

Montana Municipal Insurance Authority

Policy Manual

Document Name:	Governance Policy, Responsibilities and Authority		
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Policy Statement

The governance role has as its goal protection of the public interest. The MMIA is governed by a Board of Directors. The Board exists for one central reason: to represent and to speak for the interests of the membership.

Governance responsibilities for MMIA's Board of Directors include

1. Select the Chief Executive Officer and assess his or her performance .
2. Review and authorize plans, commitments, and contract documents.
3. Establish and evaluate the organization's objectives and goals.

All of these Board roles are distinguished from that of management .

I. Purposes/Expected Outcomes

The purpose of this policy is to establish a framework within which the Board operates by defining the responsibility and authority of the Board.

II. General Powers

All powers shall be exercised under the authority of , and the business and affairs shall be managed under the direction of the Board of Directors, in accordance with the powers and duties consistent with the Interlocal Agreement and the MMIA Bylaws.

III. Authority/Accountability

The Board as a governing body holds a position of trust that imposes certain non-delegable fiduciary duties. The Board's role is to assume accountability for MMIA's success by taking responsibility for its management that includes ensuring an effective management team, overseeing corporate strategy and performance, and acting as a resource for management in matters of planning and policy. To ensure effective decision making, the Board will not only serve an advisory, questioning and problem-solving function but also will actively participate in fostering MMIA's overall success.

The responsibilities of the Board of Directors include:

1. Developing and approving MMIA's mission, vision and values
2. Selecting, monitoring, assessing, compensating and, if necessary,

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3. replacing the Chief Executive Officer
4. Ensuring management succession
5. Participating in the development of and approving management's strategic and business plans
6. Understanding and questioning the assumptions on which such plans are based and reaching an independent judgment as to the probability that the plans can be accomplished
7. Reviewing and approving the company's financial objectives, plans and actions, including significant capital allocations and expenditures
8. Reviewing and approving material transactions not in the ordinary course of business
9. Establishing expected outcomes and measuring corporate performance against those outcomes
10. Overseeing operating results to determine whether the company is being properly managed
11. Developing and adopting written policies in the areas of governance, organizational planning, finance, operations and others as may be determined
12. Speaking with one voice to members, the Chief Executive Officer and all others
13. Ensuring ethical behavior and compliance with laws and regulations, auditing and accounting principles, and the company's governing documents
14. Assessing its own effectiveness in fulfilling these and other Board responsibilities