

HELPFUL TIPS FOR INTENTIONAL GOVERNANCE AND OVERSIGHT IN COMMUNITY ACTION



ENHANCING CAPACITY, EFFECTIVENESS, AND PERFORMANCE



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GOVERNANCE SESSION #2

Helpful Tips for Intentional Governance and Oversight in Community Action: Enhancing Capacity, Effectiveness, and Performance

- The training discusses strategies for intentional governance and oversight that will enhance the capacity and effectiveness of Community Action tripartite boards. Attendees will learn 10 simple steps to strengthen board performance to achieve a higher level of success. This session will also build on Governance Session #1 by providing implementation strategies.



BERNEITHA'S SIMPLE STEPS TO STRENGTHEN BOARD PERFORMANCE



ENHANCING CAPACITY, EFFECTIVENESS, AND PERFORMANCE

BERNEITHA'S SIMPLE STEPS TO STRENGTHEN BOARD PERFORMANCE

#1: Engage in intentional financial oversight.	#6: Provide periodic and intentional training for board members.
#2: Effectively utilize board standing and ad hoc committees.	#7: Approve viable operating plans, policies, and procedures.
#3 : Be committed to promoting diversity and inclusion on your Community Action board.	#8: Have a healthy and productive working relationship with the CEO/Executive Director.
#4: Have a vigorous board recruitment policy that attracts and retains competent board members.	#9: Ensure that effective and professional board meetings are the standard and not the exception.
#5: Develop a robust new board member orientation process and curriculum.	#10: Be very familiar with all required legal duties, roles and responsibilities.

#1: ENGAGE IN INTENTIONAL FINANCIAL OVERSIGHT

Checklist for Proper Financial Governance and Oversight

- ✓ Have a qualified treasurer with an engaged finance committee.
- ✓ Approve all programmatic budgets, major financial transactions, and annual budget every year.
- ✓ Contract with Certified Public Accountant (CPA) to complete an annual audit and IRS Form 990.



#1: ENGAGE IN INTENTIONAL FINANCIAL OVERSIGHT.

Checklist for Proper Financial Governance and Oversight

- ✓ Ensure that all board members receive a copy of the agency's IRS Form 990.
- ✓ Ensure that proper fiscal systems and controls are in place.
- ✓ Have robust finance policies and procedures that are reviewed at least every two years.



#1: ENGAGE IN INTENTIONAL FINANCIAL OVERSIGHT.

Checklist for Proper Financial Governance and Oversight

- ✓ Provide finance report in board package to members as outlined in bylaws or performance management standards prior to the meeting.
- ✓ Discuss financial statements at each regularly scheduled board meeting.
- ✓ Carefully review financial reports to engage in effective decision-making.
- ✓ Continually assess the agency's overall financial health.



#2 - EFFECTIVELY UTILIZE BOARD STANDING AND AD HOC COMMITTEES

Types of Potential Board Committees in Community Action

Standing Committees

- Finance
- Program Planning and Evaluation
- Personnel
- Executive (Could meet as needed)
- Governance and Nominating (Could Be Ad hoc)

- **Ad Hoc Committees (Examples)**

- Fundraising
- CSBG Organizational Standards
- Risk Assessment



#2: EFFECTIVELY UTILIZE BOARD STANDING AND AD HOC COMMITTEES

The Why for Effective Board Standing and Ad Hoc Committees

- Board meetings provide the means for board members to receive regular programmatic and financial reports, discuss important agency business, as well as take action to meet legal duties and fiduciary responsibilities.
- Boards can meet these requirements with engaged and knowledgeable standing and ad hoc committees.
- All board standing committees should meet prior to each regularly scheduled board meeting, while ad hoc committees should meet if they are currently working on a project.



#2: EFFECTIVELY UTILIZE BOARD STANDING AND AD HOC COMMITTEES

Effective Standing and Ad Hoc Committees

- Agencies should choose capable board members to serve as committee chairs., while also providing training to committee chairs as needed. Agencies must be intentional in making sure that standing committees are not their board's weakest link.
- Board committee chairs should present reports at board meetings. However, staff assigned to the committee may present the committee report if the committee chair is not available.
- As a reminder, all committee reports should be documented in board minutes.
 - ❑ If committee reports are not documented on board agenda and in board minutes, individuals could make the assumption that the agency is not conducting proper oversight and governance.



#2: EFFECTIVELY UTILIZE BOARD STANDING AND AD HOC COMMITTEES

Benefits of Effective Board Committees

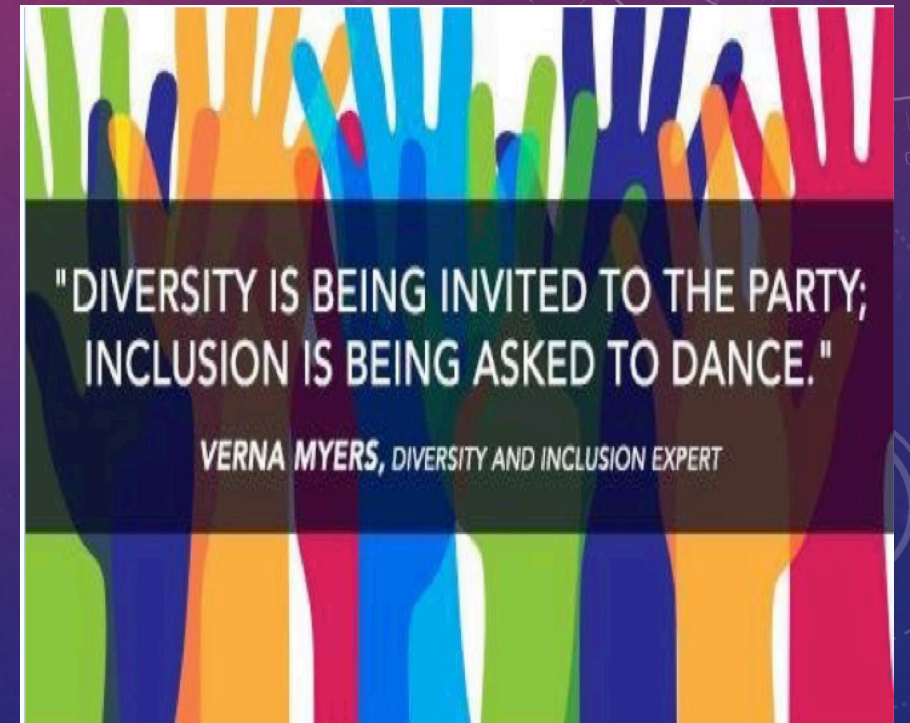
- ❑ Committee members will have increased knowledge about the agency as well as become mini experts on various subject matters.
- ❑ Committee members will develop a collaborative mindset and a sense of cohesiveness because of the work completed in small group settings.
- ❑ Committee members will become more engaged with the board and actually feel like they are contributing and making a difference. This will have a direct relationship to satisfaction with serving on the board.



#3: BE COMMITTED TO PROMOTING DIVERSITY AND INCLUSION ON YOUR COMMUNITY ACTION BOARD

Diverse and Inclusive Community Action Board Definition

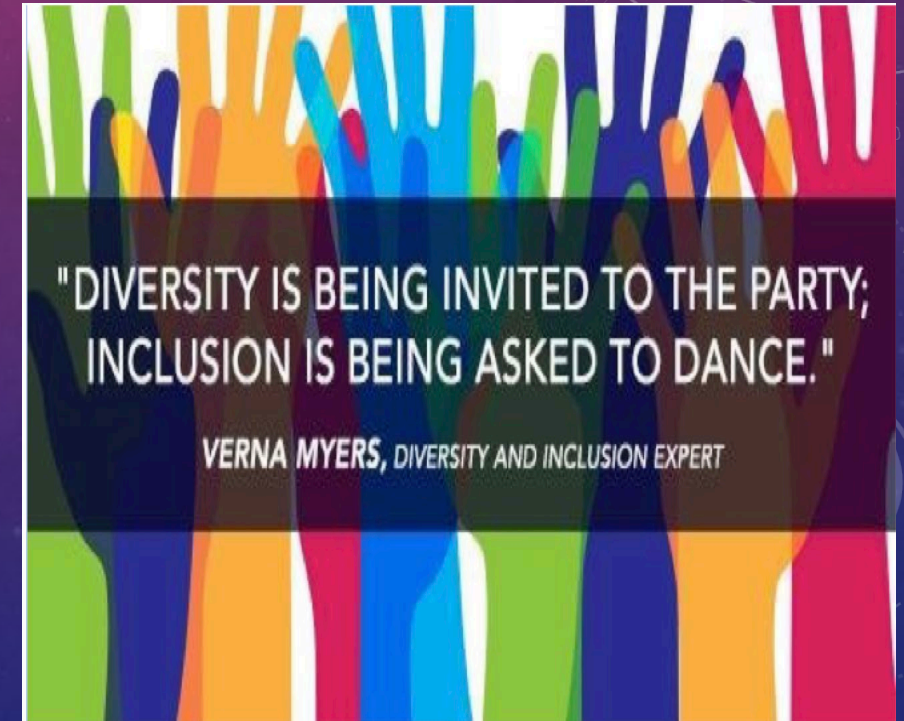
The legal guardians of a community action agency who have the following qualities 1) Encompass a variety of characteristics, backgrounds, and skill sets; 2) Consistently treat all board members fairly and respectfully; and 3) Promote an environment where active participation and new ideas are encouraged, valued, and implemented based on merit.



#3: BE COMMITTED TO PROMOTING DIVERSITY AND INCLUSION ON YOUR COMMUNITY ACTION BOARD

Steps to Improve Diversity and Inclusion on Community Action Boards

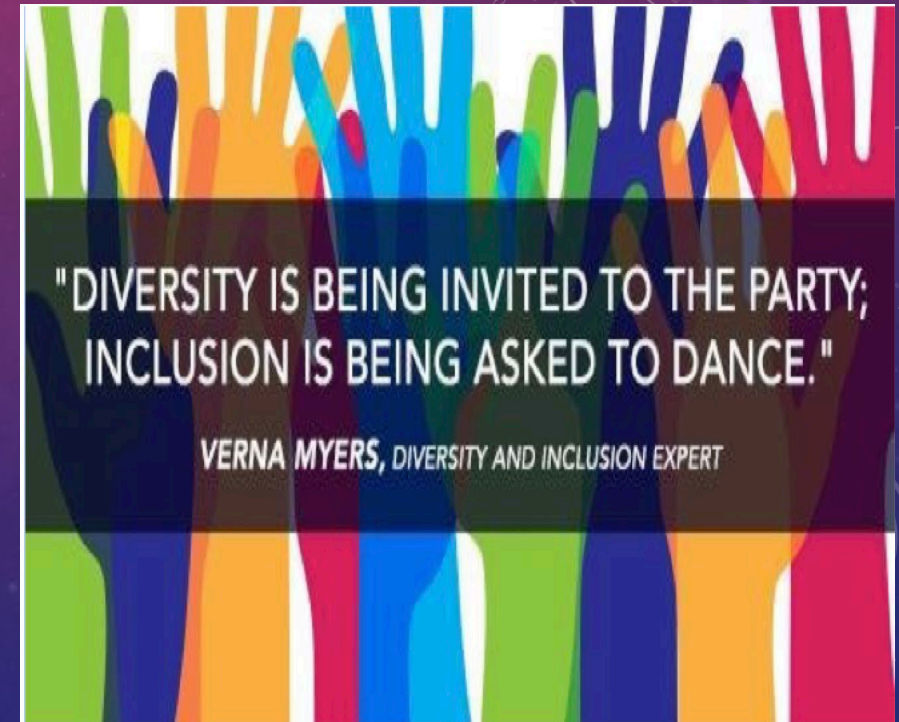
- Develop an agency-wide policy on diversity and inclusion that includes the board of directors as needed.
- Be intentional in recruiting a diverse board of directors.
- Welcome a multilingual and/or multigenerational board.
- Promote an organizational culture where every voice is welcomed, heard, and respected.



#3: BE COMMITTED TO PROMOTING DIVERSITY AND INCLUSION ON YOUR COMMUNITY ACTION BOARD

Steps to Improve Diversity and Inclusion on Community Action Boards

- Encourage diverse thinking and a variety of skill sets.
- Reflect everyone's needs and preferences at events, meetings, and gatherings.
- Do not engage in discriminatory practices.
- Treat everyone with dignity and respect.



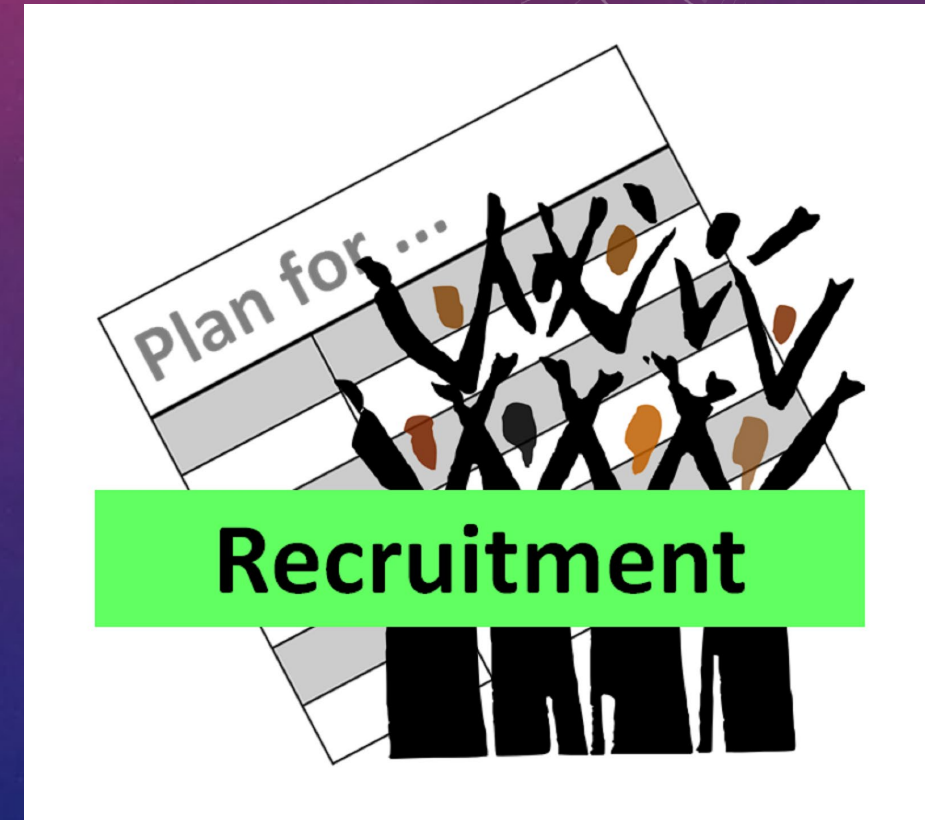
#4: HAVE A VIGOROUS BOARD RECRUITMENT POLICY THAT ATTRACTS AND RETAINS COMPETENT BOARD MEMBERS

- Consider utilizing a Nominating and Governance Committee to assist with board recruitment and selection.
- Potential language for the committee:

The Governance/Nominating Committee shall be composed **of five (5) Board Members**. This committee shall: (1) Oversee board member recruitment (including administering the low-income board member democratic selection process, recommending candidates for Public and Private Sector board seats, and ensuring that the Board fills vacancies promptly), orientation, and training; (2) Coordinate the Board's periodic evaluation process of itself and the Corporation's governance structure, policies and procedures; (3) Coordinate periodic review of the Corporation's articles of incorporation and bylaws; (4) Annually recommends a slate of officers to the board; and (5) Have such other powers and perform such other duties as the Board may specify from time to time.

#4: HAVE A VIGOROUS BOARD RECRUITMENT POLICY THAT ATTRACTS AND RETAINS COMPETENT BOARD MEMBERS.

- Be the board that individuals want to serve on. Operate like a well-oiled machine that is respected by both internal and external stakeholders. Engage in **PROPER PLANNING**.
- Fill board vacancies timely as outlined in bylaws. Follow board recruitment plans as well as rules and regulations.
- Always maintain the tripartite board structure by filling vacancies to meet requirements with individuals who believe in the mission of the agency and who will dedicate their time and resources to the community action agency. Be committed to **CONSISTENT COMPLIANCE**.



#4: HAVE A VIGOROUS BOARD RECRUITMENT POLICY THAT ATTRACTS AND RETAINS COMPETENT BOARD MEMBERS - HELPFUL TIPS IN FILLING BOARD VACANCIES

<p>Develop a well written and professional recruitment letter to solicit board members to represent elected officials and the business community.</p>	<p>Develop a list in ranking order of businesses that the agency wants to have a seat on the board. Think strategically when deciding this important task. Should be a mutually beneficial relationship and based on specific needs of the board.</p>
<p>Have a backup plan in place to obtain a different elected official or representative if the targeted official does not want to serve or does not designate a representative.</p>	<p>Develop and implement a democratic selection process for obtaining board members to represent lower income individuals. This is a federal mandate and must be enforced. Be able to prove compliance with appropriate documentation.</p>
<p>Utilize a high functioning governance committee to oversee board recruitment. There should be collaboration with Executive Leadership.</p>	

#5: DEVELOP A ROBUST NEW BOARD MEMBER ORIENTATION PROCESS AND CURRICULUM

- ❑ Conduct new board member orientation within 90 days of new board members being seated; however, 30 days should be the targeted timeframe. Or as outlined in your agency bylaws. CSBG Organizational standards requires new board member orientation within 6 months of being seated.
- ❑ Have Executive Director and/or Board Chair to facilitate virtual or in-person new board member training.
- ❑ Develop a curriculum that should be placed in a three-ring binder where board members can add additional information obtained during board service. (Or electronic version)
- ❑ This is the first step in implementing **COMPELLING CAPACITY** that is one of the three C's.



NEW BOARD MEMBER ORIENTATION CURRICULUM/ RECOMMENDED CONTENT

- Agency History and Overview
- Map of Service Area and Address of Offices
- Overview of Community Action
- Discussion of how a tripartite board structure is different from other nonprofit boards
- Tips on How to Approach Board Service
- Board Member Job Description



NEW BOARD MEMBER ORIENTATION CURRICULUM RECOMMENDED CONTENT

- Mission, Vision, Core Values
- List and Description of Agency Programs
- Fiduciary Responsibilities
- Legal Duties
- Description of Board Committees
- Code of Conduct



NEW BOARD MEMBER ORIENTATION CURRICULUM RECOMMENDED CONTENT

- Board Meeting Dates
- Organizational Chart
- Bylaws
- Articles of Incorporation
- Strategic Plan
- Conflict of Interest Form
- Annual Budget
- List of Funding Sources
- List of Board Members, Contact Information, and Pictures



#6: PROVIDE PERIODIC AND INTENTIONAL TRAINING FOR BOARD MEMBERS

“Board members need to be trained to carry out both the legal, or fiduciary, aspects of their service and their leadership responsibilities to help guide the agency toward success.”

Information Memorandum 82



#6: PROVIDE PERIODIC AND INTENTIONAL TRAINING FOR BOARD MEMBERS

- Orientation to statutory and regulatory requirements (CSBG Act, other Federal, State or local statutes and regulations, including non-profit board requirements; agency articles of incorporation, bylaws, etc.
- Overview of Board functioning - appointment, representation, meetings, committees, conflict of interest policy, relationship to executive director and staff, etc.
- Role and Responsibilities of the Executive Director
- Role and Responsibilities of the Board regarding the employment, retention, and compensation of the Executive Director



#6: PROVIDE PERIODIC AND INTENTIONAL TRAINING FOR BOARD MEMBERS

- Overview of agency administration and financial management policies and procedures - oversight role and responsibilities of the board
- Orientation to, and how to oversee, agency mission, long-range and annual plans
- Orientation to, and how to oversee, agency programs and services
- Orientation to, and how to oversee, agency evaluation, reporting, policies and procedures - role of the board in program and personnel performance evaluation
- Information Memorandum 82



#6: PROVIDE PERIODIC AND INTENTIONAL TRAINING FOR BOARD MEMBERS.

- Strategic Planning and Annual Planning
- Results-Oriented Management and Accountability (ROMA)
- Community Services Block Grant (CSBG) Organizational Standards and/or other Performance Management Standards if applicable



#7: APPROVE VIABLE OPERATING PLANS, POLICIES, AND PROCEDURES

- Approving policy is one of the major functions of a community action board.
- Effective policies, procedures, and systems are the first step to an agency operating like a well oiled machine that achieves results and outcomes.
- The board does not have to create the policies. The Executive Director will ensure that staff and/or consultants create needed policies. The board should review created policies, pose questions, offer suggestions for improvement as warranted, and approve a highly effective, legal, and needed/required policy.



#7: APPROVE VIABLE OPERATING PLANS, POLICIES, AND PROCEDURES

- CSBG Organizational Standards is a great guide for the policies, procedures, and plans that community action boards are responsible for.
- Provide support to agency leadership as needed.



#8: HAVE A HEALTHY AND PRODUCTIVE WORKING RELATIONSHIP WITH THE CEO/EXECUTIVE DIRECTOR

- As a reminder, understand that the community action board has one employee. Do not become involved in the day-to-day operations.
- Show kindness, respect, and a high level of professionalism even if you do not agree on an issue.
- Ensure that everyone is consistently treated with dignity and respect. Mutual respect provides some of the best working relationships with boards and Executive Directors/CEOs.



#8: HAVE A HEALTHY AND PRODUCTIVE WORKING RELATIONSHIP WITH THE CEO/EXECUTIVE DIRECTOR

- Exemplify a collaborative mindset where the ultimate goal is bringing your knowledge and talents to the table to help the agency. This requires being mission-driven and developing relationships that are centered around collaboration.
- Be dedicated to providing outstanding customer service to one another.



PROVIDE OUTSTANDING CUSTOMER SERVICE TO BOARD MEMBERS



A PRACTICAL APPROACH TO ENHANCE EFFECTIVENESS

WHAT DO BOARD MEMBERS WANT AND NEED?

- To receive a regular dose of appreciation and recognition.
- To be treated with dignity and respect.
- To be concerned about their personal and professional well-being.
- To have an overall enjoyable and rewarding experience while serving on the board.
- To be engaged.
- To be challenged.
- To believe that they are helping and actually making a difference.

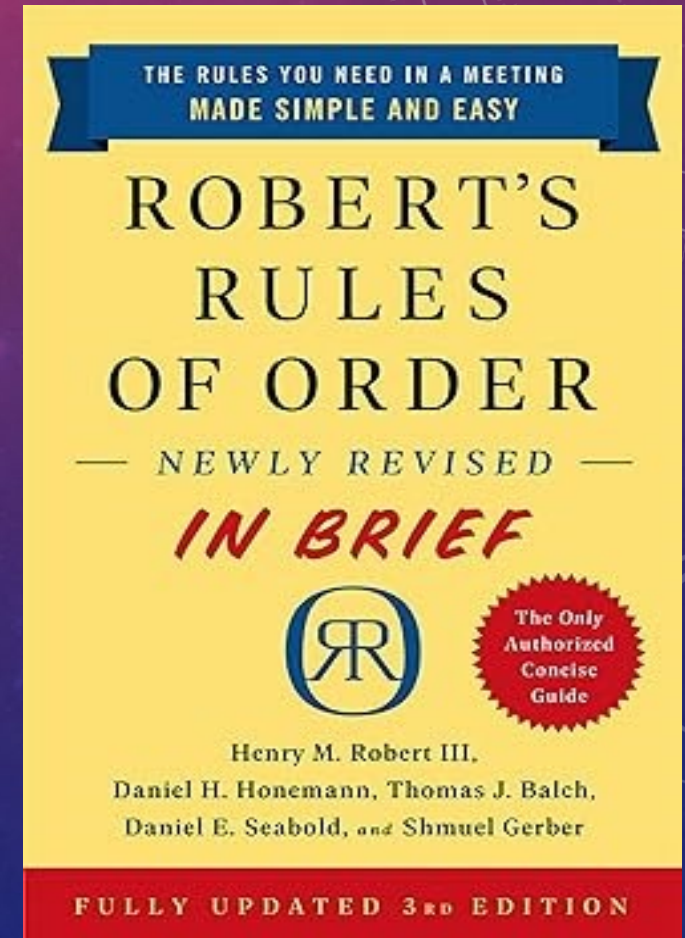


#9: ENSURE THAT EFFECTIVE AND PROFESSIONAL BOARD MEETINGS ARE THE STANDARD AND NOT THE EXCEPTION

- As a reminder, implement, follow, and enforce Roberts Rules of Order or other approved guideline as outlined in bylaws. Provide training on Roberts Rules of Order.
- Robert's Rules of Order is America's foremost guide to parliamentary procedure. It is used by more professional associations, fraternal organizations, and local governments than any other authority.

[Robert's Rules of Order Newly Revised In Brief, 3rd edition: Robert III, Henry M., Honemann, Daniel H, Balch, Thomas J, Seabold, Daniel E., Gerber, Shmuel: 9781541797703: Amazon.com: Books](#)

Available on Amazon for \$7.99



#9: ENSURE THAT EFFECTIVE AND PROFESSIONAL BOARD MEETINGS ARE THE STANDARD AND NOT THE EXCEPTION

- Provide training to board members as needed to ensure understanding of procedures for making motions, discussion of motions, and voting.
- As a reminder, complete major work in committee meetings. Have committees chairs to present reports at board meetings.
- Ensure that productive and professional meetings are the standard. This will require effective collaboration between Executive Leadership with the board of directors. Ensure that there is **PROPER PLANNING** which is one of the 3 P's.



#10 - : BE VERY FAMILIAR WITH ALL REQUIRED LEGAL DUTIES

- ❑ **Duty of Care** - Applies to the way the board makes decisions that affect the future of the community action agency. Must behave like a reasonably prudent person (common sense) and act in good faith by exploring all of the options for a particular business decision and choosing the option that they believe best serves the interest of the agency.
- ❑ **Duty of Loyalty** - Give or show firm and constant support or allegiance to a community action agency by consistently having the agency's best interests at heart in all business matters and dealings. Do not allow any outside interests or personal affiliations or allegiances to interfere with their responsibility to the agency.
- ❑ **Duty of Obedience** - Act in alignment with the organization's mission; Must ensure the organization functions within the "law of the land" and its own bylaws, Articles of Incorporation, and other policies. Disclose a conflicts of interest regarding a business decision or any matter that involves the agency.



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QUESTION AND ANSWER SESSION



GOVERNANCE SESSION #3

Teamwork Makes the Board Work

- The training compares a regular board to a high performing board. Board members will examine the five characteristics of a high performing board and determine how those characteristics help community action boards become better equipped to provide strong governance and intentional oversight.



Thank You!

