
3. Directors may not attempt to exercise individual authority over the organization.
 - A. Directors' interaction with the General Manager or with staff must recognize the lack of authority vested in individuals except when explicitly board authorized.
 - B. Directors' 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.
 - C. Except for participation in board deliberation about whether reasonable interpretation of board policy has been achieved by the General Manager, directors will not express individual judgments of performance of employees of the General Manager.
4. Directors will respect the confidentiality appropriate to issues of a sensitive nature.
5. Directors will be properly prepared for board deliberation.
6. Absences are not to exceed three (3) regular meetings in a calendar year, at which time such Director is presumed to have resigned.

Adopted: January 5, 2005

Attested by: _____
President of ASF Board

POLICY TYPE: GOVERNANCE PROCESS

3.7 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 General Manager.

Accordingly:

1. 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 General Manager.
2. Board committees cannot exercise authority over staff. Because the General Manager works for the full board, he or she will not be required to obtain approval of a board committee before an executive action.
3. Board committees are to avoid over-identification with organizational parts rather than the whole.
4. 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 General Manager.

Adopted: January 5, 2005

Attested by: _____
President of ASF Board

POLICY TYPE: GOVERNANCE PROCESS

3.8 POLICY TITLE: BOARD COMMITTEE STRUCTURE

A 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 Standing Committees are those which are established under this policy. Unless otherwise stated, an Ad Hoc Committee ceases to exist as soon as its task is complete. Board committees are always chaired by a Director. The Manager or a designated representative shall attend all committee meetings.

The President shall appoint Directors to Standing Committees no later than the first regular Board meeting after taking office. Existing committees shall remain in effect until the appointments are made. To the extent possible, the President should attempt to keep the make-up of the committees intact, thereby better utilizing the knowledge and experience of committee members. Also, the President should refrain from appointing any members to chair committees if they have not had at least one year experience on the Board.

Current Standing Committees established by the board are as follows:

1. Election Committee - This committee shall seek and identify candidates for each open seat at the next annual meeting. Three Directors (not running for office), one staff, and two general members of the corporation may serve on the committee.
2. Finance Committee – This committee shall review Management’s annual budget for recommendation to the Board, and review and recommend to the Board the type and form of monthly financial reports prepared by Management. Three Directors and two staff may serve on the committee.
3. Rules Committee – This committee shall review the Articles of Incorporation and the By-laws of the Alaska State Fair, Inc., and recommend changes to the general membership. Three Directors, the Manager, and one other staff may serve on the committee.

The President shall appoint Directors to Ad Hoc Committees. Ad Hoc Committees shall be assigned policy considerations deemed too cumbersome for full Board consideration, and that require expertise or knowledge possessed by members of the committee. Ad Hoc Committees shall be appointed only when areas of concern arise that are clearly outside the jurisdiction of existing committees.

Committees shall act only to bring recommendations before the full Board. Committee meetings are closed. Committee meetings shall be called by the committee chairperson and shall be in accordance with existing policy. Brief minutes of all committee meetings shall be kept.

No more than three Board members may sit on any one committee.

Adopted: January 5, 2005

Attested by: _____
President of ASF Board

POLICY TYPE: GOVERNANCE PROCESS

3.9 POLICY TITLE: *COST OF GOVERNANCE*

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 (candidates for directorship), to maintain and increase existing director 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 community viewpoints and values.
2. Costs will be prudently incurred as approved in the annual budget, though not at the expense of endangering the development and maintenance of superior capability.
 - A. In each fiscal year for training, including attendance at conferences and workshops.
 - B. In each fiscal year for audit and other third-party monitoring of organizational performance.
 - C. In each fiscal year for surveys, focus groups, opinion analyses, and meeting costs.
 - D. In each fiscal year for Board of Directors meetings, according to the following scale:
 - a. \$100.00 per monthly meeting for directors.
 - b. \$150.00 per monthly meeting for president.

Adopted: January 5, 2005

Attested by: _____
President of ASF Board

POLICY TYPE: BOARD-MANAGEMENT LINKAGE

4.0 POLICY TITLE: *GLOBAL GOVERNANCE-MANAGEMENT CONNECTION*

The board's sole official connection to the operational organization, its achievements and conduct will be through a Chief Executive Officer, titled General Manager.

Adopted: January 5, 2005

Attested by: _____
President of ASF Board

POLICY TYPE: BOARD-MANAGEMENT LINKAGE

4.1 POLICY TITLE: *UNITY OF CONTROL*

Only officially passed motions of the board are binding on the General Manager.

Accordingly:

1. Decisions or instructions of individual board members, officers, or committees are not binding on the General Manager except when the board has specifically authorized such exercise of authority.
2. In the case of board members or committees requesting information or assistance without board authorization, the General Manager can refuse such requests that require, in the General Manager's opinion, a material amount of staff time or funds, or, is disruptive.

Adopted: January 5, 2005

Attested by: _____
President of ASF Board

POLICY TYPE: BOARD-MANAGEMENT LINKAGE

4.2 POLICY TITLE: *ACCOUNTABILITY OF THE GENERAL MANAGER*

The General Manager 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 General Manager.

Accordingly:

1. The board will never give instructions to persons who report directly or indirectly to the General Manager.
2. The board will not evaluate, either formally or informally, any staff other than the General Manager.
3. The board will view General Manager 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 General Manager performance.

Adopted: January 5, 2005

Attested by: _____
President of ASF Board

POLICY TYPE: BOARD-MANAGEMENT LINKAGE

4.3 POLICY TITLE: *DELEGATION TO THE GENERAL MANAGER*

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

Accordingly:

1. The board will develop policies instructing the General Manager to achieve specified results for specified 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.
2. The board will develop policies which limit the latitude the General Manager 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. As long as the General Manager uses *any reasonable interpretation* of the board's Ends and Executive Limitations policies, the General Manager is authorized to establish all further policies, make all decisions, take all actions, establish all practices and develop all activities. Such decisions of the General Manager shall have full force and authority as if decided by the board.
4. The board may change its Ends and Executive Limitations policies, thereby shifting the boundary between board and General Manager domains. By doing so, the board changes the latitude of choice given to the General Manager. But as long as any particular delegation is in place, the board will respect and support the General Manager's choices.

Adopted: January 5, 2005

Attested by: _____
President of ASF Board

POLICY TYPE: BOARD-MANAGEMENT LINKAGE

4.4 POLICY TITLE: *MONITORING GENERAL MANAGER PERFORMANCE*

Systematic and rigorous monitoring of the General Manager's job performance will be done solely against the only expected General Manager's job outputs: organizational accomplishment of board policies on Ends and organizational operation within the boundaries established in board policies on Executive Limitations.

Accordingly:

1. Monitoring will determine the degree to which board policies are being met. Unrelated data will not be considered monitoring data.
2. The board will acquire monitoring data by one or more of three methods: (a) by internal report, in which the General Manager 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. In every case, the standard for compliance shall be *any reasonable General Manager interpretation* of the board policy being monitored. The board is the final arbiter of reasonableness, but will always judge with a "reasonable person" test rather than with interpretations favored by board members or by the board as a whole.
4. All policies which instruct the General Manager 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>
<i>Global Ends Statement</i>	<i>Internal</i>	<i>Annually</i>
<i>Global Executive Constraint</i>	<i>Internal</i>	<i>Annually</i>
<i>Treatment of Consumers</i>	<i>Internal</i>	<i>Annually</i>
<i>Treatment of Staff</i>	<i>Internal</i>	<i>Annually</i>
<i>Financial Planning/Budgeting</i>	<i>Internal</i>	<i>Quarterly</i>
<i>Financial Condition & Activities</i>	<i>Internal</i>	<i>Quarterly</i>
	<i>External</i>	<i>Tri-Annually</i>
<i>Emergency GM Succession</i>	<i>Internal</i>	<i>Annually</i>
<i>Asset Protection</i>	<i>Internal</i>	<i>Annually</i>
<i>Compensation & Benefits</i>	<i>Internal</i>	<i>Annually</i>
	<i>External</i>	<i>Bi-annually</i>
<i>Communication & Support</i>	<i>Direct Inspection</i>	<i>Annually</i>
<i>Ends Focus of Contracts</i>	<i>Internal</i>	<i>Annually</i>

Adopted: January 5, 2005

Attested by: _____
President of ASF Board

Monitoring Schedule

		Type	Frequency	Month or Date Due
Section 1	Ends			
1.0	Global Ends Statement	Internal	Annually	February
Section 2	Executive Limitations			
2.0	Global Executive Constraint	Internal	Annually	February
2.1	Treatment of Consumers	Internal	Annually	May
2.2	Treatment of Staff	Internal	Annually	June
2.3	Financial Planning and Budgeting	Internal	Quarterly	Apr, July, Oct, Jan
2.4	Financial Condition and Activities	Internal	Quarterly	Apr, July, Oct, Jan
		External	Tri-Annually	
2.5	Emergency General Manager Succession	Internal	Annually	September
2.6	Asset Protection	Internal	Annually	November
2.7	Compensation and Benefits	Internal	Annually	January
		External	Biannually	January
2.8	Communication and Support to the Board	Direct Inspection	Annually	February
2.9	Ends Focus of Contracts	Internal	Annually	February
2.X	Treatment of Vendors	Internal	Annually	
Section 3	Governance Process/Ownership Linkage			
3.0	Global Governance Commitment	Internal	Rotate	Monthly
3.1	Governing Style	Internal	Rotate	Monthly
3.2	Board Job Description	Internal	Rotate	Monthly
3.3	Agenda Planning	Internal	Rotate	Monthly
3.4	Board President's Role	Internal	Rotate	Monthly
3.5	Board Member's Code of Conduct	Internal	Rotate	Monthly
3.6	Board Committee Principles	Internal	Rotate	Monthly
3.7	Board Committee Structure	Internal	Rotate	Monthly
3.8	Cost of Governance	Internal	Rotate	Monthly
Section 4	Board-General Manager Linkage			
4.0	Global Board-General Manager Linkage	Internal	Rotate	Monthly
4.1	Unity of Control	Internal	Rotate	Monthly
4.2	Accountability of the General Manager	Internal	Rotate	Monthly
4.3	Delegation to the General Manager	Internal	Rotate	Monthly
4.4	Monitoring General Manager Performance	Internal	Rotate	Monthly

Adopted: January 5, 2005

Attested by: _____
President of ASF Board