

Board Governance Policy

A. Purposes of this Policy

1. To provide a framework within which Directors and Officers of the Board of YWS will be guided in the execution of their fiduciary duties on behalf of the YWS.
2. To help assure awareness by Directors and Officers of the Board of YWS of their basic fiduciary duties under state law and of their obligations related to federal tax exemption granted YWS.
3. To help assure that the decisions and conduct of the Directors and Officers of the Board of YWS are at all times consistent with their duties and obligations and with the charitable mission of YWS.

B. Obligations of the Board and Individual Directors

1. Mission: YWS is operated exclusively for the exempt purpose established in its mission and shall engage primarily in activities which further that mission.¹ The mission of YWS is to provide lifelong sanctuary to non-releasable Greater Yellowstone Ecosystem wildlife while sharing a message of education and conservation.
2. Directors' Role:
 - a. The Directors are those persons with voting power on the Board of Directors responsible for the operation of YWS. All corporate powers are exercised by or under the authority of the Board and the affairs of YWS are managed under the direction of the Board.²
 - b. The Directors do not manage the day-to-day affairs of YWS, but delegate that function to others. Directors must, however, exercise reasonable and prudent oversight with respect to corporate officers, agents and employees to whom such affairs are delegated.
 - c. In the performance of his or her duties, a Director may rely on information and reports received from officers or employees of YWS whom the Director reasonably believes to be reliable and competent in the matters presented, as well as on professional advisors (e.g. attorneys, public accountants) and other persons with regard to matters the Director reasonably believes are within the person's professional or expert competence. A director may also rely upon a committee of the

¹ Treas. Reg. §1.501(c)(3)(1)

² MCA § 35-2-414.

Board of which the Director is not a member, as to matters within its jurisdiction, if the Director reasonably believes the committee merits confidence.³

d. Core Fiduciary Obligations of Directors

i. Duty of Care

- a. A Director shall discharge his or duties as a director, including duties as a member of a committee:
 1. In good faith;
 2. With the care of an ordinarily prudent person in a similar position would exercise under similar circumstances; and
 3. In a manner the director reasonably believes to be in the best interests of YWS.⁴
- b. The duty of care implies a duty of reasonable inquiry. Each Director is obligated to ask questions and demand information to allow that Director to have sufficient information and understanding to make decisions he or she reasonably believes are in YWS's best interests.
- c. A Director is not acting in good faith if the Director has knowledge concerning the matter in question that makes reliance on advice from employees, officers, advisors and consultants, or other directors or board committees unwarranted.⁵

ii. Duty of Loyalty

- a. Each Director is obligated to exercise an undivided and unselfish loyalty to YWS. Each Director must exercise his or her obligations and powers in the best interests of YWS and its charitable mission, not in his or her own interests or in the interests of another person or entity (even if such person or entity is charitable in nature).
- b. Each Director shall comply with YWS's conflict of interest policy and code of ethics.
- c. Each Director must refrain from taking corporate opportunities that rightfully belong to YWS. A corporate opportunity is a business or personal opportunity that is known to the Director because of his or her position as a director.

iii. Obedience to Purpose

³ MCA § 35-2-416.

⁴ MCA § 35-2-416 (1)

⁵ MCA § 35-2-416 (3)

- a. Each Director is obligated to further the mission of YWS, to be faithful to its purposes and goals, and to act in conformity with all laws affecting YWS.

C. Manner of Governing

1. The Board shall enforce upon itself whatever discipline is needed to govern itself well, in accordance with its obligations and well recognized practices for good governance.
2. The Board shall cultivate a sense of group responsibility. The Board, not the staff, is responsible for governing itself well. The Board will use the expertise of individual members to enhance the ability of the Board as a body, rather than allowing individual expertise of directors to substitute for judgments that should be made by the Board as a body.
3. The Board shall follow the Bylaws in implementing a governance structure and operations that are accountable to YWS's members and its mission. In particular, it shall do the following:
 - a. Establish standing committees with charters and require that directors actively participate in such committees in accordance with the committee charters.
 - b. Conduct regularly scheduled board meetings and expect that directors will attend (unless they have an excused absence) and actively participate.
 - c. Adopt and monitor policies that assure adequate oversight of the affairs of YWS, including of its officers and employees, adequate implementation of its programs, and compliance with the law.
4. The Board shall assess its performance and the performance of individual directors at least annually, except in unusual circumstances. This self-assessment should include assessing Board and director performance against criteria recommended by the Governance and Nominating Committee and approved by the Board based on Board policies and good governance practices. This assessment may be conducted as a self-assessment by individual Directors as well as by a process recommended by the Governance and Nominating Committee and approved by the Board.
5. The Board shall direct, control and inspire YWS through careful strategic planning to assure that YWS is effectively pursuing its mission. The Board shall review its strategic plan at least annually, except in unusual circumstances, and shall update it as needed to effectively pursue YWS's charitable mission.

Approved by the ad hoc Governance Committee on 26 Oct 2020.

Approved by the Board of Directors on November 19, 2020.