



# EARTHCORPS BOARD POLICY HANDBOOK

JULY 2020

## CONTENTS

Board Roles and Responsibilities .....	3
Introduction .....	3
EarthCorps Mission, Vision, & Values .....	3
Board Roles and Responsibilities .....	4
Board Officer Responsibilities.....	5
Board Committees .....	6
Bylaws.....	7
Conflict of Interest Policy .....	13
Whistleblower Policy .....	16
Committee Charters .....	19
Executive.....	19
Diversity, Equity, & Inclusion .....	19
Finance & Audit .....	20
Nominations & Governance .....	22
Conflict of Interest Statement .....	24
EarthCorps Board Member Pledge .....	25
Gift Acceptance Policies.....	26
Investment Policies.....	29
Banking and Signing Resolutions.....	32
Executive Director Succession Policy Statement and Procedure.....	34
Board Candidate Evaluation & Interview Questions.....	35

**The following information is located online in the EarthCorps Board Member Portal:**

- **Articles of Incorporation**
- **Strategic Plan**
- **Budget & Audit Information**

## BOARD ROLES AND RESPONSIBILITIES

### INTRODUCTION

Welcome to the EarthCorps' Board of Directors.

EarthCorps was established in 1993. Formerly known as Cascadia Quest/King County World Conservation Corps, EarthCorps works to restore parks and open spaces while providing leadership and community service experiences for young people from the United States and around the world.

The responsibilities of Board members include:

- **Attendance:** Attend a minimum of 75% of all Board and Committee meetings. In a typical year, meetings include a board retreat, four business meetings, a field outing and two education-focused meetings/events. 100% attendance is encouraged.
- **Terms in Office:** Serve at least one full term of three years (with the possibility of reelection for a second term three-year term.) Up to 1/3 of the board may serve a third consecutive three-year term. A person must leave the Board for at least one year before returning for additional terms. (Requirements are detailed in Section 2.4 of By-laws)
- **Committees:** Serve on at least one of committee. Committees may include Executive; Diversity, Equity, & Inclusion; Finance & Audit; and Nominations & Governance.

### EARTHCORPS MISSION, VISION & VALUES

**MISSION:** EarthCorps develops leaders to strengthen community and restore the health of our environment.

**VISION:** EarthCorps envisions a global community of leaders who create a world where people and nature thrive together.

**VALUES:**

*Integrity:* We are committed to working hard, maintaining the highest moral, ethical and technical standards and having fun. We do this because we have an obligation to the community, the environment and ourselves.

*Sustainability:* The long-term viability of our planet depends on work we do now. We are passionate in our belief that everyone has a role to play in sustaining the health of our natural systems.

*Inclusivity:* The strongest systems are those that bring together the strengths of diverse constituents. We are committed to developing human potential across racial, ethnic, economic, gender, and national lines.

*Service:* Everyone, everywhere, can act to improve the world; these contributions enrich the givers, the natural environment, and human communities. Our experience demonstrates that people work best when they are part of teams that foster leadership, support individual empowerment and build community.

## **BOARD ROLES AND RESPONSIBILITIES**

### **Planning**

Engage in short- and long-term strategic planning:

- Evaluate, interpret, and update the mission of EarthCorps. The Board should review EarthCorps' mission on a periodic basis to determine if changes should be made to its mission. The mission will serve as a tool in planning and evaluation of EarthCorps' activities.
- Determine broad organizational objectives as part of periodic strategic planning and other formal processes.

### **Fundraising**

Each member of the Board is ultimately responsible for attracting funding resources to EarthCorps. Responsibilities in this area include, but are not limited to the following areas:

- Make an annual personal pledge for a financial contribution to EarthCorps commensurate with your ability to do so. EarthCorps should be one of your top 2-3 philanthropic investments.
- Host a table at EarthCorps' annual fundraiser.
- Support fundraising efforts by engaging your business or organization in the support of EarthCorps as appropriate, engaging your personal network in supporting EarthCorps (e.g., friends, family, business associates, foundations, etc.).
- Participate in and provide leadership to specific fundraising initiatives.

### **Financial Management**

The Board has responsibility for the overall financial management of the EarthCorps and must:

- Verify effectiveness of financial controls
- Approve the annual budget
- Ensure an annual audit
- Review financial reports

### **Leadership**

The Board must ensure that EarthCorps has effective executive leadership. In addition to reviewing its own performance, the Board is responsible for the selection and evaluation of EarthCorps' Executive Director:

- The Board will work with the Executive Director to establish specific priorities and performance benchmarks.

- The Board is responsible for creating a written job description and evaluation criteria for the Executive Director.

### **Board Development**

The Board must maintain a strong and effective Board through member recruitment and training. The Board should:

- Represent various stakeholders (e.g., business, community groups, foundations)
- Engage in training of new members and development of existing members
- Recruit new members of the highest caliber to replace departing Board members
- Assess individual and group performance on a regular basis

### **Planning**

The Board must ensure the programs of EarthCorps reflect the organization’s mission through:

- Reviewing programs to ensure consistency with mission and strategic objectives.
- Evaluating the quality and effectiveness of programs.

### **Policy**

The Board must draft, review, and amend the EarthCorps’ Board policies. In addition to its responsibility for the articles of incorporation and the bylaws, the Board may develop other documents relating to the EarthCorps’ rules, governance, and procedures.

## **BOARD OFFICER RESPONSIBILITIES**

The officers – President, Vice President, Secretary and Treasurer – of the Board of Directors (“Board”) of EarthCorps have responsibilities as defined in the bylaws of the organization and outlined below:

### **Board President**

- Conducts Board meetings
  - Prepares the agenda for Board meetings with the Executive Director and Executive Committee
- Serves as the chairperson for the Executive Committee
- Works in partnership with the Executive Director to ensure Board resolutions are carried out
- Coordinates and conducts Executive Director’s annual performance evaluations with support from the Vice President
- Represent Board at EC events and meetings as available
- Time Commitment: 2-5 hours per month

### **Board Vice President**

- Serves on the Executive Committee
- Acts as an assistant and back up for the President

- May serve as an apprentice for the President when the VP is expected to assume presidency
- Assists the President with the Executive Director performance evaluations
- Assists the President in preparing agendas and facilitating meetings
- May be involved in special ad hoc meetings that involve funding (donor visits, grants, etc.), legal matters (lease issues, etc.).
- Time Commitment: 3-4 hours per month

### **Board Secretary**

- Serves on the Executive Committee
- Serves on another committee
- Prepares minutes of Board meetings
- Time Commitment: 1-2 hours per month

### **Board Treasurer**

- Serves on the Executive Committee
- Chairs Finance and Audit Committee – review of previous month’s financial performance
- Leads the Annual Budget review and approval process – with finance committee and executive director
- Reviews the annual audit - with an independent auditor as selected by the Finance and Audit Committee annually
- Time Commitment: 3-4 hours per month

## **BOARD COMMITTEES**

Each member of the EarthCorps’ Board is expected to serve on at least one of the following committees:

### **Executive Committee**

Primary functions include:

The Executive Committee meets on an as needed basis to resolve urgent issues that must be addressed before the next scheduled board meeting. In addition, the Executive Committee sets board meeting agendas.

### **Finance & Audit Committee**

Primary functions include:

- approves EarthCorps’ annual budget;
- reviews monthly financial reports;
- ensures financial controls are in place;
- oversees EarthCorps’ annual audit;
- provides oversight on EarthCorps’ operations.

### **Diversity, Equity, and Inclusion Committee**

Primary functions include:

- setting a DEI vision and priorities;
- leading board DEI efforts;
- supporting organizational DEI work

### **Nominations & Governance Committee**

Primary functions include:

- assesses by-laws;
- improves board orientation and support;
- strengthens board committees;
- conducts targeted board recruitment.

## BYLAWS (UPDATED MAY 2017)

### AMENDED AND RESTATED BYLAWS OF EARTHCORPS

#### ARTICLE I

#### MEMBERSHIP

1.1 No Members. The corporation shall have no members unless the Board of Directors (the "Board") provides otherwise by resolution amending these bylaws. If so amended, the classes of membership and the qualifications for and rights arising from membership in each class shall be as prescribed in such amendment by the Board by resolution.

#### ARTICLE II BOARD OF DIRECTORS

2.1 General Powers. The management of all of the affairs, property and interests of the corporation shall be vested in the Board. In addition to the powers and authorities expressly conferred upon it by these bylaws and the corporation's Articles of Incorporation (the "Articles"), the Board may exercise all such powers of the corporation and do all such lawful acts and things as are not prohibited by statute or by the Articles or these bylaws.

2.2 Number. The Board shall have at least nine (9), and may have up to twenty-five (25), directors, excluding ex officio directors. The number of directors may be changed from time to time by amendment in the manner provided in these bylaws. Any decrease in the number of directors shall not have the effect of shortening the term of any incumbent director.

2.3 Ex Officio Directors. The Board may elect ex officio directors as it deems are in the best interests of the corporation. Any ex officio director shall have such rights prescribed at the time of his or her election. Each ex officio director shall have a term of one (1) year and may be re-elected annually with no term limits.

2.4 Terms. Each director shall hold office for the term of three (3) years or until his or her successor is elected. Directors may be reelected for a second term; however, no person may serve more than two consecutive terms. A person must leave the Board for at least one (1) year before returning for additional terms. A director's second term may be extended up to one year beyond the three year term limit by the affirmative vote of two-thirds

(2/3) of the Board in order to facilitate overlap with a successor, or for other purposes deemed appropriate by the Board.

2.5 Resignation. Any director may resign at any time by delivering written notice thereof to the secretary of the corporation.

2.6 Removal of Directors. Any director may be removed from office, with or without cause, by the affirmative vote of two-thirds (2/3) of the Board. Without limiting the foregoing, any director may be removed from office upon a resolution of the Board if the director has failed to attend three (3) consecutive regular meetings of the Board or any committee upon which such director may serve.

2.7 Duties of Directors. A director shall perform the duties of a director, including the duties as a member of any committee of the Board upon which the director may serve, in good faith, in a manner such director believes to be in the best interests of the corporation and with such care, including reasonable inquiry as an ordinarily prudent person in a like position would use under similar circumstances. In performing the duties of a director, a director shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by:

- (a) One or more officers or employees of the corporation whom the director believes to be reliable and competent in the matter presented;
- (b) Counsel, public accountants or other persons as to matters which the director believes to be within such person's professional or expert competence; or
- (c) A committee of the Board upon which the director does not serve, duly designated in accordance with a provision in the Articles of Incorporation or bylaws as to matters within its designated authority, which committee the director believes to merit confidence; as long as, in any such case, the director acts in good faith, after reasonable inquiry when the need therefore is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted.

### ARTICLE III

#### ELECTION OF BOARD OF DIRECTORS

3.1 Nominating Procedures. A person may be nominated to be a director by the method of nominations authorized by the Board or by any other method authorized by law.

3.2 Election Procedures. Directorships with terms that are then expiring shall be filled by election by the Board at its regular meetings.

### ARTICLE IV

#### MEETINGS OF BOARD OF DIRECTORS

4.1 Regular Meetings. Regular meetings of the Board shall be held at the place, day and hour designated from time to time by the president or secretary of the corporation or by resolution of the Board. Regular meetings of any committee designated by the Board shall be held at the place, day and hour as may be designated from time to time by the chairperson of such committee.

4.2 Special Meetings. Special meetings may be held at any place or time, whenever called by the president, secretary or any (5) or more directors.

4.3 Notice of Meetings. Notice of all regular and special meetings of the Board or any committee



thereof, shall be given by the secretary or by the person or persons calling the meeting at least three (3) days prior to the meeting by notification at the last regular meeting of the Board or committee, by personal communication over the telephone, or by personally delivering, or electronic delivery, or mailing written notice of the meeting. If mailed, notice shall be mailed by US mail, postage prepaid, to the last known address of each Board member entitled to attend such meeting. Notice of any special meeting shall specify the time and place of the special meeting and the business to be transacted. Full disposition shall not be taken by the Board on any other matters at the special meeting. At any other meeting of the Board, any business may be transacted and the Board may exercise all of its powers.

4.4 Use of Communications Equipment. The Board or any committee may conduct any meeting of the Board or committee by means of a conference telephone or similar communications equipment in which all persons participating in the meeting can hear each other at the same time and participation by such means shall constitute presence in person at a meeting.

4.5 Quorum. A majority of the directors in office shall constitute a quorum for the transaction of business at any meeting of the Board or any committee. The act of the majority of directors present at the meeting at which a quorum is present shall be the act of the Board or any committee, except where provided otherwise in these Bylaws. No business may be transacted without a quorum; provided, however, that a lesser number in attendance at such a meeting may adjourn any meeting from time to time without further notice. If there are an even number of directors on the Board at the time of Board action, then a "majority" shall mean one-half (1/2) of such number plus one.

4.6 Compensation. Directors shall serve without compensation, except that they may be allowed and paid their actual and necessary expenses incurred for activities and travel undertaken at the request of the Board or the president of the corporation and for the purposes of the corporation.

#### ARTICLE V ACTIONS BY WRITTEN CONSENT

Any corporation action required or permitted by the Articles of Incorporation, the bylaws or the laws of the State of Washington to be taken at a meeting of the directors, or committee thereof, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors or committee members of the corporation, as the case may be, entitled to vote with respect to the subject matter thereof. Such consent shall have the same force and effect as a unanimous vote and may be described as such.

#### ARTICLE VI WAIVER OF NOTICE

Whenever any notice is required to be given to any directors or committee members of the corporation by the Articles of Incorporation, the bylaws or by the laws of the State of Washington, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice. In addition, attendance of a director or committee member of the corporation at any meeting shall constitute a waiver of notice of such meeting except where the director or committee member attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

#### ARTICLE VII OFFICERS

7.1 Officers. The officers of the corporation shall be a president, a vice president, a secretary, a treasurer and any assistant officer as may be deemed appropriate by the Board from time to time. Any two (2) or more offices may be held by the same person, except the offices of the president and secretary. In addition to the

powers and duties specified below, the officers shall have such powers and perform such duties as the Board may prescribe. If any officer of the corporation is absent or unable to act and no other person is authorized to act in such officer's place, the Board may from time to time delegate the powers or duties of such officer to any other officer or any director or any other person it may select.

7.2 President. The president shall be the chairperson of the Board and the principal officer of the corporation and, subject to the Board's control, shall exercise the usual executive powers pertaining to the office of president. The president may sign documents on behalf of the corporation, except when the signing and execution thereof have been expressly delegated by the Board or by these bylaws to some other officer or agent of the corporation or are required by law to be otherwise signed or executed by some other officer or in some other manner. In general, the president shall preside at all meetings of the Board and perform all duties incident to the office of president and such other duties incident to the office of president and such other duties as are assigned to him or her by the Board from time to time.

7.3 Vice President. If the president is absent or unable to act, the vice president shall act as president and have all power and authority of the president except as limited by resolution of the Board. The vice president shall have to the extent authorized by the president or the Board, the same powers as the president to sign documents on behalf of the corporation. The vice president shall perform such other duties as from time to time may be assigned to him or her by the president or by the Board.

7.4 Secretary. The secretary shall keep records of the proceedings of the Board and, when requested by the president, the Board or as otherwise necessary, to sign and execute documents on behalf of the corporation. The secretary shall see that all notices on behalf of the Board are duly given in accordance with the provisions of these bylaws or as required by law and shall perform such other duties as may be assigned to him or her from time to time by the president or the Board.

7.5 Treasurer. The treasurer shall have the care and custody of and be responsible for all funds and investments of the corporation and shall cause to be kept regular books of account. The treasurer shall oversee that staff members properly receive and give receipts for monies due and payable to the corporation and deposit all such monies in the name of the corporation in the appropriate banks and, in general, shall perform all of the duties incident to the office of treasurer and such other duties as may be assigned to him or her from time to time by the president or the Board.

7.6 Election, Qualifications and Term of Office. The Board shall elect and appoint the president, vice president, secretary and treasurer and any other officer as may be deemed appropriate by the Board from time to time. Each of the officers must also be a director. The officers of the corporation shall serve at the pleasure of the Board. Terms of office may be established by the Board. Officers shall be eligible for reappointment.

7.7 Vacancies. Vacancies in any office arising from any cause may be filled by the Board at any regular or special meeting.

7.8 Removal. Any officer may be removed by a majority of the Board whenever in their judgment the best interests of the corporation will be served thereby.

7.9 Resignation. Any officer may resign at any time by delivering written notice thereof to the secretary of the corporation.

## ARTICLE VIII EXECUTIVE AND OTHER COMMITTEES

The Board by resolution adopted by a majority of the directors in office may designate and appoint an

executive committee, which shall consist of two (2) or more directors, and one (1) or more other committees, each of which shall consist of two (2) or more directors and may include (1) or more non-directors. The Board may make such provisions for appointment of the chair of such committees, establish such procedures to govern their activities and delegate thereto such authority as may be necessary or desirable for the efficient management of the property, affairs, business and activities of such committees; provided, however, that no such committee shall have the authority of the Board in reference to any of the acts referred to in RCW 24.03.115. The Board may also establish one or more advisory boards or committees. The size, duration, and responsibilities of such advisory boards and committees shall be established by the Board. The designation of any such committee and the delegation of authority thereto shall not relieve the Board of any responsibility imposed by law.

## ARTICLE IX ADMINISTRATIVE AND FINANCIAL PROVISIONS

9.1 Fiscal Year. The fiscal year of the corporation shall be the 12-month period beginning January 1<sup>st</sup> and ending December 31<sup>st</sup>.

9.2 Staff Salaries. The salary of the Executive Director of the corporation shall be fixed by the Board or any committee on an annual basis. Salaries of remaining staff shall be fixed by the Executive Director and reviewed annually by the Board, the President or any committee.

9.3 Contracts. The Board may authorize any officer or officers, or agent or agents, to enter into any contract or execute and deliver any document in the name of and on behalf of the corporation. Such authority may be general or confined to specific instances.

9.4 Loans. No loans shall be contracted on behalf of the corporation and no evidence of indebtedness issued in the name of the corporation shall be issued in its name unless authorized by a resolution of the Board. Such authority may be general or confined to specific instances.

9.5 Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation shall be signed by such officer or officers, or agent or agents, of the corporation and in such manner as is from time to time determined by resolution of the Board.

9.6 Loans Prohibited. The corporation shall make no loan of money or credit to any officer or to any director.

9.7 Investments. The funds of the corporation may be retained in whole or in part in cash or be invested and reinvested on occasion in such property, real, personal, or otherwise, or stock, bonds, or other securities, as the Board or a committee in its sole discretion may deem desirable, taking into consideration the limitations, if any, imposed by law regarding such investments, and which are permitted to organizations exempt from Federal income taxation under Section 501(c)(3) of the Internal Revenue Code. Investments may be governed by an Investment Policy adopted by the Board or a committee from time to time.

9.8 Books and Records. The corporation shall keep at its registered office, its principal office in Washington or at its secretary's office if in Washington, the following:

- (a) Current Articles of Incorporation and Bylaws;
- (b) Correct and adequate records of accounts and finances;
- (c) A record of officers' and directors' names and addresses; and
- (d) Any minutes of the proceedings of the Board and committees of the Board.

9.9 Copies of Resolutions. Any person dealing with the corporation may rely upon a copy of any of the

records of proceedings, resolutions or votes of the Board when certified by the president or secretary.

9.10 Amendment of Bylaws. These Bylaws may be altered, amended or repealed at any regular or special meeting of the Board; provided, however, that ten (10) days' notice must be given to each director prior to the taking of any vote to amend, alter or repeal the Bylaws.

9.11 Amendment of Articles of Incorporation. The Articles of Incorporation may be altered, amended or repealed by an affirmative vote of a majority of the directors in office at any regular or special meeting of the Board; provided, however, that ten (10) days' notice must be given to each director prior to the taking of any vote to amend, alter or repeal the Articles of Incorporation.

#### ARTICLE X

#### INDEMNIFICATION OF OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS

The corporation shall indemnify its officers, directors, employees and agents to the greatest extent permitted by law. The corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, or agent of the corporation or who is or was serving at the request of the corporation as an officer, employee, or agent of another corporation, partnership, joint venture, trust, other enterprise, or employee benefit plan, against any liability asserted against such person and incurred by such person in any such capacity or arising out of any status as such, whether or not the corporation would have the power to indemnify such person against such liability under the provisions of this Article. The foregoing right of indemnification shall be in addition and not exclusive of all other rights which such member of the Board, officer, employee or agent is entitled.

#### CERTIFICATE

The undersigned hereby certifies that the foregoing Bylaws were duly adopted by the Board of the corporation on the \_\_\_\_\_ day of \_\_\_\_\_, 2012.

\_\_\_\_\_  
President

\_\_\_\_\_  
Secretary

## CONFLICT OF INTEREST POLICY

### Article I: Purpose

The purpose of the conflict of interest policy is to protect the interest of EarthCorps when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of EarthCorps or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable institutes.

### Article II: Definitions

#### 1. Interested Person

Any member of the EarthCorps' Board of Directors ("Board") or any committee thereof ("Committee") or principal officer of EarthCorps who has a direct or indirect financial interest, as defined below, is an interested person.

#### 2. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which EarthCorps has a transaction or arrangement,
- b. A compensation arrangement with EarthCorps or with any entity or individual with which EarthCorps has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which EarthCorps is negotiating a transaction or arrangement. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate Board or Committee decides that a conflict of interest exists.

### Article III: Procedures

#### 1. Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and/or members of Committees considering the proposed transaction or arrangement.

#### 2. Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the Board or Committee meeting while the determination

of a conflict of interest is discussed and voted upon. The remaining Board or Committee members shall decide if a conflict of interest exists.

**3. Procedures for Addressing the Conflict of Interest**

- a.** An interested person may make a presentation at the Board or Committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- b.** The chairperson of the Board or Committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c.** After exercising due diligence, the Board or Committee shall determine whether the EarthCorps can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d.** If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board or Committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the EarthCorps' best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

**4. Violations of the Conflicts of Interest Policy**

- a.** If the Board or Committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b.** If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board or Committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

**Article IV: Records of Proceedings**

The minutes of the Board and all Committees shall contain:

- a.** The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board's or Committee's decision as to whether a conflict of interest in fact existed.
- b.** The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

### **Article V: Compensation**

- a.** A voting member of the Board who receives compensation, directly or indirectly, from EarthCorps for services is precluded from voting on matters pertaining to that member's compensation.
- b.** A voting member of any Committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from EarthCorps for services is precluded from voting on matters pertaining to that member's compensation.
- c.** No voting member of the Board or any Committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from EarthCorps, either individually or collectively, is prohibited from providing information to any Committee regarding compensation.

### **Article VI: Annual Statements**

Each member of the Board, each member of any Committee and each principal officer of the EarthCorps shall annually sign a statement which affirms such person:

- a.** Has received a copy of the conflicts of interest policy,
- b.** Has read and understands the policy,
- c.** Has agreed to comply with the policy, and
- d.** Understands EarthCorps is charitable and in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

### **Article VII: Periodic Reviews**

To ensure EarthCorps operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a.** Whether compensation arrangements and benefits are reasonable, based on competent survey information and the result of arm's length bargaining.
- b.** Whether partnerships, joint ventures, and arrangements with EarthCorps management conform to EarthCorps' written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

### **Article VIII: Use of Outside Experts**

When conducting the periodic reviews as provided for in Article VII, EarthCorps may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

## WHISTLEBLOWER POLICY

### General

EarthCorps requires directors, volunteers, and employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. Employees and representatives of the organization must practice honesty and integrity in fulfilling their responsibilities and comply with all applicable laws and regulations.

The objectives of the EarthCorps Whistleblower Policy are to establish policies and procedures for:

- The submission of concerns regarding questionable accounting or auditing matters by employees, directors, officers, and other stakeholders of the organization, on a confidential and anonymous basis.
- The receipt, retention, and treatment of complaints received by the organization regarding accounting, internal controls, or auditing matters.
- The protection from retaliatory actions for those directors, volunteers, and employees who report concerns or complaints in good faith.

### Reporting Responsibility

In accordance with this Whistleblower Policy, each director, volunteer, and employee of EarthCorps has an obligation to report: (a) questionable or improper accounting or auditing matters; and (b) violations and suspected violations of EarthCorps' Code (hereinafter collectively "Concerns").

### Authority of Executive Committee

All reported Concerns shall be forwarded to the Executive Committee in accordance with the procedures described here. The Executive Committee shall be responsible for: (a) investigating all reported Concerns; and (2) making appropriate recommendations to the Board of Directors with respect to all reported Concerns.

### No Retaliation

This Whistleblower Policy is intended to encourage and enable directors, volunteers, and employees to raise Concerns within the organization for investigation and appropriate action. With this goal in mind, no director, volunteer, or employee who, in good faith, reports a Concern shall be subject to retaliation or, in the case of an employee, adverse employment consequences as a result of a report made in good faith. (See "Acting in Good Faith," below.) Moreover, a volunteer or employee who retaliates against someone who has reported a Concern in good faith is subject to discipline up to and including dismissal from the volunteer position or termination of employment.



## **Reporting Concerns**

### **Employees**

- (1) Employees should first discuss any Concern with their immediate supervisor (unless the concern relates to that supervisor, in which case, see (2) below).
- (2) If, after speaking with his or her supervisor, an individual continues to have reasonable grounds to believe the Concern is valid, or if the individual is uncomfortable speaking directly with her or her supervisor, the individual should report the Concern to any two members of EarthCorps' Executive Committee.
- (3) If the Concern was reported orally to these individuals, they shall, with assistance from the reporting individual, put the Concern in writing.
- (4) The two Executive Committee members shall promptly report the Concern to the Board President.
- (5) The Executive Committee has the specific and exclusive responsibility to investigate all Concerns, unless the Concern relates to the entire Executive Committee or the Board President. If the two Executive Committee members, for any reason, do not promptly forward the Concern to the Board President, the reporting individual should directly report the Concern to the Board President.
- (6) Contact information for Members of the Executive Committee, including the Board President, shall be made available to every EarthCorps employee. Concerns may be also be submitted anonymously. Such anonymous Concerns should be in writing and sent directly to the Board President.
- (7) **If the Concern relates to the Board President**, the complaint should be reported to all members of the Board.
- (8) **If the Concern relates to all or a majority of the Executive Committee**, the individual shall report the Concern to a Board member not part of the Executive Committee. In the event a Concern relating to all or a majority of the Executive Committee is reported to such a Board member, the Board member shall appoint a committee to investigate the Concern and report back to the full Board of Directors.

### **Directors and Volunteers**

Board Directors and board volunteers shall submit Concerns in writing directly to the Board President. Contact information for the Board President may be obtained from the Treasurer, an EarthCorps staff member, or EarthCorps board member. If the Concern relates to the Board President, the Concern shall be submitted to any other member of the Executive Committee. In the event the Concern relates to all or a majority of the Executive Committee, the Concern shall be submitted to the Board President.

### **Handling of Reported Violations**

The Executive Committee shall address all reported Concerns. The Board President shall immediately notify the Executive Committee of any such report. If a reported Concern relates to any member of the Executive Committee, any such person shall not be informed of the Concern unless the Executive Committee needs to disclose the Concern to complete its investigation and/or action is taken by the Board of Directors. The Board President shall notify the sender and

acknowledge receipt of the Concern within five business days, if possible. It will not be possible to acknowledge receipt of anonymously submitted Concerns.

All reports will be promptly investigated by the Executive Committee, and appropriate corrective action will be recommended to the Board of Directors, if warranted by the investigation. A member of the Executive Committee will follow up with the complainant after the Concern has been closed.

The Executive Committee has the authority to retain outside legal counsel, accountants, private investigators, or any other resource deemed necessary to conduct a full and complete investigation of the allegations.

### **Acting in Good Faith**

Any person reporting a Concern must act in good faith and have reasonable grounds for believing that the information disclosed indicates either an improper accounting or auditing practice or a violation of the Codes. The act of making allegations that were made maliciously, recklessly, or with knowledge that the allegations are false, will be viewed as a serious offense and may result in discipline, up to and including dismissal from the volunteer position or termination of employment. Such conduct may also give rise to other actions, including civil lawsuits.

### **Confidentiality**

Reports of Concerns, and investigations pertaining thereto, shall be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

Disclosure of reports of Concerns to individuals not involved in the investigation will be viewed as a serious disciplinary offense and may result in discipline, up to and including termination of employment. Such conduct may also give rise to other actions, including civil lawsuits.

## COMMITTEE CHARTERS

### EXECUTIVE (Drafted June 2020)

#### CHARTER OF RESPONSIBILITIES

The Executive Committee (the “Committee”) consists of board officers including the President, Vice President, Treasurer, and Secretary as well as the Executive Director. In addition, the Committee may choose to add additional members at its choosing. The Committee is subject to the Bylaws and direction of the Board and has the following responsibilities:

1. To address issues that would benefit from Board-level consultation between Board meetings (for example, Board meeting agenda development or identification of meeting dates for the Board)
2. To provide a sounding board for management on how to position topics for Board meetings or how to handle issues in cases of emergency
3. To address other responsibilities as requested by the Board. Unless specifically directed to do so by the Board, any decisions made by the Executive Committee will be operational (e.g. Board meeting schedules)
4. To develop a succession plan and nominate candidates for board officer roles including President, Vice President, Treasurer, and Secretary.
5. To develop board meeting agendas.

### DIVERSITY, EQUITY, & INCLUSION (Drafted July 2020)

#### CHARTER OF RESPONSIBILITIES

The Diversity, Equity and Inclusion (DEI) Committee (the “Committee”) serves as a north star for the organization, ensuring both EarthCorps (the “Organization”) and the EarthCorps board of directors (the “Board”) are continuously working to become more diverse, equitable and inclusive. The focus of the Committee revolves around the following responsibilities:

- 1. Setting and gaining alignment on a DEI vision and priorities, focusing on racial equity initially**
  - Advocating for DEI efforts within the Board and staff, serving as council, connector, and champion
  - Ensuring DEI work is durable, supporting the allocation of resources and funding as needed
  - Driving results by establishing and/or monitoring progress towards KPIs and other success measures
- 2. Leading Board DEI efforts**

- Developing, socializing and maintaining a Board DEI action plan
- Holding the Board accountable to the DEI vision and priorities, as individuals and committees
- Holding the Executive Director accountable for driving results on a DEI strategy
- Ensuring strategic plans have a DEI focus

### **3. Supporting organizational DEI work**

- Keeping current with staff and organizational DEI sentiments
- Recognizing the work of the staff and celebrating wins

## **FINANCE & AUDIT (Drafted March 2010)**

### **CHARTER OF RESPONSIBILITIES**

The Finance Committee of the Board of Directors of EarthCorps (the "committee") is responsible for assisting the Board in its oversight of the fiscal management of EarthCorps.

#### **Responsibilities**

General responsibilities of the committee, and related tasks that will be undertaken by the committee in furtherance thereof, include:

- To review financial results to help ensure financial information is reported timely and accurately, and report to the board any financial irregularities, concerns, and/or opportunities.
  - Monthly, the members of the Committee will review financial statements and summaries of key financial and other information prepared by EarthCorps staff.
- To review budgets initially prepared by staff, to help develop appropriate procedures for budget preparations (such as meaningful involvement by directors and staff), and help promote consistency between the budget and the EarthCorps' operating plans.
  - Annually, the Committee will review the proposed annual operating budget. After review, and any necessary revisions deemed appropriate by the Committee, the Committee will recommend the final budget to the Board of Directors for approval.
  - At its regularly scheduled meetings, the committee will review the status of EarthCorps' financial condition and discuss issues that emerge from the review.
- To monitor investments and help ensure funds are invested and allocated in accordance with the EarthCorps investment policy, and to recommend changes in investments and allocations as appropriate.
  - Quarterly, the Committee will review the investment update prepared by the Finance Manager/Director

- To oversee the annual audit and assist in preparation of the annual Form 990.
  - Annually, the committee will meet with the independent auditors to review financial performance and results of the audit
  - Annually, the committee will review and recommend revisions in preparation of the Form 990
- To provide financial recommendations to the board (such as establishing a reserve fund or to obtain a line of credit for a specified amount).
- To assist EarthCorps in assessing and managing its risk.
  - Annually, the committee will evaluate the staff's proposed answers to the assessment of entity-level controls and control procedures questionnaire provided by the independent auditors.
  - The committee will help identify needed policies to comply with best practices in risk management and corporate governance for nonprofit organizations.
- To work with staff to design financial reports and ensure that reports are accurate and timely.
- To advise the executive director and other appropriate staff on financial priorities.

### **Committee Membership**

It is anticipated that the committee will include some members who have skills in the disciplines of accounting, finance, financial planning, and/or investment management.

### **Meetings**

The committee will meet as often as it deems necessary or appropriate in its judgment, either in person or telephonically. A majority of the members of the committee will constitute a quorum. The committee will meet without management in regular executive sessions and will meet in executive sessions with the independent auditors as it deems necessary or appropriate in its judgment. The committee may invite to its meetings any EarthCorps staff or other person, and may exclude from its meetings any person, it deems appropriate in order to carry out its responsibilities.

### **Delegation to Subcommittees**

The committee may form and delegate authority to subcommittees when appropriate. Any such subcommittee shall report regularly to the committee on any actions taken by it on behalf of the committee.

### CHARTER OF RESPONSIBILITIES

The Nominations and Governance Committee (the “Committee”) is responsible for ongoing review and recommendations to enhance the quality and future viability of the EarthCorps board of directors (“Board”). The focus of the Committee revolves around the following five major areas:

#### 1. **Board Role and Responsibilities**

- Leads the Board in regularly reviewing and updating the Board’s statement of its role and areas of responsibility, and the expectations of individual Board members
- Assists the Board in periodically updating and clarifying the primary areas of focus for the Board and the Board’s agenda for the next year or two, based on the strategic plan

#### 2. **Board Composition**

- Leads in assessing current and anticipated needs for board composition, determining the Board’s knowledge, attributes, skills, abilities, influence, and access the Board will need to consider in order to accomplish future work of the Board
- Develops a profile of the Board as it should evolve over time
- Identifies and presents potential Board member candidates and explores with each candidate his or her interest and availability in Board service
- Nominates individuals to be elected as directors of the Board
- In cooperation with the Board chair, meets annually with each Board member to assess his or her continuing interest in Board membership and term of service. Works with each Board member to identify the appropriate role he or she might assume on behalf of the organization.

#### 3. **Board Knowledge**

- Designs and oversees a process of Board orientation, including information prior to election as a Board member and information needed during the first cycle of Board activity for new Board members
- Designs and implements an ongoing program of Board information and education for all Board members

#### 4. **Board Effectiveness**

- Leads the periodic assessment of the Board's performance; proposes, as appropriate, changes in Board structure, roles, and responsibilities
- Provides ongoing counsel to the Board chair and other board leaders on steps they might take to enhance Board effectiveness
- Regularly reviews the Board's practices regarding member participation, conflict of interest, confidentiality, etc., and suggests improvements as needed
- Periodically reviews and updates the Board's policy guidelines and practices

#### 5. **Board Leadership**

- Takes the lead in succession planning, taking steps to recruit and prepare for future Board leadership
- Nominates Board members for election as Board officers

#### 6. **Governance**

- Periodically develop and assess governance policies of EarthCorps, including the governing documents (By-Laws, Articles of Incorporation), Conflict of Interest Policy and other policies and procedures.
- Review and administer the Board Pledge to be signed by Board members.
- Ongoing efforts to ensure good governance strategies for the organization as well as clarifying roles and responsibilities of the Board and its committees.

## CONFLICT OF INTEREST STATEMENT

As a [member of the Board of Directors/principal officer] of EarthCorps, I,  
\_\_\_\_\_, am committed to EarthCorps' goal to establish and maintain the  
highest level of public confidence in its accountability.

1. I have received a copy of EarthCorps' conflict of interest policy; I have read and understand the conflict of interest policy and agree to fully comply with its terms.
2. I understand that EarthCorps is charitable and in order to maintain its federal tax exemption, it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

Executed this \_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_.  
[month]

\_\_\_\_\_  
[Name]



## EARTHCORPS BOARD MEMBER PLEDGE

As a member of the EarthCorps Board of Directors, I will:

- Act to the best of my ability to serve EarthCorps' mission to build global community through local environmental service.
- Approach all Board issues with an open mind, prepared to make the best decisions for everyone involved.
- Keep information determined by the Board to be confidential in the strictest confidence.
- Never exercise authority as a Board member except when acting in a meeting with the full board or as delegated by the Board.
- Represent the interests of all stakeholders served by EarthCorps and not favor special interests inside or outside of this organization.
- Not use my service on the EarthCorps Board for my own personal advantage or for the advantage of my friends, family, or others.
- Attend a minimum of 75% percent of all Board and committee meetings.
- Review the agenda and supporting materials prior to board and committee meetings.
- Refrain from intruding upon administrative issues that are the responsibility of EarthCorps staff, except to monitor the results of the organization.
- Make a personally significant financial contribution to EarthCorps and assist in fundraising as outlined in my annual board commitment worksheet.

---

**Board Member Name**

**Board Member Signature**

**Date**

## GIFT ACCEPTANCE POLICIES (UPDATED JANUARY 2019)

### Donations sustain our mission

EarthCorps is sustained by donations and encourages both conventional and creative gifts that support its mission: to develop leaders to strengthen community and restore the health of our environment. We welcome donations that promote that mission from individuals, foundations, businesses, trusts, estates and other organizations and entities. EarthCorps is a nonprofit corporation organized under the laws of the State of Washington and is exempt from federal income tax as a charitable organization under 26 U.S.C. § 501(c)(3).

### Purpose of Policies

These policies govern the acceptance of all gifts by EarthCorps for any of its programs and services and provides guidance to prospective donors and their advisors when making gifts to EarthCorps. Gifts are solicited both by the staff of EarthCorps and by its Board of Directors (the "Board"), and it is ultimately the responsibility of the Board to officially accept all gifts.

With some limited exceptions set forth below, the Board has delegated the authority to accept gifts to the Executive Director (the "Executive Director") and the Development Director of EarthCorps (the "Development Director"), each of whom may act separately, subject to these policies.

### Gifts that May Be Accepted by the Executive Director or Development Director without Review by the Gift Acceptance Committee

The Executive Director and Development Director each are authorized to accept the following types of gifts of without first requesting approval by the Gift Acceptance Committee:

- Cash;
- Assets that can be readily liquidated, including but not limited to publicly-traded securities, U.S. savings bonds, commercial annuity contracts, and life insurance policies (provided that before EarthCorps accepts ownership of any life insurance policy, it will first make the donor aware of its absolute rights as owner of the policy); and
- Gifts of tangible personal property with a value less than \$25,000 donated for auction at an EarthCorps fundraising auction or for other purposes.

### Gifts Requiring Approval of the Gift Acceptance Committee

Before acceptance, the Gift Acceptance Committee shall review the following types of gifts:

- Assets that are not readily liquidated, including but not limited to real estate, tangible personal property (other than those valued at less than \$25,000 for a fundraising auction or other purpose), and an interest in a closely-held business;
- Gifts that pose risks to EarthCorps' tax-exempt status and other legal risks;
- Bargain sales (other than charitable gift annuities);
- Gifts that are subject to an endowment or management restriction (unless a gift is to be made as an addition to an existing EarthCorps fund);
- Gifts that are subject to a purpose restriction (unless the gift supports EarthCorps' core programs or existing special projects or another purpose has been previously approved by the Committee); and
- Gifts that risk presenting EarthCorps in an unfavorable light.

The Gift Acceptance Committee consists of:

- the Board's Executive Committee;
- other Board members as appointed by the President of EarthCorps; and
- the Executive Director and the Development Director, as ex-officio, voting members.

The Executive Director or Development Director will make an initial determination about the acceptance of any proposed gift that is subject to review and approval by the Gift Acceptance Committee. If a proposed gift is deemed to be potentially acceptable, it will be submitted to the Gift Acceptance Committee. The Gift Acceptance Committee will review the proposed gift and then accept or reject it or make a recommendation to the Board.

During its review process, the Gift Acceptance Committee may consider all relevant facts and circumstances, including the following:

- the asset's value and condition;
- the relative ease and expense of liquidating the asset;
- EarthCorps' ability to use the asset – rather than liquidate it – to fulfill its mission; and
- the expense, liability and difficulty of owning the asset.

#### Professional Standards and Advice

*Model Standards of Practice.* All individuals soliciting funds on behalf of EarthCorps will comply with the Model Standards of Practice for the Charitable Gift Planner of the National Association of Charitable Gift Planners, attached as an Appendix to these policies.

*Advice for Donors.* EarthCorps and any person acting on its behalf in soliciting, arranging, or accepting a gift will encourage donors to consult independent legal counsel, as well as other advisors, for tax, legal and other professional advice. EarthCorps is unable to pay the fees for the donors' professional advice.

*Advice for EarthCorps.* These policies are subject to the requirements of federal and state law, as well as to the requirements of EarthCorps' articles of incorporation and bylaws. When appropriate, the Gift Acceptance Committee will seek the advice of legal counsel in matters relating to acceptance of gifts. Review by counsel is especially recommended for:

- Gifts involving contracts, such as bargain sales or other documents that require EarthCorps to assume an obligation; and
- Transactions with a potential conflict of interest, including transactions that may invoke IRS sanctions.

*Fiduciary Status.* EarthCorps will not serve as trustee of any trust, nor serve as attorney-in-fact or as guardian for any individual. EarthCorps may serve as personal representative of an estate only if it is the sole beneficiary of the estate and if the Board approves EarthCorps' serving as personal representative. Similarly, no individual while employed by EarthCorps may serve as the trustee of a trust benefitting EarthCorps, as attorney-in-fact or guardian for a donor, or as personal representative of a donor's estate. This restriction does not apply to an employee who is a member of the donor's family or is the donor's spouse or domestic partner.

### Review and Amendment

The Board should review these policies at least annually. In addition, the Gift Acceptance Committee may also make recommendations to the Board regarding gift acceptance policy matters. These policies may be amended at any time by a majority vote of the Board.

*Board Approved, March 12, 2019*

## EARTHCORPS INVESTMENT POLICIES (UPDATED MAY 2019)

### PREAMBLE

---

The Board acts as a fiduciary of all funds held by EarthCorps. Therefore, even legally unrestricted funds are held by the corporation as a steward for the sake of carrying out its mission and purposes. The following investment objectives and directions are to be judged and understood in light of the overall sense of stewardship. EarthCorps has a responsibility to our donors and the community to manage funds thoughtfully. The policies below shall be reviewed on an annual basis.

### DELEGATION

---

The Board of Directors has delegated supervisory authority over its financial affairs to the Finance and Audit Committee (“Finance Committee”) of the Board. The Finance Committee is responsible for regularly reporting on investments to the full board. In carrying out its responsibilities, the Finance Committee and its agents will act in accordance with the Investment Policies (the “Policies”) and all applicable laws and regulations. The Board reserves to itself the exclusive right to revise the Policies. The Board may also grant exceptions to the Investment Policies when appropriate.

### OBJECTIVES

---

EarthCorps’ Policies are designed to ensure preservation and growth of principal while providing a dependable source of revenue for agency operations or special projects. The objective is to preserve the real purchasing power of assets by seeking long-term returns that either match or exceed the spending rate plus inflation. Total return for different funds (e.g. Operating Funds, Board-Designated Funds, and the Endowment, etc.) should be appropriate to each fund’s time horizon, liquidity needs, and risk tolerance.

### ASSET MIX

---

To accomplish EarthCorps’ investment objectives, the Finance Committee is authorized to utilize portfolios of equity securities (mutual funds holding common stocks and convertible securities), fixed-income securities, and short-term (cash) investments. As a guide to accomplishing these objectives, investments shall remain within the ranges provided below. The Finance Committee can modify these ranges from time to time with approval by the Board.

INVESTMENT FUND CATEGORY	ASSET CLASS		
	Equity securities (Common/convertible)	Fixed-income securities (US and short- to mid-term corporate bonds)	Short-term reserves (Cash / 1-year notes)
Operating Funds	0%	0-50%	50-100%
Endowment	50-100%	15-50%	0-15%
Board Designated Fund	5-25%	5-50%	10-90%

*The percentages in this chart are intended as a guideline. Actual percentages may vary according to business needs and the amount of money available for investments.*

Until endowment assets exceed \$50,000, the investment may be up to 100% in equity securities. The Finance Committee and the Director of Finance and Administration will manage investment decisions. Funds will be invested in low-cost investment vehicles instead of individual stocks or bonds. The general policy shall be to diversify investments within both equity and fixed-income securities so as to provide a balance that will enhance total return while avoiding undue risk concentration in any single asset class or investment category.

### **Endowment Funds**

Endowment funds are assets that provide support to EarthCorps in perpetuity. Given the long-term horizon, EarthCorps is willing to rely on projections of long-term market performance and not be overly concerned by short-term reversals in the markets. The endowment funds are invested and a portion of the investment return provides support to operations.

### **Accountability**

- The Finance Committee will be responsible for recommending investment vehicles for full Board approval.
- All purchases of securities will be for cash and there will be no margin transactions, short selling, or commodity transactions.

- Periodically – The Director of Finance and Administration shall provide the Finance Committee detailed information about (1) asset allocation, (2) investment performance, (3) future investment strategies, and (4) any other matters of interest to the Committee.
- Upon Request – The Finance Committee shall provide an annual summary of all transactions in each fiscal year, together with a report of investment performance for the year by portfolio, to the full Board of Directors.

### **Allowable Fees**

Total fees charged for investment management, including underlying investment expense, are not to exceed 1.5% of account value.

### **Rebalancing**

EarthCorps' practice is to rebalance the restricted funds portfolio at the beginning of the fiscal year, if market forces have caused it to exceed or fall below our targets by more than 10% in any given asset class.

### **Spending Policy**

EarthCorps uses a total return spending policy for its Endowment funds. Rather than distributing net income, a total return approach allows spending of a fixed rate of total market value including realized and unrealized gains. This policy enables the investment managers to maximize overall investment return, incorporating growth and income strategies, while minimizing the impact of market fluctuations. Unless otherwise requested by the donor, EarthCorps' current spending policy is to distribute 4.5% of the market value, averaged over 12 preceding quarters. Distributions will be made in January of each year. No distributions will be taken until the Endowment and returns value exceeds \$100,000.

### **PRUDENCE**

---

The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

## BOARD DESIGNATED FUND

---

The target for the Board Designated Fund is to have three months of reserves. The fund is designed to be used for: a shortfall of funding for EarthCorps (e.g., a loss of AmeriCorps funding), unexpected major costs (e.g., earthquake or fire damage), or anything else as decided by the Board. Other than the short-term reserves as specified below, use of the Board Designated Fund requires a majority vote of the Board.

## BOARD DESIGNATED SHORT-TERM RESERVES

---

The Director of Finance and Administration with the Executive Director and Treasurer's approval may draw from the Board Designated Funds that are held as short term reserves (as an alternative to the Line of Credit) at their discretion. The Director of Finance and Administration will report to the Finance Committee on status of and activity within the reserve fund.

Any funds drawn from the short-term reserve must be re-paid as soon as possible, but always within six months of withdrawal. If repayment cannot be made within six months, the Finance Committee must approve the use of funds.

## EARTHCORPS BANKING AND SIGNING RESOLUTIONS (DRAFTED 2014)

### BANK RESOLUTIONS

WHEREAS, the following resolutions are hereby adopted with respect to all future banking and investment matters for EarthCorps:

NOW, THEREFORE, IT IS RESOLVED, that each of the Executive Director and the Treasurer of EarthCorps (each, an "**Authorized Officer**") is hereby authorized to designate as depository or depositories of funds of EarthCorps, and to open an account or accounts of EarthCorps, including, but not limited to, checking, savings, safety deposit box and any other special accounts, with any such banks, brokerages, money market funds, mutual funds or other financial institutions (all such institutions being referred to as "**Financial Institutions**") as they may select.

RESOLVED FURTHER, that each Authorized Officer and the Development Director and Director of Programs of EarthCorps (each, a "**Management Signatory**") is individually authorized to endorse for deposit any checks, drafts or other evidences of indebtedness made payable to the order of EarthCorps;

RESOLVED FURTHER, that each Authorized Officer and each Management Signatory shall be authorized to sign on behalf of EarthCorps checks, drafts and other orders obligating EarthCorps to pay money with respect to any funds



standing to the credit of EarthCorps in such account or accounts; provided, however, that if the amount payable is in excess of \$10,000, the advance approval of the Treasurer or the Board President shall be required and the signature of the Executive Director or Treasurer shall be required on behalf of EarthCorps.

RESOLVED FURTHER, that EarthCorps is authorized to enter into arrangements with any Financial Institution designated by any Authorized Officer, and that any documentation, including but not limited to, the standard form of corporate resolutions required now or in the future by each such Financial Institution in connection with such arrangements are hereby adopted and/or ratified as resolutions of the Board (provided that such documentation is consistent with the authority granted in these resolutions), and each Authorized Officer is hereby authorized to (a) obtain the necessary signatures of the officers of EarthCorps or any such documentation, (b) execute the necessary certifications, including any document to certify that such resolutions have been duly adopted by the Board and (c) take such other steps as needed to open and manage such accounts.

#### GENERAL SIGNING AUTHORITY

RESOLVED, that EarthCorps' Executive Director is hereby authorized to sign and deliver any agreement (including indebtedness) in EarthCorps' name and to otherwise obligate EarthCorps in any respect relating to matters of EarthCorps' business; provided, however, that if the potential obligations of EarthCorps under any such agreement or obligation exceed \$25,000 in the aggregate, then such agreement or obligation shall require the advance approval of the Treasurer or the Board President; and provided further, that any such agreement or obligation that is outside of the ordinary course of EarthCorps' business (i.e., not specified as reimbursable for projects in fee-for-service contracts or grant-funded projects) shall require approval or ratification (as deemed appropriate by the Board President) from the full Board of Directors.

RESOLVED FURTHER, that the Treasurer is hereby authorized to sign and deliver, or to delegate authority to the Management Signatories to sign and deliver, any agreement (including indebtedness) in EarthCorps' name and to otherwise obligate EarthCorps in any respect relating to matters of EarthCorps' business; provided, however, that if the potential obligations of EarthCorps under any such agreement or obligation exceed \$25,000 in the aggregate, then such agreement or obligation shall require the advance approval of the Board President; and provided further, that any such agreement or obligation that is outside of the ordinary course of EarthCorps' business (i.e., not specified as reimbursable for projects in fee-for-service contracts or grant-funded projects) shall require approval or ratification (as deemed appropriate by the Board President) from the full Board of Directors.

## EXECUTIVE DIRECTOR SUCCESSION POLICY STATEMENT AND PROCEDURES

**Policy Statement:** Staff changes are inevitable for all organizations. The Executive Director has final decision-making authority for all staffing changes to the extent provided by the board of directors and the organization budget. The Executive Director may delegate such authority on a case-by-case basis. The board President is the key decision-maker as it relates to Executive Director transitions. It is the policy of EarthCorps to be prepared for either planned or unplanned leadership changes and to ensure the stability and accountability of the organization until new permanent leadership is in place.

The board of directors shall be responsible for implementing this policy along with changes to this policy as it relates to the Executive Director. The Executive Director shall oversee similar transitions as it relates to all other staff positions.

It is the policy of the board to assess the permanent leadership needs of the organization to help insure the selection of a qualified and capable leader who is representative of the community, a good fit for the organization's mission, vision, values, goals and objectives, and who has the necessary skills for the organization. To insure the organization's operations are not interrupted while the board of directors assesses the leadership needs and recruits a permanent executive officer, the board will appoint interim executive leadership as described below.

The interim executive officer shall ensure that the organization continues to operate without disruption and that all organizational commitments previously made are adequately executed. In the event of a transition, it is the policy of EarthCorps to seek out a diverse pool of candidates to consider for its permanent Executive Director position. Internal and external candidates will be invited to apply for the position.

**Procedures for Succession:** For a temporary change in executive leadership (i.e., illness or leave of absence) refer to the organization's Personnel Guidebook. In the event the Executive Director is no longer able to serve in this position (i.e., leaves the position permanently), the executive committee of the board of directors shall:

- Within 5 business days appoint an interim Executive Director from among the following in order of priority: Deputy Director or Operations Director, other senior director position on staff, or external consultant (ideally with experience as Interim Executive Director).
- Within 15 business days appoint an executive transition committee, in the event that a permanent change in leadership is required. This committee shall be comprised of at least one member of the executive committee and two members of the board of directors. It shall be the responsibility of this committee to implement the following preliminary transition plan:
  - Communicate with key stakeholders regarding actions taken by the board in naming an interim successor, appointing a transition committee, and implementing the succession policy.
  - Consider the need for consulting assistance (i.e., transition management or executive search consultant) based on the circumstances of the transition.

- Review the organization’s strategic plan and conduct a brief assessment of organizational to identify priority issues that may need to be addressed during the transition process and to identify attributes and characteristics that are important to consider in the selection of the next permanent leader.
- Establish a time frame and plan for the recruitment and selection process.
- Refer to the Employee Handbook for additional procedures.

The board should use similar procedures in case of an executive transition that simultaneously involves the Executive Director and other key management. In such instance, the board may also consider temporarily subcontracting some of the organizational functions from trained consultant or other organizations.

## BOARD CANDIDATE EVALUATION & INTERVIEW QUESTIONS (DRAFTED SEPTEMBER 2019)

### **Purpose:**

EarthCorps needs to maintain a strong and diverse Board of Directors and must be intentional in how it recruits for new members. This document formalizes the evaluation process so that we can ensure consistency and fairness in how we evaluate prospective board members. This process will also ensure that we are fully disclosing important aspects and expectations for being a member of the EarthCorps Board of Directors to adequately set expectations.

### **Board Member Candidacy Rating System:**

A very coarse evaluation system is established to help provide an overall score for all candidates being considered for the Board of Directors. A score from zero (0) to three (3) is assigned for the candidate in each of 5 areas and the sum of those scores is tallied for an overall candidate score.

- 3** = Candidate exceeds the expectations for a domain
- 2** = Candidate meets the expectations for a domain
- 1** = Candidate contributes to the expectations for a domain
- 0** = Candidate does not contribute to the expectations for a domain

### **Evaluation Criteria Domains:**

1. **Diversity** – Candidate contributes to the diversity of the board (e.g. ethnic, religious, race, economic, etc.)
2. **Financial** – Candidate has means to provide meaningful financial help to EarthCorps
3. **Passion** – Candidate has strong passion and conviction for EarthCorps work and mission
4. **Commitment** – Candidate is able to devote the time necessary to be an effective and engaged Board Member
5. **Network** – Candidate has a broad network of contacts that can introduce EarthCorps to new donors, new work or new sponsorships
6. **Skills** – Candidate brings unique and desirable skills for improving the capabilities of the Board

### **Proposed Questions for Prospective Board Member Interviews:**

#### Diversity

EarthCorps stands in solidarity with the Black community and with People of Color hurt by the trauma of recent events and the systematic racism that is pervasive in America. We are committed to advancing

justice, equity, diversity, and inclusion and developing environmental leaders who represent the diversity of our society.

As a predominantly white-led organization, we know that we have a lot of work to do to better understand and address our own privilege, and to understand how maintaining the status quo undermines racial equity. We will continue to listen, learn, and educate ourselves.

After many years working addressing issues of diversity, equity, and inclusion, in early 2019 EarthCorps committed itself to addressing racism and building racial equity within our organization. This means white staff and board being called upon to do their own work of un-learning racism, and listening to and uplifting the voices of members of color.

This also means changing our systems: how we lead, who and how we hire, who gets promoted, how we develop talent, who we partner with, how we share our resources.

It is not enough to say the “right words” in a statement or social media post; we have to be committed to undoing racism in our own organization. We all must be relentless and take responsibility for changing what falls under our own spheres of influence.

- 1) As a prospective board candidate can you share your understanding of advancing justice, diversity, equity and inclusion at an organization?
- 2) Have you participated in any race equity work or training and if so can you describe this?
- 3) How will you partner with EarthCorps on advancing this work and holding your fellow board members accountable?
- 4) Do you have any other questions or thoughts about our commitment to DEI at EarthCorps?

Financial:

- 1) EarthCorps relies upon the Board of Directors to make meaningful contributions to help fund the work and mission. We seek board members whose level of giving is generous relative to their income and we aspire to have all board members make EarthCorps one of their top two philanthropic, annual donations. We also expect board members to sponsor a table at our annual fund raising event called “Revive.” Do you foresee any challenges in meeting these expectations?

Passion:

- 1) Our most engaged and effective Board members are often highly passionate about the environment and restoration efforts, tell me a bit about your passion and how it relates to our mission statement which is “EarthCorps envisions a world where people and nature thrive together.”
- 2) EarthCorps seeks to grow environmental leaders through environmental restoration focused in the Puget Sound region, does that overall mission resonate with you and does it seem important?

Commitment:

- 1) Being a Board Member requires active engagement and participation, are you able to spend 4-6 hours each month doing board work including board meetings, committee work, and supporting the mission?
- 2) Being a Board Member is not a “spectator sport” and there are times where “get our hands dirty” are you open to actively learning about and engaging with EarthCorps outside of board meetings (e.g. joining a crew, attending a volunteer event, attending a workshop day, hosting a corps member, etc.)
- 3) Board terms are three years and many Board Members renew for a second three-year term, are you able to commit to one term which is 3 years?
- 4) There are officer roles and several sub-committee lead positions, would you have interest in pursuing a leadership role on the board or one of the sub-committees?

Network:

- 1) Our Board is able to scale further through the connections that our member's networks bring. Our Board members are often the avenues through which we find new Board members and Donors. Our Board members also can be instrumental in helping EarthCorps connect with new prospective restoration projects. Tell me more about your network and how you might be able to connect EarthCorps with new Board members, Donors or Restoration Projects.
- 2) Can you be an enthusiastic ambassador for EarthCorps across your network and sphere of influence?

Skills:

- 1) The EarthCorps Board seeks to have diverse and complementary skills within our members across different areas of expertise including: legal, environmental, philanthropy, technology, financial etc. Tell me about any special skills or experience that you have which could help improve our Board's capabilities and effectiveness.
- 2) Do you have prior, nonprofit board experience and are you ready to bring that experience and insight to EarthCorps?

In closing with the candidate, please ask if they have any further questions for you and let them know the next steps regarding who specifically will be contacting them and by when.

Provide the summary and overall scores to the Chair of the Nominations and Governance Committee and the Executive Director.