

INDEPENDENT MISSIONARY NETWORK
(EIN) 46-1465912



ORGANIZATIONAL POLICIES

I. Board Job Description

The purpose of the Board, on behalf of the *moral ownership, is to see that **Independent Missionary Network.

- 1) Fulfills its social compact with the community and
- 2) In doing so, serves as a wise steward of its resources while preventing unacceptable actions and situations.

The job of the Board is to represent the moral ownership in determining and demanding appropriate organizational performance. Accordingly:

1. The Board is responsible for maintaining the connection between IMN and its “moral owners.”
2. The Board will produce written governing policies in the following areas:
 - a. *Mission-based outcomes*, which describe what good (results), for whom (recipients) and at what cost
 - b. *Organizational health*, which defines expectations of, and limits the framework for, executive actions and decision-making.
 - c. *Board Governance process*, which specifies how the Board will ensure excellence in governance and monitor its own performance.
3. The Board will hold the CEO accountable through monitoring of his or her performance against board established policies and will take corrective action as needed.

II. Governing Style

The Board provides strategic leadership to IMN. In order to do this, the Board will:

1. Look to the future and keep informed of issues and trends that may affect the mission and organizational health of IMN.
2. Make decisions based on knowledge of community needs and best practices and in accordance with the mission.
3. Be proactive and visionary in its thinking.
4. Encourage thoughtful deliberation, incorporating a diversity of viewpoints.
5. Work together as colleagues, encouraging mutual support and good humor.
6. Have the courage to lead and make difficult decisions.

Commit to excellence in governance, including regularly monitoring, assessing and improving its own performance.

* On whose behalf we are making decisions

** Also to be known as IMN

- ☐ The Board will monitor and discuss the Board’s process and performance at each meeting.

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In governing, the Board will fulfill its legal responsibilities of:

1. The *Duty of Obedience* that requires board members to be faithful to the mission of IMN in policies and actions.
2. The *Duty of Care* that requires that in fulfillment of his/her duties, a Board member owes IMN the care that an ordinarily prudent person would exercise in a like position and under similar circumstances.
3. The *Duty of Loyalty* that requires Board members to always put the best interest of IMN first when making decisions affecting the organization.

III. Code of Conduct / Conflict of Interest

1. The Board commits itself and its members to ethical, businesslike, and lawful conduct, including proper use of authority and professional decorum when acting as board members.
2. In their capacity as governors, board members must demonstrate un-conflicted loyalty to the interests of the ownership of INM.
3. Board members must avoid conflicts of interest with respect to their fiduciary responsibility.
 - a) Members will annually disclose their involvement with other organizations, vendors, or any other associations that currently do business or may do business with IMN.
 - b) Board members for personal gain or the gain of a family member or associate shall not use information exclusive to IMN.
 - c) It is the Board member's obligation to immediately disclose to the Board any and all impending conflict of interest. That member shall absent herself or himself without comment from both the deliberation and final decision-making.
4. Members will respect the confidentiality appropriate to issues of a sensitive nature.
5. Board members are expected to attend every regularly scheduled meeting. A member with more than three (3) Consecutive absences from regularly scheduled meetings is automatically dismissed from the board. The Board may consider reinstating.

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Decision-making Process

1 The Board will make decisions by a process of careful deliberation, seeking out the wisdom and experience of many voices as appropriate, which may include its moral ownership, consumers, staff, volunteers, board members and others with knowledge of its mission.

- a) The Board will strive for consensus of opinion in its decision-making.
- b) If consensus isn't reached after a reasonable period of deliberation, to be determined by the chair, then a super majority of 75% of members present for a quorum will make the final decision.

IV. Role of the Board President

1 The Chairperson assures the integrity and fulfillment of the Board's process.

2 The Chairperson assures that the Board conducts business consistent with its own rules.

- a) The Chairperson will assure that deliberations will be fair, open, thorough, timely, orderly and to the point.
- b) The Chairperson is empowered to chair board meetings and exercise the commonly accepted power of that position.
- c) The Chairperson has no authority to supervise or direct the CEO. *(this is pure policy-governance. Other organizations adapt this to have the Chair supervise the CEO on behalf of the Board and in accordance with the Board's written policies).*
- d) The Chairperson may represent the Board to outside parties in announcing board-stated positions.

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V. Board Committee Principles

1 Board committees are created to do board work and should never interfere with delegation from board to CEO.

- a) Committees will be used sparingly and ordinarily in an ad hoc capacity.
- b) Committees will assist the Board by preparing policy alternatives and implications for board deliberation.
- c) Board committees may not speak or act for the Board except when formally given such authority. Expectations and authority will be carefully stated in order not to conflict with authority delegated to the CEO.

VI. Board Nominations Process

1. The Board seeks to recruit individuals as Board members who are committed to the mission and governing process of the NONPROFIT.
2. The Board seeks out candidates who possess the following characteristics:
 - a) Demonstrated passion for the mission.
 - b) Support the Board governing structure and can meet board work expectations.
 - c) Will engage in deliberative and collegial decision-making.
 - d) Are committed to their stewardship responsibilities.
 - e) Knowledge of (mission specific) systems, organization development, change management, strategic thinking, organizational growth, or strategic legal and nonprofit issues.
3. In the process of recruiting and nominating candidates, the Board will request from all candidates:
 - a) Interview by board members
 - b) References to verify demonstrated competencies
4. In the process of determining final candidates, the Board will:
 - a) Interview promising candidates
 - b) Invite potential candidates to a board meeting to observe the process
 - c) Check for competencies
 - d) Discuss the qualifications of nominees and their value to the Board
5. Final Board selection will be made in accordance with the provisions outline in the bylaws

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EXECUTIVE LIMITATIONS

I. Staff Recruitment, Compensation And Benefits

With respect to employment, compensation and benefits to employees, consultants, contract workers and volunteers, the CEO shall operate IMN in a manner which is legal, ethical, nondiscriminatory and protects IMN's public image, fiscal integrity and tax-exempt status.

- a) All employees shall be employees at will.
- b) Employees of IMN shall have a:
 - Demonstrated commitment for the mission.
- c) Compensation and benefits should be reasonable within the marketplace.
 - In no instance shall excess benefits (value of compensation in excess of value of services) be given to a disqualified person (anyone in a position to exercise substantial influence over IMN).
 - Compensation data will be collected for similar organizations and will serve as a benchmark in determining compensation and benefits to IMN employees.
 - Reasonableness criteria shall be documented.
- d) Compensation and benefits should be flexible enough to attract and retain employees who are best able to assist IMN in achieving its mission, including the ability to:
 - Attract a diverse workforce
 - Provide opportunities for professional growth
- e) IMN should strive to develop compensation and benefit system that allows full-time employees to maintain an acceptable quality of life.
- f) Only the Board of Directors can change the CEO's compensation and benefits.
- g) The CEO should not incur any compensation or benefit obligations over a longer term than revenues can safely be projected, in no event longer than one year, and in all events subject to losses of revenues.

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II. Treatment of Staff and Volunteers

All staff and volunteers of IMN will receive fair, humane and dignified treatment and shall be afforded all rights guaranteed under municipal, state or federal law. Accordingly,

- a) IMN practices will promote pluralism and diversity within its staff and constituencies.
- b) The CEO will draft, with legal advice, and maintain written policies that reflect the policies of the Board, clarify personnel rules for staff, provide for effective handling of grievances, and protect against wrongful conditions such as nepotism and grossly preferential treatment for personal reasons.
- c) IMN shall provide equal employment opportunity and advancement to qualified individuals without regard to gender, race, age, religion, cultural background, ability, sexual orientation or military status. RIPIN will not discriminate against any staff member or volunteer on this basis.
- d) The CEO shall not discriminate against any staff member for expressing an ethical dissent.
- e) Staff must avoid conflicts of interest.
 - 1) There must be no self-dealing or any conduct of private business or personal services between any staff member and the organization except as meet established board procedures for openness, competitive opportunity and equal access to inside information.
 - 2) Staff will disclose their involvement with other organizations, with vendors or any other associations, which might produce a conflict.
 - 3) Staff will annually sign a full disclosure and conflict of interest statement.
 - 4) Staff will immediately disclose and reclude themselves from all discussions and decisions on which they have a material conflict.
 - 5) Any employee who wished to engage in any paid activity in any field directly related to the work of the agency must have prior approval from the CEO.
- e) Staff shall have the ability to bring grievances to the Board when (1) internal grievance procedures have been exhausted and (2) the employee alleges either that (a) board policy has been violated to his or her detriment or (b) board policy does not adequately protect his or her human rights.
- f) The CEO will assure that all staff and volunteers have been informed of their rights under this policy.

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III. Treatment of Consumers

1. IMN shall establish in writing and implement procedures, conditions and practices in which all consumers or those applying to be consumers are treated in a manner which is fair, dignified, humane, legal, ethical, safe, appropriately protects confidentiality or privacy, and is not unnecessarily intrusive.
2. IMN shall promote diversity and provide equal opportunity for participation to qualified individuals without regard to gender, race, age, cultural background, and disability, sexual orientation or veteran status.
3. The only information solicited from clients should be information necessary for IMN to best serve their needs.
4. IMN shall ensure that consumers have a clear understanding of what may be expected and what may not be expected from the services provided.

Treatment Of Consumers Monitoring Policy

Treatment of Consumers Policy will be monitored:

- Internal report from CEO by review of routine evaluations (final reporting to be determined).
- Externally as available through existing outside evaluations.
- Direct monitoring through board inspection of written policies in August of each year.

IV. Financial Condition and Activities

With respect to the actual, ongoing financial condition and activities, the CEO will operate IMN in a sound and prudent fiscal manner for short- and long-term financial health, not deviating materially from board-stated priorities.

1. Accordingly:
 - a) Total expenses shall not exceed available organizational resources
 - b) Unrestricted operating expenses shall not exceed unrestricted operating income
 - c) All other board policies (see Budgeting) are met
2. The CEO will maintain internal financial reports sufficient to monitor the financial activity of IMN in accordance with all other financial policies. The CEO will:
 - a) Prepare a quarterly “top line report” as defined by the Board
 - b) Prepare monthly balance and income statements compared to budget
 - c) Maintain internal controls as defined by the standards of the American Institute of Certified Public Accountants to provide reasonable assurance on the reliability of financial reporting,

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effectiveness and efficiency of the operation, and compliance with applicable laws and regulations.

3. The CEO will accurately prepare and file on a timely basis all reports, fees and documentation required by federal, state, and local government.
4. The CEO will settle payroll and other debts in a timely manner.
5. Any single purchase of \$ ____ or more needs a check co-signature by either the President or Treasurer of the Board in order to ensure the purchase is legitimate and properly documented. The Board must approve any single purchase, which commits _ % or more of the total IMN annual budget.
6. The CEO shall not indebt IMN in an amount greater than can be repaid by certain, otherwise unencumbered revenues within thirty days. The CEO must seek board approval before incurring any debt.
7. The CEO will aggressively pursue receivables after a reasonable grace period.

Financial Condition and Activities Policies will be monitored:

- Internal top line report, prepared by Ex Director and presented to Board monthly
- External, annually by audit performed by CPA. An A133 audit is required when federal grants or contracts exceed \$300,000 per year.

V. Financial Planning and Budgeting

The CEO will prepare financial plans and annual operating and capital budgets that achieve approved Ends policies and promote the long-term stability and sustainability of IMN.

1. Accordingly, the CEO will prepare an annual budget:
 - a) In which expenses do not exceed the amount of funds, which are conservatively expected to be received in that period. In which temporarily and permanently restricted assets will be segregated to ensure that IMN complies with donor restrictions and requests.
 - b) Which includes an operating reserve at no less than _____ (e.g. *three months*) of operating expenses.
 - c) In which spending on program activities is targeted at no less than _____ (e.g. *75%*) of total annual expenses based on industry acceptable allocations in a full-cost accounting system.
 - d) In which spending on personnel is no more than ___% of total expenditures.
 - e) Which funds depreciation.
 - f) Which includes a capital expenditure budget.

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2. In addition, the CEO will prepare and maintain:
 - a) A long-term financial plan.
3. The annual budget will be reviewed and revised at the sixth month of the Fiscal Year to assure continued compliance with all Board financial policies.

Financial Planning and Budgeting policies will be monitored:

- Annual budget: internal report: prepared for August board meeting.
- Long -term financial plan: Internal report, annually during budget preparation.
- Revised budget: Internal report, prepared for August board meeting.

VI. Asset Protection

1. The CEO will protect and adequately maintain all tangible and intangible assets of IMN. Accordingly, the CEO will
 - a) Maintain theft and casualty insurance of at least 80% of replacement value and liability insurance to cover board, staff and the organization in an amount greater than the average for comparable organizations.
 - b) Assure that only bonded personnel have access to material amounts of funds.
 - c) Assure that plant and equipment are adequately maintained and repaired
 - d) Assure that the organization, its board or staff are not unnecessarily exposed to claims of liability.
 - e) Approve purchases only in the instances that he or she is sure that 1) prudent protection has been exercised against conflict of interest, 2) comparative prices and quality have been investigated for all purchases over \$500, 3) all purchases over \$_____ have been subjected to stringent criteria for comparison of long-term cost and quality.
 - f) Assure that intellectual property, information and files are protected from loss or significant damage.
 - g) Invest or hold operating capital only in secure instruments such as interest-bearing, insured savings or checking accounts and bonds of no less than AA rating.
 - h) Protect IMN's public image and credibility at all times.
2. The CEO will not encumber or dispose of real property with a current market value of \$_____ or more without Board approval.

Asset Protection policies will be monitored:



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- External; by auditor during annual audit
- Direct board inspection: annually with the audit

VII. Grants and Contracts

Grant funds must be used in prudent, lawful and ethical ways and in accordance with donor restrictions. In addition, the CEO shall:

- a) Only enter into those grant arrangements in which IMN has a reasonable expectation of delivering the promised activities and results.
- b) Any subcontractors must also be reasonably expected to deliver promised activities and results and to use funds in prudent, lawful and ethical ways. All subcontracts of state and federal funds must conform to grant requirements.
- c) Not enter into grant or contract arrangements, which place the financial solvency of IMN at risk.
- d) Assure that temporarily restricted and permanently restricted assets are appropriately segregated to ensure compliance with donor restrictions.
- e) Seek approval by the Board of Directors for any grant request, which alters the Ends priorities, set by the Board or which affects any board governance prerogatives.

Grants and Contracts Policies will be monitored:

<u>Method:</u>	<u>Frequency:</u>
Internal (report from CEO)	Monthly
External by auditor	Annually

VIII. Fundraising activity

The CEO will operate any fund raising, activity not discussed elsewhere in a manner that is legal, ethical, and prudent and embodies sound business practices.

1. IMN shall comply with all applicable local, state and federal laws regulating fund raising.
2. The CEO will meet all IRD requirements on a timely basis.
3. Fund raising practices should meet the following standards for ethical practices outlined by the Council of Better Business Bureaus (www.cbbb.org or www.give.org/standards/index.asp) and the Association of Fundraising Professionals:

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4. On request and in accordance with donor wishes, prospective donors will be provided with an annual report, audited financial statements and/or Form 990.
5. Those documents will include sufficient information to provide a basis for informed giving decisions.
6. Annual fund raising costs shall be reasonable over time.
7. Solicitations, promotional and informational materials, distributed by any means, shall be accurate, truthful and not misleading, in whole or in part, and shall include a clear description of the programs and activities for which funds are being requested.
8. IMN shall, to the best of its ability, ensure that general contributions are used in accordance with donors' wishes or IMN's stated purposes. Restricted gifts will be used in accordance with donors' specific requirements. Donor gifts shall be acknowledged on a timely basis.
9. IMN will establish and exercise adequate controls over fund raising activities conducted by staff, volunteers, consultants, and contractors, including commitment to writing of all fund raising contracts and agreements.
10. IMN will not engage in compensation-based fund raising based on a percentage of charitable contributions raised.
11. IMN will honor donor requests for confidentiality and shall not publicize the identity of donors without prior permission.
12. Donor lists shall not be rented, sold or exchanged with other organizations.
13. Fund raising practices should encourage voluntary giving and should not apply unwarranted pressure.
14. The CEO may conduct revenue-generating activities not directly related to the exempt purposes of IMN. At no time, however, may unrelated revenues or activities devoted to the production of these revenues become substantial.

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BOARD-CEO LINKAGE

I. Transition Policy

- All existing policies remain in place until amended by the Board of Directors.

II. Executive Constraint

The CEO shall operate IMN in a manner, which is lawful, prudent, and in accordance with commonly accepted nonprofit business practices and professional ethics.

- The Board's sole official connection to the operating organization, its achievement, and conduct will be through a Chief Executive Officer.
- Only decisions of the Board acting as a body are binding on the CEO.

III. Accountability of the CEO

- The CEO is the Board's formal link to IMN's 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.

IV. Delegation to the CEO

1. The Board will instruct the CEO through written policies.
 - a) From time to time, the Board may change its Ends and Executive Limitations policies, thereby shifting the boundaries between board and CEO responsibilities.
2. 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.

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V. Monitoring CEO Performance

1. The Board will provide systematic and rigorous monitoring of CEO job performance.
2. CEO monitoring will be based on expected CEO outcomes as expressed in the CEO job plan approved by the Board.
3. In every case, the standard for compliance shall be any reasonable interpretation of the Board policy being monitored.
4. The Board will acquire monitoring data by any of the following methods:
 - a) Internal reports prepared by the CEO
 - b) External reports prepared by a third-party selected by the Board
 - c) Direct inspection by a designated member or members of the Board, including inputs from selected community owners and staff.
5. All policies that 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.

VI. Communication & Support to the Board

1. The CEO shall communicate with the Board in a timely and sufficient manner to keep the Board informed and prepared for its work.
2. The CEO shall submit monitoring information required by the Board in a timely, accurate, and understandable fashion, directly addressing the Board policies being monitored.
3. The CEO shall report and prepare recommendations and suggest corrective action in a timely manner on any actual or anticipated non-compliance with any policy of the Board allowing sufficient time for the Board to consider corrective action.
4. The CEO shall keep the Board informed of relevant trends, anticipated adverse media coverage, material external and internal changes, particularly changes in assumptions upon which any board policy has been or is being established.

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VII. Code of Conduct

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- In their capacity as governors, board members must demonstrate un-conflicted loyalty to the interests of the ownership of INM.
- Board members must avoid conflicts of interest with respect to their fiduciary responsibility.
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Decision-making Process

- The Board will make decisions by a process of careful deliberation, seeking out the wisdom and experience of many voices as appropriate, which may include its moral ownership, consumers, staff, volunteers, board members and others with knowledge of its mission.
 - c) The Board will strive for consensus of opinion in its decision-making.
 - d) If consensus isn't reached after a reasonable period of deliberation, to be determined by the chair, then a super majority of 75% of members present for a quorum will make the final decision.

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IMN serves as a ministry connecting missionaries to churches, teams, & individuals; while providing monetary, spiritual, & emotional support to those serving abroad. Our missionaries provide loving, spiritual guidance to local villages both near and far in hopes to bring all people to a loving, saving knowledge of Jesus Christ. IMN also serves as the port for sending teams from the states to mission fields across the seas. It is our desire to produce teams who serve abroad and are moved to passionate change, which results in making a difference in their own communities.

IMN serves as a ministry providing love and physical support to those both close by and abroad. IMN provides several ways to get involved with local communities and distant missions.

Local: We believe to change the world; one must reach out to his neighborhood first. IMN is partnered with the backpack program, which takes place in Northwest Indiana. This program provides weekend meals for children and families who live below the poverty line.

Abroad: IMN is currently involved in providing clean water to villages in the jungles of Guatemala. Through Sawyer water filtration systems; families are provided with a water filter that purifies nearly a million gallons of water and lasts for approximately 10 years. Mission teams partner with local doctors and nurses to provide free medical and dental care as a means of service and love in Jesus' name. Missionaries connected to IMN also minister to and provide service through weekly English language classes, after school tutoring programs, and soccer clubs. Many children have been reached and are changed daily by the love, support, and nurture the missionaries provide for them through each of these programs.