



<b>WSTIP Policy Manual</b>			
<b>Document Name:</b>	<b>Governance Policy</b>	<b>Date Adopted:</b>	05/22/08
<b>Category:</b>	<b>Governance</b>	<b>Revision Date:</b>	12/09/10
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**Governance Policy**

**Purpose**

To identify the key elements necessary to create a culture of professionalism for individual board members and the Board of Directors as a whole in order for the Pool to accomplish its mission, realize its vision, and reflect its values.

**Authority**

1. Interlocal Agreement, Section 3 (Powers) and Section 4 (Board of Directors); and
2. Bylaws, Article XII: Governance Documentation Procedure.

**Policy Statement**

It is the Pool's policy to govern with excellence.

1. The Pool shall seek to develop Member representatives who:
  - a. Are independent of the Pool's staff;
  - b. Are persons of integrity;
  - c. Conduct business in an ethical manner;
  - d. Act in the best interests of the Pool and its members rather than in self-interest or the interests of any individual member or third party but Member representatives may always exercise independence in voting on matters that come before the Board;
  - e. Disclose potential conflicts of interest;
  - f. Are diligent and make the necessary commitment of time and energy to fulfill their governance responsibilities;
  - g. Develop a knowledge of the Pool and its business; and
  - h. Recognize that individual Member representatives must act collectively through the Board.

2. The Board of Directors

The Board has a position of trust in the exercise of those duties specified in the bylaws. The Board shall be responsible for the Pool's management. This includes selecting an effective executive director, overseeing organizational strategy and performance, and acting as a resource in matters of planning, policy, and operations. To ensure effective decision making, the Board will not only serve an advisory, questioning, and problem-solving function but also will actively participate in fostering the Pool's overall success.

The responsibilities of the Board include:

- a. Developing and approving the Pool's mission, vision, and values;

- b. Selecting, monitoring, assessing, compensating and, if necessary, replacing the executive director;
- c. Ensuring management succession;
- d. Implementation of the consensus of the Board in the development and approval of management's strategic and business plans;
- e. Understanding and questioning the assumptions on which such plans are based and reaching an independent judgment as to the probability that the plans can be accomplished;
- f. Reviewing and approving the Pool's financial objectives, plans, and actions, including significant capital allocations and expenditures;
- g. Establishing benchmarks and measuring the Pool's performance against those benchmarks;
- h. Overseeing operating results to determine whether the Pool is properly managed;
- i. Developing and adopting written policies in the areas of governance, organizational planning, finance, operations, and others;
- j. Speaking with one voice to members;
- k. Ensuring ethical behavior by Member representatives and Pool staff compliance with laws and regulations, auditing and accounting principles, and the Pool's governing documents; and
- l. Assessing its own effectiveness in fulfilling these and other Board responsibilities

3. Executive committee retreat

At the beginning of each calendar year the Executive committee shall convene a retreat of its members to discuss Pool issues and affairs and to determine what it wants to accomplish in the ensuing year. The committee may, in its discretion, invite Pool staff or others to some or all of the retreat.

**Amendment**

The Executive Committee may recommend changes to this policy at any time.

**Responsibilities**

The Board shall develop a process to annually assess its effectiveness and its Member representatives.

**Policy History**

None.

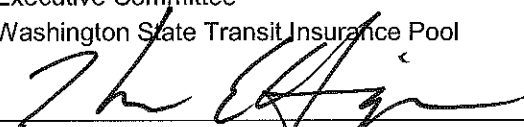
**Repealer**

Governance Responsibilities and Procedures Policy passed May 22, 2008 is hereby repealed.

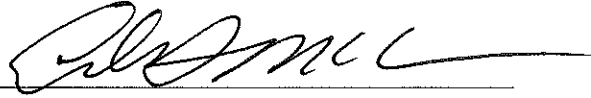
Passed this 9 day of December, 2010

Executive Committee

Washington State Transit Insurance Pool

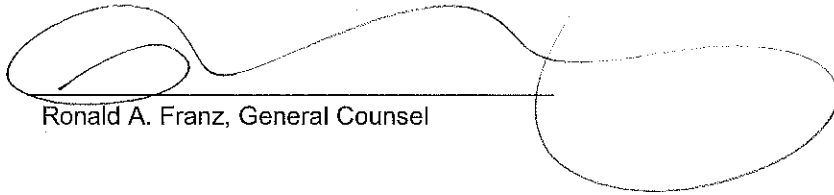
  
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Tom Hingson, President

ATTEST:

A handwritten signature in black ink, appearing to read 'Ed McCaw', written over a horizontal line.

Ed McCaw, Secretary

APPROVED AS TO FORM:

A large, stylized handwritten signature in black ink, written over a horizontal line.

Ronald A. Franz, General Counsel

