

WVCA Governance Authority and Separation of Duties Policy

This policy is intended to clarify governance authority, operational responsibilities, and separation of duties between the Board of Directors, Board of Governors, Officers, and Committees of the Willow Valley Club Association.

Purpose

The purpose of this Policy is to:

- Clarify governance authority
- Define operational responsibilities
- Establish separation of duties
- Reduce conflicts between governing bodies
- Improve transparency and accountability
- Ensure compliance with Arizona law and the Association governing documents

Section 1. Governing Authority

The Board of Directors shall serve as the primary governing body of the association responsible for management of the corporation, its affairs, finances, operations, contracts, enforcement, employees, and fiduciary responsibilities consistent with Arizona law, the Articles of Incorporation, Bylaws, and adopted policies.

The Board of Governors shall perform those functions assigned under the Articles of Incorporation and Bylaws, including election oversight, membership representation, committee participation, strategic input, and advisory review functions.

Section 2. Authority of the Board of Directors

The Board of Directors shall have authority over:

- Budgets and finances
- Contracts and expenditures
- Employees and independent contractors
- Insurance matters
- Legal counsel direction
- Enforcement actions
- Disciplinary matters
- Operational decisions
- Vendor management
- Emergency actions
- Policy adoption
- Litigation decisions
- Records management
- Association assets
- Compliance with state and federal law

Unless specifically restricted by governing documents or Arizona law, the Board of Directors retains final decision-making authority regarding association operations.

Section 3. Authority of the Board of Governors

The Board of Governors shall:

- Oversee election procedures
- Supervise nomination processes
- Assist with member engagement
- Provide advisory recommendations
- Participate in strategic planning
- Review major capital project concepts
- Support transparency and communication
- Assist with committee coordination where authorized

The Board of Governors may make recommendations to the Board of Directors but shall not independently:

- Execute contracts;
- Direct employees;
- Authorize expenditures;
- Initiate litigation;
- Override Board of Directors operational decisions;
- Issue disciplinary sanctions;
- Control day-to-day operations;
- Bind the association financially unless expressly authorized.

Section 4. Committees

Committees serve in an advisory capacity unless specifically granted authority by the Board of Directors through written resolution.

Committees shall not:

- Independently bind the association
- Expend funds without authorization
- Direct vendors or employees
- Represent official association positions without authorization

Section 5. Officers

Officers shall perform duties assigned by:

- The Articles of Incorporation
- Bylaws
- Board resolutions
- Adopted policies

No individual officer may independently exercise powers reserved to the board unless specifically authorized.

Section 6. Fiduciary Duties

All Directors, Governors, Officers, and Committee Members owe duties of:

- Good faith;
- Loyalty;
- Reasonable care;
- Confidentiality where applicable;
- Compliance with governing documents.

All governing body participants shall act in the best interests of the association as a whole.

Section 7. Conflict Resolution Between Governing Bodies

Disputes regarding governance authority or interpretation of governing documents shall:

- first be addressed through joint meetings;
- then through legal review if necessary;
- resolved consistent with Arizona law and the Association governing documents.

No governing body shall exceed authority granted by the governing documents.

Section 8. Communication and Respect

Members of all governing bodies shall:

- Communicate professionally
- Avoid harassment or retaliation
- Respect differing viewpoints
- Avoid interference with assigned duties
- Work cooperatively for the benefit of the association

Section 9. Reliance on Legal Counsel

When conflicts exist regarding authority, governance, elections, fiduciary obligations, or interpretation of governing documents, the association may rely upon written legal counsel guidance.