



Holland City Council

**GOVERNANCE FRAMEWORK
&
PROCESS MANUAL**

Created by Council - 2018

Formally Adopted – 2019

OVERVIEW

City Council hired Dave Medema, of Medema Consulting Associates, during 2018 to provide governance training in conjunction with the hiring of a new City Manager. Medema conducted several sessions with Council, developing a governing framework based upon the Carver Model of policy governance. This model of governance has several basic principles, including:

- Council speaks with one voice or not at all
- Council decisions are predominantly policy-level decisions in four categories;
 - Ends – the results to be achieved
 - Governance Process – how Council determines its operating philosophy and accountability
 - Council/City Manager Linkage – the manner in which Council delegates authority to the City Manager and how it evaluates performance
 - City Manager Limitations – the boundaries within which the City Manager and staff operates
- Council should define and delegate, not react and ratify
- Ends determination is the pivotal duty of governance
- Performance of the City Manager should be monitored, but only against pre-stated criteria

What follows is the outcome of that work by Council, adopted as the “Governance Framework and Process Manual”. Following the work and interim approval by Council, the City Attorney and City Manager completed a thorough review, incorporating and integrating existing City Charter and adopted policies within this document. The document includes three specific category types; governance process, Council-City Manager linkage, and City Manager limitations. The “Ends” principle noted from the Carver Model is not included in this document, but is adopted annually by Council and more commonly known as the Strategic/Business Plan.

Medema Consulting has encouraged Council to review this document regularly, especially when there is any change in the composition of Council.

GOVERNANCE PROCESS (GP)

GP 1: GOVERNING COMMITMENT

City Council is accountable to all its Owners (further defined as the resident groups as described in GP 3: Job Description, Section 5a) who make up our City. Council is also accountable for fulfilling its vision and mission legally, ethically and prudently.

Vision

A vibrant, world class community in a beautiful lakefront environment where people work together, celebrate community, and realize dreams

Mission

Maximize Livability

Monitoring Method: Council Self-Assessment

Monitoring Frequency: Annually as part of Council Advance

GP 2: GOVERNING PHILOSOPHIES

Council will govern with an emphasis on outward vision, encouragement of diversity in viewpoints, strategic vision versus administrative detail, a clear distinction between Council and City Manager roles, collective rather than individual decisions, future versus the past or present, and proactivity rather than reactivity. City Council will practice these values by:

1. Believing in the integrity of each Council member. Each member of the Council has good intentions and the best interests of all Owners in mind.
2. Respecting and appreciating inclusivity and diversity of ideas and individual backgrounds.
3. Engaging in honest discussion in all of its interactions and activities with each other. Council members and the City Manager will assure advance communication of important issues to be addressed at Council meetings.
4. Taking the time to consider all views, with the belief that genuine examination of differing perspectives helps us make informed decisions.
5. Advocating our individual points of view so that they might be thoroughly examined.
6. Demonstrating respect for others in times of disagreement. Disagreements shall not be allowed to impair effective working relationships.
7. Seeking group consensus, that is, striving to make decisions which respects Council members' values and beliefs and with which each Council member can live, even he/she does not agree with the decision.
8. Upon adopting a position, each Council member shall support the full Council's decision.
9. Maintaining constant vigilance regarding the impact of our decisions on all Owners.

Monitoring Method: Council Self-Assessment

Monitoring Frequency: Annually as part of Council Advance

GP 3: JOB DESCRIPTION

The job of City Council is to represent the Owners in determining and demanding appropriate organizational performance.

Job Products and Outcomes

Evidence that Council is fulfilling its purpose includes:

1. A written framework and process that concern:
 - a. Governance Process (how Council carries out its task)
 - b. Council-City Manager Linkage (passing of power and measurement of its use)
 - c. City Manager Limitations (Constraints on City Manager authority, to the extent allowed by Charter, that establish prudence and ethics boundaries within which all executive activity and decisions must take place.)
 - d. Ends (overarching priorities) to accomplish the City's vision and mission
2. Assurance of staff performance (through evaluating and supporting the City Manager).
3. An annual process for evaluating its governance effectiveness.
4. Monitoring achievement of the Ends statements (strategic priorities in the strategic plan).
5. Linkage with a diverse array of Owners, each with varying values and expectations of Council. Examples of these Owners include all city residents and its sub-groups, but are not limited to:

- a. Tax payers and non-tax payers
- b. Racial and ethnic minorities
- c. LGBT community

- d. Migrant farm workers
- e. Immigrants
- f. Christian and non-Christian faith communities
- g. Diverse socio-economic classes
- h. Employers
- i. Educational institutions
- j. Home owners
- k. Landlords
- l. Tenants

Accountability

City Council recognizes three levels of accountability in fulfilling its purpose.

First, it is accountable to the City's Owners in stating and ensuring accomplishment of the City's mission.

Second, each individual Council member is accountable to the full Council to (a) maintain qualifications for office, (b) attend meetings, (c) vote at meetings and (d) not commit misconduct of office. No individual member has any authority that has not been delegated to him/her by the full Council.

Third, Council must provide staff with sufficient resources to achieve the desired results of their job.

Monitoring Method: Council Self-Assessment

Monitoring Frequency: Annually as part of Council Advance

GP 4: MAYOR'S AUTHORITY

The Mayor is the executive head of the city (MCL 117.3).

The Mayor is the executive head of the city and shall preside over all meetings of the council and preserve order thereat and shall have and exercise all powers granted to mayors of cities by state law and by this Charter. (Charter 4.5 and Rules of City Council)

Common 'Extras':

1. Facilitate Council dialogue and decision-making with a focus on the following qualities:
 - a. Maintaining a focus on time management
 - b. Keeping conversation on the topic at hand
 - c. Highlight only major City events and promote visiting the City website
 - d. 'Cadence' – call for an action by Council at the right time
 - e. Explain the process involved in an issue before engaging the issue.
2. Spokesperson for / represents Council to the community-at-large related to Council-stated positions. In speaking to an issue decided by Council, articulate the divergent views involved in the decision-making process when appropriate.
3. Assures the integrity of its governing process and promotes adherence to established Council's governing framework and process, including committee / commission appointment and Council budget.

The Mayor is **not** authorized to:

1. Make decisions on behalf of Council.
2. Speak on behalf of the Council in a matter or issue if Council has not taken a position.

3. Imply that Council has taken a position on an issue if Council has not voted on the position. The Mayor may communicate positions officially taken by Council and may state the Mayor's position and use of the Mayor's title in any communication.
4. Exercise undue influence over the City Manager or any other staff member.

Monitoring Method: Council Self-Assessment

Monitoring Frequency: Annually as part of Council Advance

GP 5: COUNCIL PLANNING CYCLE

To perform consistent with Council's framework and process, Council will follow an annual planning cycle. The cycle will schedule creating, reviewing, monitoring, and refining of Ends, City Manager Limitations and Council Governing Process, Linkage (dialog) meetings and activities with diverse Owner groups, and development activities to improve Council performance.

The annual planning cycle will begin at the annual Council Advance and conclude immediately prior to the subsequent Council Advance.

The planning cycle starts with the Council developing its agenda for the next year and includes scheduling of:

1. Owners Linkage (dialog) meetings / activities with selected groups and persons whose insights and opinions may be helpful to the Council;
2. Educational discussions on governance matters such as orienting new Council members, refreshing Council knowledge and use of its governing framework and process, and looking for ways to improve Council processes;
3. Educational presentations related to Ends (strategic planning priorities);
4. Monitoring of all policies to ensure execution accountability.

Monitoring Method: Council Self-Assessment

Monitoring Frequency: Annually as part of Council Advance

GP 6: ROLE OF THE CHIEF GOVERNANCE OFFICER

Council may designate a Chief Governance Officer (the "CGO") to assist or advise the Mayor in ensuring the integrity of Council's process and the fulfillment of its job description. The CGO is subordinate to the Mayor. The CGO serves as a neutral arbiter by observing Council functioning within the Governance Framework and Process Manual.

The authority of the CGO consists in advising the Mayor and Council on topics covered by the Governance Framework and Process Manual. The CGO is authorized to use any reasonable interpretation of the provisions of the governing framework and process. The CGO has no authority to make decisions about the framework and process created by Council. Therefore, the CGO has no authority to suspend or terminate Council deliberations.

The CGO shall assist the Mayor in promoting adherence by Council to the schedule and timelines it has established for monitoring its governing framework and process.

Monitoring Method: Council Self-Assessment
Monitoring Frequency: Annually as part of Council Advance

COUNCIL – CITY MANAGER LINKAGE (C-CM)

C-CM 1: COUNCIL – CITY MANAGER LINKAGE

The Council’s sole official connection to the organization’s operation, its achievements, and conduct will be through the City Manager.

MONITORING METHOD: Council Self-Assessment
MONITORING FREQUENCY: Annually as part of Council Advance

C-CM 2: COUNCIL – ACCOUNTABILITY OF THE CITY MANAGER

All City or Council authority delegated to staff is done so through the City Manager. In effect, then, all authority and accountability of staff is considered to be the authority and accountability of the City Manager. Therefore, Council will:

1. Establish and maintain a position description that accurately reflects the expectations and duties of the City Manager, without restricting the authority granted to the City Manager by Charter. The description will also include measurable performance metrics that are created with the participation of the City Manager.
2. Instruct the City Manager to achieve specified results through the establishment of Ends (strategic priorities), delegating to him or her interpretation and implementation of those Ends. The City Manager must operate within the constraints of the City Manager Limitations framework and process established by Council. The City Manager has the latitude to make *reasonable interpretation* of Ends and City Manager Limitations framework and process.
3. Never give instructions to persons who report directly or indirectly to the City Manager.
4. Refrain from evaluating any staff other than the City Manager.
5. Review City Manager performance as identical to organizational performance. This is determined by the degree of accomplishment of Council-stated Ends (strategic priorities) and compliance with Executive Limitations.

MONITORING METHOD: Council Self-Assessment
MONITORING FREQUENCY: Annually as part of Council Advance

C-CM 3: UNITY OF CONTROL

Only decisions of Council acting as a body are binding on the City Manager. Accordingly,

1. Decisions or instructions of individual Council members or officers are not binding on the City Manager except in rare instances when the Council has specifically authorized such exercise of authority.

2. In the case of Council members requesting information or assistance without Council authorization, the City Manager can refuse such requests that require, in the City Manager’s opinion, a material amount of staff or funds, or are disruptive.

MONITORING METHOD: Council Self-Assessment

MONITORING FREQUENCY: Annually as part of Council Advance

C-CM 4: MONITORING CITY MANAGER PERFORMANCE

Monitoring City Manager performance is synonymous with monitoring organizational performance against Council’s framework and process on *Ends* and *Executive Limitations*. A portion of the City Manager’s evaluation will be based on monitoring data emanating from these frameworks and processes.

1. The purpose of monitoring is to determine the degree to which Council frameworks and processes are being fulfilled. Information that does not do this will not be considered monitoring.
2. A given framework and process may be monitored in one of three ways:
 - a. **Internal Report.** Disclosure of compliance information from the City Manager.
 - b. **External Report.** Review of compliance information by an external disinterested party such as an auditor or inspector who reports directly to Council. Such reports must assess executive performance only against Council frameworks and processes unless Council has stated that party’s opinion to be the standard.
 - c. **Direct Council Inspection.** Discovery of compliance information by a Council member, a committee, or Council as a whole within the scope of authority of Charter Section 4.18. This is a Council inspection of documents, activities, or circumstances directed by Council.
3. The standard for compliance / achievement shall be *any reasonable City Manager interpretation* of the Council framework and process being monitored.
4. It is the prerogative of Council to monitor any framework and process at any time, but it shall ordinarily rely on a routine schedule.

MONITORING METHOD: Internal Report

MONITORING FREQUENCY: Annually as part of Council Advance

CITY MANAGER LIMITATIONS (CML)

CML 1: GENERAL EXECUTIVE CONSTRAINT

The City Manager shall not cause or allow any practice, activity, decision or circumstance that is imprudent, unethical or illegal.

Specifically:

1. With respect to interactions with the general public, the City Manager shall not cause conditions, procedures, or decisions which are unsafe, disrespectful, or undignified.
2. The City Manager shall not fail to create an environment of empowerment for City employees to achieve Council goals.

3. Within the means authorized by Council (such as through appropriations and insurance approved by Council), assets may not be unprotected, inadequately maintained, or unnecessarily risked.
4. Compensation and benefits for employees, consultants, contract workers and volunteers shall not cause jeopardy to fiscal integrity or public image.
5. Information and advice to the Council will have no significant gaps in timeliness, completeness or accuracy. There will be no surprises.
6. Adhere to the ICMA Code of Ethics.

Monitoring Method: Internal Report

Monitoring Frequency: Annually as part of Council Advance

CML 2: ASSET PROTECTION

The City Manager may not allow assets to be unprotected, inadequately maintained, or unnecessarily risked.

Specifically, the City Manager:

1. Must present to Council a plan to replace assets (planned obsolescence).
2. Shall not fail to protect the City's intellectual property, information and files (computer and other) from loss or significant damage.
3. Shall not receive, process, or disburse funds under controls that do not comply with state law, the Charter and Council-appointed auditor's standards.
4. Invest or hold operating capital except in accounts or investments as authorized by Council.

Monitoring Method: Internal Report

Monitoring Frequency: Annually as part of Council Advance

CML 3: BUDGETING

Budgeting any fiscal year or the remaining part of any fiscal year shall not deviate materially from Council ends priorities, fail to support strategic goals, risk fiscal jeopardy, or fail to be derived from a multi-year plan.

The City Manager shall not:

1. Violate any regulatory or statutory requirements.
2. Fail to adhere to the City Charter and adopted policy to notify Council of deviation in budgets. There shall be no surprises.
3. Fail to provide the Council with an analysis of the root cause(s) of such budget deviations and staff recommendations for corrective action.

Monitoring Method: Internal Report

Monitoring Frequency: Annually as part of Council Advance

CML 4: FINANCIAL CONDITION

With respect to the actual, ongoing condition of the organization's financial health, the City Manager may not cause or allow the development of fiscal jeopardy or a material deviation of actual expenditures from the budget adopted by Council.

The City Manager may not expend more funds than are available and Council-approved in the annual budget.

Monitoring Method: Internal Report

Monitoring Frequency: Annually as part of Council Advance

CML 5: COMMUNICATION AND COUNSEL TO COUNCIL

With respect to providing information and counsel to the Council, the City Manager may not permit the Council to be uninformed.

The City Manager may not:

1. Neglect to submit monitoring data required by the Council in a timely, accurate, and understandable fashion, directly addressing provisions of the Council framework and process being monitored.
2. Let the Council be unaware of relevant trends, anticipated adverse media coverage, claims of liability in excess of coverage limits or material external and internal changes, particularly changes in the assumptions upon which any Council policy has previously been established.
3. Fail to marshal appropriate information necessary for decisions as needed for fully informed Council choices.
4. Fail to report in a timely manner an actual or anticipated non-compliance with any framework and process of the Council.
5. Fail to advise the Council if, in the City Manager's opinion, the Council is not in compliance with its own framework and processes on Governance Process and Council-City Manager Relationship, particularly in the case of Council behavior which is detrimental to the working relationship between the Council and the City Manager.
6. Fail to deal with the Council as a whole except when (a) fulfilling individual requests for information or (b) responding to officers or committees duly charged by the Council.

Monitoring Method: Internal Report

Monitoring Frequency: Annually as part of Council Advance

CML 6: COMMUNICATION - EXTERNAL AND INTERNAL

External and internal communications (communication with the Council, the media, and other stakeholders).

The City Manager shall not:

1. Fail to inform Council of major and rapid developments of which Council should be immediately informed, especially of a sensitive or adverse issue that could negatively impact the City's community image and Owners. The City Manager shall not fail to consult legal counsel as needed.
2. Fail to provide the Council with quarterly updates on key strategic initiatives the Council has approved and is tracking.

Monitoring Method: Internal Report

Monitoring Frequency: Annually as part of Council Advance

CML 7: COMPENSATION AND BENEFITS

With respect to employment, compensation, and benefits to employees, consultants, contract workers, and volunteers, the City Manager may not cause or allow jeopardy to fiscal integrity or public image.

The City Manager may not, without the approval of Council:

1. Establish classified compensation which deviate materially from those in the geographic or professional market for the skills employed or that may harm the City's competitive position.
2. Create any new positions without an identified source of recurring funding or create any new positions for salaries/benefits which have not been reallocated from other accounts.
3. Allow discrimination on any basis protected by law.

Monitoring Method: Internal Report

Monitoring Frequency: Annually as part of Council Advance

CML 8: CONTRACTS

The City Manager shall not execute contracts except as authorized by Charter and/or ordinance. The City Manager shall not execute contracts that:

1. Fall outside the City's mission and strategic plan.
2. Are not viable.
3. Have costs that are not covered.
4. Cause the City to lose autonomy over process, procedures, and end results.
5. Involve the purchase of real estate.
6. Include services or total amounts that fall outside of budget, including capital expenditure budget.
7. Are not cost-justified.
8. All contracts shall be legal and ethical and reviewed by legal counsel.
9. All contracts shall have a termination clause.

Monitoring Method: Internal Report

Monitoring Frequency: Annually as part of Council Advance

CML 9: EMPLOYMENT PRACTICES

With respect to treatment of paid and volunteer staff, the City Manager may not cause or allow conditions, procedures, or decisions that are unsafe, disrespectful, degrading, unnecessarily intrusive, or that fail to provide appropriate confidentiality and privacy.

Accordingly, the City Manager shall not:

1. Operate without policies and/or procedures which set forth staff rules, provide effective handling of grievances, ensure due process, and protect against wrongful conditions.

2. Discriminate against any staff member for expressing dissent in an appropriate manner.
3. Fail to comply with all laws, rules, and regulations pertaining to employees.
4. Fail to follow internal grievance procedures as outlined in the employee policy manual. Council shall not normally deal with a grievance except through the City Manager.
5. Fail to acquaint staff with their rights under this policy.

Monitoring Method: Internal Report

Monitoring Frequency: Annually as part of Council Advance

CML 10: EMERGENCY CITY MANAGER SUCCESSION

In order to protect the City from sudden loss of City Manager services, the City Manager may not fail to have at least one other identified designee familiar with Council and City Manager issues and processes.

Monitoring Method: Internal Report

Monitoring Frequency: Annually as part of Council Advance

CML 11: FACILITIES USE

All facilities of the City are to be used to support the mission of the organization. Accordingly, the City Manager shall not fail to:

1. Only allow use of facilities consistent with a use of facilities policy as adopted by Council.
2. Establish systems and policies that ensure that use of facilities is not placing the liability of the City at risk.
3. Establish systems and policies which ensure the safety, accessibility and cleanliness of facilities.
4. Establish an emergency operations plan and an emergency response plan for all facilities.
5. Adhere to policies and procedures governing the use of the facilities.
6. Recommend premises liability insurance consistent with legal requirements.

Monitoring Method: Internal Report

Monitoring Frequency: Annually as part of Council Advance

CML 12: TREATMENT OF VENDORS

With respect to interactions with vendors, the City Manager shall not cause and, to the extent allowed by contract, allow conditions, procedures, or decisions which are unsafe, disrespectful, degrading, unnecessarily intrusive, or which fail to provide appropriate confidentiality and privacy.

Accordingly, the City Manager may not:

1. With respect to interactions with vendors, the City Manager shall not cause and, to the extent allowed by contract, allow conditions, procedures, or decisions which are unsafe, disrespectful, or undignified.
2. Fail to establish with vendors a clear contract of what may be expected and what may not be expected from their service.

Monitoring Method: Internal Report

Monitoring Frequency: Annually as part of Council Advance