

PSIA AASI WESTERN DIVISION

Board of Directors

Governing Policies Manual

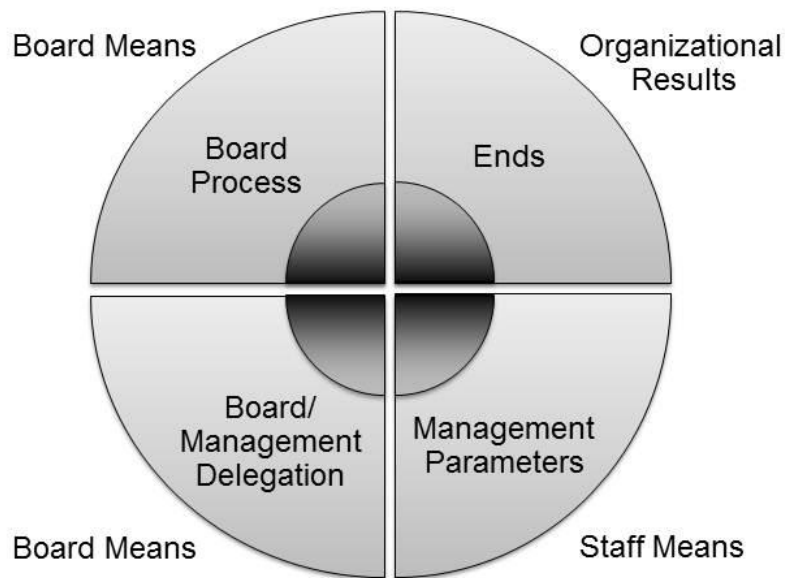


Table of Contents

INTRODUCTION	4
DEFINITIONS.....	5
POLICY 1.0 ENDS/PRIORITY RESULTS	6
POLICY 2.0 GOVERNANCE PURPOSE/COMMITMENT	8
POLICY 2.1 GOVERNING PHILOSOPHY / STYLE AND VALUES	9
POLICY 2.2 BOARD JOB PRODUCTS	11
POLICY 2.3 BOARD WORK PLAN AND AGENDA PREPARATION.....	12
POLICY 2.4 BOARD MEMBER ROLES, RESPONSIBILITIES, AND AUTHORITY	13
POLICY 2.5 BOARD MEMBERS’ CODE OF CONDUCT	15
POLICY 2.6 BOARD COMMITTEES, PRINCIPLES AND CREATION.....	17
POLICY 2.7 BOARD COMMITTEE STRUCTURE	18
1. Governance & Leadership Development Committee.....	18
2. Executive Compensation Committee.....	18
3. Membership Linkage Committee.....	18
4. Audit/Investment/Finance Committee.....	19
5. PSIA-AASI W Awards and Recognition Committee	19
6. PSIA-AASI W Board Nomination Committee	19
POLICY 2.8 OFFICER ELECTIONS	20
POLICY 2.9 BUDGETING FOR BOARD PREROGATIVES	21
INVESTMENT POLICY	22
<i>Policy 2.10 Investment Policy.....</i>	22
<i>Definitions.....</i>	22
<i>This Investment Policy:.....</i>	22
<i>Authorized Decision Makers:.....</i>	23
<i>Delegation of Authority:.....</i>	23
<i>Investor Circumstances:.....</i>	23
EXECUTIVE SUMMARY	23
SELECTION/RETENTION CRITERIA FOR INVESTMENTS.....	25
INVESTMENT MONITORING AND CONTROL PROCEDURES.....	26
DUTIES AND RESPONSIBILITIES.....	27
PERFORMANCE EVALUATION.....	28
POLICY 2.11 CEO COMPENSATION POLICY PNP 18.2	29
POLICY 3.0 GENERAL MANAGEMENT CONSTRAINT	30
POLICY 3.1 TREATMENT OF MEMBERS	31
POLICY 3.2 TREATMENT OF STAFF AND VOLUNTEERS.....	32
POLICY 3.3 TREATMENT OF CONTRACTORS AND VENDORS	32
POLICY 3.4 FINANCIAL CONDITION AND ACTIVITIES.....	33
POLICY 3.5 ASSET PROTECTION	34
POLICY 3.6 FINANCIAL PLANNING AND BUDGETING	35
POLICY 3.7 COMPENSATION AND BENEFITS.....	36
POLICY 3.8 EMERGENCY MANAGEMENT SUCCESSION	37
POLICY 3.9 BOARD AWARENESS AND SUPPORT	38
POLICY 3.10 CORPORATE PARTNERSHIPS	39

POLICY 4.0 BOARD/MANAGEMENT CONNECTION 40

POLICY 4.1 UNITY OF CONTROL 41

POLICY 4.2 ACCOUNTABILITY OF THE CEO 42

POLICY 4.3 DELEGATION TO THE CEO 43

POLICY 4.4 MONITORING CEO PERFORMANCE 44

..... 45

Introduction

This Governing Policies Manual (GPM) contains the current standing (ongoing) performance standards, values, and expectations of the Board of Directors of PSIA-AASI W (the “Board”).

1. **Purpose:** This Manual is designed to help the Board approach decisions from the perspective of its own, previously established standards, values and expectations by:
 - A. Elevating efficiency by having all ongoing Board policies in one place.
 - B. Quickly orienting new Board members to current policies.
 - C. Eliminating redundant or conflicting policies.
 - D. Having greater ease of reviewing current policy when considering new issues.
 - E. Providing clear, proactive policies to guide the CEO and staff, as well as Board officers, members and committees.
2. **Consistency:** The Board will ensure that each policy in this document is to be consistent with the law, the Articles of Incorporation, Policies and Procedures Manual and the Bylaws, all of which have precedence over these Board policies. Except for time-limited or procedural-only Board decisions (approving minutes, electing an officer, etc.), which are recorded in Board meeting minutes, all standing Board policies shall be included or referred to in this document. The CEO is responsible for developing operational and administrative policies and procedures that are consistent with the standards set forth in this Manual.
3. **Transition:** Unless a prior Board resolution or contract obligates the organization with regard to a specific matter, these updated standards supersede previous Board resolutions. If an actual or apparent conflict arises between this Manual and other policies or Board resolutions, the matter shall be brought to the Board’s attention for resolution.
4. **Changes:** The Board will regularly review these policies and, as appropriate, refine them. Proposed revisions may be submitted for Board consideration, by any Board member or by the CEO. Whenever changes are adopted, the updated document should be dated and promptly disseminated to the Board and CEO.
5. **Specificity:** Each new policy will be drafted to fit into the appropriate section of the Manual. For consistency, policies should be drafted starting with the broadest policy statement, then adding specificity down to the level of detail that the Board finds appropriate/necessary for Board action. The Board will afford discretion for implementation (allowing reasonable interpretation) when delegating further decisions to the Board Chair, Board Committees or the CEO.

Definitions

Board and CEO Relations (BOD/CEO) – Policy category that defines the means by which the board delegates authority to the CEO, including how the board will monitor organizational performance.

Chief Executive Officer – (CEO) chief executive officer or managing director of PSIA-AASI W, responsible for the day-to-day operation of the organization. The role also includes designing, developing, and implementing strategic plans in a manner that is both cost and time-efficient

Community – a dedicated, hardworking, ethical group of instructors with a passion for snowsports who are ambassadors for our profession

Educational Staff – employees that comprise the list of clinicians and examiners

Employee – one who performs services for an employer is an employee ***if the employer can control what will be done and how it will be done.*** This is so even when the employee is given freedom of action. What matters is that the employer has the right to control the details of how the services are performed. Example – hired office staff in Member Services

Ends – what are the broad, high-levels results the Board is asking the CEO, or business, to deliver, a fundamental objective that you are trying to achieve

Executive Limitations/Management Parameters (EL) – the board defines what activities are "out of bounds" and thus may not be engaged in regardless of whether they meet the ends. The first level of limitation for most boards requires that all activities be legal, ethical and prudent. By defining and monitoring the limits, the board is reasonably assured that they will approve of all activities within the boundaries without restraining management's creativity and ability to manage

Governance Policies (GP) – or Board Process; how the Board does its job

Independent Contractor – when the payer has the right to control or direct only the result of the work and not what will be done and how it will be done

Means – the methods by which the Ends are achieved; how it is done

Members: PSIA-AASI W snowsports instructors and snowsports schools

Operational – specific short-term objectives that define how the business operates

Policy – a statement that is an intentional expression of the values and principles of the PSIA-AASI W board of directors to guide decisions. Policies are the guidelines that drive governance and operational processes and procedures

Strategic – broad, long-term organizational objectives that help guide the actions of the organization

Policy 1.0 Ends/Priority Results

VISION: *Create lifelong adventures through education*

MISSION: *To promote exceptional standards at all levels and disciplines of snowsports instruction. Build leadership in individuals through education, training and adventure.*

Inspire a lifelong passion for snowsports, adventure and the mountain experience.

Connect snowsports instructors of the world in order to share, learn and grow.



1.0 Broadest End: PSIA-AASI W exists so that members enjoy benefits that enhance their success as professional instructors. These ends will be achieved at a level that justifies the resources invested. The Board of Directors need to ensure the Ends are met.

Priority Results:

1.1. Members experience relevant and meaningful professional development

- A. Members have access to, and use, evolving resources and educational content aligned with their development needs.
- B. Members develop valuable and distinct skills via education, certification and specialist opportunities
- C. Members receive expanded professional benefits

1.2. Members benefit from participating in a diverse professional community and membership base

- A. PSIA-AASI W and National's programs and services complement each other
- B. Professional networking and mentoring provides inspiration and personal fulfillment
- C. Members identify as part of the profession globally, nationally, regionally, and locally

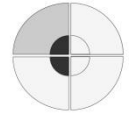
1.3. Members, the industry, and the public recognize and value PSIA-AASI W education, training, and credentials as a premier standard

- A. Standards evolve and are applied with consistency
- B. The public values PSIA-AASI W instruction and guest experience
- C. Snowsports schools and resort management benefit from instructor credentials, competence, and skillset and resources available through PSIA-AASI W

1.4. PSIA-AASI W use available resources and economies of scale

- A. Expanded revenue streams and Education Foundation growth allow creation of resources for members
- B. Common systems, tools, and back office efficiencies are developed, continually enhanced and implemented
- C. Communication tools are developed and continually enhanced, and messaging is shared

1.5. PSIA-AASI W and National's strategic goals align



Board Process

Policy 2.0 Governance Purpose/Commitment

The purpose of PSIA-AASI W Board of Directors is to ensure that PSIA-AASI W:

1. Achieves appropriate results for or on behalf of the membership (as specified in Board Ends policies) at an optimal cost through specific, measurable, actionable, reasonable and timely (SMART) goals.

Policy 2.1 Governing Philosophy / Style and Values



The Board will govern lawfully, using Policy Governance®¹ principles, with an emphasis on: (a) integrity and truthfulness in all of its activities and practices, (b) outward vision, (c) encouragement of diversity in viewpoints, (d) strategic leadership more than administrative detail, (e) clear distinction of Board and staff roles, (f) collective decisions, and (g) a focus on the future.

Accordingly:

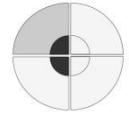
1. The Board will cultivate a sense of group responsibility. The Board, not the staff, is responsible for Board performance. The Board will lead PSIA-AASI W by proactively setting performance expectations for itself and for the operating organization.
2. The Board will use Board members' expertise to enhance its understanding of issues but will not simply defer to that expertise as the judgment of the entire Board.
3. The Board will set performance standards and expectations for the Association through the careful articulation of written policies. The Board's primary focus will be on the achievement of intended long-term impacts for and on behalf of the membership, not on the administrative/operational means of attaining those results.
4. The Board will establish and adhere to its own performance expectations pertaining to matters such as attendance, meeting preparation and participation, policy-making, respect of roles, speaking to management, the membership, and the public with one voice, and continually building the capability and reputation of the Board as an effective leadership team.
 - A. Continual Board development will include periodic discussion of its own performance, and orientation of new Board members, upon appointment, in the Board's governance process and these policies.
 - B. Orientation for new Board members will include three primary components:
 - i. **Governance process:** The Governance and Leadership Development Committee will ensure provision of training including the governance principles underlying this document, and review of PSIA-AASI W's Bylaws and these policies, with particular emphasis on the Board Members' Code of Conduct policy.
 - ii. **Current strategic issues:** The Governance and Leadership Development Committee and the CEO will provide overview and background information on significant issues being addressed and likely to be decided upon early in new Board member's tenure.
 - iii. **Operational overview:** The CEO will help new Board members achieve a general understanding of PSIA-AASI W's operating organization (financials, key personnel, key products/programs/services, FAQs, etc.).
5. Although the Board may change these governing policies at any time, it will diligently observe those currently in effect.
6. All on-going policies of the Board are contained in this document, and they remain in effect, unless amended or deleted by Board action.
7. The Board will be accountable to PSIA-AASI W's membership represented for competent, conscientious, and effective fulfillment of its governance obligations. The Board will not allow any officer, individual or Board Committee to be an obstacle to this commitment.
8. The Board reaffirms that PSIA-AASI W is an education association dedicated to the profession of snowsports teaching and coaching, and it does not involve itself in the employee/employer relationship (e.g. agreements between our members and their employers.)
9. The Board will regularly evaluate and strive to improve its performance. Self-assessment will compare Board activity and discipline to the standards set forth in these Board Process and Board-Management Delegation policies.

¹ Policy Governance® is a registered service mark of Dr. John Carver, representing an integrated set of governance principles that provide for systematic role clarity and organizational accountability. Authoritative website: www.policygovernance.com

PSIA-AASI W Board of Directors Governing Policy

10. The Board's activities will be open and accessible to reasonable scrutiny by the membership with the exception of personnel or other matters of a sensitive nature.
11. The Board will not allow the organization, in its hiring and other activities, to discriminate on the basis of race, creed, national origin, religion, age, disability, political affiliation, sex, sexual orientation, or marital, parental, or military status.

Policy 2.2 Board Job Products



Board Process

On behalf of PSIA-AASI W's membership, the Board's job is to define and ensure appropriate organizational performance. Accordingly, the Board has direct responsibility to create:

1. **Linkage:** Connect the interests of the membership with operational performance.
 - A. **Needs Assessment:** The Board will assess needs and trends affecting the membership as they relate to PSIA-AASI W's activities and scope of influence and will develop and maintain Ends policies identifying and prioritizing intended organizational outcomes to address those needs.
 - B. **Advocacy:** The Board will inform the members of the Association's achievements on their behalf and of its expected future results.
2. **Performance Standards:** The Board will maintain written performance standards, as set forth in these governing policies, addressing the broadest, and as appropriate, more defined levels of organizational decisions and situations.
 - A. **Ends:** Strategic directives/results priorities pertaining to organizational impacts, benefits, outcomes, recipients, and their relative worth (what results, for which recipients, at what cost/priority).
 - B. **Management Parameters:** Constraints on executive authority defining the boundaries of prudence and ethics within which all executive activity and decisions must take place.
 - C. **Board Process:** Specification of how the Board defines, carries out, and assesses its own work.
 - D. **Board/Management Delegation:** How authority is delegated to management, and its proper use monitored; the CEO role, authority and accountability.
3. **Assurance of Organizational Performance:** The Board will ensure Ends fulfillment, financial solvency and organizational integrity by holding itself accountable for effective governance as defined in these policies while holding the CEO accountable for successful achievement of Ends and adherence to Management Parameters.

In addition, the Board maintains direct responsibility for:

- A. Determinations regarding membership dues and late fees.
 - i. Consistent with the policy agreed to by ASEA and the dues increases will normally not exceed three percent (3%) Annually. If a greater increase is necessary, the division will notify ASEA of both the reason and the need for the greater increase.
- B. Determinations regarding division's education and certification events fees.
- C. Determinations regarding education staff's compensation.
- D. Determinations regarding changes to National Standards. The Board will act on recommendations from National Standards Committee/Task Forces, with input from the Division's leadership prior to Board action.
- E. Determinations regarding the recipients of PSIA-AASI W's Appreciation and Recognition Awards.
- F. Decisions outside the boundaries of authority delegated to the CEO (as proscribed in *Management Parameters* policies).
- G. Approval of the Annual Fiscal Budget for PSIA-AASI Western Division.

Policy 2.3 Board Work Plan and Agenda Preparation

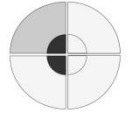


To fulfill its role, the Board will prepare and follow an annual work plan that: (1) reviews the Ends policies and suggest changes or additions to those policies, and (2) improves Board performance through, but not limited to, reviewing its own Board governance, Board education, interactions with employees, independent contractors, customers, members, and/or outside experts.

Accordingly:

1. **Annual Cycle:** The Board's annual planning cycle will conclude each year at its spring meeting, so that administrative planning and budgeting for the next fiscal year can be focused on addressing both long and short-term ends.
2. **Work Plan Development:** At its spring meeting, the Board will also begin development of its work plan for the next year. At that time, the Board Chair will prepare, and present, for the Board's consideration and approval a suggested work plan for the following year's meetings. Considerations should include:
 - A. **Board Education:** Identification of topics that will elevate the Board's understanding, primarily of external issues and trends that impact Ends, and to a lesser extent key areas of operations.
 - B. **Recruitment, Orientation, and Training for new Board members:** Welcome new members and provide for a basic outline of Board member responsibilities, expectations, and timing of Board operations.
 - C. **Policy Review:** How the Board will systematically review all of its policies, with emphasis on Ends over the course of the year, (e.g. by priority, by topic, or by an emphasis of the Board's choosing).
 - D. **Assessment/Evaluation of CEO Performance:** Reviewing the schedule of planned monitoring activities to assure performance on Ends and Management Parameters policies.
 - E. **Self-Assessment:** Methods and timeline for periodic and objective evaluation of how well the Board is fulfilling its role (i.e., in accordance with its Board Process and Board/Management Delegation policies) and open discussion of how the Board's performance can be improved.
 - F. **Meeting Schedule:** Update/reassess the multiple-year planning calendar for Board meetings to maximize Board member attendance and participation.
3. **Meeting Agendas:** The Board Chair will determine the agenda for any particular meeting, although Board members and the CEO may request or recommend any appropriate matter for Board consideration.
 - A. A Board member or the CEO may recommend or request a matter for Board discussion by submitting the item to the Board Chair at least 20 days prior to the regularly scheduled Board meeting.
 - B. To ensure Board member preparation and informed participation (and that Division leadership are informed of Board developments), meeting agendas and packets are to be received by Board members at least 10 days prior to the scheduled Board meeting.
 - C. By an affirmative vote of a majority of those present, additional matters may be added to the agenda of any regular Board meeting.
4. **CEO Compensation Review:** Each year, prior to June 1, the compensation committee will provide a plan to the Board as part of the budget submittal for salary and benefit adjustments for the following year. The compensation plan will be based on market conditions with data from independent third parties and performance. CEO's and Office staff compensation and benefits will be effective July 1st.

Policy 2.4 Board Member Roles, Responsibilities, and Authority



Board Process

1. Chairperson (Chair)

As PSIA-AASI W's chief governance officer, the Chair's primary role is to ensure the integrity of the board's process, and secondarily to represent the Board to outside parties.

Accordingly:

- A. The Chair's job is to ensure that the Board acts in a manner consistent with its policies and any requirements legitimately imposed upon it from outside the organization.
 - i. Meeting discussion content will consist solely of issues that clearly belong to the Board to decide, consider, or to monitor, or to otherwise inform/educate the Board so it can best fulfill its responsibilities.
 - ii. Information that is not for monitoring performance, Board education, or Board decisions, will be avoided or minimized and always noted as such.
 - iii. Deliberation will be fair, open, thorough, timely, orderly, and kept to the point.
- B. The Chair is authorized to make decisions consistent with the Board Process and Board/Management Delegation policies, with the exception of (a) employment/termination of the CEO, or (b) instances where the Board specifically delegates portions of this authority to others. The Chair may use any reasonable interpretation of these policies.
 - i. The Chair is empowered to preside at Board meetings with the commonly accepted power of that position, such as ruling and recognizing.
 - ii. The Chair has no authority to make decisions within the Board's Ends and Management Parameters policy areas. Therefore, as the CEO is accountable to the Board as a whole, the Chair has no authority to supervise or direct the CEO.
 - iii. The Chair may represent the Board to outside parties in announcing Board-stated positions and in stating decisions and interpretations within the area delegated to the Chair.
 - iv. The Chair may delegate the authority but remains accountable for its use.
- C. Except where specified otherwise in Bylaws or Board Policies, the Chair may appoint Board members or others, as appropriate, to serve on Board Committees.

2. Vice Chairperson (Vice Chair)

The Vice Chair shall assume the duties of the Chair in the absence of the Chair or if the Chair is unable to perform their duties.

3. Treasurer

The Treasurer shall be the fiscal officer of the corporation and have all the duties usually attendant to such position.

4. Secretary

The Secretary shall ensure that all rules and bylaws of the organization are adhered to by the Board during meetings and the implementation of Board decisions. The Secretary is also responsible for all records and documentation for the organization. If the Chair and Vice Chair cannot attend a Board meeting or perform their duties, the Secretary can assume those duties temporarily.

5. Board Members

PSIA-AASI W Board of Directors Governing Policy

Board member engagement and participation is integral to the Board's leadership success. Therefore, each Board member is expected to fulfill the following responsibilities:

- A. **Commitment:** Board members are expected to abide by PSIA-AASI W's Bylaws and Governing Policies
- B. **Attendance and consequences:** Board members are expected to attend Board meetings on a regular and punctual basis. Absence from more than two of the Board's regularly scheduled meetings in any fiscal year is cause for removal from the Board with a majority vote. In extenuating circumstances, a Board member may request special consideration.
- C. **Preparation and Participation:** Board members are expected to review agenda materials in advance of Board and committee meetings and to participate productively in discussions, always within the performance standards/expectations of Board behavior as outlined in these policies.
- D. **Responsiveness:** Board members will be attentive to Board communications and respond promptly to employee and Board member requests for feedback.
- E. **Members as Individuals:** The CEO is accountable to the Board as a whole and not to individual Board members. Therefore, the relationship between the CEO and individual members of the Board, including the Chair, is collegial and not hierarchical.
- F. **Voluntarism:** Board members may be selected to individually volunteer in operational capacities. In such situations, they are subject to the direct supervision of the CEO or responsible employee.
- G. **Members in Good Standing:** Board members are expected to maintain good standing.

Policy 2.5 Board Members' Code of Conduct



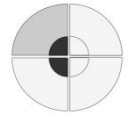
The Board is ethical, professional, and conducts itself lawfully, including proper use of authority and appropriate decorum when acting as Board members.

Accordingly:

1. Board members must avoid conflict of interest with respect to their fiduciary responsibility.
 - A. There must be no self-dealing or any conduct of private business or personal services between any Board member and the organization except as procedurally controlled to assure openness, competitive opportunity, and equal access to inside information.
 - B. The purpose of this conflict-of-interest statement is to protect the interests of our tax-exempt organization when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a director, officer, committee chair, or management employee of the organization or any entity in which the effected individual has any legal, equitable or any fiduciary interest as a director, officer, shareholder or partner.
 - C. Conflicts of interest may arise in the relations of directors, officers, committee chairs and management employees with any of the following third parties:
 - i. Competing or affinity organizations
 - ii. Persons and firms supplying goods and services to PSIA-AASI W
 - iii. Persons and firms from whom PSIA-AASI W leases property and equipment
 - iv. Agencies, organizations, and associations that affect the operations of PSIA-AASI W
 - v. Family members, friends, and other employees
 - D. Disclosures of a real or potential conflict of interest should be made to the Chair (or if they are the one with the conflict, then to the Vice Chair), who shall determine whether a conflict exists and is material, and if the matters are material, bring them to the attention of the Board.
 - E. Whenever any Board Member or person subject to this policy has a conflict of interest or a perceived conflict of interest with PSIA-AASI W, they shall notify the Chair of such conflict in writing.
 - F. The Board has determined that a real or potential conflict of interest always exists in the following circumstances:
 - i. When a voting member of the Board of Directors receives compensation, directly or indirectly, from the Corporation for services. In such a case, the Board member shall be precluded from voting on matters pertaining to that member's compensation.
 - ii. Any voting member of the Board of Directors or any committee whose jurisdiction includes compensation or performance matters and who receives compensation, directly or indirectly, from the Corporation shall be prohibited from providing information to the Board of Directors or any committee regarding compensation or performance review.

- G. The areas of conflicting interest listed in the previous section, and the relations in those areas that may give rise to conflict, as listed previously, are not exhaustive. Conceivably, conflicts might arise in other areas or through other relations. It is assumed that the directors, officers, committee chairs and management employees will recognize such areas and relation by analogy.
2. Board members must not exercise individual authority over the organization.
 - A. Board members' interactions with the CEO or with employees must recognize the lack of authority vested in individuals except when explicitly stipulated by the Board.
 - B. Board members are not to speak for the Board except when specifically authorized by the Board to do so, and then only to repeat explicitly stated Board decisions.
 - C. The Board may not speak for the CEO except when specifically authorized by the CEO to do so, and then only repeat explicitly stated CEO decisions.
 - D. Board members will not publicly express individual judgments of the CEO or the performance of individual employees, other than when participating in the Board's monitoring functions.
 3. Board members must respect the confidentiality appropriate to issues of a sensitive nature.
 4. Board members must respect PSIA-AASI W's relationships with other industry partners.
 5. A Board member aware of credible information that suggests a Board policy has been violated by the Board, a Board member, or the CEO, has an affirmative obligation to bring the concern to the Board Chair. If the Chairperson is the Chair of the concern, it should be brought to the Vice Chair.
 6. If a Board member is alleged to have violated this Code of Conduct:
 - A. The Chair (or Vice Chair, if the Chair is the subject of the concern) will have an informal discussion with the individual whose action(s) are questioned. If this is not successful in resolving the concern, then:
 - B. The Chair will put the issue on the agenda for the closed session. The respondent Board member will be allowed to present his or her views prior to the Board determining whether or not the action violated this Code of Conduct.
 - C. A Board member found by the Board (by majority vote) to have violated this Code of Conduct may be subject to subsequent censure or other Board action, as long as consistent with the Bylaws.
 7. All Board members are required to sign an acknowledgement of this policy annually.

Policy 2.6 Board Committees, Principles and Creation



Board Process

Principles:

Board committees may be established to help the Board be more effective and/or efficient in its work. Board committees are not to interfere with the Board's delegation of authority to the Education Director (ED), or the ED's to other staff.

Creation:

Board committees are those established by and with authority emanating from the Board regardless of whether composition includes non-Board members. Unless otherwise specified, the CEO, or his/her staff designee, will serve as a resource (non-voting member) for each Board committee.

Accordingly:

1. Board committees are to help the Board do its job, not to help, advise, or exercise authority over the CEO.
2. Board committees will ordinarily undertake activities not delegated to the CEO such as by preparing policy alternatives and implications for Board consideration or performing specific monitoring functions.
3. Board committees may only speak or act for the Board when formally given such authority for specific and/or time-limited purposes. The Board will carefully state expectations for and authority of each committee (in the Board Committee Structure policy) in order not to conflict with authority delegated to the CEO.
4. As the CEO works for the full Board, he or she will not be required to seek approval of a Board committee before an executive action.
5. This policy applies to any group formed by Board action, whether or not it is called a committee and regardless of whether it includes Board members. This policy does not apply to task forces or work groups formed under the authority of the CEO.
6. Unless specifically authorized by the Board, a Board Committee may not make any commitment of organizational resources or funds.
7. Committees will have terms of reference

Policy 2.7 Board Committee Structure



Board committees are those established by and with authority emanating from the Board regardless of whether composition includes non-Board members. The only Board committees are those set forth below. Unless otherwise specified, the CEO, or his/her staff designee, will serve as a resource (non-voting member) for each Board committee.

1. Governance & Leadership Development Committee

- A. **Product #1:** As directed by the Board or requested by the Chair, preparation and/or review of proposed policy/Bylaws revisions and implications for Board consideration.
- Product #2:** Thorough orientation and training of new Board members.
- Product #3:** Recommendations for Board consideration regarding additional Board training opportunities to enhance the Board's governance skills and capabilities.
- Product #4:** Recommendations for Board consideration regarding Board and leadership development opportunities that would be of mutual value for PSIA-AASI W and the members.
- B. **Composition:** Vice Chair, Board Secretary and one additional Board member appointed by the Board Chair at the Spring Board meeting.

2. Executive Compensation Committee

- A. **Product #1:** Recommendations for Board consideration regarding adjustments to the CEO's compensation and benefits package. To be presented to the Board no later than June 1st of each year. Accompanying the recommendations, data as to comparable compensation for similarly qualified persons in comparable positions.
- Product #2:** Contemporaneous documentation and recordkeeping with respect to the deliberations and decisions regarding CEO compensation.
- Product #3:** If directed by the Board, may commission a review by an independent consulting firm to evaluate PSIA-AASI W's key executive compensation program against the competitive market.
- B. **Composition:** Board Chair plus two Board members chosen by the Board at the Summer Board meeting.

3. Membership Linkage Committee

- A. **Product:**
- i. Ensure the Board is informed about values and perspectives of:
 - a. Current & future membership
 - b. Member Schools
 - c. Divisions
 - ii. Ensure the membership is informed about the work of the Board
- B. **Composition:** Chairperson plus one or more board members and approximately three at-large members appointed by the Board Chair each year at the Spring Board meeting. The at-large members should be from the division. For the initial appointments half of the at large members shall be appointed to a one-year term and half for a two-year term, thereafter half of the at-large members shall be appointed at each Spring Board Meeting for a two-year term. This committee is suggested for individuals who are interested in review of membership data and industry trends, have demonstrated a current ability to share updates and best practices to generate new ideas, and hail from a cross-section of the PSIA-AASI W membership to represent diverse opinions (e.g. younger member, school director, etc.)
- C. **Time Commitment:** This committee will be asked to participate in at minimum quarterly conference calls and/or webinars that will last one hour or less.

4. Audit/Investment/Finance Committee

- A. **Product #1:** Confirmation of auditor's independence and recommendation to Board for engagement of auditor by no later than end of February each year.
- Product #2:** Annual specification of audit scope, consistent with Board monitoring schedule (see policy 4.4), including approval of any permitted non-audit services to be provided by the independent auditor.
- Product #3:** Assurance that the auditor has unfettered access to organizational management and records.
- Product #4:** Review with the independent auditor any problems encountered performing the audit, the audited financial statements, and any management letter provided by the auditor.
- Product #5:** Recommendations for Board consideration regarding revisions to the Board's fiscal policies.
- Product #6:** "Direct Inspection" (internal audit) monitoring of compliance with the Board's fiscal policies (Financial Condition, Asset Protection, Budget, Compensation and Benefits), as directed/scheduled by the Board per policy 4.4 *Monitoring CEO Performance*.
- Product #7:** Oversight/Management of Investment Portfolio, per investment Policy.
- Product #8:** Review monthly financial provided by the CEO.
- Product #9:** Review annual budget proposal from CEO and work with CEO to bring a proposed budget to the Board for approval for the next Fiscal Year.
- B. **Composition:** Treasurer to be chairperson, plus two Board members appointed by the Board each year at its Spring meeting.

5. PSIA-AASI W Awards and Recognition Committee

- A. **Product #1:** Review of Award/Recognition Selection Criteria and Process, and recommendations for revisions for Board consideration to update this policy.
- Product #2:** Fulfillment of the Awards consideration and determination process, as set forth in the Board's Awards and Recognition Criteria and Procedures Policy. (Policy to be developed)
- B. **Composition:** Two or more board members (a Chairperson plus at least one additional Board member) and approximately three PSIA-AASI W members in good standing. The board members shall be appointed by the Board Chair each year at the Spring meeting for one-year terms. When feasible, the at-large members should be from different regions. The at-large members will be appointed by the Board Chair at the spring meeting for two-year terms.

6. PSIA-AASI W Board Nomination Committee

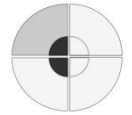
Policy 2.8 Officer Elections



Per the Bylaws, the Board of Directors shall elect its own officers. The procedure for nominations and elections shall be as follows:

1. Any board member may nominate themselves or a fellow board member to one or more of the officer positions sending communication ahead of the board meeting to the president or nomination(s) may occur the morning of the meeting at the first call for candidates.
2. Once a board member is nominated for an officer position, they may withdraw their name from nomination at any time before the ballot is cast.
3. After the second call for candidates, candidates will be asked to give their “campaign speech” stating their qualifications and why they wish to run for the position. They may also say a few words immediately preceding the election if they wish.
4. The election will be held at the end of the board meeting in the spring.
5. Order of elections will be Chair, Vice Chair, Secretary, and Treasurer.
6. In the event that an individual is nominated for more than one officer position, they may stand for each officer position until elected or the election process is completed.
7. Once a candidate is elected to an officer position, his/her name is automatically withdrawn from nomination for other officer positions.
8. There will be a secret written ballot for all elections unless there is only one candidate.

Policy 2.9 Budgeting for Board Prerogatives



Board Process

The Board will consciously invest in its ability to govern effectively.

Accordingly:

1. The Board will allocate resources to ensure that it has sufficient skills, methods and support to assure excellence in its leadership.
2. Training will be used appropriately to orient new Board members and to increase existing Board members' skills and knowledge.
3. Outside monitoring, including fiscal audit, will be arranged as needed to help the Board have confidence that organizational performance meets expectations, as stated in these policies. This includes, but is not limited to, audits, reviews or opinions on fiscal, legal or governance matters.
4. Outreach mechanisms will be used as needed to ensure the Board understands member's viewpoints and values.
5. Costs will be prudently incurred, but sufficient to ensure the development and provision of superior governance, with consideration to:
 - A. Board meeting and retreat costs (including Board travel and reimbursement).
 - B. Board training, including publications and workshops.
 - C. Fiscal audit and other third-party monitoring of organizational performance. Membership linkage activities, including surveys and qualitative research..
 - D. Board committee functions (other than Audit, as itemized in C above).

Investment Policy

Policy 2.10 Investment Policy



The purpose of this Investment Policy is to establish guidelines for the investment of funds held by the Professional Ski Instructors Association and American Association of Snowboard Instructors Western Division (PSIA-AASI Western). This Investment Policy reflects the policy, objectives, and guidelines of the PSIA-AASI Western Board of Directors for the management of the investment pool.

Definitions

1. “Board of Directors” shall refer to the governing body of the PSIA-AASI Western
2. “Finance Committee” shall refer to the decision-making body established by the Board of Directors to oversee the management of the investment assets and adherence to the Investment Policy.
3. “PSIA-AASI Western Staff” shall refer to the Executive Director and finance staff involved with the implementation of the Investment Policy.
4. “Investment Manager” shall mean any individual, or group of individuals, employed to manage the investments of all or part of the PSIA-AASI Western’s assets, e.g., the manager of a mutual fund
5. “Advisor” shall mean any individual, or organization employed to provide advisory services, including advice on investment objectives and/or asset allocation, manager search and performance monitoring.
6. “Fiduciary” shall mean any individual or group of individuals that exercise discretionary authority or control over the fund management or any authority or control over management, disposition or administration of portfolio assets.

This Investment Policy:

- Establishes the Board of Directors’ expectations, objectives and guidelines in the investment of the assets.
- Creates the framework for a well-diversified asset mix that can be expected to generate acceptable long-term returns at a level of risk suitable to the Board, including:
 1. Describing an appropriate risk posture for the investment of the assets
 2. Specifying the target asset allocation policy
 3. Establishing guidelines regarding the selection of investment managers, permissible securities and diversification of assets
 4. Specifying the criteria for evaluating the performance of the investments
- Defines the responsibilities of the Finance Committee, PSIA-AASI Western staff, Advisor, and Investment Manager(s).
- Establishes a basis for evaluating investment results

This Investment Policy is intended to be a summary of an investment philosophy and the procedures that provide guidance for the Finance Committee and PSIA-AASI Western staff regarding implementation of the Policy. The Policy should be dynamic and reflect the Board of Directors’ current status and philosophy regarding the investment of the various asset pools. This Policy will be reviewed at least annually.

Investor Information:

Name: PSIA-AASI West (Professional Ski Instructors of America - West)
9709 Highway 267, #B
Truckee, CA 96161

Authorized Decision Makers:

The Board of Directors is responsible for adopting and amending the Investment Policy. The Board of Directors authorizes the members of the Finance Committee to make decisions pertaining to the oversight of the investment assets, within the parameters of the Policy.

Delegation of Authority:

The Finance Committee of PSIA-AASI Western is the fiduciary responsible for monitoring the investment management of assets. As such, the Finance Committee is directed to collaborate with PSIA-AASI Western staff to delegate certain responsibilities to professional experts in various fields. These include, but are not limited to, investment management consultants, investment managers, custodians, attorneys, auditors, actuaries, and others deemed appropriate to fulfill the fiduciary responsibility of the Finance Committee. The Finance Committee will not reserve any control over investment decisions, with the exception of specific limitations described in this Policy. Managers will be held responsible and accountable for achieving the objectives stated in this policy. While it is not believed that the limitations will hamper investment managers, each manager should request modifications deemed appropriate.

Investor Circumstances:

The Finance Committee describes their own knowledge of investments as medium (some experience investing in mutual funds or individual stocks and bonds).

EXECUTIVE SUMMARY

Investment Pool:

Primary Objective:

Short & Long Term

Preservation of Capital – To minimize the probability of loss of principal over the investment horizon.

Liquidity – Assets are to be managed to ensure the ability to meet cash flow needs by investing in securities, which can be sold readily and efficiently.

Preservation of purchasing power, net of spending. Primary emphasis is on achieving returns in excess of the rate of inflation net of spending over the investment horizon in order to preserve purchasing power of the assets.

Target Rate of Return: The long-term objective for the assets in this portfolio is to meet or exceed the return of an appropriate balanced market index aligned with the allocation of assets.

Time Horizon: Over 5 years

Risk Tolerance: Moderate

Allowable Assets:

1. Cash and Cash Equivalents with Maturities of 5 Years or Less

- Treasury Bills
- Money Market Funds regulated by the Securities and Exchange Commission under Rule 2a-7
- Bank sweep accounts jointly approved by the Finance Committee and TDLT staff
- Fully insured Certificates of Deposits with a BankRate.com rating of 3 stars or better
- Commercial paper rated A1, or its equivalent, or better

2. Fixed Income Securities

- U.S. Treasury Notes and Bonds, or obligations which carry the full faith and credit of the United States
- Obligations of U.S. Government Agencies or Government Sponsored Enterprises
- Mortgage Backed Bonds
- U.S. Corporate Notes and Bonds
- Fixed Income Securities of Foreign Governments and Corporations

3. Equity Securities

- Common Stocks (held by an investment manager, e.g., mutual fund, or in a “managed account”).
- Convertible Notes and Bonds
- American Depository Receipts (ADRs) of Non-U.S. Companies
- Stocks of Non-U.S. Companies (Ordinary Shares) (held by an investment manager, e.g., mutual fund, or in a “managed account”).
- Real Estate Securities/REITs

4. Allowable Investment Types

- Individual Stocks (held by an investment manager, e.g., mutual fund, or in a “managed account”) or Bonds
- Open-ended Mutual Funds
- Exchange Traded Funds
- Managed Separate Accounts

Asset Allocation:	Asset Class	Target	Minimum/Maximum
	Equities	70% - 75%	65% - 85%
	Fixed Income	25%	10% - 35%
	Cash	0% - 5%	0% - 10%

The maximum allowable allocation of the aggregate portfolio to illiquid securities is 0%.

Rebalancing Procedures: Portfolio is rebalanced annually or as appropriate.

Cash Limits: PSIA-AASI Western wishes to maintain 0 to 10% minimum liquidity needs.

Restrictions: Average Bond quality rating: BBB or better
Maximum Average Bond Maturity: 10 years
Maximum Individual Bond Maturity: 15 years
Maximum Individual Security Portion (excluding a mutual fund or ETF): 10%

PSIA-AASI Western will implement the following overall guidelines for the portfolio as a whole:

Asset Class:	<u>Equity</u>	<u>Fixed Income</u>	<u>Cash</u>
	70 - 75%	25%	5% or less

The Portfolio will be reviewed on a semi-annual basis (June 30 and December 31) to determine the deviation from target weightings. Portfolio should be rebalanced if the following occurs:

1. If any asset class is not within +/-10 percentage points from its target weighting.
2. If any fund within the portfolio has increased to be above 15% of the Total Portfolio Value.

SELECTION/RETENTION CRITERIA FOR INVESTMENTS

Investment Management Policy

The funds should be invested in accordance with these general policies:

1. **Preservation of Capital.** The Audit/Investment/Finance Committee and the investment managers should make conscious efforts to preserve capital, understanding that losses may occur in individual securities.
2. **Risk Aversion.** The Audit/Investment/Finance Committee recognizes that some risk is necessary to produce long-term investment results sufficient to meet the Fund's objectives. However, investment managers are to make reasonable efforts to control risk, and they will be evaluated regularly to ensure that the risk assumed is commensurate with the given investment style and objectives.
3. **Adherence to Investment Discipline.** Investment managers are expected to adhere to the investment management styles for which they were hired. Managers will be evaluated regularly for adherence to investment discipline.

Investment Selection

Investment managers (including mutual funds, separate account managers and Exchange Traded Funds) shall be chosen using the following criteria:

- Past performance, considered relative to other investments having the same investment objective. Consideration shall be given to both performance rankings over various time frames and consistency of performance
- Costs relative to other funds with like objectives and investment styles

- Manager's adherence to investment style
- Size of the manager's portfolio
- Length of time the fund/manager has been in existence and length of time it has been under the direction of the current manager(s) and whether or not there have been material changes in the manager's organization and personnel
- Historical volatility and downside risk of each proposed investment
- How well each proposed investment complements other assets in the portfolio
- Likelihood of future investment success, relative to other opportunities
- Quality of client service and performance reporting

Prohibited Transactions

- Short selling
- Margin transactions
- Purchase of privately held securities (not publicly traded) and derivative securities

INVESTMENT MONITORING AND CONTROL PROCEDURES

Reporting

The investment custodian shall provide PSIA-AASI Western with:

- Monthly statements for each account held by PSIA-AASI Western
- Such reports shall show values for each asset and all transactions affecting assets within the portfolio, including additions and withdrawals.

The Advisor shall provide PSIA-AASI Western staff and the PSIA-AASI Western Finance Committee the following management reports on a periodic basis:

- Portfolio performance results over varying time periods
- Review of current asset allocation versus policy guidelines
- Any recommendations for changes of the above

Meetings and Communication among PSIA-AASI Western Staff, Audit/Investment/Finance Committee and Advisor

As a matter of course, the Advisor shall keep PSIA-AASI Western staff and the Finance Committee apprised of any material changes in the Advisor's outlook, recommended investment policy, and tactics. In addition, Advisor shall meet jointly in person or by conference call with PSIA-AASI Western staff and the Finance Committee approximately semi-annually to review and explain investment results and any related issues. Advisor shall also be available on a reasonable basis for telephone and email communication as needed. Advisor is to meet with the Board of Directors as requested.

DUTIES AND RESPONSIBILITIES

The Advisor

The Advisor is a Registered Investment Advisor and shall act as the investment advisor to the Board of Directors, its Audit/Investment/Finance Committee and PSIA-AASI Western staff until the Board decides otherwise.

Advisor shall be responsible for

- Assisting in the development and periodic review of investment policy.
- Recommending an appropriate asset allocation plan consistent with the investment objectives, time horizon, risk profile, guidelines and constraints outlined in this statement.
- Advising about the selection of and the allocation of asset categories.
- Identifying specific assets and investment managers within each asset category.
- Providing research on the Investment Manager(s)
- Monitoring the performance of all portfolio assets.
- Recommending changes to this investment policy statement.
- Periodically reviewing the suitability of the investments.
- Preparing and presenting appropriate reports.

Discretion and Title

- Advisor will not have any discretionary control.
- Advisor shall have no authority to withdraw funds from PSIA-AASI Western's accounts, except to cover payment of previously agreed to fees or at PSIA-AASI West staff's specific direction.
- Advisor may not change PSIA-AASI Western's investment policy, including the targeted asset allocation, without the Board of Directors' prior approval.

PSIA-AASI Western Staff

PSIA-AASI Western Staff shall be responsible for:

- Estimating PSIA-AASI Western's financial needs and communicating such needs to the Investment Advisor on a timely basis.
- Providing Advisor with all relevant information on PSIA-AASI Western's financial conditions and risk tolerances and notifying Advisor promptly of any changes to this information.
- Reading and understanding the information contained in the prospectus and each investment in the investment pool.
- Being responsible for exercising all rights, including voting rights, as are acquired through the purchase of securities.
- Implementing the investment objectives and policies of the Investment Policy.
- Working collaboratively with the Audit/Investment/Finance Committee to:
 - Review Advisor's recommendations with regards to policy, guidelines, and objectives on a timely basis and recommending any suggested changes to the Board of Directors.

Developing and enacting proper control procedures: e.g., replacing investment

manager(s) due to fundamental change in investment management process, or for failure to comply with established guidelines.

- Quarterly reporting to the Finance Committee regarding performance of the investment portfolio and each of the investment pools, composition of the investment assets in aggregate and in each investment pool

The Audit/Investment/Finance Committee

Finance Committee shall be responsible for:

- Oversight of the performance of the investment pools.
- Reporting to the Board of Directors on the performance of the investment pools.
- Recommendations to the Board of Directors for any changes to the Investment Policy.

The Investment Manager(s)

Each Investment Manager must be a registered investment advisor under the Investment Advisors Act of 1940 and will have full discretion to make all investment decisions for assets placed under its jurisdiction. Each Investment Manager is also responsible for reporting, on a timely basis, periodic investment performance results.

Proxy Voting

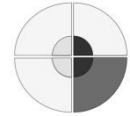
PSIA-AASI Western staff is responsible for and empowered to exercise all rights, including proxy-voting rights.

PERFORMANCE EVALUATION

The Audit/Investment/Financial Committee shall monitor the portfolio. The Committee shall evaluate the portfolio's success in achieving the investment objectives for current and future needs. The portfolio's performance shall be reported in terms of rate of return and changes in dollar value net of portfolio changes. The returns should be compared to appropriate market indexes, for the most recent semi-annual, annual and cumulative prior time periods. The portfolio's asset allocations and relative market value will be reported on an annual basis to the Board of Directors.

The investment policy as set forth in this document will be reviewed periodically by the Audit/Investment/Financial Committee to consider and recommend changes to the Board of Directors for prospective implementation. Deviations from the investment policies and constraints outlined in this document may be authorized by the Audit/Investment Committee when it determines that the deviation does not constitute a material departure from the intent of this investment policy. Only the PSIA-AASI W Board of Directors may make substantial and material modifications to this investment policy and may do so with a majority of those approving the action to be taken in accordance with Board meeting requirements outlined in the PSIA-AASI W Bylaws.

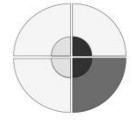
Policy 2.11 CEO COMPENSATION POLICY PNP 18.2



Management Parameters

The compensation of the CEO of PSIA-AASI W should be competitive and reflect both the Division's progress in accomplishing the Ends established by the Board of Directors ("Board") and the CEO's compliance with the CEO executive limitation policies. The CEO's total compensation shall consist of a base salary together with such bonuses or other compensation as may be approved by the Board as part of the budget process in compliance with this policy. The CEO shall be eligible for such benefits that are prepared and included in the budget by the Compensation Committee defined in section 2.7/ 2A. For purposes of the Fair Labor Standards Act, the CEO position is an exempt executive position and not eligible for overtime compensation

1. **Salary:** The CEO shall receive an annual base salary payable in installments in accordance with the Organization's normal payroll practices and schedule. No later than May 15th of each year, the Compensation Committee of the Board shall prepare the plan and provide to the Board the recommended annual base salary for the CEO for the upcoming fiscal year (July 1 to June 30). The CEO's compensation will be approved during the June conference call. In making its plan the Compensation Committee shall consider the most recent available survey data from a reputable third party, such as the American Society of Association Executives (ASAE) Compensation and Benefits Study.
2. **Bonuses:** In determining the CEO's overall compensation, the Compensation Committee shall also consider whether the CEO should be paid a merit bonus based upon the individual performance of the CEO as reviewed and prepared between the CEO and Chair based on the goals and objectives established at the beginning of the year. At each spring meeting of the Board, the Compensation Committee shall recommend to the Board several success measures to be used in determining the CEO's eligibility for a bonus for the upcoming fiscal year. In considering the Compensation Committee's recommendation and establishing the success measures to be utilized for the upcoming fiscal year.
3. No later than May 15th, the Compensation Committee shall recommend to the Board the amount of merit bonus, if any, to be paid to the CEO based upon performance of the CEO and the Organization as a whole, measured against the success measures established by the Board for the year under review. The CEO's merit bonus will be approved during the June conference call.

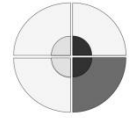


Management Parameters

Policy 3.0 General Management Constraint

The CEO will not cause or allow any practice, activity, decision or organizational circumstance that is illegal, imprudent, or in violation of commonly accepted business and professional ethics and practices.

Policy 3.1 Treatment of Members



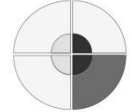
Management Parameters

With respect to interactions with PSIA-AASI W members and the CEO will not cause or allow conditions or procedures which are unfair, unsafe, untimely, unresponsive, undignified or which fail to provide appropriate confidentiality.

Further, the CEO will not:

1. Collect, review, transmit, store or destroy member/division information without protecting against improper access to that information.
2. Operate without clearly conveying to members/divisions what may be expected from the services offered.
3. Operate without informing members/Divisions, as appropriate, of this policy, and without having in place a complaint/response process to address concerns raised by members/divisions.

Policy 3.2 Treatment of Staff and Volunteers



Management Parameters

With respect to the treatment of volunteers and employees, the CEO will not cause or allow conditions that are unfair, unsafe, or undignified.

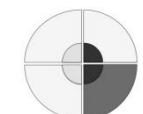
Further, pertaining to volunteers, the CEO will not:

1. Operate without providing interested member volunteers opportunities for meaningful involvement with a contribution to PSIA-AASI W's Ends.
2. Operate without maintaining and ensuring that volunteers who hold positions of trust in PSIA-AASI W (e.g. committee and task force members, etc.) review and commit to abide by a Code of Ethics/Statement of Personal and Professional Standards of Conduct and sign the Volunteer Declaration Form.

Pertaining to employees, the CEO will not:

3. Operate without ensuring employees are provided with written personnel policies, reviewed by qualified legal counsel, which clarify personnel rules for employees, provide for effective handling of complaints/grievances and protect against wrongful conditions.
4. Allow employees to be unaware of the Board's governing policies including, but not limited to, this Treatment of Staff policy, along with the CEO's interpretations of staff's protections under this policy.
5. Retaliate or allow retaliation against an employee for non-disruptive, internal expression of dissent, or for reporting to management or to the Board of Directors (per the process for handling of grievances in the personnel policies) acts or omissions by PSIA-AASI W personnel, management or the Board of Directors that the employee believes, in good faith and based on credible information, constitutes a violation of state or federal law or a governing policy of the Board.
 - A. Employees may not be prevented from grieving to the Board when (a) internal grievance procedures outlined in the Personnel Manual have been exhausted and (b) the employee alleges that Board policy has been violated.
6. Allow staff to be unprepared to deal with reasonably foreseeable emergencies.

Policy 3.3 Treatment of Contractors and Vendors



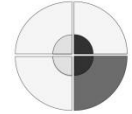
Management Parameters

With respect to the treatment of contractors and vendors, the CEO shall not cause or allow conditions that are unfair, undignified, disorganized, or unclear.

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

1. Operate without written business agreement and procurement rules that (a) protect against conflict of interest or appearances of partiality, (b) provide for informing contractors and vendors of appropriate regulations or conduct policies, and (c) provide for effective and timely handling of complaints or grievances.
2. Use methods of collecting, reviewing, transmitting, or storing contractor and vendor information that fail to protect against improper access to the material elicited.
3. Fail to execute contracts with contractors and vendors that minimize the risk of nonperformance and confirm the appropriate scope of those contracts.

Policy 3.4 Financial Condition and Activities



Management Parameters

With respect to financial condition and activities, the CEO will not cause or allow the development of fiscal jeopardy, or a material deviation of actual expenditures from the Board's Ends priorities.

Further, the CEO will not:

1. Allow liquid assets to drop below \$25,000
2. Borrow funds (with exception of credit cards used for normal business purposes paid in full each month).
3. Use Board-designated Investment Reserve funds without the approval the division's Board.
4. Have less than 1.5% designated to the long-term reserve account of the gross revenue in the yearly budget. This will be in effect until the balance of the long-term reserve account is at least 50% of the gross revenue in any given yearly budget.
5. Use Education Foundation funds without the approval of the Education Foundation Board.
6. Operate without settling payroll obligations and payables in a timely manner.
7. Allow tax payments or other government ordered payments or filings to be overdue or inaccurately filed.
8. Execute a purchase commitment, check, or electronic funds transfer to operations that are not accounted for under Policy 3.6 Financial Planning and Budgeting.
9. Allow any purchase without reasonable protection against conflicts of interest.
10. Acquire, encumber, lease, or dispose of real property
11. Operate without aggressively pursuing material receivables after a reasonable grace period.
12. Operate without adequate internal controls over receipts and disbursements to avoid unauthorized payments or material dissipation of assets.
 - A. Operate without clearly delineated procedures and limitations for reimbursement of authorized expenses incurred by division's members, division's task force and committee members, and others who are entitled to reimbursement from the division's office.
 - B. Prevent the Board Chair and the Audit/Investment/Finance Committee from reviewing credit card statements and receipts and expense reimbursements.

Policy 3.5 Asset Protection



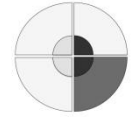
Management Parameters

The CEO will not cause or allow PSIA-AASI W's assets to be unprotected, inadequately maintained, or unnecessarily risked.

Further, the CEO will not:

1. Allow PSIA-AASI W to be uninsured:
 - A. Against theft and casualty losses to at least replacement value.
 - B. Against liability losses to Board members, staff and the organization itself in an amount equal to or greater than the average for comparable organizations.
 - C. Against employee theft and dishonesty.
2. Subject PSIA-AASI W's buildings, facilities, and equipment to improper wear and tear or insufficient maintenance.
3. Operate without employing risk management practices to minimize exposure of the organization, the Board, staff or their agents to claims of liability.
4. Operate without ensuring that Conflict of Interest policies are maintained, distributed to, and adhered to by directors, officers, committee chairs, management employees, and all employees who can influence the actions of PSIA-AASI W.
5. Allow a purchase of any material amount without having compared prices and quality.
6. Allow PSIA-AASI W's intellectual property, information, resources, and files to be exposed to loss, improper access, misuse, or significant damage.
7. Operate without adhering to a Document Retention Policy (PnP's Section 19.5 2/4/2020), approved by qualified legal counsel, for the maintenance of documents and records.
8. Operate without internal controls over receipts and disbursements, and to prevent dissipation of assets, sufficient to meet the Board-appointed auditor's standards (as set forth in the auditor's Management Letter and/or other correspondence).
9. Compromise the independence of the Board's auditor or other external monitors or advisors. Such parties may not be engaged by the CEO unless explicitly Board authorized.
10. Invest or hold operating capital in insecure instruments or in non-interest-bearing accounts except where necessary to facilitate ease in operational transactions.
11. Endanger PSIA-AASI W's public image or credibility.
12. Change the organization's name or substantially alter its identity.
13. Accept or reject the investment advisor's recommendations without consulting with the Audit/Finance/Investment Committee and Board Chair.

Policy 3.6 Financial Planning and Budgeting



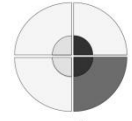
Management Parameters

Financial planning for any fiscal year or the remaining part of any fiscal year will not deviate materially from the Board's Ends priorities, risk financial jeopardy, or fail to address multi-year planning considerations.

Accordingly, the CEO will not allow budgeting that:

1. Risks incurring those liquidity situations or conditions described as unacceptable in the Financial Conditions and Activities policy.
2. Omits credible projection of revenues and expenses, separation of capital and operational items, cash flow projections, and disclosure of planning assumptions.
3. Plans the expenditure in any fiscal year of more funds than are conservatively projected to be received. Received funds cannot include any Reserves or Liquid Assets for budgeting purposes.
4. Fails to maintain long term reserves of at least 50% of total ordinary income. (The reserve target to be revisited each year as part of budget forecasting.) See 3.4 4
5. Provides less for Board activities during the year than is set forth in the Budgeting for Board Prerogatives Policy 2.9

Policy 3.7 Compensation and Benefits



Management Parameters

With respect to employment, compensation, and benefits for employees, consultants, contractors or volunteers, the CEO will not cause or allow jeopardy to the organization's fiscal integrity or public image.

The CEO will not:

1. Establish salaries and benefits that are not reasonable and competitive with market-based practices for individuals possessing the experience and skills needed to maintain and improve the overall performance of the organization.
 - A. Total compensation, including benefits, should be targeted at or near the mean of the market, but with flexibility so that compensation is based on experience, performance, and business need to attract and retain specific talent.
2. Change his or her own compensation.
3. Change his or her own benefits
4. Promise or imply anything other than "at-will" employment.
5. Create obligations to consultants or contract vendors for longer than one year.
6. Establish or change benefits so as to cause situations unpredictable / unsustainable for the organization or inequitable for employees.

Policy 3.8 Emergency Management Succession



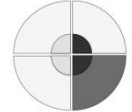
Management Parameters

The CEO will not operate without management succession planning processes to facilitate smooth and competent operation of the organization during key personnel transitions.

Further, the CEO will not:

1. Have fewer than one other member of the management team sufficiently familiar with Board and CEO issues and processes to enable either to take over with reasonable proficiency as an interim successor.
2. Will not operate without employee planning processes to ensure operation of events and a plan to ensure the board is prepared for an interim CEO or other administrative interim(s) who can operate the organization.
 - A. The CEO will ensure there is a written, updated version in the Policies and Procedures Manual.

Policy 3.9 Board Awareness and Support



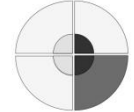
Management Parameters

The CEO will not cause or allow the Board to be uninformed or unsupported in its work.

The CEO will not:

1. Withhold, impede, or confound information necessary for the Board's informed accomplishment of its job.
2. Neglect to submit monitoring reports as provided in Board-Management Delegation policy (Need to develop see 4.4)
3. Allow the Board to be unaware of any actual or anticipated noncompliance with any Ends or Management Parameters policy, regardless of the monitoring schedule set forth by the Board.
4. Fail to immediately advise the board of any situation that could adversely impact operations or the public image of PSIA-AASI W.
5. Let the Board be unaware of any Board or Board member actions that, in the CEO's opinion, are not consistent with the Board's own policies on Governance Process and Board-Management Delegation, particularly in the case of Board or Board member behavior that is detrimental to the work relationship between the Board and the CEO.
6. Present information in unnecessarily complex or lengthy form or without differentiating among three types of written communications: 1) monitoring, 2) decision preparation or "action item"; and 3) incidental/FYI.
7. Allow the Board to be without reasonable logistical and administrative support.
8. Deal with the Board in a way that favors or privileges certain Board members over others except when:
 - a. Fulfilling individual requests for information,
 - b. Responding to officers or committees duly charged by the Board, or
 - c. If an individual's request for information may be deemed excessive.

Policy 3.10 Corporate Partnerships



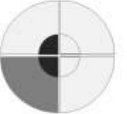
Management Parameters

With respect to development of revenue through, and strategic alliances with, corporate sponsors, the CEO may not fail to plan for, develop, and treat corporate sponsors in a professional manner.

Further, the CEO will not:

1. Enter into alliances without written agreements stipulating terms and conditions, including but not limited to:
 - A. Fees and payment schedules.
 - B. Defining the recognition/benefits to be provided to the sponsor and ensuring that benefits offered are commensurate with the level of support/investment made by the sponsor.
 - C. PSIA-AASI W will not endorse education materials intended for the membership other than those produced by or in conjunction with PSIA-AASI W. PSIA-AASI W will consider individual cases where there is considerable financial benefit to the membership.
 - D. Enter into a joint venture, though such opportunities may be recommended to the Board on a case-by-case basis.
 - E. PSIA-AASI W retains control over any sponsored program.

Policy 4.0 Board/Management Connection



Board/Management Delegation

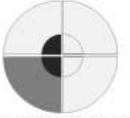
The Board's sole official connection to the operating organization, its achievements, and conduct will be through a Chief Executive Officer (CEO).

Policy 4.1 Unity of Control

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

Accordingly:

1. No Board member, officer, or committee has authority over the CEO or any member of the CEO's staff, except in rare instances when the person or committee has been explicitly authorized to direct or use staff resources for a specific issue.
2. Board members or committees may request information, but if such request, in the CEO's judgment, requires a material amount of staff time or funds or is disruptive, it may be declined. The committee or Board member may then refer the request to the full Board for consideration.



Board/Management Delegation

Policy 4.2 Accountability of the CEO



All Board authority delegated to management is delegated through the CEO, Therefore, the 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 not give instructions to persons who report directly or indirectly to the CEO.
2. The Board will not evaluate, either formally or informally, any staff other than the CEO.
3. The Board will consider and evaluate CEO performance as synonymous with organizational achievement of Ends and compliance with Management Parameters. No performance measure established by the Board or by sub-sets of the Board shall conflict with or modify this measure of performance
4. Consequently, the CEO's accountability and evaluation are based on performance in two areas:
 - A. Organizational accomplishment of Board's established Ends policies.
 - B. Organizational operations within the parameters of legality, prudence, and ethics established in the Board's Management Parameters policies.

Policy 4.3 Delegation to the CEO



The Board will direct the CEO through written policies setting forth the organizational Ends to be achieved and organizational situations/actions to be avoided, allowing the CEO to use any reasonable interpretation of these policies.

Accordingly:

1. Ends policies direct the CEO to achieve certain results, for certain recipients at a specified worth or priority. These policies will be systematically developed from the broadest, most general level, to more defined levels.
2. Management Parameters policies define the boundaries of legality, prudence, and ethics within which the CEO is expected to operate. These policies describe those practices, activities, decisions, and circumstances that would be unacceptable to the Board, even if effective in producing the desired results. These policies will also be systematically developed from the broadest, most general level to more defined levels. The Board will not prescribe organizational means delegated to the CEO.
3. An Ends or Management Parameters policy at a given level does not limit the scope of any preceding level.
4. The CEO is authorized to establish all further policies, make decisions, take actions, establish practices, and develop activities as long as they are consistent with any reasonable interpretation of these Ends and Management Parameters policies.
5. The Board may change its Ends and Management Parameters policies, thereby shifting the boundary between Board and CEO domains. By doing so, the Board changes the latitude of choice and authority given to the CEO. However, as long as any particular delegation is in place, the Board will respect and support decisions made by the CEO that are compliant with Board policy, as reasonably interpreted.

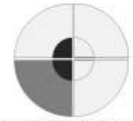
Policy 4.4 Monitoring CEO Performance



The Board will systematically and rigorously monitor CEO performance, determining the extent to which Ends are being achieved and whether operational activities fall within boundaries established in Management Parameters policies. Reporting and Performance will be reviewed using SMART goals and guidelines. (Specific, Measurable, Actionable, Reasonable and Timely)

Accordingly:

1. Monitoring is to determine the degree to which Board policies are being met. Ends and Management Parameters policies may be monitored by one or more of three methods:
 - A. Internal Reports: The CEO's written policy interpretations, along with data supporting his/her assessment of accomplishment of, or compliance with, the policy under review.
 - B. External Reports: An external, disinterested third party selected by and reporting to the Board assesses accomplishment of, or compliance with, Board policies, as reasonably interpreted by the CEO.
 - C. Direct Board Inspections: A designated Board member(s) or committee assesses accomplishment of, or compliance with, a given policy, as reasonably interpreted by the CEO.
2. The Board shall accept any reasonable CEO interpretation of the Board policy being monitored. The Board is the final judge of reasonableness.
3. The Board will judge whether:
 - D. The CEO's interpretation is reasonable, and
 - E. Data demonstrate reasonable accomplishment of, or compliance with, the CEO's interpretation.
4. If the Board determines the CEO's interpretations not to be reasonable or data determined not to demonstrate reasonable accomplishment of, or compliance with, a Board policy as interpreted, it may take a remedial process. Discussions about a remedial process will be in Executive Session (only voting Board members, officers plus any other parties specifically invited by the Board to attend).
5. All policies instructing the CEO will be monitored at a frequency and by a method chosen by the Board. The Board may monitor any policy at any time by any method, but will ordinarily depend on the following routine schedule:



Board/Management Delegation

CEO MONITORING SCHEDULE

POLICY	METHOD	FREQUENCY	SCHEDULE (CEO REPORT)	REVIEW
Ends/Priority Results				
1.1 Members experience relevant and meaningful professional development	Internal	Annually	June 15	Summer Meeting
1.2 Members benefit from participating in a diverse professional community	Internal	Annually	June 15	Summer Meeting
1.3 Members, the industry, and the public recognize and value PSIA-AASI W education, training and credentials as a premier standard	Internal	Annually	June 15	Summer Meeting
1.4 PSIA-AASI W use available resources and economies of scale	Internal	Annually	June 15	Summer Meeting
1.5 PSIA-AASI W and National's strategic goals align	Internal	Annually	June 15	Summer Meeting
Management Parameters			Due End of Month	
3.0 General Management Constraint	Internal	Annually	Summer	Summer Meeting
3.1 Treatment of Members/Divisions	Internal	Annually	Summer	Summer Meeting
3.2 Treatment of Staff	Internal	Annually	Summer	Summer Meeting
3.3 Financial Condition and Activities	Internal	Monthly	10 th of following month	Finance Committee
	Direct inspection	Annually		
	External	Annually		
3.5 Asset Protection	Internal	Annually	June 15	Summer Meeting
3.6 Financial Planning and Budgeting	Internal	Annually	June 15	Summer Meeting
3.7 Compensation and Benefits	Internal	Annually	June 15	Summer Meeting
3.8 Emergency CEO Succession	Internal	Annually	June 15	Summer Meeting
3.9 Board Awareness and Support	Internal	Annually	June 15	Summer Meeting
3.10 Corporate Partnerships	Internal	Annually	June 15	Summer Meeting

THIS PAGE LEFT INTENTIONALLY BLANK