Background:
This document is the Mission-Based Board Policies, created and adopted by the National FFA Organization Board of Directors. The four categories of policies contained herein can only be amended by the National FFA Organization Board of Directors. Two categories (Board Operational Policies and Board-Management Delegation) direct the board’s own work, while the remaining two categories (CEO Policies and Results Policies) direct the work of the organization, through the CEO.

This document is subordinate to the Federal Charter, Public Law 105-225 and the National FFA Organization Bylaws and Constitution (the latter can only be amended by the National FFA Organization Delegate Assembly coupled with ratification by the National FFA Organization Board of Directors). Consequently, nothing stated in the Federal Charter or in the Bylaws and Constitution should be repeated in these board policies.

ADOPTED – January 27, 2010

Revised 3/30/2017
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Policy Type</th>
<th>Policy Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CEO POLICIES</strong></td>
<td>(PRESS CONTROL + CLICK TO GO TO THE POLICY)</td>
<td></td>
</tr>
<tr>
<td>CP #1</td>
<td>Global Executive Constraint</td>
<td>5</td>
</tr>
<tr>
<td>CP #2a</td>
<td>Treatment of Stakeholders</td>
<td>6</td>
</tr>
<tr>
<td>CP #2b</td>
<td>Treatment of Staff</td>
<td>7</td>
</tr>
<tr>
<td>CP #2c</td>
<td>Compensation and Benefits</td>
<td>8</td>
</tr>
<tr>
<td>CP #2d</td>
<td>Financial Condition and Activities</td>
<td>9</td>
</tr>
<tr>
<td>CP #2e</td>
<td>Asset Protection</td>
<td>12</td>
</tr>
<tr>
<td>CP #2f</td>
<td>Investment Management</td>
<td>14</td>
</tr>
<tr>
<td>CP #2g</td>
<td>Communication and Support to Board</td>
<td>15</td>
</tr>
<tr>
<td>CP #2h</td>
<td>Emergency CEO Succession</td>
<td>17</td>
</tr>
<tr>
<td>CP #2i</td>
<td>Product/Event Pricing</td>
<td>18</td>
</tr>
<tr>
<td>CP #2j</td>
<td>Protection of FFA Image &amp; Brand Equity</td>
<td>19</td>
</tr>
<tr>
<td>CP #2k</td>
<td>Educational Programs, Awards &amp; Recognition</td>
<td>20</td>
</tr>
<tr>
<td><strong>BOARD OPERATIONAL POLICIES</strong></td>
<td>(PRESS CONTROL + CLICK TO GO TO THE POLICY)</td>
<td></td>
</tr>
<tr>
<td>BOP #1</td>
<td>Global Operational Process Policy</td>
<td>21</td>
</tr>
<tr>
<td>BOP #2a</td>
<td>Governing Style</td>
<td>22</td>
</tr>
<tr>
<td>BOP #2b</td>
<td>Board as Owner-Representative</td>
<td>23</td>
</tr>
<tr>
<td>BOP #2c</td>
<td>Board Job Description</td>
<td>24</td>
</tr>
<tr>
<td>BOP #2d</td>
<td>Stakeholder Communication</td>
<td>25</td>
</tr>
<tr>
<td>BOP #2e</td>
<td>Board Members’ Code of Conduct</td>
<td>26</td>
</tr>
<tr>
<td>BOP #2f</td>
<td>National FFA Advisor’s Role</td>
<td>28</td>
</tr>
<tr>
<td>BOP #2g</td>
<td>National FFA Executive Secretary’s Role</td>
<td>30</td>
</tr>
<tr>
<td>BOP #2h</td>
<td>National FFA Treasurer’s Role</td>
<td>31</td>
</tr>
<tr>
<td>BOP #2i</td>
<td>National FFA Officers’ Role</td>
<td>32</td>
</tr>
<tr>
<td>BOP #2j</td>
<td>Board Committee Principles</td>
<td>33</td>
</tr>
<tr>
<td>BOP #2k</td>
<td>Board Committee Structure</td>
<td>34</td>
</tr>
<tr>
<td>BOP #2L</td>
<td>Annual Planning</td>
<td>36</td>
</tr>
<tr>
<td>BOP #2m</td>
<td>Mission-Based Investment</td>
<td>38</td>
</tr>
<tr>
<td>BOP #2n</td>
<td>Board Meetings</td>
<td>39</td>
</tr>
</tbody>
</table>
**TABLE OF CONTENTS (Cont.)**

<table>
<thead>
<tr>
<th>Policy Type</th>
<th>Policy Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>BOARD-MANAGEMENT DECONATION</strong> (PRESS CONTROL + CLICK TO GO TO THE POLICY)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BMD #1</td>
<td>Global Board-Management Delegation</td>
<td>40</td>
</tr>
<tr>
<td>BMD #2a</td>
<td>Unity of Control</td>
<td>41</td>
</tr>
<tr>
<td>BMD #2b</td>
<td>Accountability of the CEO</td>
<td>42</td>
</tr>
<tr>
<td>BMD #2c</td>
<td>Delegation to CEO</td>
<td>43</td>
</tr>
<tr>
<td>BMD #2d</td>
<td>Monitoring CEO Performance</td>
<td>44</td>
</tr>
</tbody>
</table>

**RESULTS POLICIES** (PRESS CONTROL + CLICK TO GO TO THE POLICY)

<table>
<thead>
<tr>
<th>POLICY</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>RP #1</td>
<td>Organizational Performance Outcomes</td>
<td>46</td>
</tr>
</tbody>
</table>

**REVISIONS**

<table>
<thead>
<tr>
<th>BOARD MEETING DATES</th>
<th>TYPE OF POLICY CHANGE</th>
<th>POLICY #</th>
</tr>
</thead>
<tbody>
<tr>
<td>August 10, 2010</td>
<td>CEO (CP)</td>
<td>#2l</td>
</tr>
<tr>
<td>October 18, 2010</td>
<td>COO to CEO</td>
<td>throughout document</td>
</tr>
<tr>
<td>January 25, 2011</td>
<td>BOP</td>
<td>#2k</td>
</tr>
<tr>
<td>January 25, 2011</td>
<td>BOP</td>
<td>#2m, #2</td>
</tr>
<tr>
<td>January 25, 2011</td>
<td>BOP</td>
<td>#2m, #4</td>
</tr>
<tr>
<td>August 9, 2011</td>
<td>BOP</td>
<td>#2k, added 2</td>
</tr>
<tr>
<td>August 9, 2011</td>
<td>CEO (CP)</td>
<td>#2j</td>
</tr>
<tr>
<td>October 16, 2011</td>
<td>BOP</td>
<td>#2a</td>
</tr>
<tr>
<td>October 16, 2011</td>
<td>BOP</td>
<td>#2h, #3</td>
</tr>
<tr>
<td>January 25, 2012</td>
<td>BOP</td>
<td>#2g, #4</td>
</tr>
<tr>
<td>January 25, 2012</td>
<td>BOP</td>
<td>#2n</td>
</tr>
<tr>
<td>May 1, 2012</td>
<td>CEO (CP)</td>
<td>#2i, #1</td>
</tr>
<tr>
<td>May 1, 2012</td>
<td>CEO (CP)</td>
<td>#2d</td>
</tr>
<tr>
<td>May 1, 2012</td>
<td>BOP</td>
<td>#2e, #11</td>
</tr>
<tr>
<td>May 1, 2012</td>
<td>BOP</td>
<td>#2m, #6</td>
</tr>
<tr>
<td>January 24, 2013</td>
<td>CP</td>
<td>#2f</td>
</tr>
<tr>
<td>January 24, 2013</td>
<td>BOP</td>
<td>#2n</td>
</tr>
<tr>
<td>January 24, 2013</td>
<td>CP</td>
<td>#2g</td>
</tr>
<tr>
<td>August 15, 2013</td>
<td>CP</td>
<td>#2c</td>
</tr>
<tr>
<td>August 15, 2013</td>
<td>BOP</td>
<td>#2k</td>
</tr>
<tr>
<td>January 23, 2014</td>
<td>CP</td>
<td>#2d</td>
</tr>
<tr>
<td>January 23, 2014</td>
<td>BOP</td>
<td>#2k</td>
</tr>
</tbody>
</table>

*Continued on next page*
<table>
<thead>
<tr>
<th>BOARD MEETING DATES</th>
<th>TYPE OF POLICY CHANGE</th>
<th>POLICY #</th>
</tr>
</thead>
<tbody>
<tr>
<td>August 13, 2014</td>
<td>CP</td>
<td>#2a, #2b, #2c, #2d, #2g, #2j</td>
</tr>
<tr>
<td>August 13, 2014</td>
<td>BOP</td>
<td>#1, #2a, #2b, #2c, #2d</td>
</tr>
<tr>
<td>August 13, 2014</td>
<td>BOP</td>
<td>#2g, #2i, #2k, #2l, #2m</td>
</tr>
<tr>
<td>August 13, 2014</td>
<td>BMD</td>
<td>#2a, #2c, #2d</td>
</tr>
<tr>
<td>October 26, 2014</td>
<td>BOP</td>
<td>#2f</td>
</tr>
<tr>
<td>October 26, 2014</td>
<td>CP</td>
<td>#2c</td>
</tr>
<tr>
<td>January 21, 2015</td>
<td>CP</td>
<td>#2d, 3</td>
</tr>
<tr>
<td>January 21, 2015</td>
<td>CP</td>
<td>#2g, 3</td>
</tr>
<tr>
<td>January 21, 2015</td>
<td>CP</td>
<td>#2i, 6</td>
</tr>
<tr>
<td>January 21, 2015</td>
<td>BOP</td>
<td>#2h, 2</td>
</tr>
<tr>
<td>January 21, 2015</td>
<td>BOP</td>
<td>#2i</td>
</tr>
<tr>
<td>January 21, 2015</td>
<td>BOP</td>
<td>#2L, 2 &amp; #2L, 5</td>
</tr>
<tr>
<td>January 21, 2015</td>
<td>BOP</td>
<td>#2m, 6</td>
</tr>
<tr>
<td>January 21, 2015</td>
<td>BMD</td>
<td>#2d, 4</td>
</tr>
<tr>
<td>January 19, 2017</td>
<td>BOP</td>
<td>#2K</td>
</tr>
<tr>
<td>March 30, 2017</td>
<td>BOP</td>
<td>#2g &amp; #2h</td>
</tr>
</tbody>
</table>
PREFACE
Adopted 5-1-2012

An Introduction to FFA Mission-Based Policy Governance Structure

The National FFA Board of Directors operates under a Mission-Based Policy Governance model adopted in 2010. It was inspired and adapted from the Carver Policy Governance® Model developed by John and Miriam Carver. Policy governance represents a substantive change from the management model of governance used previously by the board. National FFA Advisor and Board Chair Dr. Larry Case said at the time, “Our aim is to achieve a more effective form of governance that can take the National FFA Organization to the next level of excellence in providing service to FFA members, teachers and agricultural education.”

This introduction to the FFA Mission-Based Policy Governance Structure is intended to familiarize board members with the origins, objectives and nature of the current operational environment of the board. To ensure each board member has a thorough grounding in the use of the policy governance model, a more detailed orientation is provided each time new members join the board.

I. FFA and the Previous Management Team Governance Model
Prior to 2010, the FFA board operated under a management team model which was characterized by a high degree of involvement in the operational and administrative activities of the organization. To varying degrees, the board’s committees were organized along functional lines. Decision-making extended to details about programs, services and administrative practices.

The management team model was instituted at a time when National FFA had very limited fulltime staff. While the model is generally well-suited for all-volunteer organizations, it is considered less appropriate for organizations that already have professional management and fulltime employees, such as today’s National FFA Organization. The most important shortcoming cited is that the model can lead to a climate of micro-management in which a board declines to delegate authority, believing its role requires making operational decisions, while implementation is left to paid staff. The result can be a lack of consistency in decisions, dissatisfied board members, resentful staff and a lack of attention to planning and accountability matters. In the case of National FFA, boards of directors were also challenged to place sufficient focus on long-range strategy and vision.

II. Adoption of the FFA Mission-Based Board Governance Model
In 2005, the National FFA Board of Directors began a review of its governance practices. Questions had been raised regarding roles of the board and its committees. Board chair Dr. Larry Case widened the discussion to examine the board’s fundamental responsibilities and operating structures.
The board undertook consideration of the Carver Policy Governance® Model and attended training seminars to learn more about the model and its potential application to national FFA operations. In July 2007, the board authorized a Governance Steering Committee to examine the Carver model as a means of allowing the board to focus more closely on the most critical policy issues and the future direction and vision for the FFA.

Based on the steering committee’s report, the board approved engagement of a consultant in 2008 to assist in writing and implementing new governance policies. The board elected not to adopt the Carver Policy Governance® Model in its entirety; rather, it adapted the model to better fit the unique circumstances provided in the National FFA Organization’s federal charter. The new Mission-Based Board Policies were formally adopted by the board in January 2010.

The policy governance approach is outlined in the Carvers’ own description:

*In contrast to the approaches typically used by boards, Policy Governance separates issues of organizational purpose (ENDS) from all other organizational issues (MEANS), placing primary importance on those Ends. Policy Governance boards demand accomplishment of purpose, and only limit the staff's available means to those which do not violate the board's pre-stated standards of prudence and ethics.*

*The board's own Means are defined in accordance with the roles of the board, its members, the chair and other officers, and any committees the board may need to help it accomplish its job. This includes the necessity to "speak with one voice". Dissent is expressed during the discussion preceding a vote. Once taken, the board's decisions may subsequently be changed, but are never to be undermined. The board's expectations for itself also set out self-imposed rules regarding the delegation of authority to the staff and the method by which board-stated criteria will be used for evaluation. Policy Governance boards delegate with care. There is no confusion about who is responsible to the board or for what board expectations they are responsible. Double delegation (for example, to a board committee as well as to the CEO) is eliminated. Furthermore, boards that decide to utilize a CEO function are able to hold this one position exclusively accountable.*

*Evaluation, with such carefully stated expectations, is nothing more than seeking an answer to the question, "Have our expectations been met?" The board, having clarified its expectations, can assess performance in that light. This focused approach reduces the mountains of paperwork boards often feel obliged to review. Moreover, those boards which worry that they are only furnished the data management wants to give them find that, in stating their expectations and demanding a relevant and credible accounting of performance, they have effectively taken over control of their major information needs. Their staff no longer has to read their minds.*
III. The Nature and Objectives of FFA’s Policy Governance Structure

The driving motivation for considering alternative policy governance models was the board’s desire to clarify its proper role and determine the most efficient way to organize its activities to set direction and provide accountability for the National FFA Organization. The policy governance model was selected because it:

- Enables the board to concentrate on the big policy issues, vision for the FFA and key results, rather than on management issues and operations.
- Outlines the manner in which the board can be successful in its servant-leadership role, as well as in its all-important relationship with management.
- Focuses on helping the board be accountable to the ‘owners’ of the organization, while the CEO is held accountable to the board.
- Maximizes the board's ability to be accountable for everything that happens in the organization, and maximizes staff freedom to get the job done at the same time.
- Creates alignment between what the legal owners (stakeholders) of the organization want and what the organization actually achieves.
- Provides accountability for the National FFA Organization.

At the heart of the governance model are clear policies that establish the boundaries within which the organization must operate to achieve its objectives. Because the boundaries are clear, the board can focus on its governance role of:

- Representing the interests of the moral owners in establishing the results that should be achieved on their behalf.
- Being a proactive owner/shareholder representative and acting as a direct link between the organization and the moral owners.
- Guiding the organization through very broad but complete policies.
- Assertively but fairly assuring that the organization, through the CEO, is performing adequately.
- Ensuring that unethical and unacceptable situations do not occur by proactively addressing these values in board policy.

The mission-based policy governance model offers significant benefits and advantages for the National FFA Organization, including:

- The board can focus consistently on organizational performance.
• The board is assured the National FFA continues to operate ethically, prudently, and legally.

• Greater clarity is achieved in expectations, authority and roles for the board; individuals and groups chosen to assist, inform and advise the board; and national staff.

• The board is more empowered to be visionary and focused on big issues.

• The board can empower the CEO at the highest level it deems appropriate to better manage the organization.

• The board's assessment of organizational achievement on results and executive limitations policies, as reported by the CEO, becomes the measure of organizational performance and of CEO performance.

• The board takes more responsibility for its own performance (by writing and monitoring itself on governance process and board-management delegation policies).

• The board's role as servant leader to the owners of the National FFA Organization is sustained and enhanced.

• Governance (ends and means) policies are articulated in one document for present and future board members and the individuals and entities that assist, inform and advise the board.

• Any board can revise policy at any meeting to achieve more clarity, or more or less control of itself and/or management.

Since its adoption, the National FFA Board has worked to refine and clarify its policy governance structure. Working with management, the board has become more proficient at focusing on the primary tasks of policy formulation, setting long-range direction and vision, assessing results and ensuring accountability of both the board and management.
The CEO will not cause or allow any organizational practice, activity, decision or circumstance, which is:

- Unlawful,
- Imprudent,
- In violation of commonly accepted business and professional ethics
- Inconsistent with the values, morals and ethics of FFA and agricultural education
With respect to interactions with current and potential stakeholders, the CEO will not cause or allow conditions, procedures, or decisions which are unsafe, untimely, disrespectful, undignified or unnecessarily intrusive.

Without limiting generality of the foregoing, the CEO will not:

1. Elicit information for which there is no clear necessity.

2. Use methods of collecting, reviewing, transmitting, or storing stakeholder information (with special attention to student data) that fail to protect against improper access to the material.

3. Operate facilities, activities, or events without appropriate accessibility and privacy.

4. Fail to establish with stakeholders a clear understanding of what may be expected.

5. Allow stakeholders to be unaware of this policy.

6. Operate without a way to be heard for persons who believe that they have not been accorded a reasonable interpretation of their rights under this policy.

7. Operate without a mechanism for appropriately handling complaints.

8. Significantly change programs or program administration without providing notification of proposed changes and seek feedback about the real and potential impact on the affected stakeholders.

(Return to Table of Contents)
With respect to treatment of paid staff and volunteers, the CEO will not cause or allow conditions, which are unsafe, unfair, undignified, disrespectful, disorganized, or unclear.

The CEO will not:

1. Operate without well-understood, written and communicated personnel procedures.

2. Retaliate against any staff member for non-disruptive expression of dissent, or for reporting to management, the Board of Directors, or the National Executive Secretary (according to a documented complaints procedure in the personnel manual) acts or omissions by FFA personnel, management or the Board of Directors that the employee believes, in good faith and based on credible information, constitute a violation of state or federal law or a governing policy of the board, or regarding significant accounting, internal control or auditing matters.

3. Allow staff to be unprepared to deal with emergency situations, including interim and emergency succession, emergency preparedness and authority during emergency incidents and recovery situations.

4. Fail to create an inclusive and diverse workplace.

5. Allow volunteers to contribute time without a signed release and waiver of liability in situations where such protection would be considered both feasible and warranted.

6. Operate without an annual climate survey of staff with results reported to the board.
With respect to employment, compensation and benefits to employees, consultants, contract workers and volunteers, the CEO may not cause or allow jeopardy to fiscal integrity or public image.

The CEO will not:

1. Promise or imply permanent or guaranteed employment.

2. Establish current compensation and benefits that are inconsistent with the geographic or professional market for the skills employed.

3. Establish a system for incentive compensation that is inequitable, inconsistent, or not transparent.

4. Create obligations over a longer term than revenue can be safely projected.

5. Establish or change employee benefits so as to cause unpredictable or inequitable situations, including those that:
   (a) incur unfunded liabilities.
   (b) treat the CEO differently from other key employees.

6. Fail to provide the following:
   (a) All regular, full-time, and eligible part-time employees hired before January 1, 2014 will have access to Defined Benefit retirement plan, an employee funded 403(b) savings plan, as well as a supplemental employer-funded Defined Contribution (DC) plan.
   (b) All regular, full-time, and eligible part-time employees hired on or after January 1, 2014 will have access to an employee-matching 403(b) Defined Contribution (DC) plan, as well as a supplemental employer-funded Defined Contribution (DC) plan.
   (c) All regular full-time and eligible part-time employees may, on a voluntary basis, participate in the FFA-sponsored medical, dental and vision insurance programs. The National FFA Organization will contribute no more than 16 percent of salary budgeted for those programs.

7. Change his or her own compensation.

8. Fail to provide the Board of Directors his/her conflict of interest disclosure and the disclosures of the CEO, CFO, and COO on an annual basis.

(Return to Table of Contents)
POLICY TYPE: CEO POLICIES

POLICY TITLE: FINANCIAL CONDITION & ACTIVITIES

Date Revised by the National FFA Organization Board of Directors: 01/21/2015

With respect to the actual, ongoing financial condition and activities, the CEO may not cause or allow the development of fiscal jeopardy or a material deviation of actual expenditures from board priorities established in CEO policies.

The CEO will not:

1. Neglect to make annual progress increasing the number of months of unrestricted liquid assets to total expenses covered (#3 Financial Ratios) as compared to the previous year.

2. Neglect to make annual progress increasing the number of months of unrestricted liquid assets to total expenses covered (#3 Financial Ratios) at least 4.5 months by FY 2016.

3. Neglect to report annually at the spring board meeting, following the completion of the National FFA Organization audit, at least a four year historical comparison of the following ratios:

   **CAPITAL RATIO**

   - Debt Covenant – Unrestricted Net Assets to Debt
     (Measures FFA’s compliance with the debt covenant specified in the bond indenture.)

   **BALANCE SHEET RATIOS**

   - Net Restricted Liquid Assets (Measures the amount of liquid assets that are held without externally-imposed restrictions on use that are available to meet FFA’s operating needs and fulfill its mission.)

   - Net Unrestricted Liquid Assets to Total Expenses Net of Depreciation and Costs of Goods Sold (Measures the degree of coverage of annual operating expenses net of depreciation and cost of goods sold by FFA’s current cash and investments.)

   (Continued Next Page)
OPERATING RATIOS

- Unrestricted Net Assets to Total Expenses Net of Depreciation and Cost of Goods Sold (Measures the coverage of annual operating expenses net of depreciation and cost of goods sold by FFA’s unrestricted financial resources.)

The CEO will not: (cont.)

4. Expend materially more than the total funds that have been budgeted in the fiscal year.

5. Incur debt other than commitments which arise in the ordinary course of business such as trade payables, which cannot exceed one-fourth of the prior year’s revenues.

6. Arrange leases to acquire fixed assets in excess of $100,000 per project without board approval.

7. Use the allocation of net unrestricted liquid assets to make a single non-operating purchase or commitment over $100,000 per project, or to make total purchases and commitments greater than a total of $500,000 per fiscal year.

8. Use the allocation of net unrestricted liquid assets to make a single capital purchase or commitment of over $100,000 per project, or to make total purchases or commitments greater than a total of $500,000 per fiscal year.

9. Use annual operating funds to make a single purchase over $1,000,000 per project.

10. Acquire, encumber or dispose of real estate.

11. Reimburse other organizations’ indirect costs as part of a grant or contract administration for activities funded by or through the National FFA Organization. Seek special project funding from government agencies, other foundations, or the National FFA Foundation exceeding $1 million per application or for a period exceeding five years.

(Continued Next Page)

(Return to Table of Contents)
The CEO will not: *(cont.)*

12. Seek special project funding from government agencies, other foundations, or the National FFA Foundation exceeding $1 million per application or for a period exceeding five years.

13. Allow the employee pension accounts to be underfunded or operated without a plan of action to keep the employee pension accounts fully funded.

14. Allow the National FFA Organization board to operate without timely, accurate, and understandable financial information.

15. Allow capital spending on approved items beyond 24 months of the board approval.

16. Allow budgeting for any fiscal year to risk financial jeopardy.

17. Allow the organization to be without the services of a qualified Chief Financial Officer (CFO) who reports to the CEO, has direct availability to the Board of Directors and serves both the National FFA Organization and the National FFA Foundation.

18. Prevent the CFO from providing the Board of Directors with unfiltered opinions regarding the financial condition of the organization.

19. Interfere with the CFO from supervising the finance departments of the organization and assists the Organization COO on strategic and tactical matters relating to budget management, cost benefit analysis, forecasting needs and securing of funding.

20. Interfere with the CFO from participating in the preparation and presentation of financial reports to the Board of Directors.

21. Finalize the evaluation performance of the CFO without participation and approval by the Joint Governance Committee.

22. Hire or dismiss the CFO without participation and approval of the Joint Governance Committee.

*(Return to Table of Contents)*
The CEO may not allow corporate assets to be unprotected, inadequately maintained or unnecessarily risked.

The CEO will not:

1. Allow the organization, board members, staff and volunteers to be uninsured against theft, fire and casualty losses to a prudent replacement value and against liability losses.

2. Allow unbonded personnel access to material amounts of funds.

3. Subject facilities and equipment to improper wear and tear or insufficient maintenance, or fail to maintain an inventory of all fixed assets.

4. Unnecessarily expose the organization, its board, or staff to claims of liability.

5. Receive, process, or disburse funds under controls that are insufficient to meet the board-appointed auditor’s standards.

6. Make any purchase:
   (a) wherein normally prudent protection has not been given against conflict of interest.
   (b) of more than $1,000,000 each, except as required to implement a board-approved project.
   (c) if there is financial risk to the organization.

7. Fail to operate competitive bid purchasing such that:
   (a) the best overall value in each purchase amount category is secured, when considering all costs.
   (b) long-term preferred supplier agreements are permitted if they result from a comprehensive bid process.

8. Allow property, information or files to be unprotected against significant loss or damage maintaining records in accordance with a records retention schedule, which includes prohibition of unauthorized destruction of documents.

(Continued Next Page)
9. Endanger the organization’s public image, credibility, intellectual property, or ability to accomplish the Results Policies.

10. Allow programs or services to be established, evaluated, eliminated, or significantly changed without a representative voice from appropriate groups of stakeholders and customers.

11. Allow activities to violate the following: “The National FFA Organization is a resource and support organization that does not select, control, or supervise state association, local chapter or individual member activities. Educational materials are developed by FFA in cooperation with the U.S. Department of Education as a service to state and local agricultural education agencies.”

12. Determine the annual national FFA convention site.

(Return to Table of Contents)
POLICY TYPE: CEO POLICIES

POLICY TITLE: INVESTMENT MANAGEMENT

Date Revised by the National FFA Organization Board of Directors: 1/24/2013

The CEO may not manage the investments of the organization without the following goals:

- Outperforming inflation
- Participating in a diversified investment portfolio
- Minimizing the risk of large losses by offering equity and fixed income investments that are diversified among various asset classes
- Maximizing total return within reasonable and prudent levels of risk

Accordingly, the CEO will not:

1. Operate without a pension committee that includes the national FFA advisor and national FFA treasurer.
2. Operate without an investment committee that includes the national FFA advisor and national FFA treasurer.
3. Operate without board-approved investment policies.

(Return to Table of Contents)
The CEO may not permit the board to be uninformed or unsupported in its work.

The CEO will not:

1. **Neglect** to submit monitoring data and supporting documents required by the board according to its "Monitoring CEO Performance" policy in a timely, accurate and understandable fashion, directly addressing provisions of the board policies being monitored, and including the CEO’s interpretations consistent with the “Delegation to the CEO” policy, as well as relevant data.

2. **Let** the board be unaware of any significant incidental information it requires including anticipated adverse media coverage, threatened or pending lawsuits and material external and internal changes, or instances of the organization entering into long-term agreements, distinguishing among assets, contracts and purchases.

3. **Allow** the board to be unaware of any action taken or the decision made of no action taken regarding each delegate issue/recommendation and national officer team year-end report by providing an initial report at the winter board meeting (typically in January) and progress reports at every subsequent meeting (typically held during April or May), or fail to report on each issue until the board determines no further action should be taken to ensure student voices are heard.

4. **Allow** the board to be unaware that, in the CEO’s opinion, the board is not in compliance with its own policies on Board Operational Policies Process and Board-Management Delegation, particularly in the case of board behavior which is detrimental to the work relationship between the board and CEO.

5. **Allow** the board to be without decision information required periodically by the board or let the board be unaware of relevant trends.

6. **Present** information in unnecessarily complex or lengthy form or in a form that fails to differentiate among information of three types: monitoring, decision preparation and other.

(Continued Next Page)
7. Allow the board to be without a workable mechanism for official board, officer, or committee communications.

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
   (c) communication is necessary with the Board chair who is also the National FFA Advisor and Senior Educational Program Specialist for Agriculture, Agribusiness and Natural Resources in U.S. Department of Education.

9. Allow the board to be unaware of any actual or anticipated noncompliance with any Results policies or CEO policies of the board regardless of the board’s monitoring schedule.

10. Fail to submit to the board a consent agenda containing items delegated to the CEO yet required by law or contract to be board-approved, along with applicable monitoring information.

11. Fail to allow the National FFA Treasurer to have full access to financial records of the organization, including obtaining original copies of reports from the auditors.

12. Fail to have clear communication mechanisms in place directly with the board chair.

(Return to Table of Contents)
POLICY TYPE: CEO POLICIES

POLICY TITLE: EMERGENCY EXECUTIVE SUCCESSION

Date Revised by the National FFA Organization Board of Directors: 10/18/2010

In order to protect the board from the sudden loss of CEO services, the CEO will not permit there to be fewer than two executives sufficiently familiar with board and CEO issues and procedures to enable either to take over with reasonable proficiency as an interim successor.

(Return to Table of Contents)
POLICY TYPE: CEO POLICIES

POLICY TITLE: PRODUCT/EVENT PRICING

Date Revised by the National FFA Organization Board of Directors: 5/01/2012

The CEO may not allow the pricing of FFA products or events (including convention fee) that fail to observe sound business practices.

The CEO will not:

1. Fail to price FFA products, programs, or events needed for official FFA functions at the lowest possible price.

2. Increase the cost of a product, program or event by an amount greater than the Consumer Price Index (CPI), without prior board approval.

3. Allow the board to be unaware of significant prices changes.

(Return to Table of Contents)
POLICY TITLE: PROTECTION OF FFA IMAGE AND BRAND EQUITY

Date Revised by the National FFA Organization Board of Directors: 01/21/2015

The CEO may not endanger the organization’s public image, credibility, or its ability to accomplish its Results Policies and Outcomes.

The CEO may not:

1. Alter the official dress code of FFA.

2. Allow materials (including goods, products and intellectual property) developed by the National FFA Organization and/or bearing FFA marks, to be used by other parties without written secure permission or authorization.

3. Allow changes to products, services, logo, emblem, or colors such that the FFA brand or image is significantly changed or altered.

4. Allow publications to exclude affiliation, mission and diversity statements.

5. Operate without detailed rules governing advertising or allow advertising that is inappropriate for the target audience, discriminatory, demeaning, politically partisan, inconsistent with the values and mission outcomes of FFA, controversial, or offensive.

6. Operate without detailed rules and board approved policies regarding approved and acceptable uses of the official FFA letters, names, emblem and trademarks.

7. Fail to guide the organization’s work in a way that reflects the values historically important to the organization.

8. Operate without a long-term marketing and brand management strategy.

(Return to Table of Contents)
The CEO may not allow the purpose or benefits of any awards and recognition activities to deviate from the Board’s Result’s Policies.

Accordingly the CEO will not fail to ensure that:

1. Agriculture, Food and Natural Resources Career Cluster Curriculum Content Standards and related academic content standards are aligned with all applicable initiatives.

2. National Secondary Agricultural Education Quality Program Standards are used to guide all applicable initiatives.

3. Business and industry partners play a significant role in the development of technical content in all initiatives.

4. Levels of mastery are established and recognized.

5. Major taskforce reports are incorporated into any revisions.

6. Award opportunities are available for students with all types of SAE programs.
The purpose of the board is to:

1. Represent the interests of the stakeholders as defined in Board Operational Policies.

2. Determine the benefits that the organization will provide, keeping a long-term, strategic perspective.

3. Monitor the operations to ensure that the CEO Policies are being complied with and that the Results Policies are being accomplished.

4. Maintain financial accountability of the Organization, act as fiduciaries of the Organization’s assets and exercise due diligence to oversee that the Organization is well-managed and its financial situation remains sound.

(Return to Table of Contents)
The board will govern lawfully, observing the provisions of Public Law 105-225, the National FFA Constitution, the National FFA Bylaws, and the Memorandum of Understanding with the U.S. Department of Education:

1. The board will cultivate a sense of group responsibility. The board will not use the expertise of individual members to substitute for the judgment of the board, although the expertise of individual members may be used to enhance the understanding of the board as a body.

2. The board will proactively direct, control, and inspire the organization through the careful establishment of broad written policies reflecting the board's values and perspectives.

3. The board will enforce upon itself whatever discipline is needed to govern with excellence.

4. Continual board development will include orientation of new members (including student board members) in the board's mission-based policies and periodic board discussion of process improvement.

5. The board will monitor and discuss the board's process and performance at each meeting.

6. The board will allow no officer, individual or committee of the board to hinder or be an excuse for not fulfilling group obligations.

(Return to Table of Contents)
The board, as a group, represents the stakeholders of the organization.

1. Board members’ ethical obligation is to represent all the stakeholders, not specifically the home organizations from which they are selected.
   
   (a) Appropriate broad-based input from the stakeholders must be sought and assimilated.
   
   (b) The full range of the views of the stakeholders as to purpose and cost of the organization must be incorporated into board deliberations, not just those points of view held personally by board members.
   
   (c) Communication back to the stakeholder group with whom the board member represents, regarding decisions and directions of the board.

2. Board members, drawn from a diverse pool of stakeholder perspectives, must distinguish and serve those interests that are incident to the collective organization.

   (a) Members as stakeholders have the right to determine and delegate the purpose of the organization.
   
   (b) Members as stakeholders are of direct relevance to mission-based board policies only in that the board must (1) decide what benefits are to be provided to members, and (2) ascertain that members receive those benefits. Both actions are done on behalf of members as stakeholders.
POLICY TYPE: BOARD OPERATIONAL POLICIES

POLICY TITLE: BOARD JOB DESCRIPTION

*Date Revised by the National FFA Organization Board of Directors: 08/14/2014*

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

Accordingly, the board will provide:

1. Final authority on the organization on behalf of the stakeholders. The board has made a commitment to listen to, act on behalf of and be accountable to the stakeholders of the organization.

2. Written Mission-Based Board Policies will include.

   (a) CEO Policies: Constraints on CEO authority, which establish the prudence and ethical boundaries within which all executive activity and decisions must take place.

   (b) Operational Policies: Specification of how the board conceives carries out and monitors its own tasks.

   (c) Board-Management Delegation: Delegation and monitoring of authority and responsibility between the board and management.

   (d) Results Policies: Desired outcomes impacting various stakeholders.

*(Return to Table of Contents)*
The board has made a commitment to listen to, act on behalf of and be accountable to the stakeholders of the organization, as defined in Board Operational Policy (BOP #1).

To carry out this important and fundamental role, the board commits to proactively communicate with constituent parts of the stakeholders, and use that information to determine the direction and priorities of the organization as articulated in the board’s Results Policies. The board will also solicit input and participation from other independent organizations in understanding and meeting the needs of its customers and stakeholders.

The stakeholders of the National FFA Organization are defined to be:

- Agricultural education professionals at national, state and local levels (teachers, state staff, federal staff, teacher educators)
- Policy makers and administrators in public education (including school boards)
- Business and industry representatives
- AFNR community (grass roots, alumni, local support, local communities, local employers)
- Students\membership (national delegates, members)
POLICY TYPE: BOARD OPERATIONAL POLICIES

POLICY TITLE: BOARD MEMBERS’ CODE OF CONDUCT

Date Revised by the National FFA Organization Board of Directors: 05/01/2012

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

1. Board members must have loyalty to the stakeholders and not be conflicted by loyalties to staff, other organizations, or any personal interest as a consumer.

2. Board members must avoid conflicts of interest with respect to their fiduciary responsibility.
   (a) There must be no self-dealing or business by a member with the organization. Members will annually disclose their involvements with other organizations, vendors, or any associations that might be or might reasonably be seen as being a conflict.
   (b) When the board is to decide upon an issue about which a member has an unavoidable conflict of interest, that member will withdraw without comment from the vote and the deliberation.
   (c) Board members will not use their positions to obtain employment in the organization for themselves, family members or close associates. A board member who accepts employment with the organization must resign from the board.

3. Board members may not attempt to exercise individual authority over the organization.
   (a) Members, in their interactions with the CEO or with staff, must recognize the lack of authority vested in individuals except when explicitly board authorized.
   (b) Members, in their interactions with public, press, or other entities, must recognize the same limitation and the inability of any board member to speak for the board except explicitly stated board decisions.

(Continued Next Page)

(Return to Table of Contents)
(c) Except for participation in board deliberation about whether or not the CEO has achieved any reasonable interpretation of board policy, members will not express individual judgments of performance of employees or the CEO.

4. Members will respect the confidentiality appropriate to issues of a sensitive nature.

5. Members will be properly prepared for board deliberation.

6. Members will support the legitimacy and authority of the final determination of the board on any matter, irrespective of the members’ personal positions on the issue.

7. Members will contribute their time, talents, expertise and resources to the work of the organization.

8. With consideration of extenuating circumstances, a member is considered to have resigned if he/she is absent from one board meeting in a calendar year.

9. The board will adhere to core values of honesty, integrity, fairness and respect.

10. The board’s values are articulated in all four categories of its policies.

11. Members must read, agree to and sign the National FFA Code of Conduct and the Conflict of Interest Policy annually.

(Return to Table of Contents)
The National FFA Advisor will serve as the Board Chair, a specially empowered member of the board. The Board Chair assures the integrity of the board's process and, secondarily, represents the board to outside parties.

1. The assigned result of the National FFA Advisor's job is that the board behaves consistently with its own rules and those legitimately imposed upon it from outside the organization.

   (a) Meeting discussion content will ordinarily only be those issues, which, according to board policy, clearly belong to the board to decide or to monitor.

   (b) Deliberation will be fair, open, and thorough, but it will also be timely, orderly and to the point.

   (c) Information that is for neither monitoring performance nor board decisions will be avoided or minimized and always noted as such.

2. The authority of the National FFA Advisor consists in making decisions that fall within the topics covered by board policies on Operational Policies and Board-Management Delegation, with the exception of:

   (a) employment or termination of the CEO.

   (b) situations in which the board specifically delegates portions of this authority to others. The National FFA Advisor is authorized to use any reasonable interpretation of the provisions in these policies.

3. The National FFA Advisor is empowered to chair board meetings with all the commonly accepted power of that position.

4. The National FFA Advisor may represent the board to outside parties in announcing board-stated positions and in interpretations within the areas delegated to him or her.
5. The National FFA Advisor may delegate this authority, but will remain accountable for its use.

6. The National FFA Advisor will build and maintain certain communication links between the board and stakeholders and other organizations as needed by the board to do its work.

7. The National FFA Advisor shall conduct an exit interview with each retiring board member and with retiring student Board member (National FFA Officer)

(Return to Table of Contents)
POLICY TYPE: BOARD OPERATIONAL POLICIES  
BOP #2g

POLICY TITLE: NATIONAL FFA EXECUTIVE SECRETARY’S ROLE

*Date Revised by the National FFA Organization Board of Directors: 03/30/2017*

The National FFA Executive Secretary is an officer of the board whose purpose is to ensure the integrity of the board’s documents.

1. The assigned result of the National FFA Executive Secretary’s job is to see that all board documents and filings are accurate and timely.

   (a) Policies will be current in their reflection of board decisions. Decisions upon which no subsequent decisions are to be based, such as consent agenda decisions, motions to adjourn, and staff or board member recognitions, need not be placed in policy. Policies will rigorously follow mission-based policy principles.

   (b) Public Law 105-225, Constitution and Bylaws elements necessary for legal compliance and for consistency with the principles of Mission-Based Board Policies will be known to the board.

   (c) Requirements for format, brevity and accuracy of board minutes will be known to the National FFA Advisor and CEO.

2. The authority of the National FFA Executive Secretary is access to and control over board documents.

3. The National FFA Executive Secretary is responsible for maintaining the records of the board’s own mission-based processes and evaluations.

4. The National FFA Executive Secretary will compile a historical record of delegate committee reports including the board and/or FFA staff responses to the reports. The record should contain delegate committee reports and staff responses from every year, beginning with those from the 2012 National FFA Delegate Process. The record will be annually shared electronically with stakeholders of agricultural, food and natural resources education.

*(Return to Table of Contents)*
The purpose of the role of National FFA Treasurer, as an officer of the board, is to produce board assurance of organizational performance against board-specified CEO policies related specifically to the financial management of the organization.

Accordingly, the National FFA Treasurer will:

1. Produce board direct inspection monitoring reports according to the monitoring schedule (see BMD # 2d, Monitoring CEO Performance).

2. Ensure the board that a fully qualified external auditor conducts a competent audit annually, covering all normal audit topics and all CEO policies determined by the board to be monitored by external means, and ensure that audit results are communicated to the board no later than May 1 each year.

3. Ensure that the National FFA Board of Directors submits to Congress a copy of the National FFA Organization Audit Report no later than six months following the end of the fiscal year as required in Public Law 88-504.

4. Serve as the Chair of the Joint Finance Committee and will administer the organization’s confidential complaint handling process.

5. The term of office for the National FFA Treasurer will be four years. The National FFA Board of Directors will have the option to request a second consecutive term. No National FFA Treasurer will serve more than two consecutive four-year terms for a maximum of eight years. The new Treasurer will be selected at least one year prior to the expiration of the current Treasurer’s term and may use up to one year before the appointed term is to shadow the current Treasurer for the purpose of learning the responsibilities of the position.
POLICY TYPE: BOARD OPERATIONAL POLICIES

POLICY TITLE: NATIONAL FFA OFFICER’S ROLE

Date Adopted by the National FFA Organization Board of Directors: 01/21/2015

The role of the National FFA Officers is to represent the issues of student members (even though students are both customers and stakeholders of FFA) during board deliberations. The National FFA Officers take on an active role in board meetings according to the direction of the board.

To ensure the consideration of the student voice by the board of Directors, the board of student officers (National FFA Officers) and the National FFA Board of Directors will have group input and discussion on each topic or motion presented. Both the student board and the board of Directors should discuss the topic before any vote takes place. The board of student officers votes first on each motion that comes before the board meeting. The board of Directors, after hearing the board of student officer vote, will take sustaining action to officially pass or fail a motion. Voting by the National FFA Officers will not elicit action, but rather offers perspective.

National FFA Officers will not be present for executive sessions, nor vote on motions made during executive sessions, unless invited by the board to participate.

(Return to Table of Contents)
Board committees, when used, will be assigned to help the board do its job, reinforce the wholeness of the board's job and operate in a manner that never interferes with delegation from board to CEO.

1. Board committees are to help the board do its job, not to help or advise the staff. Committees ordinarily will assist the board by preparing policy recommendations, alternatives and implications for board deliberation. In keeping with the board's broader focus, board committees will normally not have direct dealings with current staff operations.

2. Board committees may not speak or act for the board except when formally given such authority for specific and time-limited purposes. Expectations and authority will be carefully stated in order not to conflict with authority delegated to the CEO.

3. Board committees cannot exercise authority over staff. The CEO works for the full board and will therefore not be required to obtain approval of a board committee before an executive action.

4. Board committees are to avoid over-identification with organizational parts rather than the whole. Therefore, a board committee, which has helped the board create policy on some topic, will not be used to monitor organizational performance on that same subject. The board retains responsibility and authority to monitor organizational performance on the same subject.

5. Committees will be used sparingly and ordinarily in an ad hoc capacity.

6. This policy applies to any group that is formed by board action whether or not it is called a committee and regardless of whether the group includes board members. It does not apply to committees formed under the authority of the CEO.

(Return to Table of Contents)
A committee is a board committee only if its existence and charge come from the board, regardless whether board members sit on the committee. The only board committees are those set forth in this policy. Unless otherwise stated, a committee ceases to exist as soon as its task is complete. Timely reporting to the board will be by submission of a written report at each board meeting and with appropriate verbal comment by the committee chair.

1. FFA Joint Finance Committee:

   The FFA Joint Finance Committee will function in an advisory capacity in regard to important strategic financial matters impacting FFA. The joint Committee seeks to achieve these goals. The Committee will review financial matters impacting both entities and provide recommendations to strengthen the long-term sustainability and well-being of both organizations. Committee members will represent the interest of their respective Boards and will report back their Boards at regularly scheduled Board meetings.

   (a) Composition:

   1) The National FFA Treasurer, Chair (permanent appointment)  
   2) The National FFA Chief Financial Officer (CFO) (permanent appointment)  
   3) Two National FFA Organization Board members  
   4) Two National FFA Foundation Board members  
   5) Committee members may remain on the Joint Finance Committee until they resign from the committee or their respective board term expires.  
   6) The Chair may appoint new committee members to maintain a six-member committee, including two from each board as needed.

   (b) Authority:

   1) The committee will function in an advisory capacity and make recommendations for actions to the National FFA Organization Board of Directors and National FFA Foundation Board of Trustees as appropriate.  
   2) The committee will have authority to examine documents and discuss all issues relating to financial matters of the organizations, including, but not limited to, audits, budgets, financial statements, employee benefit programs and investment policies.

   (Continued Next Page)
POLICY TYPE: BOARD OPERATIONAL POLICIES

POLICY TITLE: BOARD COMMITTEE STRUCTURE

Date Revised by the National FFA Organization Board of Directors: 1/19/2017

(b) Authority: (continued)

3) The committee will provide assurance that a fully qualified external auditor conducts competent audits annually for the Organization and the Foundation, covering all normal audit topics in accordance with a board-approved “FFA Audit Process” and all CEO policies determined by the board to be monitored by external means.
   i. Audit results will be communicated to each organization’s board no later than May 1 annually.
   ii. The audit will comply with all external requirements, including SOX and IRS.
   iii. Selection of the outside auditor will be put to bid at least every seven years

(c) Meetings:

1) The chair of the committee, in consultation with the committee members, shall determine the schedule and frequency of committee meetings.
2) The chair of the committee shall develop and set the committee’s agenda in conjunction with other members of the committee.
3) The agenda and information concerning business to be conducted will be communicated to members of the committee sufficiently in advance of each meeting to permit meaningful review by committee members.

2. Governing Committee:

   (a) Will act and serve as the compensation committee:
      (1) Will review and recommend the compensation of the CEO.
      (2) Annually submit the CEO compensation recommendation to the board of directors for approval.
      (3) Review and approve the CEO recommendations of compensatory changes for the CEO’s “direct staff reports”.

(Return to Table of Contents)
POLICY TITLE: BOARD COMMITTEE STRUCTURE

Date Revised by the National FFA Organization Board of Directors: 1/19/2017

3. Joint Governance Committee:

   (a) Composition:

   (1) Chair, National FFA Board of Directors (National FFA Advisor)
   (2) Two board members serving on the National FFA Organization Board governing committee
   (3) Three members of the National FFA Foundation Board of Trustees
   (4) The National FFA Organization Treasurer/National FFA Foundation Treasurer

   (b) Authority:

   (1) The Joint Governance Committee will evaluate the performance of the CEO.
   (2) The Joint Governance Committee will participate in evaluating the performance of the CFO.
   (3) The Joint Governance Committee will function in an advisory capacity and may make recommendations for actions to the National FFA Board of Directors and the National FFA Foundation Board of Trustees as appropriate.
   (4) The Joint Governance Committee will assist in facilitating communication between the National FFA Board of Directors and the National FFA Foundation Board of Trustees.

(Return to Table of Contents)
To accomplish its job with a mission-based style consistent with board policies, the board will follow an annual agenda that:

1. Completes a re-exploration of Results Policies annually;

2. Continually improves board performance through board education and enriched input and deliberation.

   (a) The cycle will conclude each year at the spring meeting (typically in May) so that administrative planning and budgeting can be based on accomplishing a one-year segment of the most recent statement of long-term performance.

   (b) The cycle will start with the board's development of its agenda for the next year.

      1. Consultations with selected groups of stakeholders or other methods of gaining stakeholders’ input will be determined and arranged in the first quarter, to be held during the balance of the year.

      2. Mission-based education and education related to performance determination (e.g., presentations by futurists, demographers, advocacy groups, staff, etc.) will be arranged in the first quarter, to be held during the balance of the year.

      3. A board member may recommend or request an item for board discussion by submitting the item to the National FFA Advisor no later than 45 days before the board meeting (so that board members receive their agendas 30 days prior to the board meeting).

   (c) Throughout the year, the board will attend to consent agenda items as expeditiously as possible.
3. CEO remuneration will be decided during the month of January after a review of monitoring reports received in the previous year.

4. CEO monitoring will be on the agenda if reports have been received since the previous meeting, if plans must be made for direct inspection monitoring, or if arrangement for third-party monitoring must be prepared.

5. At the spring board meeting (typically in May), the board will work with management to review and affirm the organization’s strategic plan.

(Return to Table of Contents)
Because poor educational investment costs more than learning mission-based governance, the board will invest in its mission-based capacity.

1. Board skills, methods, and supports will be sufficient to ensure management with excellence. Costs will be prudently incurred, though not at the expense of endangering the development and maintenance of superior capability.

2. Training and retraining will be used liberally to orient new board members, national officers and candidates for board membership, as well as to maintain and increase existing board member skills and understandings. Up to $7,500 will be allocated in each fiscal year for training, including attendance at conferences and workshops.

3. Outside monitoring assistance will be arranged so that the board can exercise confident control over organizational performance. This includes but is not limited to financial audit. Up to $100,000 will be allocated in fiscal year for audit and other 3rd-party monitoring of organizational performance.

4. Outreach mechanisms will be used as needed to ensure the board's ability to listen to owner viewpoints and values. Up to $50,000 will be allocated in each fiscal year for surveys, focus groups, opinion analyses, and meeting costs.

5. Reasonable and appropriate annual expenses up to a total of $52,000 will be paid to board members, National Officers and board committee members.

6. The board will establish its cost of board operations budget for the next fiscal year no later than the summer board meeting (typically in August).
POLICY TYPE: BOARD OPERATIONAL POLICIES  BOP #2n

POLICY TITLE: BOARD MEETINGS

Date Adopted by the National FFA Organization Board of Directors: 1/24/2013

An agenda will be prepared by the National FFA Advisor and National FFA Executive Secretary.

1. Copies of minutes of the previous meeting will be provided with the agenda.

2. Current policies will be posted for all board members with the agenda prior to all board meetings.

3. All supporting documents for the National FFA board meeting must be in their final version and posted to the board’s website 12 (twelve) calendar days before the board meeting.

4. Minutes of each previous session will be approved at the board of directors meeting.

5. All actions taken by the delegates at the national FFA convention will be reviewed at the next regularly scheduled board meeting (typically held in January).

   (a) All amendments to the constitution will be reviewed and considered a priority regardless of the outcome of delegate voting. Amendments that pass will be considered for ratification by the Board of Directors.

   (b) All delegate committee report recommendations, stemming from delegate issues, will be classified as strategic and operational. All strategic issues will have further action taken by the Board of Directors, and operational issues will have further action taken by the CEO.

   (c) All delegate matters will be considered by the board of directors.

   (d) Reports containing the status of the organization’s actions and decisions regarding delegate committee reports will be provided to the board of directors by the CEO (See CEO Policy 2g #3).

6. All actions taken by delegates at the National FFA Convention will be considered for ratification by the board of directors.

(Return to Table of Contents)
Within the limitations of Public Law 105-225, the board's sole official connection to the operational organization, its achievements, and conduct will be through a chief executive officer, titled the CEO.

(Return to Table of Contents)
POLICY TYPE: BOARD-MANAGEMENT DELEGATION  
BMD #2a

POLICY TITLE: UNITY OF CONTROL

*Date Revised by the National FFA Organization Board of Directors: 08/13/2014*

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

1. Decisions or instructions of individual board members, officers, or committees are not binding on the CEO except in instances when the board has specifically authorized such exercise of authority. Such instances include board preparation by the National FFA Advisor and National FFA Executive Secretary.

5. In the case of board members or committees requesting information or assistance without board authorization, the CEO can refuse such requests that require, in the CEO's opinion, a material amount of staff time or funds, or which are disruptive.

(Return to Table of Contents)
The CEO is the board’s only link to operational achievements 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.

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

2. The board will not evaluate formally or informally any staff other than the CEO.

6. The board will view CEO performance as identical to organizational performance, so that organizational accomplishment of board-stated performance and avoidance of board-proscribed CEO policies will be viewed as successful CEO performance.

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

1. The board will develop policies instructing the CEO to achieve specified results, for specified stakeholders and customers, at a specified cost. These policies will be developed systematically from the broadest, most general level to more defined levels, and will be called results policies. All issues that are not performance issues as defined here are process issues.

2. The board will develop policies that limit the latitude that the CEO may exercise in choosing the organizational performance and activities. These limiting policies will describe those practices, activities, decisions and circumstances that would be unacceptable to the board even if they were to be effective. Policies will be developed systematically from the broadest, most general level to more defined levels, and they will be called CEO policies. The board will never prescribe organizational performance delegated to the CEO.

3. Below the global level, a single limitation at any given level does not limit the scope of any foregoing level.

4. Below the global level, the aggregate of policies on any given level may embrace the scope of the foregoing level, but only if justified by the CEO to the board’s satisfaction.

5. As long as the CEO uses any reasonable interpretation of the board's performance and CEO policies, the CEO is authorized to establish all further policies, make all decisions, take all actions, establish all practices and develop all activities. Such decisions of the CEO will have full force and authority as if decided by the board.

6. The board may change its Results and CEO policies prior to each organizational year.

(Return to Table of Contents)
Systematic and rigorous monitoring of CEO performance will be solely against the only expected CEO job products: organizational accomplishment of board policies on performance and organizational operation within the boundaries established in board policies on CEO policies.

1. Monitoring is simply to determine the degree to which board policies are being met. Information that does not do this will not be considered to be monitoring data.

2. The board will acquire monitoring information by one or more of three methods:
   
   (a) by INTERNAL REPORT: in which the CEO discloses interpretations and compliance information to the board
   
   (b) by EXTERNAL REPORT: in which an external, disinterested 3rd party selected by the board assesses compliance with the CEO’s interpretation of board policies
   
   (c) by DIRECT BOARD INSPECTION: in which a designated board member or members of the board assess compliance with the CEO’s interpretation of the appropriate policy criteria

3. In every case, the board will judge (a) the reasonableness of the CEO’s interpretation, and (b) whether data demonstrate accomplishment of the interpretation.

4. The standard for compliance will be any reasonable CEO interpretation of the board policy being monitored. The board is the final arbiter of reasonableness, but will always judge with a “reasonable person” test rather than with interpretations favored by board members or by the board as a whole.

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, as follows:

(Continued Next Page)
**POLICY TYPE: BOARD-MANAGEMENT DELEGATION**  
BMD #2d (cont.)

**POLICY TITLE: MONITORING CEO PERFORMANCE**

*Date Revised by the National FFA Organization Board of Directors: 01/21/2015*

<table>
<thead>
<tr>
<th>Policy</th>
<th>Frequency (times per year)</th>
<th>Method (see legend below)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational Performance Indicators</td>
<td>1X</td>
<td>IR</td>
</tr>
<tr>
<td>CP #1 Global Executive Constraint</td>
<td>1X</td>
<td>IR</td>
</tr>
<tr>
<td>CP #2a Treatment of Stakeholders</td>
<td>1X</td>
<td>IR</td>
</tr>
<tr>
<td>CP #2b Treatment of Staff</td>
<td>1X</td>
<td>IR</td>
</tr>
<tr>
<td>CP #2c Compensation and Benefits</td>
<td>1X</td>
<td>IR</td>
</tr>
<tr>
<td>CP #2d Financial Condition and Activities</td>
<td>1X or as needed</td>
<td>IR</td>
</tr>
<tr>
<td></td>
<td>1X</td>
<td>ER (Audit)</td>
</tr>
<tr>
<td></td>
<td>2X</td>
<td>BDI</td>
</tr>
<tr>
<td>CP #2e Asset Protection</td>
<td>1X</td>
<td>IR</td>
</tr>
<tr>
<td>CP #2g Communication &amp; Support to the Board</td>
<td>1X</td>
<td>BDI</td>
</tr>
</tbody>
</table>

**Methods:**  
IR = Internal CEO Report  
ER = External Report  
BDI = Board Direct Inspection

(Return to Table of Contents)
POLICY TYPE: RESULTS POLICIES

POLICY TITLE: ORGANIZATIONAL PERFORMANCE OUTCOMES

Date Adopted by the National FFA Organization Board of Directors: 1/27/2010

1.0 Because the National FFA Organization exists *Students in agricultural education succeed.*

Specifically:

2.1 Our highest priority is that **students** achieve:
   - premier leadership
   - personal growth
   - career success

2.2 **Teachers and state associations** have engaged and motivated students.

2.3 **Employers and industry** have better employees and better performance.

2.4 **Institutions of higher education** have engaged students and student leaders.

2.5 **Parents and alumni** are motivated to enhance student learning.

2.6 The **community/society** has engaged, thoughtful citizens and enjoys increased awareness of the importance of agriculture.

(Return to Table of Contents)