

2.A. GOVERNANCE AND MANAGEMENT

The work of Pelican Bay Foundation (PBF) is governed by a Board of Directors, directed by a President and administered by staff. Each plays a distinct role in the success of the Pelican Bay community. This document summarizes the work of the Foundation and the respective roles of the Board and the President and Foundation staff who act under the direction of the President.

1. **Governing Documents.** To the extent not otherwise defined herein, all capitalized terms and all terms which are otherwise defined in the Foundation Governing Documents, shall have the meanings ascribed to them in such Governing Documents.
 - 1.1. The “Governing Documents” of the Foundation are in the rank order as noted below. In the event of a conflict between Governing Documents, clarification shall be interpreted in the below order of priority.
 - 1.1.1. Second Amended and Restated Declaration and General Protective Covenants
 - 1.1.2. Amended and Restated Articles of Incorporation
 - 1.1.3. Amended and Restated Bylaws
 - 1.1.4. Rules and Regulations, in its entirety
2. **Purposes of the Foundation.** In its Articles of Incorporation originally recorded May 11, 1979, as amended and restated from time to time, and as recorded in the Public Records of Collier County, FL, and state the general nature and purposes of the Foundation. The purposes of the Foundation are to:
 - 2.1. Maintain, preserve, control and operate property within Pelican Bay, including the Natural Resource Protection Area.
 - 2.1.1. Establish reasonable rents, fees or other charges for use of the Foundation Common Areas.
 - 2.1.2. Establish and/or modify standards for design, construction, finishing, landscaping and to administer processes for approval of all new building and/or modifications of all structures within Pelican Bay.
 - 2.1.3. Enforce covenants (including neighborhood covenants when needed), restrictions and other provisions related to a multitude of items including, but not limited to parcels, driveways, parking areas, utility lines, antennas, flagpoles, temporary structures, outdoor equipment, mailboxes, signs, lighting, permitted vehicles and pets.
 - 2.1.4. Levy fines/suspend membership for violation of the Governing Documents.
 - 2.2. Acquire, construct, improve maintain, repair, replace and operate Foundation Common Areas. Common Areas include, but are not limited to the Commons, Community Center, tennis facilities, berm, boardwalks, landscaping, decks, restaurants, Oakmont and Ridgewood parks.

- 2.3. Enhance civic, social, and recreational interests of its Members. The Foundation will define what civic, social and recreational interests will be made available and funded by all Members. The Foundation also makes available facilities for use by Pelican Bay groups to further enhance civic, social and recreational interests.
- 2.4. Promote the health, safety and general welfare of Members. The Foundation fulfills this responsibility through the programs and services it supports and by being an advocate for the community regarding health and safety issues.

3. Processes and Policies for the Foundation

- 3.1. Governing Process. An elected Board of Directors governs the Foundation. The Board has broad authority to administer the affairs of the Foundation. It chooses to draw the distinction between governing and managing.
 - 3.1.1. The Board governs by adopting policies, administering voting procedures related to Foundation affairs, establishing financial standards and controls, deploying planning processes, and setting good governance policies with a goal of best practices.
 - 3.1.2. The Board approves strategic plans and annual budgets for operations and projects.
 - 3.1.3. Each Board Director will operate according to set of Expectations entitled Board Member Expectations. (Appendix 1)
 - 3.1.4. The Board delegates to the Foundation President, who must be a Florida-licensed Community Association Manager, the responsibility to manage and operate the Foundation and its assets for the benefit of the Foundation and its Members. The President is the Chief Operating Officer of the Foundation, and, unless otherwise designated by the Board Chair, is the only person authorized to speak publicly on behalf of the Foundation. The Foundation President is the primary contact with external parties regarding contractual business matters.
 - 3.1.5. The Board has standing and ad hoc committees whose purposes are to provide guidance and recommendations to the Board within their specific charters and duties, and to provide for broader input by Members into Foundation affairs.
 - The Board appoints and can remove committee Members.
 - The Board regularly determines the need and relevance for standing and ad hoc committees.
 - Board Directors typically chair standing committees.
 - The Chairman of the Board is ex officio to all committees.
 - Committees may have no more than three voting Board members, including the Chairman of the Board as an ex officio member.
 - Committees recommend actions for Board approval.
 - Committees, or any committee members, do not have the authority to make decisions for or commit financial resources of the Foundation.

- The relationships and responsibilities among and across the Committees, along with the role of the President, are outlined in the Project Planning Roles and Responsibilities Matrix adopted by the Board. (Appendix 2)
- 3.2. **Communication.** The Board and the President should seek Member input into the Foundations' affairs (via standing committees, Member surveys and focus groups, direct Member feedback, etc.). The Board and President are committed to an education and communication program to keep Members informed about developments concerning the Foundation (via Pelican Bay Post, Today in the Bay, subject-specific email blasts, etc.).
- 3.3. **Planning Process.** It is the policy of the Foundation to conduct regular strategic updates, and annual business and financial planning. The processes to conduct these efforts will change from time to time in order to continually improve outcomes. Some of the objectives of these processes include but are not limited to:
- 3.3.1. Identify the new and the ongoing work that needs to be accomplished.
 - 3.3.2. Prioritize projects to be funded in the operating and capital budgets.
4. **Board of Directors' Responsibilities.** The Foundation's Governing Documents state that the administration of Foundation affairs is the responsibility of the Board. By law, the Board has a fiduciary responsibility to its Members. All activities of the Board should be conducted accordingly, but this broad definition requires further clarification so that a volunteer, elected Director understands their authority and work responsibilities and understands what is delegated to the President. The Board must retain those powers that enable it to govern. The Board of Directors' Responsibilities include:
- 4.1. Setting the direction of the Foundation and making competent decisions. Specific direction-setting responsibilities of the Board are:
 - 4.1.1. Determining the Mission, Vision, Purpose and Core Values of Pelican Bay Foundation. (Appendix 3)
 - 4.1.2. Confirming the strategy developed by management to achieve the Vision.
 - 4.1.3. Understanding macro trends that have the potential to impact our strategy and financial performance.
 - 4.1.4. Understanding trends in similar communities to ensure the mission and goals of the Foundation are current and relevant.
 - 4.2. The Board's fiduciary duty requires a sharp focus on financial performance and systems by:
 - 4.2.1. Approving annual budgets to provide adequate resources to execute.
 - 4.2.2. Monitoring performance against goals and the performance of funded programs.
 - 4.2.3. Ensuring financial control systems exist to safeguard monetary assets.
 - 4.2.4. Ensuring adequate insurance coverages exist to protect assets.

- 4.3. The Board establishes operating policies that are:
 - 4.3.1. Consistent with all legal requirements.
 - 4.3.2. Reflective of the majority of Members' desires.
 - 4.3.3. Serve as guidelines/constraints within which staff operates and administers the Foundation's affairs.
 - 4.3.4. Serve as guidelines for Members' use of Common Areas and services.
- 4.4. Delegate exclusive operational and administrative responsibilities to the President.
- 4.5. Establish compensation and benefits for the President, establish and monitor annual Performance goals, provide interim feedback as warranted and complete an annual assessment of the President. Annual goals, as agreed upon by the Board and President are the basis for awarding bonus compensation to the President.
- 4.6. Operate with a clear focus on fiduciary and legal responsibilities, including the Non-profit Statute 617.0830 which outlines the General Standards for a Director, and the requirements of the Florida Homeowners Association Act in Florida Statutes 720.
 - 4.6.1. Periodically assess performance of the Board, its committees and committee charters.
 - 4.6.2. Conduct new Board orientation program as required by Section 720.3033, Florida Statutes.
- 4.7. The Chair of the Board has additional responsibilities to:
 - 4.7.1. Facilitate Directors working together as an effective whole.
 - 4.7.2. Set agendas and preside over Board meetings and the Foundation Annual Meeting.
- 5. **Foundation President Responsibilities.** The Board delegates to the President, Responsibilities that are necessary for the fulfillment of the Foundation's purpose and mission but are not otherwise retained by the Board directly. These responsibilities are focused on managing the Foundation programs and assets. Thus, the responsibilities of the Foundation President are to deliver high quality services to members effectively and efficiently by:
 - 5.1. Developing a strategic plan to achieve PBF Vision and Mission.
 - 5.2. Operating and maintaining Foundation Common Areas including properties, Facilities and equipment.
 - 5.3. Establishing and reporting key performance indicators and a balanced scorecard, as agreed with the Board to monitor use and performance of Foundation programs and services and progress on the strategic plan.
 - 5.4. Ensuring the Board, staff, Members and guests comply with all Governing Documents.

- 5.5. Assisting the Board in developing and articulating policies and goals.
- 5.6. Coordinating and attending Board and standing committee meetings.
- 5.7. Ensuring Directors have the right information to make decisions.
- 5.8. Collecting all money, owed the Foundation and administering funds and financial affairs of the Foundation.
- 5.9. Consistent with approval operating budgets, deciding optimal staff organization to accomplish assigned duties and responsibilities.
- 5.10. Defining departments and their missions.
 - 5.10.1. Assembling an effective management team.
 - 5.10.2. Maintain a service culture.
- 5.11. Consistent with approved operating budgets, establishing compensation and benefits programs for staff (excluding self).
- 5.12. Establishing employee rules and regulations, work schedules, internal controls, and a performance appraisal system that is administered no less than annually for every employee.
- 5.13. Maintaining official documents and review of Foundation policies and procedures while adhering to all legal and regulatory requirements affecting the Foundation.
- 5.14. Overseeing risk management programs to ensure adequate safety measures are in effect to protect Members, employees and Foundation assets.
- 5.15. Preparing annual budgets plus interim forecasts as needed.
- 5.16. Establishing disaster and emergency plans for the Foundation operations.
- 5.17. Representing the Foundation in community activities.
- 5.18. Keeping informed of trends in communities like Pelican Bay and of legal and legislative actions and trends that may affect the community. Keeping Board informed of these developments.
- 5.19. Overseeing the preparation of all Foundation publications and communications.
- 5.20. Administering voting procedures established by the Board.
- 5.21. Keeping the Board informed on important operating matters and problems in real time.

The Board may supplement or limit these duties of the President through the President's employment contract.

6. Relationships among Board of Directors, President and Staff

Relationships among the Board of Directors, President, and staff are guided by the following:

- 6.1. Individual Board Directors should not direct staff. The President reports directly to the Board of Directors and takes direction from the Board. Staff take direction through the President. Specific staff may, and will, have duties, or designated assignments which will require normal working relationships and regular interaction with Board and committee members.
- 6.2. Board Directors are to be role models in their observance of all Rules and Regulations of the Foundation.

GOVERNANCE AND MANAGEMENT APPENDICES

- Appendix 1: Board and Committee Member Expectations
- Appendix 2: Project Planning Roles and Responsibilities Matrix
- Appendix 3: PBF Mission, Vision, Purpose & Core Values

Appendix 1

BOARD AND COMMITTEE MEMBER EXPECTATIONS

Being elected to serve as a Director of Pelican Bay Foundation is an honor and a duty. Directors must operate under the same set of rules to ensure the Board is maximally effective and Directors do not need to spend time and energy unnecessarily. Likewise, Members selected to serve on Board Committees should operate by the same rules. The Pelican Bay Foundation Board of Directors has identified the following expectations.

As a member of the Pelican Bay Foundation Board or Committee, I will:

- Make attendance at all meetings of the Board a high priority
- Read all material submitted to the Board and be prepared to actively participate in all discussions
- Listen to and respect the opinions of fellow Board members and staff
- Speak publicly with one voice, supporting all duly adopted Board decisions
- Publicly support the management team
- Focus on governance for and not management of the Foundation
- Keep all confidential Board information confidential
- Respect trademarks, copyrights, and intellectual property of the Foundation

As a member of the Pelican Bay Foundation Board or Committee, I will not:

- Provide performance feedback directly to staff
- Misrepresent known facts in any issue involving Foundation business
- Use my position for personal gain
- Make public statements that harm, or could harm, the Foundation's reputation

I understand that the foregoing extends to publishing of written materials, my use of email, and my use of social media and web-based content.

PROJECT PLANNING AND DEVELOPMENT ROLES AND RESPONSIBILITIES

LONG-TERM PLANNING

A.2 - Adopts / Modifies SMP *

PROJECT PLANNING & CONCEPT DEVELOPMENT

A.1 - Assign Project Proof of Concept to Management / Committee

A.2 - Engage President for historical knowledge, technical advice, operational advice

B - Resolve Proof of Concept Issues

B - Identifies Projects for Implementation

C.1 - Project Adoption / Concept and Necessary Resource Approval *

D - Trigger Committee Community Communication Plans

A - Assists Board & SPC with SMP Development & Modification

A - Support Committee Proof of Concept Activities

- Gather Data

- Engage Outside Resources

- Perform Analysis

- Share Historic Knowledge

- Provide Technical Advice

- Develop Initial Project Cost Template

- Identify Permitting Considerations

B - Prepare / Update Capital Projects Cash Projection; Including "Projects Under Consideration"

B - Close Loop on Open Issues

C.2 - Update Capital Budget Cash Projection for A&B Review

A.3 - Prepare Project Proof of Concept Report including:

- Rationale / Priorities
- Strategic Alignment

- Programmatic Justification
- Community Input
- Unresolved Issues

B - Close Loop on Open Issues

C - Develop / Execute Concept Communications Plan

A.3 - Review SMP for Future Implications

A.1 - Review Design Documents, Identify Issues / Suggest Revisions:

A.2 - Review Bid Evaluation Package

A.2 - Periodic Review of Construction, Identify Issues, and Offer Recommendations

Final SPC Communications Activities
A.2 - Review Performance of Partners

SCHEMATIC DESIGN

A.2 - Engage President for historical knowledge, technical advice, operational advice

B - Resolve Open Issues

C.1 - Approve Schematic Design and Project Budget *

Monitor & Augment Community Communication Plans

A.1 - Oversee / Coordinate Creation of Construction Documents

- Coordinate Design Professionals' Activities

- Provide Regular Status Updates

- Identify Unresolved Issues

- Manage Development of Design Documents

- Update Project Cost Template

B - Close Loop on Open Issues

C.2 - Update Capital Budget Cash Projection for A&B Review

C.2 - Update Capital Budget Cash Projection for A&B Review

DESIGN DEVELOPMENT, CONSTRUCTION DOCUMENTS, BIDDING, & CONTRACTING

A.2 - Engage President for historical knowledge, technical advice, operational advice

B - Resolve Open Issues

C.1 - Approve Construction Contract and Budget *

Monitor & Augment Community Communication Plans

A.1 - Oversee / Coordinate Creation of Construction Documents

- Issue Regular Progress Reports

- Oversee Creation of Bid Package

- Assemble Bid Evaluation Materials

- Apply for Permits, and Monitor Approval Process

- Prepare Budget Augmentation Request (if appropriate)

B - Close Loop on Open Issues

C.2 - Update Capital Budget Cash Projection for A&B Review after Board Approval

A.4 - Review:

- Community Satisfaction
- Were General Objectives Obtained?

CONSTRUCTION

A.2 - Engage President for historical knowledge, technical advice, operational advice

B - Resolve Open Issues

C.1 - Approve Budget Augmentation (if necessary) *

Monitor & Augment Community Communication Plans

A.1 - Manage Construction Process

- Oversee day-to-day work

- Handle / Approve Change Orders within Established Limits - Maintain Running Total

- Update Board Monthly

- Prepare Actual vs. Budget Reports with Variance Explanations

- Prepare Budget Augmentation Request (if appropriate)

B - Close Loop on Open Issues

C.2 - Update Capital Budget Cash Projection for A&B Review after Board Approval

A.4 - Review:

- Community Satisfaction
- Were General Objectives Obtained?

POST-PROJECT REVIEW

A.2 - Engage President for historical knowledge, technical advice, operational advice

B - Resolve Open Issues

C.1 - Approve Budget Augmentation (if necessary) *

Monitor & Augment Community Communication Plans

A.1 - Review with, and Update, Committees & Board

MANAGEMENT / PRESIDENT

STRATEGIC PLANNING COMMITTEE

- Evaluate Cost Plus or Competitive Bidding Approach

- Employ Early Involvement Model (architect, interior designer, construction management)	- Floor Plans	- Completeness	
- Use Preferred Providers	- Elevations	- Inclusivity	
- Capture Community Input & Feedback	- Interiors	- Contingencies	
- Define Functional Requirements	- Site Plans	- Risks	
- Identify Space Needs	Review Updated Cost Template	- Issues / Recommendations	
	Capture Community Input & Feedback		
- Review Initial Cost Estimate	- Focus Groups		
	- Workshops		
	- Other Methods		
	Develop / Execute Facilities Communications Plan (Timing & Execution)		
B - Close Loop on Open Issues	B - Close Loop on Open Issues	B - Close Loop on Open Issues	B - Close Loop on Open Issues
		Continue Facilities Communications Activities	Continue Facilities Communications Final Facilities Communications Activities
A.3 - Review SMP for Future Implications	A.4 - Review Proof of Concept Report	A.3 - Review Bid Evaluation Package	A.3 - Quarterly Review Project Budget vs. Actual Results
	- Funding Impact / Timing	- Financial Terms / Costs & Budget	
	- Value Add Assessment	- Risks	ID Issues / Risks
	- Issues / Recommendations	- Completeness	
		- Impact on PBF Finances	
		- Issues / Recommendations	
B - Reviews Capital Projects Cash Projection; Including "Projects Under Consideration"	B - Close Loop on Open Issues	B - Close Loop on Open Issues	B - Close Loop on Open Issues
	C.3 - Review Capital Project Cash Projection after Board Approval	C.3 - Review Capital Budget Cash Projection after Board Approval	C.3 - Review Capital Budget Cash Projection after Board Approval
	D - Develop / Execute A&B Communications Plan (Funding & Timing)	Continue A&B Communications Activities	Continue A&B Communications Activities
			Final A&B Communications Activities

FACILITIES COMMITTEE

AUDIT & BUDGET COMMITTEE

* Board Decision Point

Appendix 3

PELICAN BAY FOUNDATION MISSION, VISION, PURPOSE, CORE VALUES

Mission

To maintain and enhance our community by delivering services, amenities and facilities in an effective and efficient manner. Our focus is on continued achievement of member satisfaction, sustaining and enhancing property values and rigorous attention to a solid financial foundation.

Vision

We envision over the next decade we will be the vibrant community for all ages by focusing on essential health and wellness, our natural and built environment, and member centered technology.

Purpose

To preserve, protect and enhance our unique community which has the best of a natural preserve, dining, the arts, retail and hospitality, and amenities focused around vitality.

Core Values

1. Community: preserve and protect our unique locational appeal
2. Respect: treat our members, staff and community with integrity and transparency
3. Competency: maintain high quality service delivery and financial performance
4. Teamwork: focus on communication, collaboration, and continuous improvement