

Lhak-Sam

GOVERNANCE MANUAL 2021



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CHAPTER 1: INTRODUCTION

1.1 Preface

- 1.1.1 This Governance Manual is a definitive policy guideline to exercise authority, direction and control of Lhak-Sam in order to ensure that its purpose is achieved.
- 1.1.2 The Manual includes the structures, responsibilities and processes that the Board of Trustees of Lhak-Sam shall use to direct and manage its general operations. These structures, processes and organizational traditions will determine how authority is exercised, how decisions are taken, how stakeholders have their say and how decision-makers are held to account.
- 1.1.3 The Manual formalizes and defines the general principles that will guide board governance; the structure, process, roles (what) and responsibilities (how) of the Board of Trustees, its Office Bearers and Committees; the manner in which the board exercises its authority in the fulfilment of its responsibilities; the responsibilities and authority of its Executive Director; and the relationship between the Board and its Executive Director.

1.2 Principles of Good Governance

- 1.2.1 The principles of the manual are in relation to those derived from and shaped by the statutory and legal requirements of the Kingdom of Bhutan and the values and mission of Lhak-Sam as articulated in its strategic plans.
- 1.2.2 Each policy in the Manual is consistent with the governing legislation - the *Civil Society Organizations Act of Bhutan 2007* and the *Civil Society Rules and Regulations 2012*. All standing Governance policies of the Board are included in this Manual and the Organizational and Administrative policies are consistent with this Manual.
- 1.2.3 The Organization and its Governance shall:
 - a) Institute a governing body called the Board of Trustees that is responsible for reviewing and approving the organization's mission and strategic direction, including its governing and fiscal instruments.
 - b) Adopt written code of ethics with which all Trustees and employees are familiar and to which they shall adhere.
 - c) Adopt and implement policies and procedures to ensure that all conflicts of interest within the organization and the governing board are appropriately managed through disclosure, recusal, or other means.
 - d) Make information about its operations, including its governance, finances, programs, and activities, widely available to the public.
 - e) Establish and implement policies and procedures to protect and preserve the organization's important data, documents, and business records
 - f) Develop and sustain resources and organizational priorities.

1.3 Title

1.3.1 The Policy Manual shall be called “the Governance Manual of Lhak-Sam”;

1.4 Purpose

1.4.1 The Manual shall guide the organization’s governance in translating the stated values into operations; steering toward achieving the goals and objectives in its strategic plans; ensuring compliance with legal and statutory responsibilities; setting standards and providing frameworks for action including risk management.

1.5 Objectives

1.5.1 The objectives of the manual are to:

- a) Clearly define the roles and responsibilities of the Board, Office Bearers, the Committees; and the Executive Director;
- b) Recruit an effective Board and ensure appropriate board structure and processes;
- c) Maintain a healthy culture in the boardroom and the organization;
- d) Maintain an effective stakeholder engagement and relationship;
- e) Ensure appropriate vision, purpose and set of strategies for Lhak-Sam;
- f) Build the capacity of Lhak-Sam to deliver on purpose;
- g) Maintain the organization’s integrity and accountability;
- h) Ensure organizational performance with a focus on effective use of resources.

1.6 Effective Date

1.6.1 The Governance Manual shall come into force from [.....] with the approval of the Board of Trustees of Lhak-Sam.

1.7 Transition

1.7.1 The policies contained within this Manual shall supersede any past policy that might be found in earlier documents or previous Board minutes.

1.8 Interpretation, Amendment and Suspension

1.8.1 The Manual shall be interpreted by the Chair, whose decision shall be final;

1.8.2 The Manual may be amended by the Board at any Meeting, provided Notice has been included in the Agenda for the Meeting, by Resolution of not less than two-thirds of the Members present; and,

1.8.3 Anyone or more Sections of this Manual may be suspended at any Meeting, provided Notice has been included in the Agenda for the Meeting, and by Resolution of not less than two-thirds of the Members present.

1.9 Updating and Modification

- 1.9.1 The Policies contained in the Manual shall be reviewed to ensure accuracy and relevance. A full review of the entire Manual is conducted based on the needs and circumstances.
- 1.9.2 Recommendations to add or amend a policy contained within the Manual must be submitted as a motion to the Chairperson for inclusion on the Board's meeting agenda.
- 1.9.3 Amendments to the Manual are approved by a Board resolution.
- 1.9.4 Any modification of this Manual requires a two-thirds majority vote of the Board of Trustees and the Meeting for which not less than three weeks' notice has been given to Board Members of any proposed changes to this Governance Manual.

1.10 Policy Manual Maintenance

- 1.10.1 The Manual is maintained in the Office of Lhak-Sam.
- 1.10.2 The concerned Officer provides updated copies to the Board whenever policies are amended. The Board consults Legal Counsel whenever amendments are made to ensure compliance with the national governing legislation.

CHAPTER 2: ORGANIZATIONAL OVERVIEW

2.1 Overview

5.1.1 Lhak-Sam is the first and the only Public Benefit Organization (PBO) registered under the Civil Society Organizations Authority of Bhutan (Reg. #: CSOA/PBO-10), working primarily for the benefit of the people living with HIV & AIDS (PLHIV) and prevention of HIV & AIDS in the country. The Organization consists of Bhutanese affected by HIV with its mandate to mitigate the impact of HIV in the country. The Boards of Directors provides the oversight of the Organization and are represented from various sectors (Multilateral Agencies, NGOs, Media, and Private firms) in the country. In a feature unique to Bhutan, apart from the coordinated government efforts, the testimony of commitment to stem the spread of HIV is the explicit top-level initiative from the Royal Family. With the political support and the enabling environment, Lhak-Sam is in an exceptional position to mitigate the impact of HIV & AIDS and make a meaningful contribution to PLHIV in the country.

2.2 Purpose

5.1.2 To create and promote a strong support system based on solidarity, social networking and people's participation in addressing and taking collective action towards effective responses to HIV & AIDS and its impact.

2.3 Objectives

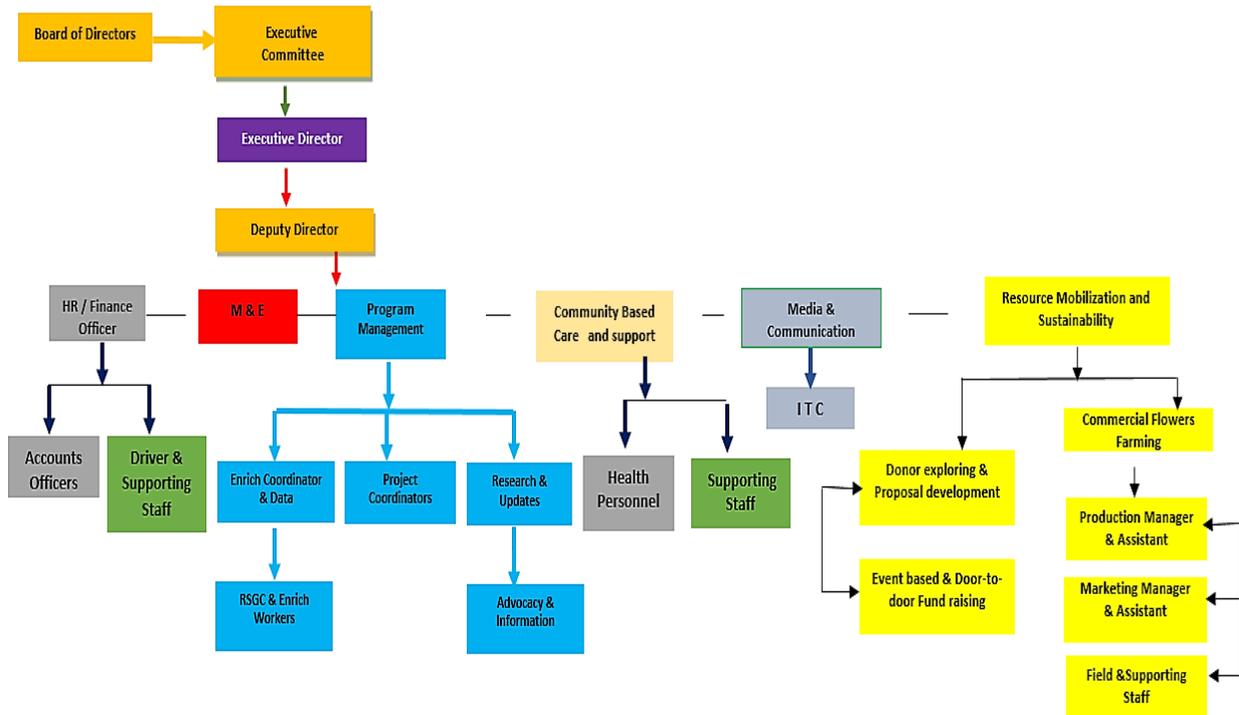
5.1.3 "To create and promote a strong support system based on solidarity, social networking and people's participation for addressing and taking collective action towards an effective response to HIV & AIDS and its negative impacts". This can be achieved through the following Objectives:

- a) To strengthen the network and extend care to all and provide support to only disadvantaged PLHIV and KAPs in Bhutan and the Region;
- b) To empower and enhance the competency of all Members of PLHIV and KAPs to participate fully in their own treatment, care and prevention programs, and services;
- c) To reduce fear, prejudice, discrimination by minimizing the negative impacts of HIV and AIDS in all levels of society through various perception and behavior change communications programs;
- d) To enhance greater and more meaningful participation of the Members of the society through strategic partnership building with Members of PLHIV and KAPs, Key Stakeholders and Donors towards an effective response to preventing HIV and mitigating its effects in the Country and the Region;
- e) To advocate on social, health, legal, and economic issues faced by the PLHIV and KAPs to the relevant Partners and Policymakers to bring about appropriate Policies and Regulations; and,
- f) To increase access to resources and support PLHIV, KAPs and their affected family members to lead a meaningful livelihood and develop the self-financing ability and

long-term sustainability capacity for sharing some of the economic burdens of the country in responding to AIDS.

2.4 Organizational Structure

5.1.4 Lhak-Sam’s Organizational Structure shall be depicted in the Organogram below:



CHAPTER 3: BOARD STRUCTURE AND COMPOSITION

3.1 Statutory Composition

- 3.1.1 As per the Civil Society Act of Bhutan 2007 and the ensuing Civil Society Rules and Regulations 2017, the Board shall comprise of a minimum of five (5) Trustees and a maximum of nine (9) Trustees including the Chairperson, the Treasurer and the Secretary.
- 3.1.2 The members of the Board shall elect from among themselves a Chairperson, a Secretary and a Treasurer.

3.2 Eligibility

- 3.2.1 The Board shall comprise of persons who:
- is a citizen of Bhutan;
 - is a member of the general body;
 - is 18 years or older on the day of nomination;
 - has been a member for more than a year;
 - has no outstanding fees owed to Lhak-Sam;
 - is able to represent issues related to Lhak-Sam;
 - has the ability to strengthen Lhak-Sam;
 - is not disqualified under section 14 of the CSO Rules and Regulations 2017 or other laws in force.

3.3 Disqualification of Trustees

- 3.3.1 A person is disqualified to be a Trustee, if he/she:
- is of unsound mind and stands so declared by a competent court;
 - has been found to be in arrears of taxes or other dues to the Government for a period of two years and of an amount more than Ngultrum 10,000/-;
 - Currently holds a senior office or position in a Government-controlled company or Government-controlled organization;
 - Incurs disqualification under Section 60 or 114 of the Act;
 - Is proscribed from being a Trustee by other laws in force.

3.4 Nomination, Appointment, and Resignation of Directors

- 3.4.1** Directors, those who are Institutional Representative shall be nominated Individually. Any change in membership of the Directors shall also be done individually which the Director represents;
- 3.4.2** Appointment of Independent Director shall be based on the nomination submitted by Lhak-Sam Management and with the approval of a simple majority of Directors;

- 3.4.3** Co-opt Directors shall be appointed by the Chairperson on the recommendation of Lhak-Sam Management;
- 3.4.4** All appointment of Director shall be done by the Chairperson or any other person designated by the Chairperson; and,
- 3.4.5** Directors wishing to resign before the end of the tenure shall write a formal Letter of Resignation to the Chairperson and the resignation should be approved by the Chair.

3.5 Tenure -Terms and Term Limits

- 3.5.1 The Board of Trustees will serve for five years from the date of elections or until their successors are elected.
- 3.5.2 A term of each Trustee is limited to one full term but shall be eligible for re-election after the lapse of one term.
- 3.5.3 The positions of office bearer - the Chairperson, Secretary and Treasurer shall change every one (1) years; however, they shall be eligible for election for the same post after the lapse of one (1) term.

3.6 Grounds for Removal

- 3.6.1 A Trustee may be removed from the Board upon disqualification being incurred under "Disqualification Clause of this Manual" in adherence to Section 14 of the CSO Rules and Regulations.
- 3.6.2 A Trustee may be removed for dereliction of duties assigned, indecent behavior, other conduct unbecoming of a Trustee or conduct that incurs disqualification under relevant laws.
- 3.6.3 After an appropriate hearing before the Board, the Board shall vote to remove a Trustee by an affirmative vote of a simple majority of the Trustees.
- 3.6.4 Pursuant to section 58 of this AoA, the General Body shall vote to affirm the removal of the Trustee by a simple majority of the members present and voting.

3.7 Entitlements

A Trustee is entitled to reimbursement for all reasonable expenses, including travelling expenses as they may incur while attending a Board meeting.

CHAPTER 4: CORE FUNCTIONS OF THE BOARD OF TRUSTEES

4.1 Duty of the Board of Trustees

4.1.1 The Board of Trustees of Lhak-Sam shall maintain the highest standards of ethics, integrity and professionalism in discharging their duty.

4.1.2 The Board of Trustee of Lhak-Sam shall:

- a) Govern Lhak-Sam to promote accountability, transparency and more effective management of the organization.
- b) Attend board meetings regularly, serve on committees of the Board and contribute from personal, professional and experience to the work of the board.
- c) Be informed of the statutory requirements of the Acts, Rules and Regulation and other policies, under which Lhak-Sam exists, and its mission, values, and policies as they pertain to the duties of a Trustee.
- d) Keep informed about the activities of the organization, the issues that affect the organization, and overall trends in its operations.
- e) Act with trust and serve in the best interest of the organization. No member should override their duty for political or/ personal interest and advantage over the interest of the organization.
- f) Exercise vigilance for and declare any apparent or real personal conflict of interest in accordance with the organization's policies and statutory requirements.
- g) Not receive monetary compensation for his/her Board duties other than reimbursement for Board-related expenses.
- h) Responsible for exercising care and diligence when using their powers and discharging their duties.

4.2 Roles and Responsibilities of the Board of Trustee

4.2.1 Strategic Leadership

The Board of Trustees shall:

- a) Formulate and safeguard the mission, the values framework and operating principles within which it expects Lhak-Sam to be administered; and review and update these periodically, to ensure that they remain current and responsive to needs of the community it serves.
- b) Oversee the development and approval of organization's key policies, plans, strategic priorities of the Organization.
- c) Review the individual clauses in the Organization policies and procedures, periodically, and ensure timely amendments when necessary and in compliance with the statutory requirements.
- d) Provide direction and guidance to the Executive Director for implementation of the strategic plans and policies of the Organization.

- e) Approve the annual work plans and budget, which include the exact expenditures on program activities and administrative costs.

4.2.2 Performance Monitoring & Accountability

- a) Ensure a framework for monitoring and periodic independent evaluation of performance and financial accountability of activities in relation to achievement of the Organization's mission, strategic goals and objectives.
- b) Evaluate the Executive Director's performance periodically, based on the terms of reference in which the goals and expectations were mutually agreed upon.
- c) Ensure accountability to key stakeholders for the activities of the organization.

4.2.3 Financial Stewardship

- a) Seek or secure sufficient resources for the organization to adequately finance its operational and capital requirements.
- b) Ensure prudent and adequate financial management and inventory control systems to properly record financial transactions and control of assets.
- c) Monitor efficient use of resources and ensure establishment of proper financial controls and policies.
- d) Anticipate, mitigate, and manage risks to the organization, its employees, Board, and key stakeholders.

4.2.4 Human Resource Stewardship

- a) Approve and periodically review personnel policies to govern the management of staff and volunteer resources.
- b) Recruit and support an Executive Director to whom the responsibility for administration of the organization is delegated.
- c) Evaluate the performance of the Executive Director on the basis of the specific job description and performance objectives and targets.
- d) Periodically monitor key human resource performance indicators.
- e) Ensure succession planning for smooth transition in the Trustees, the Executive Director, and senior staff positions;

4.2.5 Monitoring and Accountability

- a) Monitor the general performance of the organization against legislative and regulatory requirements and approved objectives of the organization.
- b) Ensure that the Organization performs annual independent audit to clarify and present the financial position of the organization.
- c) Account to the organization's members, donors, and key stakeholders by ensuring annual and periodic reports on the activities and finances of the organization, and annual audited financial statements.

- d) Conduct periodic and comprehensive self-assessment of the Board and evaluate its own performance to measure its collective performance and understand the extent of their individual responsibilities.

4.3 Authority of the Board of Trustees

- 4.3.1 Individual directors have no authority to act or give direction individually other than in such manner as may be approved in these policies or by resolution of the Board.
- 4.3.2 All legal authority to provide direction or require information is vested in the full Board. The Board may however, delegate authority to an individual director or officer or the Executive Director. However, the Board retains ultimate responsibility and accountability.

4.5 Liability

- 4.5.1 A Trustee will be liable for any act or omission in carrying out responsibilities of the organization.
- 4.5.2 A Trustee or an Office Bearer of Lhak-Sam, who willfully and knowingly assents to patently unlawful acts shall be guilty of gross negligence or bad faith in directing the affairs of the organization.
- 4.5.3 A person found guilty of the offence of gross negligence or bad faith under Section 58 of the CSO Act shall be liable jointly or individually for all damages suffered by the organization.

4.6 Oath of Office and Confidentiality

- 4.6.1 Confidentiality means Trustees may not relate such matters to anyone including immediate family members.
- 4.6.2 All Trustees must at all times, respect the confidentiality of the members of Lhak-Sam. Similarly, all matters dealt with by the Board related to personnel must be held in strictest confidence.
- 4.6.3 The duty of confidentiality continues indefinitely after a Trustee has left the Board.
- 4.6.4 The Trustee shall agree to an Oath of Office and Confidentiality [Form - 1] upon joining the Board.

4.7 Disclosure of Conflict of Interest

- 4.7.1 A Trustee shall exercise his/her power in the interest of the Organization and not in his/her own interest or the interest of another entity.
- 4.7.2 When a Trustee has an interest in a transaction being considered by the Board, the Trustee shall not take part in the proceedings.
- 4.7.3 A Trustee shall agree to a Conflict-of-Interest Declaration Form (Form - 2) upon joining the Board.

CHAPTER 5: FUNCTIONS OF OFFICERS OF THE BOARD

5.2 The Chairperson

- 5.2.1 The role of the Chairperson is to ensure the integrity of the board processes. The Chairperson shall:
- a) Preside over the board activities ensuring that its members (individually and collectively) follow board rules or policies imposed by statute or regulations.
 - b) Set the agendas for meetings of the board with input from the members of the Board and with the assistance of the Executive Director, and ensure that its meetings are focused on matters of board responsibilities.
 - c) Plan the conduct and timing of board meetings in conjunction with the Executive Director and shall chair meetings of the board and other committees.
 - d) Strive to ensure that the board works effectively as a team and address conflicts of interests or disputes.
 - e) Ensure adequate communication and accountability to members and key stakeholders. serve as a liaison between Lhak-Sam and external stakeholders;
 - f) Perform such other duties as are necessarily incident to the office of the Chairperson.

5.3 The Treasurer

- 5.3.1 The Treasurer shall:
- a) Monitor the financial activities of the organization.
 - b) Ensure that complete and accurate records are kept of all of the organizational financial matters in accordance with generally accepted accounting principles.
 - c) Act as a signing authority for the organization as approved by resolution of the Board.
 - d) Ensure that the Board, quarterly or as otherwise required, is provided with a report of all major financial transactions and of the financial position of the organization.
 - e) Recommend a competent auditor to be appointed annually.
 - f) Collaborate with the auditor(s) and Executive Director to review and present the annual audited financial statements. perform such other duties as are necessarily incident to the office of the Treasurer.

5.4 The Secretary

- 5.4.1 The secretary shall ensure that all secretarial functions are performed for the Board. The secretary shall:
- a) Oversee the keeping of records of meetings, policies, membership and any other records required by law.

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- b) Ensure that minutes are taken at all regular and special meetings of the Board of Trustees.
- c) Ensure that copies of minutes and agendas are circulated to the Board members prior to each meeting.
- d) Ensure the maintenance of the files and records of the organization to be passed on to future officers and ensure the security and confidentiality of all such files and records. **lead annual efforts to recruit, collect, and maintain members.**
- e) Perform such other duties as are necessarily incident to the office of the Secretary

CHAPTER 6: COMMITTEE ROLES

The Executive Committee

Purpose

- 5.4.2 In the event of the growth of Lhak-Sam and its membership in the near future, the Manual shall provide for establishment of an Executive Committee to support the functioning of the organization and implement the decisions of the Board, and it reports to the Board.
- 5.4.3 The Committee shall be chaired by the Executive Director of the Organization and other Members shall be nominated from among the Staff of the Organization (Head of the Division /Program). The Appointees must demonstrate knowledge of the functions and responsibilities of Lhak-Sam and have served the Organization for a minimum of six months. The Committee shall make decisions by simple majority on decisions regarding day-to-day management of Lhak-Sam.
- 5.4.4 The Executive Committee shall consider the policy and operational issues of significance and can make such decisions on behalf of the Board. The Committee may elect to seek advice from the Board on sensitive or contentious matters even where these may be within the Committee's remit.
- 5.4.5 The Committee Meetings shall be conducted every three (3) months and the Minutes of Meeting, drafted by the Member Secretary/Executive Director, shall be circulated within seven working days.

Roles and Responsibilities of the Executive Committee

- 5.4.6 The provisional Executive Committee shall be:
- 5.4.7 Authorized to expend funds within the limits of the annual budget and operating plan approved by the board.
- 5.4.8 Responsible for bringing to the attention of the board, the need for special and exceptional expenditures not included in the budget.
- 5.4.9 Required to report to the board if it is not possible to operate within the limits of the budget approved by it.
- 5.4.10 Expected to provide advise to the board on policy and program issues.
- 5.4.11 Required to provide the Board with the information it needs to govern effectively, make informed decisions and monitor the overall performance of the organization in achieving the organization's goals and objectives.

The Human Resource Committee

Purpose

- 5.4.12 The purpose of the Human Resource Committee (HRC) is to oversee the human resources function of the Organization, and guide the policies and plans of the Organization related to compensation and benefits for employees.

5.4.13 The Committee shall be comprised of at least four members. The composition of the HRC shall be as follows:

- a) Head of the Organization - Executive Director
- b) At least two Head of Departments
- c) Finance and Administrative Director - As Committee Secretary with voting power.

Roles and Responsibilities of the Human Resource Committee

5.4.14 The Committee shall:

- a) Formulate and review policies regarding compensation of the employees of the Lhak-Sam.
- b) Evaluate the performance of the employees in the light of the Organization and individual goals and objectives.
- c) Recommend to the Board of Trustees the compensation and terms of employment of staff and determine the compensation.
- d) Review plans for management succession and executive development for the purpose of assuring qualified succession for key positions of the Organization.
- e) Provide oversight of matters relating to benefits for the Organization's employees.
- f) Review and assess the Organization's diversity programs and career opportunities and programs for professional development of employees.
- g) Oversee and review such other matters within the scope of the Committee's purposes, as set forth in this manual and as the Committee shall determine from time.

The Secretariat

Purpose

- a) Lhak-Sam shall have a Permanent Secretariat established in Thimphu to carry out its day-to-day administrative functions.
- b) Lhak-Sam shall establish 4 regional offices and such number of branch offices in other Dzongkhags, as and when necessary.
- c) The Secretariat shall have its own Organogram and Staffing pattern and strength duly approved by Lhak-Sam Management based on its functions and duties.
- d) The Executive Director shall serve as the Head of the Secretariat; and shall execute the decisions of the Board of Directors and will be responsible for the day-to-day management and administration of the Office.
- e) The Secretariat shall strive to network and include all its community of LGBTQ.

Roles and Responsibilities of the Secretariat

- a) To accomplish the mission and vision of Lhak-Sam, the Secretariat upon the directives of the Board shall undertake the responsibilities mentioned hereunder:

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- b) Shall be responsible for planning, managing, supervising, and directing the operations of Office and any other related entities that Lhak-Sam may establish.
- c) Give direction and leadership advice to the formulation and achievement of the Lhak-Sam's Goals and Objectives.
- d) Work with the Board of Trustees and Staff to develop and implement Policies, Procedures, and Strategic and Operational Plans and the general management of the Lhak-Sam's activities and services.
- e) Carry out administrative, financial and program operations.
- f) Be responsible for recruitment, hiring, promotion, development, discipline, evaluation, and dismissal of employees.
- g) Be responsible for the compilation of Agendas and circulation of Minutes of the Meetings and other documents and shall maintain all the proceedings and records of Lhak-Sam.
- h) Maintain an up-to-date database of Membership including Names of Agencies or Business Establishments and Individuals applying for Membership.
- i) Ensure production of Annual Reports and audited financial statements, which shall be approved by the Board and submitted to the Annual General Meeting.
- j) Represent Lhak-Sam and its community of members at important Conferences, Seminars, Meetings, etc., individually or with any one of the Secretarial Staff.

The Executive Director

Duty of the Executive Director

- 5.4.15 The Executive Director is contracted by the Board of Trustees and is therefore responsible to the board as a whole rather than to individual members of the board. S/He is required to implement policies as determined by the Board, consistent with the requirements under the existing national legislations.
- 5.4.16 The Executive Director is responsible, within the parameters set by the Board, for determining the methods by which the Board's directions and policies will be executed to achieve the desired vision of the organization.
- 5.4.17 All Board authority delegated to staff is executed through the Executive Director, so that the authority and accountability of staff derives from the authority and accountability of the Executive Director.

Specific Terms of Reference of the Executive Director

Executive Support to Board

- 5.4.18 Conduct the work of the Organization within the broad parameters and policies established by the Board of Trustees.
- 5.4.19 Provide staff and administrative support to the Board and its various committees. Participate, ex-officio, as a non-voting member of the Board and its various committees.

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- 5.4.20 Provide advice and assistance to the Board and its committees and appropriately seek advice and assistance from members of the Board in facilitating achievement of the Organization's objectives.
- 5.4.21 Report regularly to the Board on activities of the Organization and any internal or external event that may have a major or unusual effect on the Organization.
- 5.4.22 Provide the staff support and information necessary for the Board to effectively and efficiently conduct its business, develop long-term and annual objectives and monitor progress in achieving goals.
- 5.4.23 Develop and present for Board approval the annual operating plan and budget, appropriate policy statements, analysis of legislative or related policy issues and other matters that directly affect the operation of the Organization and its capacity to carry out its programs.

Planning, Organization and Policy Development

- 5.4.24 Develop an annual operating plan for consideration/approval of the Board.
- 5.4.25 Ensure the development and maintenance of information systems that will permit a continuing assessment of the implementation and impact of the Organization's plans.
- 5.4.26 Ensure the development and maintenance (within the limits of available resources) mechanisms for monitoring and evaluating the impact and effectiveness of the Organization's plans and programs and the quality of its programs and/or services.
- 5.4.27 Plan and prepare, for the consideration of the Board, programs to support the Organization's objectives.

Program Management

- 5.4.28 Manage the design and implementation of the Organization's programs and services efficiently and effectively within the approved operating plan and budget, subject to variance in demand and exceptional circumstances.
- 5.4.29 Ensure, within the limits of available resources, the level of standards and quality in the Organization's programs and services.
- 5.4.30 Provide leadership and direction to the Organization's programs and staff.
- 5.4.31 Delegate appropriate functions to other staff members as may from time to time be considered appropriate.]
- 5.4.32 Provide periodic reports as required to funding agencies.

Human Resources Management

- 5.4.33 Recruit, retain, motivate, evaluate performance, counsel, discipline and dismiss personnel directly responsible to the Executive Director and, upon the recommendation of subordinate staff, dismiss other personnel and volunteers in the employ of the Organization.

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- 5.4.34 Manage the negotiation of employee contracts, administer the Organization's personnel practices, and provide advice to the Board in regard to employee relations and contract negotiations.
- 5.4.35 Ensure that the Organization's programs are staffed with competent personnel and volunteers within the approved budget.
- 5.4.36 Ensure the establishment and maintenance of sound personnel and compensation practices and philosophy, proper job descriptions, and a regular system of performance appraisals.
- 5.4.37 Ensure the development and maintenance of adequate personnel information and control systems.
- 5.4.38 Ensure the development and maintenance of programs for orientation of new staff and volunteers and an ongoing program of staff development.
- 5.4.39 Establish and maintain a working environment conducive to the development of staff members and volunteers and the attainment of the objectives of the Organization.

Financial Administration and Budgeting

- 5.4.40 Prepare the annual budget for consideration by the Organization's Board.
- 5.4.41 Manage the operation of the Organization's programs within the approved budget, subject to variance in demand and exceptional circumstances.
- 5.4.42 Provide periodic expenditure forecasts and financial reports to the Board.
- 5.4.43 Ensure the development of systems for monitoring and controlling expenditures within approved budget levels.
- 5.4.44 Secure, with the assistance of the Board, the resources necessary to implement and sustain the Organization's programs.
- 5.4.45 Provide periodic reports as required to funding authorities.
- 5.4.46 Ensure the development and maintenance of "risk management" policies and procedures that will minimize financial, public relations and other liabilities for the Organization, its Board, staff, and volunteers.

Partnership, Networking & Community Relationships

- 5.4.47 Build and maintain the credibility and integrity of the Organization, with its stakeholders including employees, members, volunteers, the public, respective levels of government and other agencies.
- 5.4.48 Alert the Board to incidents, occurrences, or activities that may place employees and volunteers or the Organization at unusual risk, censure, criticism or public disapprobation.
- 5.4.49 Subject to the Organization's policies on communications, routinely act as the Organization's primary spokesperson with the media and the public.

Delegation of Responsibilities

5.4.50 The Executive Director will discharge assigned responsibilities through such senior personnel, department or division heads, supervisors, employees, volunteers and other positions as he/she may from time to time determine. The incumbent may delegate and assign part of the executive, managerial, functional and operating responsibilities and corresponding authority, but remains responsible for overall results.

CHAPTER 7: BOARD MANAGEMENT

Ordinary Meetings

5.4.51 The Board shall, for the purpose of section 57 of the CSO Act of Bhutan 2007, conduct its meeting at least once every three (3) months, provided that the secretary serves the notice of meeting at least two weeks in advance.

Extraordinary Meetings

5.4.52 Extraordinary Meetings may be called on the instructions of the Chairperson (or Vice Chairperson in absence of the Chairperson) for a period of more than one month or indefinite period, OR

- a) On a requisition signed by not less than four Members; and,
- b) Provided such meetings shall be given a notice of a minimum of five working days.

Annual General Meetings

5.4.53 Lhak-Sam shall hold one (1) Annual General Meeting, convened on or before the end of the fiscal year for transacting the following business:

- a) Consideration of the annual report;
- b) Appointment and retirement of trustees;
- c) Any other business proposed by a member within seven days prior to the date of the meeting.

Board Member Attendance

5.4.54 All members of the Board are required to attend Board meetings. Board members who are absent, without excuse, from three consecutive meetings are automatically considered to have resigned their position. In the event such a member wishes to be reinstated, a letter of request must be sent to the Board. The Board shall then make a decision by motion regarding reinstatement as well as any terms associated with a decision to reinstate if such is the decision.

5.4.55 The Chairperson shall convene and Chair the Meetings of the Board.

5.4.56 The Chairperson may, with the approval of the Board, delegate this to Vice Chairperson or other members (in the absence of the chairperson) either for specific meetings or for a longer duration.

Meeting Attendance by Invitees

5.4.57 A Person may be invited to the Board Meeting by Lhak-Sam based on their expertise and relevance to the discussion.

5.4.58 A person who is not a Trustee of the Board may contribute to any matter on the agenda only if invited to do so by the Chair.

Quorum

5.4.59 The quorum shall be two-thirds of the Members.

5.4.60 In the absence of a quorum, no arrangement shall be performed.

5.4.61 If within half-an-hour from the time appointed for a Meeting a quorum is not present, the Chairperson, Vice Chairperson or the Member Secretary, shall adjourn the Meeting to such other day and at such other time and place as the Members who are present may determine.

Decision Making

5.4.62 A quorum is required for the transaction of any major decisions made on behalf of Lhak-Sam.

5.4.63 Decisions are made through a consensus development process leading to a formal vote to record the decision. A favourable vote of a majority of the members present regardless of abstentions, is required for approval.

5.4.64 Decisions of the Board are made as a group at the board meetings at which a quorum of the Board (51%) is present.

5.4.65 Where there is a single amendment or a proposal, the voting shall take place on that amendment or proposal.

5.4.66 Where there are a series of amendments or proposals, voting shall take place on each agreed amendment in turn in the order in which they have been put forward; those amendments or proposals shall then be consolidated into a single proposed amendment or proposal and that single amendment will, in turn, be voted upon.

5.4.67 When a vote is held, each member shall have one vote, except the Chair shall have a deliberative role and in the event of a tie, the Chair shall cast a vote.

5.4.68 All decisions shall be reached by a vote of the simple majority.

5.4.69 Where disagreements continue to exist, dissenting members may request that their objections be recorded in the minutes.

Dissent and Change in Decision

5.4.70 No Trustee shall be entitled to enter his or her dissent from any decision, except at the Meeting at which it has been passed. However, any Member not present may, at the next Meeting have his/her dissent recorded without altering the decision.

5.4.71 No decisions made by the Board at any time within the preceding six months shall be reconsidered or questioned unless moved by the Chairperson or it is signed by at least one-third of the total Members of the Board.

Confidential Matters

5.4.72 Distribution of the Agenda shall be restricted to the Board of Trustees and the Member Secretary; and,

5.4.73 The Board may permit whoever else it considers necessary to be present at meetings during the consideration of matters.

ANNEXURES

ANNEXURE - 1: FORM 1 - OATH OF OFFICE FORM

I, *[insert name]*, a Trustee of Lhak-Sam, declare that, in carrying out my duties as a Trustee, I will:

1. Exercise the powers of my office and fulfil my responsibilities in good faith and in the best interests of the Organization.
2. Exercise these responsibilities, at all times, with due diligence, care and skill in a reasonable and prudent manner.
3. Respect and support the Organization's policies, Code of Conduct, and decisions of the Board and membership.
4. Keep confidential all information that I learn about members, personnel, collective bargaining and any other matters specifically determined by board motion to be matters of confidence.
5. Conduct myself in a spirit of collegiality and respect for the collective decisions of the Board and subordinate my personal interests to the best interests of the Organization.
6. Immediately declare any real or apparent personal conflict of interest that may come to my attention.
7. Immediately resign my position as Trustee of the Organization in the event that I, or my colleagues on the Board, have concluded that I have breached my 'Oath of Office'.

Signature:

Date:

ANNEXURE 2: FORM 2 - CONFLICT OF INTEREST DISCLOSURE FORM

Trustee's Name: _____

I have reviewed my current activities and those of recent years as they may relate to the operations of _____ (name of organization) . I have also considered the activities of my spouse and immediate family members, employer and any related business in which I have an interest, in so far as they could be viewed to affect my objectivity and impartiality with respect to my duties as a Trustee of this Organization.

I would like to bring the following to the attention of the Board of Trustees as personal interests that could be perceived or real conflicts of interest: (use a signed attachment for details if preferred)

I hereby certify that, to the best of my knowledge and judgment, I am not in a position of real, potential or apparent conflict of interest except as disclosed above.

I undertake to inform the board of directors of any change in circumstances or any unforeseen issues that arise in the course of the transaction of this Organization's operations that may give rise to unforeseen real, potential or apparent conflict of interest.

I undertake not to disclose or otherwise misuse confidential or privileged information, for purposes of personal gain within the spirit of this commitment, to which I may be privy as a result of my position as a Trustee of this Organization.

Signature: Date:

Annexure 3: Board Self-Assessment Template

Score 1-45(1 = Strongly Disagree; 5 = Strongly Agree)

Item	Strongly Disagree (1)	Disagree (2)	Undecided (3)	Agree (4)	Strongly Agree (5)
1. The Board understands its role in the following areas:					
• Strategic planning					
• Financial oversight					
• Executive Director performance management					
• Board governance					
• Community relations and engagement					
2. The Board performs effectively in each of the following areas:					
• Strategic planning					
• Financial oversight					
• Executive Director performance management					
• Board governance					
• Community relations and engagement					
3. The Board understands and considers the organization's legal & fiduciary accountabilities & act in the best interests of the organization, avoid conflict of interest, follow Board governance policies).					
8. The Board makes decisions that are consistent with the organization's mission, vision and values and strategic plan					
9. The Board ensures the strategic plan is implemented.					
10. The Board is well-informed and kept up-to-date about:					
• The operations of the organization					
• Current trends and issues relevant to the sector					
• The Board's governance role					

Board Structures and Processes (Do I feel the Board has the right structure?)

Item	Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree
(A) Committees:					
1. The Board has the right committees to meet our mandate and priorities.					
2. Committee purpose, mandate or terms of reference are periodically reviewed.					
3. Committee workplans are established annually and align with Board work.					
4. The number and length of Committee meetings is appropriate.					
5. The Board respects the work of its committees and does not re-do committee					
6. The composition of the committee is appropriate.					
7. Committee reports/updates to the Board are timely.					
8. Committee reports/updates to the /Board are effective in providing necessary information.					
9. New committee members receive orientation to the committee.					
(B) Board Chair:					
1. The Board Chair conducts the meeting in a way that moves the business of the Board forward.					
2. The Chair allows adequate time for debate.					
3. The Chair ensures all sides of an issue are heard.					
4. The Chair ensures the Board has the					

BOARD OF TRUSTEES GOVERNANCE POLICY MANUAL

necessary information or advice to make decisions.					
5. The Board Chair invests time in building relationships with the following: <ul style="list-style-type: none"> • Executive Director; • Board of Directors; • Committee Chairs. 					
6. The Board Chair and the Board understand the Chair's role as the spokesperson for the Board.					
7. The Chair represents the Board and organization to its stakeholders and helps to build strong relationships with key stakeholders.					

Comments:

Board Efficiency and Performance - How well do I feel the Board is working together?

Item	Strongly Disagree	Disagree	Agree	Strongly Agree	Don't know
1. Board members contribute their skill and experience.					
2. Board members respect and value the views of all members of the Board.					
3. Board members treat each other with courtesy and respect					
4. Board members respect the confidentiality of Board discussions.					
5. Board members declare conflicts as required.					
6. Board members are aware of and adhere to the Board Code of Conduct.					
7. Board members have an opportunity to participate in ongoing educational sessions.					
8. The frequency of Board meetings is appropriate.					
9. The timing of Board meetings is appropriate (e.g. week night; early am; weekend).					
10. Board members work well together.					

Comments:

Section 4: Individual Performance Self-Assessment - How do I feel I'm doing in my role?

Item	Strongly Disagree	Disagree	Agree	Strongly Agree	Don't know
(A) Knowledge					
1. I have a good understanding of the organization's activities and operations.					
2. I understand the mission, vision and values					
3. I am familiar with the strategic plan and take it into account in Board decisions.					
4. I understand the difference between the governance role of the Board and the role of managers.					
5. I understand the Board's role and annual workplan.					
6. I understand and respect the roles of committees.					
(B) Engagement					
7. I apply my skill and experience					
8. I listen and consider the views of others.					
9. I prepare for meetings.					
10. I ask questions that will help me make a decision.					
11. I express my views even when I may be in the minority.					
12. I respect the decision of the majority.					
13. I meet or exceed the attendance requirements.					
14. I support the organization's events and activities.					
15. I contribute to the committees on which I serve.					
(C) Contribution					
16. I feel like I'm engaged.					
17. I feel like I'm making a meaningful contribution and					

