Understanding Governance
Monitoring Board Performance

Session 3

Board Member Job Description
- Regularly attends board meetings and important related meetings
- Makes a serious commitment to participate actively in committee work
- Volunteers for and willingly accepts assignments and completes them thoroughly and on time
- Stays informed about committee matters, prepares themselves well for meetings, and reviews and comments on minutes and reports

Board Chair Job Description
- Is a member of the Board
- Serves as the Chief Volunteer for the organization
- Is a partner with the Chief Executive in achieving the organization’s mission
- Provides leadership to the Board of Directors, who sets policy and to whom the Chief Executive is responsible
- Chairs meetings of the Board after developing the agenda with the Chief Executive
- Encourages Board’s role in strategic planning
- Appoints Committee Chairpersons, in consultation with other Board members
- Serves ex-officio as a member of committees and attends meeting when invited
- Discusses issues confronting the organization with the Chief Executive

Board Member Job Description
- Gets to know other committee members and builds a collegial working relationship that contributes to consensus
- Is an active participant in the committee’s evaluation and planning efforts
- Participates in fund raising for the organization

Board Chair Job Description
- Encourages Board’s role in strategic planning
Board Chair Job Description
- Helps guide and mediate Board actions with respect to organizational priorities and governance concerns
- Reviews with Chief Executive any issues of concern to the Board
- Monitors financial planning and financial reports,

Board Secretary Job Description
- Is a member of the Board
- Maintains records of the Board and ensures effective management of organization’s records
- Manages minutes of board meetings
- Is sufficiently familiar with legal documents (articles, bylaws, IRS letters, etc.) to note applicability

Board Treasurer Description
- Is a member of the Board
- Manages the finances of the organization
- Administers fiscal matters of the organization
- Provides annual budget to the Board for members’ approval
- Ensures development and board review of financial policies and procedures

Individual Board Member Description
- Do your duties
- Be informed
- Participate
- Contribute financially
- Raise funds
- Be an ambassador

Ten Responsibilities of Not for Profit Boards
- Determine the Organization’s Mission and Purpose
- Select the Chief Executive
- Support the Chief Executive and Assess His/Her Performance
- Ensure Effective Organizational Planning
- Ensure Adequate Resources

Ten Responsibilities of Not for Profit Boards
- Manage Resources Effectively
- Determine, Monitor, and Strengthen the Organization’s Programs and Services
- Enhance the Organization’s Public Standing
- Ensure Legal and Ethical Integrity and Maintain Accountability
- Recruit and Orient New Board Members and Assess Board Performance
Reasons Why Board Do Not Engage

- The Board is too large
- Board is too small
- Suffer from limited perspectives
- The executive committee is too overpowering

Reasons Why Board Do Not Engage

- Lack of effective orientation
- Weak agendas
- Personal agendas
- Members do not feel needed
- Members are bored or frustrated
- Lack of "glue"
  - Whose job is it to act as the glue?

Blocks to Involvement

- Cognitive block: “I could never do that!”
- Emotional block: “I’m afraid to try something new lest I fail.”
- Philosophical block: “That kind of work should only be done by those who are trained in it.”

Old Guard versus New Guard

- Limited conflict can be good for an organization but must strike a balance among old time members and newer ones
- Must be conscious of roots but not be limited by them
- Must create an environment that encourages change, adaptation and renewal
- Way to avoid cult of personalities and “cronyism” is to have evaluation of board members

Ideas to Generate Board and Committee Participation

- Everyone should be aware of roles and expectations
- Orient everyone to the mission and strategies
- Strong attendance and participation is expected
- Let go of “dead wood”

Ideas to Generate Board and Committee Participation

- Use subcommittees/task forces
- Conduct yearly evaluations
- Provide individual assignments
- Have staff members participate and facilitate
Ideas to Generate Board and Committee Participation

- Monitor quorum requirements
- Develop a committee attendance policy
- Generate minutes

Ideas to Generate Board and Committee Participation

- Note who is present and who is absent in minutes
- Have low-attendance members involved in some other form of service to the organization
- Discuss the low attendance problem
- Rotate in new members every year

Board Performance Measurement

- Board sets goals for its own activity
- Board identifies progress indicators
- Board monitors progress indicators quarterly

Assessment of the Board

- Determines how effective the board is at overseeing the organization
- An organization is only as good as its board
- Results can identify gaps and areas for improvement.
- Encourages bonding of board members and buy-in by the staff
- Yearly

Is Your Board Asking the Right Questions

- To what extent are they involved in ongoing strategic planning and risk management?
- To what extent does the board monitor the external environment

Is Your Board Asking the Right Questions

- What are the new opportunities and risks that are appearing and are they being managed?
- How do they monitor management’s performance?
- Is there an early warning system?
Board Effectiveness Indicators
- Board actively involved in setting priorities
- Board decisions reflect active understanding of financial condition
- Board members advocate for the agency regularly
- Board accepts responsibility for assuring adequate funding

Policy Development
- Board Policies
  - Board is responsible for its own operations
  - The Board should have written expectations for board members
  - The Board should meet as frequently as needed to adequately conduct the business of the organization
  - The board should have written policies that address attendance and participation of board members
  - Written meeting minutes reflect the actions of the board

Policy Development
- Board Policies
  - The Board should establish conflict of interest policies regarding board, staff, volunteers, contractors, and organizational partners who adhere to these policies
  - A not-for-profit should have policies that govern receipt and treatment of charitable gifts and grants
  - There should be clearly defined policy on selection, review and dismissal of the Executive Director
  - The Board should also define in its policies how it will conduct other activities: strategic planning, policy development and review, financial decision making and monitoring, quality assurance, legal and regulatory compliance, and program auditing activities

Ways to Strengthen Governance
- Independent auditors and program evaluators that report to the board and provide unbiased information about management functions
- Governance a part of each meeting

Ways to Strengthen Governance
- Delegate a staff member to disseminate information to the board
- Recruit governors as well as good supporter that are well versed on business or NFP management

Ongoing Education and Board Development Activities
- A facilitated board self-assessment
- A periodic review of the mission statement
- Special board training workshops
- Presentations by experts industry trends
- Board Retreats
- Governance workshops