

ALPHA SIGMA PHI FOUNDATION

- FOUNDATION BOARD POLICIES (As of 2/19/2022)



THE MISSION OF ALPHA SIGMA PHI FOUNDATION IS...

TO GROW GIFTS AND INVESTMENTS TO SUPPORT THE FRATERNITY'S EDUCATIONAL AND DEVELOPMENT PROGRAMS

THE PURPOSE OF ALPHA SIGMA PHI FOUNDATION IS...

TO ENGAGE ALPHA SIGS IN OPPORTUNITIES TO INVEST, GIVE AND BUILD IN A FRATERNAL EXPERIENCE TO *BETTER THE MAN*

POLICY TYPE: ENDS

END 1:0: Alpha Sigma Phi Foundation supports the educational, leadership and scholastic activities of Alpha Sigma Phi Fraternity, its chapters and its members as its highest and only priority.

POLICY TYPE: EXECUTIVE LIMITATIONS

POLICY 2.0 - GLOBAL EXECUTIVE CONSTRAINT
(Monitored Annually in April)

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

The CEO shall not:

1. Engage in activities that may jeopardize the Foundation's 501(c)3 status with the IRS or other government agencies.
2. Share resources with other related organizations without proper documentation or agreements to maintain an "arm's length" relationship.

POLICY 2.1 - TREATMENT OF DONORS
(Monitored Annually in April)

With respect to interactions with donors or potential donors, the CEO shall not:

1. Use methods of collecting, reviewing, transmitting, or storing donor information that fails to protect against improper access to the material elicited.
2. Allow donations to go unacknowledged in a timely manner.
3. Allocate donations in a manner not consistent with the wishes of the donor.

POLICY 2.2 - FINANCIAL PLANNING/BUDGETING AND FINANCIAL CONDITION
(Monitored Semi-Annually in April and October)

With respect to financial planning, financial condition and financial activities, the CEO 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, the CEO shall not:

1. Plan the expenditure in any fiscal year of more funds than are conservatively projected to be received, through donations or spendable dollars from the endowment, in that period.
2. Expend more funds than have been received in the fiscal year to date unless the debt can be repaid by certain, otherwise unencumbered revenues within 120 days.

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3. Conduct interfund shifting in amounts greater than can be restored to a condition of discrete fund balances by certain, otherwise unencumbered revenues within 90 days. This would include any rebalancing from the unrestricted assets to restricted assets.
4. Allow payroll and debts to be settled in an untimely manner.
5. Allow tax payments or other government ordered payments or filings to be overdue or inaccurately filed.
6. Make a single purchase or commitment of greater than \$20,000 (split orders not permitted to avoid this limit) without Board notification.
7. Acquire, encumber or dispose of real estate.
8. Violate the terms of spending agreements for restricted funds, including exceeding the permissible draw of 4.0% off restricted fund assets and/or fail to transfer any unspent dollars back to the corpus of each respective fund.
9. Fail to place cash received from pledges (created after July 1, 2021) and/or planned gifts into the Foundation corpus within 30 days of receipt.
10. Allow the Foundation operating accounts (checking and savings) to exceed \$220,000.
11. Allow for the withdrawal of more than 3% of the unrestricted portion of the Foundation corpus.
12. Allow operating expenses to exceed the amount provided in the Fraternity Grant, without Board approval.
13. Provide less for Board prerogatives during the year than is set forth in the Cost of Governance policy.

POLICY 2.3 – TREATMENT OF STAFF (Monitored Annually in April)

With respect to the treatment of paid and volunteer staff, the CEO shall not:

1. Operate without written personnel rules.
2. Retaliate against any staff member for non-disruptive express of dissent.
3. Allow staff to be unprepared to deal with emergency situations, including failing to have at least one other staff member sufficiently familiar with board and CEO issues and processes in the event the need arises for an interim successor.
4. Change the CEO's own compensation and benefits, except as his or her benefits are consistent with a package consistent for all other employees.
5. Promise or imply permanent or guaranteed employment.

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POLICY 2.4 - ASSET PROTECTION & BUSINESS CONTINUITY (Monitored Annually in April)

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

POLICY 2.5 - COMMUNICATION AND SUPPORT TO THE BOARD (Monitored Annually in April)

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

Further, without limiting the scope of the foregoing by this enumeration, the CEO shall not:

1. Fail to provide to the board the CEO's interpretations of the ends and priorities of the board.
2. Neglect to submit monitoring data required by the board (see policy on Monitoring CEO Performance) in a timely, accurate and understandable fashion, directly addressing provisions of board policies being monitored.
3. Fail to advise the board if, in the CEO's opinion, the board is not in compliance with its own policies on Governance Process and Board-CEO Linkage, particularly in the case of board behavior, detrimental to the work relationship between the board and the CEO.
4. Fail to report in a timely manner an actual or anticipated noncompliance with any policy of the board.

POLICY 2.6 – GIFT ACCEPTANCE POLICY (Monitored Annually in April)

The CEO shall not accept any gifts other than cash, cash equivalents and marketable securities.

Further, the CEO shall not:

1. Accept gifts that are too restrictive or burdensome on the Foundation, due to factors such as administration, titling or purpose.
2. Accept gifts that may jeopardize the tax-exempt status of the Foundation.
3. Accept tangible personal property.
4. Accept gifts of real estate.
5. Accept a bargain sale gift or participate in the bargain sale (purchase property at less than market value).

POLICY TYPE: GOVERNANCE PROCESS

POLICY 3.0 - GLOBAL GOVERNANCE COMMITMENT
(Monitored Annually in February)

The purpose of the board, on behalf of its identified owners , is to see to it that Alpha Sigma Phi Foundation (a) achieves appropriate results for appropriate persons at an appropriate cost, (b) avoids unacceptable actions and situations and (c) exercises fiduciary responsibility and accountability.

POLICY 3.1 - GOVERNING STYLE
(Monitored Annually in February)

Consistent with our Fraternal values and ethics, the board will govern with an emphasis on (a) outward vision rather than an internal preoccupation, (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's major policy focus will be on the intended long-term impacts outside organizational operations, not on the administrative or programmatic means of attaining those effects.
2. The Board will enforce upon itself whatever discipline is needed to govern with excellence. Discipline will apply to matters such as compliance with board policies, attendance, preparation for meetings, policymaking principles, respect of roles, and ensuring the continuance of governance capability.
3. Continual Board development will include orientation of new Board members in the Board's governance process and periodic Board discussion of process improvement.
4. The Board will allow no officer, individual or committee of the Board to hinder or be an excuse for not fulfilling its commitments.
5. The Board will monitor and discuss the board's process and performance annually.

POLICY 3.2 - BOARD JOB DESCRIPTION
(Monitored Annually in February)

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

Accordingly:

1. The board will produce the link between the organization and the ownership.
2. The board will produce written governing policies, which, at the broadest levels, address each category of organizational decision.

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- 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-CEO Linkage: How power is delegated and its proper use monitored; the CEO's role, authority, and accountability.

POLICY 3.3 - AGENDA PLANNING (Monitored Annually in February)

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.

POLICY 3.4 - THE BOARD CHAIRMAN'S ROLE (Monitored Annually in February)

The Board Chairman assures the integrity of the board's process and occasionally represents the board to outside parties. Accordingly:

1. The job result of the Board Chairman 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 only those issues which, according to board policy, clearly belong to the board to decide, not the CEO.
 - B. Deliberation will be fair, open, and thorough, but also timely, orderly, and kept to the point.
 - C. Information that is for neither monitoring performance nor board decisions will be avoided or minimized and always noted as such.
2. The authority of the Board Chair consists in making decisions that fall within topics covered by board policies on Governance Process and Board-CEO Linkage, with the exception of (a) employment or termination of a CEO and (b) where the board specifically delegates portions of this authority to others. The Board Chairman is authorized to use any reasonable interpretation of the provisions in these policies.
 - A. The Board Chairman has no authority to make decisions about policies created by the board within Ends and Executive Limitations policy areas. Therefore, the chairperson has no authority to supervise or direct the CEO.
 - B. The Board Chairman may delegate this authority, but remains accountable for its use.

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POLICY 3.5 - BOARD MEMBERS' CODE OF CONDUCT **(Monitored Annually in February)**

The board commits itself and its members to fraternal, ethical, businesslike, and lawful conduct, including proper use of authority and appropriate decorum when acting as board members. Accordingly:

1. Members must avoid conflict of interest with respect to their fiduciary responsibility.
 - A. There will be no self-dealing or business by a member and the organization except when openness and appropriate competition are ensured.
 - B. When the board is to decide upon an issue, about which a member has an unavoidable conflict of interest, that member shall absent himself without comment from not only the vote, but also from the deliberation.
 - C. Board members 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 must first resign from the Board.
 - D. Members will annually disclose their involvement with other organizations, with vendors, or any other associations, which might produce a conflict.
2. Board members may not attempt to exercise individual authority over the organization except as explicitly set forth in board policies.
 - A. Members' interaction with the CEO or with staff must recognize the lack of authority vested in individuals except when explicitly board authorized.
 - B. Members' 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. Members will not make individual judgments of CEO or staff performance.
3. Members will respect the confidentiality appropriate to issues of a sensitive nature.
4. Members will be properly prepared for board deliberation.
5. Members will contribute financially to the best of their ability each year and at least at the minimum giving level (\$5,000 with at least 50% being designed at unrestricted)
6. Members will positively confront other board members when their behavior is inconsistent with the common good and these policies.
7. Members will attend two face-to-face meetings per year and cover all associated cost for attending said meetings.
8. Members will fulfill their expectations associated with the 2025 Strategic Plan.

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POLICY 3.6 - BOARD COMMITTEE PRINCIPLES (Monitored Annually in February)

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 CEO.

Accordingly:

1. Board committees are to help the board do its job, not to help or advise the staff.
2. Board committees cannot exercise authority over staff.
3. Committees will be used sparingly and ordinarily in an ad hoc capacity.
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 CEO.

POLICY 3.7 - BOARD COMMITTEE STRUCTURE (Monitored Annually in February)

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 board committees are those which are set forth in this policy. Unless otherwise stated, a committee ceases to exist as soon as its task is complete.

1. Audit Committee – Solicit competitive proposals for audit work, provide input on the scope of the work and review finding prior to forwarding final report to the full Board by November 1. Full board approval is required to engage an audit firm. Staff time may be subject to the scope of the audit but should not exceed 80 hours per year.
2. Grants Committee – Determine the available amount to grant from unrestricted funds each year, review grant requests, make recommendations to the full Board regarding grant requests and to receive and review reports on previously granted funds. Staff time should not exceed 20 hours per year.
3. Board Development Committee – Properly screen potential board members, recommend to the full board potential new board members, oversee a process for officer selection and review individual board member performance relative to policy 3.5. Staff time should not exceed 20 hours per year.
4. Investment Committee – Develop an investment policy statement for full board consideration, solicit proposals from investment managers, conduct periodic calls with the investment managers to monitor performance and provide feedback to the full Board regarding performance of the selected investment managers. Staff time should not exceed 20 hours per year.

POLICY 3.8 - COST OF GOVERNANCE
(Monitored Annually in February)

Because poor governance costs more than learning to govern well, the board will invest in its governance capacity.

Accordingly:

1. Costs for training, meetings and a third-party audit will be prudently incurred, though not at the expense of endangering the development and maintenance of superior capability.

POLICY TYPE: BOARD-CEO LINKAGE

POLICY 4.0 - GLOBAL GOVERNANCE-MANAGEMENT CONNECTION
(Monitored Annually in July)

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

POLICY 4.1 - UNITY OF CONTROL
(Monitored Annually in July)

Only officially passed motions of the board are binding on the CEO.

Accordingly:

1. Decisions or instructions of individual board members, officers, or committees are not binding on the CEO except in rare instances 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 CEO can refuse such requests that require, in the CEO's opinion, a material amount of staff time or funds or is disruptive.

POLICY 4.2 - ACCOUNTABILITY OF THE CEO
(Monitored Annually in July)

The CEO 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 CEO.

Accordingly:

1. The board will never give instructions to persons who report directly or indirectly to the CEO.

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2. The board will refrain from evaluating, either formally or informally, any staff other than the CEO.
3. The board will view CEO 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 CEO performance.

POLICY 4.3 - DELEGATION TO THE CEO (Monitored Annually in July)

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

Accordingly:

1. The board will develop policies instructing the CEO to achieve certain results, for certain 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 CEO 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 CEO uses *any reasonable interpretation* of the board's Ends and Executive Limitations policies, the CEO is authorized to establish all further policies, make all decisions, take all actions, establish all practices and develop all activities.
4. The board may change its Ends and Executive Limitations policies, thereby shifting the boundary between board and CEO domains. By doing so, the board changes the latitude of choice given to the CEO. But as long as any particular delegation is in place, the board will respect and support the CEO's choices.

POLICY 4.4 - MONITORING CEO PERFORMANCE (Monitored Annually in July)

Systematic and rigorous monitoring of CEO job performance will be solely against the only expected CEO 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 is simply to determine the degree to which board policies are being met.
2. The board will acquire monitoring data by one or more of three methods: (a) by internal report, in which the CEO 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.

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3. In every case, the standard for compliance shall be any reasonable CEO interpretation of the board policy being monitored.
4. All policies, which instruct the CEO, 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.

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BOARD MEMBER TERMS

Board Member	Term 1 Expiration	Term 2 Expiration
Bruce Bartoo	2025	2029
Rick Buss	2025	2029
John Chaney	2023	2027
Wally Dant	2021	2025
Drew Davis	2022	2026
Bill Doyle	2018	2022
Kevin Garvey	2021	2025
Brock Hillman	2025	2029
Jeff Hoffman	2021	2025
Ed Leedom	2019	2023
Matt Maurer	2024	2028
Jim McMahon	2023	2027
Bryan Proctor	2020	2024
Kip Roberts	2019	2023
Rodney Rusk	2021	2025
Bill White	2022	2026
Dave Gatzke, Grand Council Liaison	2022	
Sam Harris, Board of Advisor Liaison	2022	
Andrew Crowell, Undergraduate Liaison	2022	

Board Member Annual Conflict of Interest Statement

Alpha Sigma Phi Board members (Grand Council, Foundation Board, CLVEN Board), who have certain financial interests that may affect their impartiality in dealing with matters presented to their respective Board of Directors for consideration may not vote or be a part of discussions on such matters. Such a conflict of interest exists for any individual who may receive a direct or indirect personal financial gain or who may gain an unfair business advantage resulting from the confidential information provided to them as a member of their respective Board. All possible conflicts of interest that you may have as a member of an Alpha Sigma Phi Board should be listed below as an open declaration of such conflicts.

1. Name: _____ Date: _____

2. Volunteer Position: _____

Are you a voting Director? Yes No

Are you an Officer? Yes No

If you are an Officer, which Officer position do you hold: _____

3. I affirm the following:

- I have received the Alpha Sigma Phi Board Member Conflict of Interest Policy. _____ (initial)
- I have read and understand the policy. _____ (initial)
- I agree to comply with the policy. _____ (initial)

4. Disclosures:

- a. Do you have a financial interest (current or potential), including a compensation arrangement, as defined in the Conflict of Interest policy with any Alpha Sigma Phi entity (Fraternity, Foundation or CLVEN)?

Yes No

i. If yes, please describe it: _____

ii. If yes, has the financial interest been disclosed, as provided in the Conflict of Interest policy?

Yes No

- b. In the past, have you had a financial interest, including a compensation arrangement, as defined in the Conflict of Interest policy with any Alpha Sigma Phi entity (Fraternity, Foundation or CLVEN)?

Yes No

i. If yes, please describe it, including when (approximately):

ii. If yes, has the financial interest been disclosed, as provided in the Conflict of Interest policy?

Yes No

Printed Name of Board Member Date: _____

Signature of Board Member : _____