



# ***Implementing Effective District Leadership Board-Manager Relationships***

**Conservation District New Manager Training**

*Debra A. Thompson, President & Founder*

June 20, 2019

## Icebreaker:

- Name
- Day Job
- One thing to make workshop successful

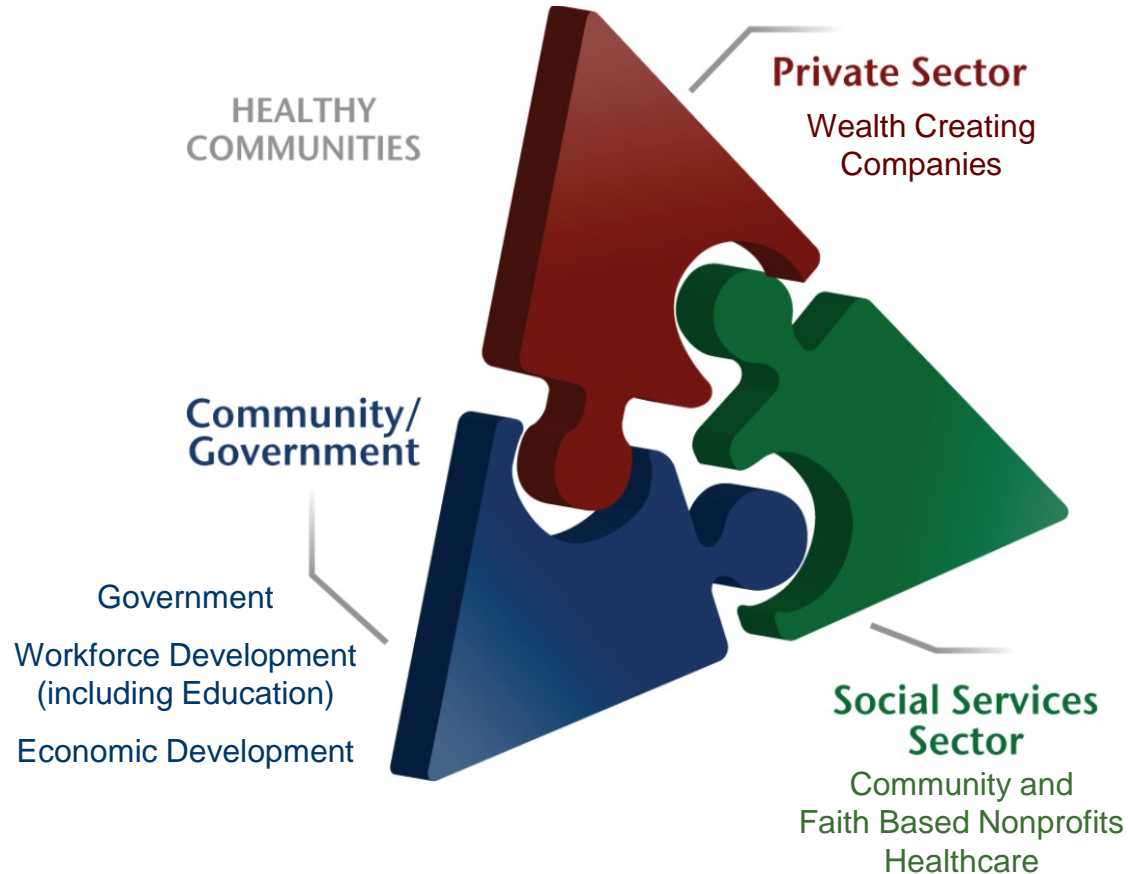


# Objectives

- Learn Governance best practices to educate your staff and board regarding their roles, responsibilities and communications to achieve excellence
- Assess your current practice related to Governance and identify practical and easily implemented strategies to improve

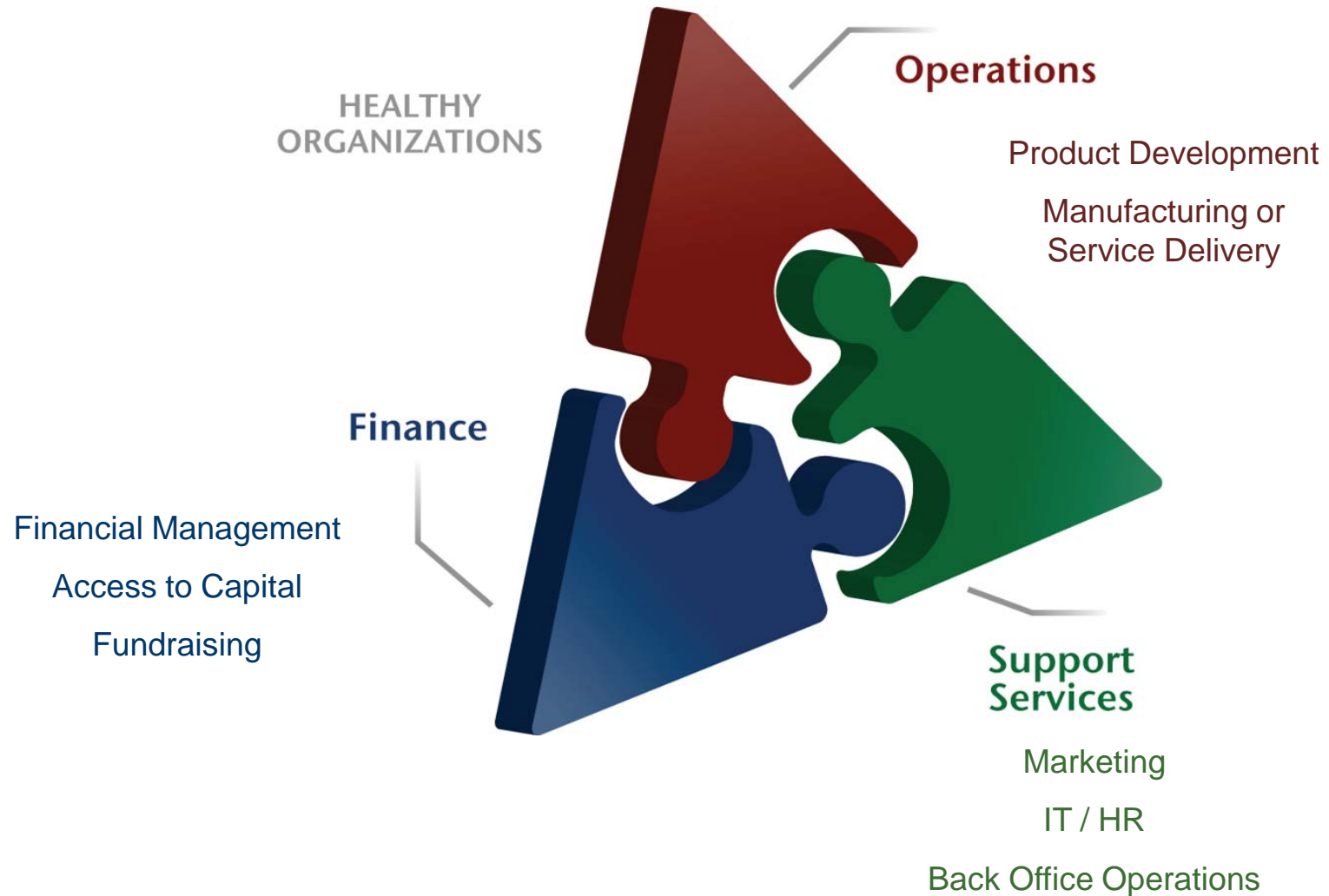


# About Strategy Solutions



***Mission: To create healthy communities***

# Healthy Organizations



# The Governance-Management Model

Truly effective partnerships require a clear definition of the distinctive roles of the partners and the boundaries between them. In the board/staff partnership, a proper division of labor is essential. The violation of the boundaries will, over time, erode the trust, mutual support and good communications that are essential for any partnership to succeed.



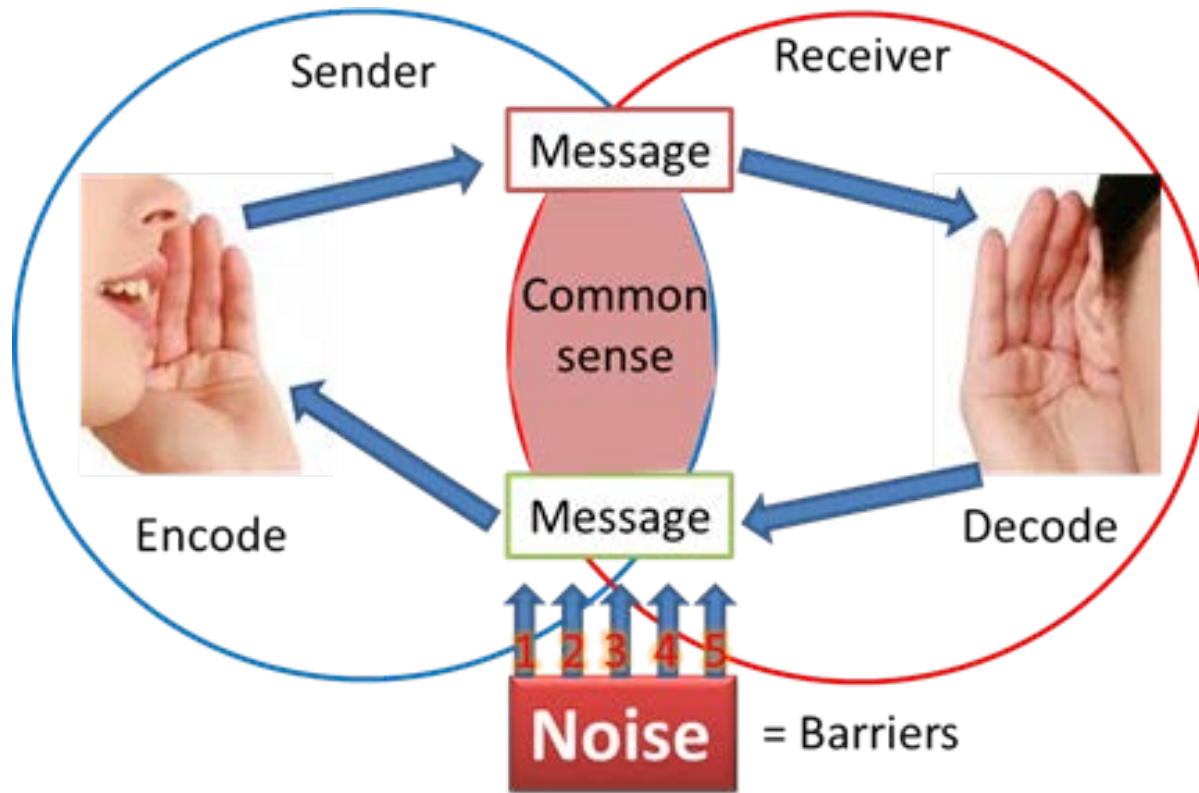


## Effective Board Leadership

- Ensures efficiency and effectiveness
- Provides oversight and focuses on policy and strategy

## Effective Management

- Supports the board and provides structure to focus on policy and strategy
- Equips the board to monitor performance







# *Standards for* excellence

AN ETHICS AND ACCOUNTABILITY CODE  
FOR THE NONPROFIT SECTOR

**PANO**

The Pennsylvania Association of Nonprofit Organizations

Second edition  
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# Standards for Excellence: What are they?

- **6 Guiding Principles, 27 areas of focus and 67 Benchmarks:**
  - Preamble
  - Mission, Strategy and Evaluation
  - Leadership: Board, Staff and Volunteers
  - Legal Compliance and Ethics
  - Finance and Operations
  - Resource Development
  - Public Awareness, Engagement and Advocacy

# The Standards for Excellence Code

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- **The code provides a framework and step-by-step guidelines to achieve a well-managed and responsibly governed organization.**



# Leadership: Board, Staff and Volunteers





Nonprofits depend upon effective leadership to successfully enact their missions and programs. Effective leadership consists of a partnership between the board and management, each of which plays an essential role. Understanding and negotiating these shared and complex elements of leadership are essential to the organization's success. A nonprofit's employees and volunteers are fundamental to its ability to achieve its mission.

Board members are in a position of trust to ensure that resources are used to carry out the mission of the organization. An organization's board leadership should consist of volunteers who are committed to the mission and who demonstrate an understanding of the community served. An effective nonprofit board should determine the mission of the organization, establish management policies and procedures, assure that adequate human and financial resources are available, and actively monitor the organization's allocation of resources to effectively and efficiently fulfill its mission. For membership organizations, board members are directly responsible to the members.

Nonprofits should also have executive leadership which carries out the day-to-day operations of the organization, ensures financial and organizational sustainability, and provides adequate information to the board of directors. An organization's human resource policies should address both paid employees and volunteers and should be fair, establish clear expectations, and provide meaningful and effective performance evaluation.

Guiding Principle:

**Leadership, Board Staff & Volunteers**

## Leadership and Governance

- Governance and Fiduciary Responsibility
- Members committed to the mission
- Members understand fiduciary role
- Periodic review of bylaws and policies



**ERP #4**

# Standard:



## Leadership and Governance

### Act in Accordance with Legal Standards:

- **DUTY OF CARE:**

Stay informed and ask questions.

- **DUTY OF LOYALTY:**

Show undivided allegiance to organization's welfare.

# Director Responsibilities

- Directors must be knowledgeable concerning local environmental problems, monitor conservation planning, promote compliance with environmental regulations, assign program priorities, supervise district staff, lobby for needed assistance, and coordinate activities of outside agencies with district projects.
- These responsibilities are those of the Board and cannot be shared with professional staff. The staff acts under the authority of the Board.



# Ten Basic Responsibilities of a Board

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1. Determine the organization's mission & purpose
2. Select the chief executive
3. Support the chief executive and assess his or her performance
4. Ensure effective organizational planning
5. Ensure adequate resources
6. Exercise fiduciary responsibility & oversight
7. Determine, monitor and strengthen the organization's programs & services
8. Enhance the organization's public standing
9. Ensure legal and ethical integrity and maintain accountability
10. Orient new board members & assess board performance

# Hallmarks of an Effective Board

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1. Clarity about roles & responsibilities
2. Focused time & attention on important issues
3. Restructures board work to get important things done
4. Views board composition as strategic
5. Uses evaluation to learn rather than criticize
6. Has the confidence to take risks
7. Has a constructive relationship with staff
8. Open and honest communication
9. Board works together as effective corporate unit

# Board/Staff

Responsible	Involved		Responsible	Involved
X		Governance		X
	X	Administration	X	
X		Decides What		X
	X	Decides How	X	
X		Makes Policy		X
	X	Carries Out Policy	X	
X		Sets Goals		X
	X	Plans to Achieve Goals	X	
X		Reviews Plans		X
	X	Implements Plans	X	
X	X	Monitors Progress	X	X
The Board			The Staff	

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## Leadership and Governance

- **Board Member Independence:**
  - No compensation for board members (reimbursement okay).
  - At least 5 to 7 board members.
  - If an employee is a board member, ensure no undue influence.



**ERP #7**

# Standard: Leadership and Governance



- **Board Meetings:**
  - At least four (4) times per year.
  - Strategic agendas.
  - Meeting Minutes:
    - Accurate.
    - Distributed to board members.
  - Meeting minutes when a committee is acting in place of the full board.

# Standard: Leadership and Operational Management

- **Executive Director's Role in Supporting the Board:**
  - **Support** board's policy and oversight function.
  - **Provide** accurate and timely info to the board.
  - **Prepare** salary and compensation structure report, value of volunteer investments.

# How to Help the Board Govern More and Manage Less

- Set overall strategy and objectives
- React to the ways the staff plans to achieve those aims
- Monitor whether the organization is making sufficient progress toward its goals

*The CEO is responsible to do “completed staff work” and give board members tactical work products to react to*



## Think, pair and share

- Insights on board and staff role clarification, responsibilities and communications:
  - Division of labor between board and staff
  - Structuring the board meetings and keeping meetings on track
  - Engaging board members
- What strategies have you found to be effective to improve communications between board meetings?
- What challenges have you had as you have attempted to implement strategies to be more efficient and effective with your board operations?



# Why do Boards Micromanage?

- Sometimes lines are blurred
- Less mature or thinly staffed organizations require board members to perform hands on tasks
- If there are problems, as a board's confidence in the CEO wanes, trustees get involved in operations
- In periods of crisis, they have to intervene
- Management creates an immediate sense of accomplishment
- Some board members think that it is their “job”

# Role Clarification

## Board

- Create clear expectations for the board (annual work plan and committee expectations)
- Create clear expectations for the individual committees
- Structure meetings to direct the board's attention to matters of policy and strategy
- Collect feedback on the board's performance

## ED/Staff Liaison

- Articulate an institutional strategy for careful, periodic review by the board
- Structure board and committee materials and meeting agendas to direct board attention to strategic issues, advocacy and what agency needs from the community
- Equip the board with the capacity to monitor board and organizational performance and progress

# Board Roles



- Governance
- Fundraising/Advocacy
- Management Volunteer
- Direct Service Volunteer

Source: BoardSource

# Board Role - Governance

- **Collective role**: control and direct the formation and administration of policy matters such as budgeting and strategic planning, board/staff relationships, approving the annual budget or the board's own processes
- **Individual role**: With the exception of individual committee assignments, there is not one

Adapted from *Creating Strong Board-Staff Partnerships* by Karen Simmons and Gary J. Stern.

Published by BoardSource, formerly the National Center for Nonprofit Boards



# Board Role - Governance

- Organizational oversight:
  - Ensure that the organization complies with legal and management standards (compliance)
  - Ensure that the organization accomplishes its strategic objectives (program & strategic plan)



# *Board Role – Fundraising & Advocacy*

- **Collective role**: Determine policies on goals, committee responsibilities and restrictions related to involvement in fundraising and advocacy.
- **Individual role**: Implement plans as part of board-staff-volunteer project committees; assist management in carrying out fundraising and advocacy strategies

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# Board Role – Management Volunteer

- **Collective role**: Determine policies about board assistance in operational activities, especially those relating to conflicts of interest
- **Individual role**: work with staff on specifically defined management issues and activities; reporting to staff as designated staff members as individuals who just happen to be board members (note and caution: this is something that you need to be asked by management to do and is usually related to specific areas of expertise; usually done in small organizations only)

*Adapted from *Creating Strong Board-Staff Partnerships* by Karen Simmons and Gary J. Stern.*

*Published by BoardSource, formerly the National Center for Nonprofit Boards*

# Board Role – Direct Service Volunteer

- **Collective role**: Determine policies about board assistance in operational activities, especially those related to conflict of interest
- **Individual role**: Assist in direct service projects under the direction of the volunteer coordinator and other staff as individuals who just happen to be board members

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# What is “completed staff work?”

- It is working through the details of a problem or project and presentation of a solution, with alternatives, to the board, so that all that remains to be done on the part of the board is to indicate approval or disapproval of the completed action.
- The words “completed action” are emphasized because the more difficult the problem is, the more tendency it is to present the problem and recommended action in a piecemeal fashion (or expect the board to tell you what to do). It is staff member’s duty to work out the details.



*This includes the Executive Director or their designee telling board members what you need them to do as a management service volunteer or direct service volunteer to assist*

# ED/Staff Liaison Responsibilities

- Draft an “annual calendar” of the mandatory requirements for each committee and set established meeting dates (to ensure that deadlines are met)
- Augment annual calendar with strategic agenda items related to policy development, organizational development or strategies that support the strategic plan implementation that will (need to) happen over the course of the year
- Publish the annual calendar (so that board members know what the attendance expectations are)



## Executive Director/Manager Responsibilities

- Identify educational needs of the committee and/or full board that need to be addressed during the year and build into calendar
- Coordinate with committee members to ensure that all dates are understood and scheduled well in advance to ensure



- Draft meeting agendas and coordinate “touch base” meeting or conference call with chair to discuss agenda
- Publish meeting notice and agenda per Sunshine Laws

## Executive Director/Manager Responsibilities



- Prepare all meeting materials required for the agenda
- Finalize meeting agenda at least one week in advance and distribute to committee members, along with meeting materials
- Send out reminder email the day before to committee members regarding time and location of meeting and call in options
- Take minutes at the meetings

# Ground Rules for Effective Board and Committee Meetings

1. Board or Committee Chair/ED “pre-meeting” to set agenda and prepare
2. Board packets distributed in advance
3. Board members send substantive questions in advance to staff or chair (whichever is most appropriate)
4. Start and end on time
5. Communicate scheduling conflicts in advance
6. Respect the “Chain of Command”
7. Trust the administrative staff and committees to do their jobs
8. Disagree with grace and tact
9. Do not push a personal agenda at individual meetings; handle concerns constructively
10. Support majority decisions and move on

# Board Member Responsibilities



1. Participate in “pre-meeting” with ED/Manager to set agenda and prepare for meeting
2. READ the materials distributed in advance
3. Encourage board members to send substantive questions in advance to staff or chair (whichever is most appropriate)
4. Start and end meetings on time
5. Communicate scheduling conflicts in advance and encourage board members to do the same (so that quorums can be maintained)

# Board Member Responsibilities

6. Respect the “Chain of Command”
7. Trust the administrative staff and committees to do their jobs
8. Disagree with grace and tact
9. Do not push a personal agenda at individual meetings; handle concerns constructively
10. Support majority decisions and move on



# Effective Board Meetings

- Start and end on time
- 60-90 minutes
- Use consent agendas (?)
- Focus on policy and strategy
- Professional tone and atmosphere
- “Unvetted” discussions sent to committee
- Board members participate and support one another

## Consent Agenda

Minutes approval

Final approval of reports or proposals board is well aware of

Routine matters such as committee appointments

Staff appointments

Reports for information only

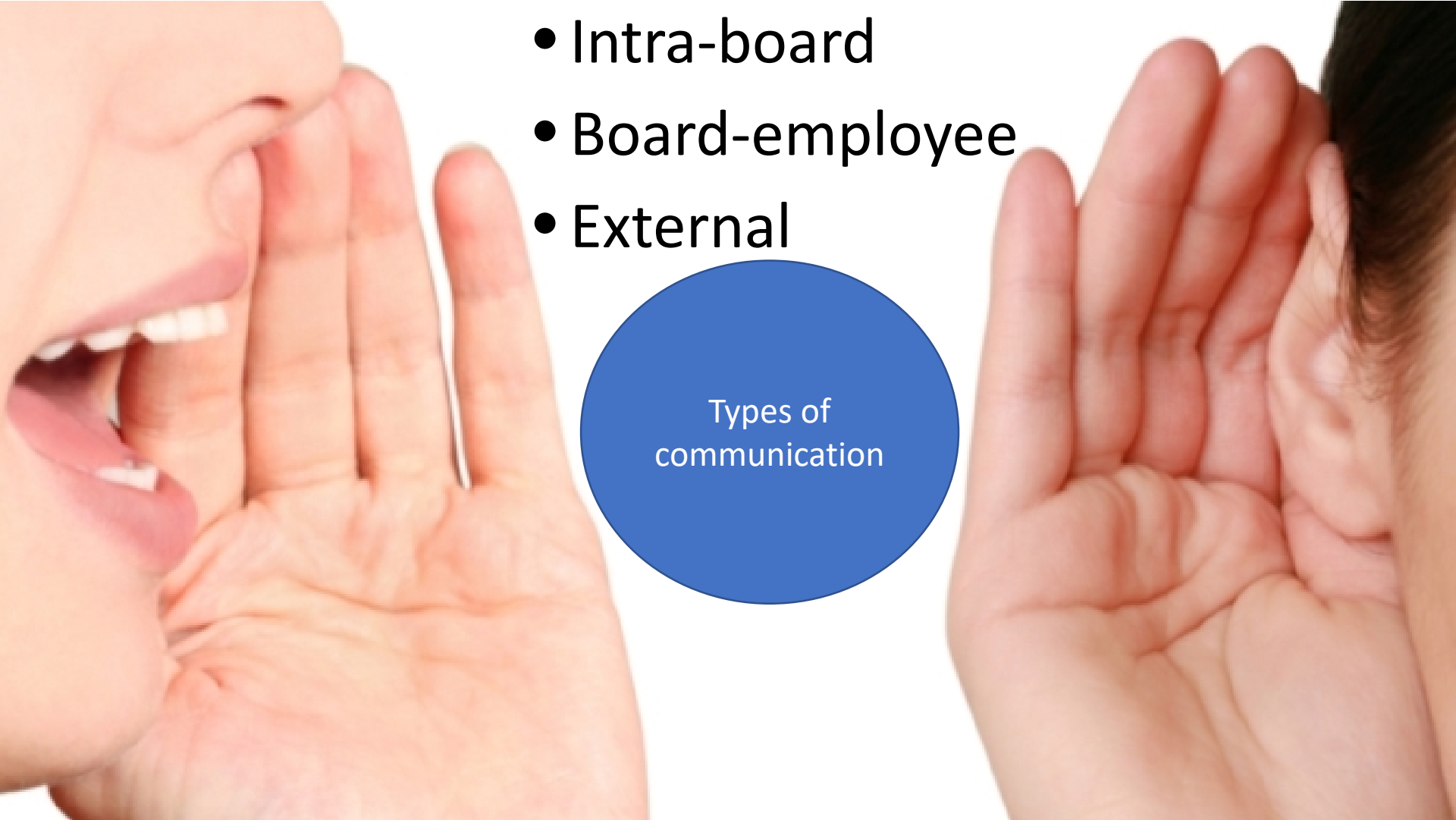
Correspondence requiring no action



# Board Meeting Agenda



- ✓ Heading
- ✓ Call to Order
- ✓ Agenda Changes
- ✓ Approval of Minutes
- ✓ Public Comment
- ✓ Board Actions
- ✓ Reports
- ✓ Old Business
- ✓ New Business
- ✓ Adjournment

- 
- Intra-board
  - Board-employee
  - External

Types of  
communication

Principles of Effective Communication



# Pennsylvania Sunshine Law



- Requires that all official actions and deliberations by a quorum of members of a government agency, including conservation district boards of directors, take place at meetings that are open to the public.
- Certain procedures must be followed to allow for increased public confidence in our governing bodies

# Sunshine Law Triggers

1. *Quorum*
2. *Official Action (or Deliberation for Action)*
3. *Agency*: district and/or any committee established by the district authorized to either take *official action* or render advice on matters of *agency business*.
4. *Agency Business*:
  - preparing or enacting policy or rules,
  - the creation of liability by contract or otherwise, or
  - the adjudication or rights, duties and responsibilities.

This does not include mere  
***administrative action.***

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**“The last thing I remember, I was sitting in a meeting. Apparently, I died from boredom.”**

## Strategies to Increase Committee Effectiveness

- 3 standing committees: Executive, Finance, Governance/Board Development
- Establish one year of committees agendas around the work related to strategic plan objectives and policy development/review needs
  - Education and Outreach (or Program)
  - Ways and Means (or Fundraising)



## Think, pair and share

- Insights on committee efficiency and effectiveness
  - Structure
  - Membership
  - Organization
- What strategies have you found to be effective to improve committee engagement?
- What challenges have you had as you have attempted to implement strategies to improve your committee structure?

# Board Matrix

	Board Member 1	Board Member 2	Board Member 3
<b>Name:</b>			
Area or Trait			
<b>DEMOGRAPHICS</b>			
<b>AGE</b>			
Under 30			
30 - 44			
45 - 59			
60 - 74			
75 and over			
<b>GENDER:</b>			
Male			
Female			
<b>ETHNICITY</b>			
Caucasian			
African America/Black			
Asian/Pacific Islander			
Native American/Indian			
Hispanic/Latino			
<b>Other:</b>			
<b>GEOGRAPHY</b>			
Small Business			
<b>WORKFORCE SYSTEM</b>			
<b>EDUCATION AND TRAINING</b>			
<b>PRIVATE SECTOR</b>			
None/Something Else			

## Governance/ Board Development Committee Example

1. Help create board roles and responsibilities
2. Pay attention to board composition
3. Encourage board development
4. Assess board effectiveness
5. Prepare board leadership
6. Review and revise bylaws as necessary

# Example Agenda of Work

Timeframe / Meeting:	Board Role:	Staff Role:
April	Review board demographic matrix of current board and committee members and evaluate board composition required for continuing leadership and support; review draft board manual	Set up board demographic matrix of current board and committee members; Draft board manual
	Review proposal for board portal Review and finalize board orientation program	Develop board orientation program and board policy manual; identify costs for board portal
	Identify potential committee candidates	Identify potential committee candidates
	Discuss and decide on board portal	Investigate board portal applications and identify cost/benefit of contracting for services
	Identify slate of officers for next year	Recommend possible slate of officers for next year
July	Participate in conducting orientation for any new board members that join	Finalize new board member orientation based on needs of new board members
October	Review conflict of interest and other policies and recommend to board for approval (if applicable)	Review conflict of interest and other board policies and materials (and the bylaws at least once every three years)
	Oversee completion of board self-evaluation, review results, identify recommendations	Provide staff support for conducting board self-evaluation (draft survey, distribute, collect and tabulate responses)
January	Review board demographic matrix of current board and committee members and evaluate board composition required for continuing leadership and support; review draft board manual; include technology	Update board demographic matrix of current board and committee members;

## To Ensure Effective Board-Staff Relationships

- *Understand and fulfill roles (board & staff)*
- *Prepare in advance*
- *Structure meetings to focus on policy and strategy – using consent agendas to save time*
- *Communicate effectively between meetings*
- *Appropriately engage the public*
- *Structure the board to enable good communications and strong relationships*

# Questions & Discussion



# Example Committee Job Descriptions



# Executive Committee

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1. Perform policy work
2. Act as liaison to the chief executive
3. Help develop a strategic plan
4. Conduct executive searches
5. Handle urgent issues
6. Ensure an annual agenda of board work is completed in line with the organization's strategic objectives.

# Governance Committee

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1. Help create board roles and responsibilities
2. Pay attention to board composition
3. Encourage board development
4. Assess board effectiveness
5. Prepare board leadership
6. Review and periodically update and revise bylaws (at least once every three years)

# Finance Committee

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1. Ensure that accurate and complete financial records are maintained
2. Ensure that accurate, timely, and meaningful financial statements are prepared and presented to the board
3. Provide interpretation of the financial data and educate the full board about financial matters
4. Oversee budget preparation and financial planning
5. Safeguard the organization's assets
6. Select auditor/manage the auditor relationship (or financial review if budget is under \$500K)

# Audit Committee

(recommended for nonprofits over \$1m in revenue)

## 1. Manage the Audit Relationship

- all committee members should be very clear about what they can expect from the auditor and vice versa
- arrange for meetings with the auditor
- understand the audit recommendations and the plan for carrying them out
- consider meeting with the auditor in executive session to review the financial health of the organization, the adequacy of the financial systems and the competence of the financial staff

## 2. Select the Independent Auditor

- assess the firm's qualifications, capacity and professional style
- interview several candidates in person before making selection and check references
- ensure that the auditor is a CPA and that they have previous nonprofit audit experience

# Program Committee

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1. Advise the board on industry trends and strategic challenges relating to the mission of the organization, and assess community need for programs and services.
2. Ensure that programs are developed and implemented that meet the needs of the community and achieve desired outcomes, ensuring that any program requirements of funders are met
3. Identify key indicators for measuring the quality and success of programs
4. Track program indicators
5. Plan and implement strategies to increase awareness and participation in programs
6. Work with the Finance and Development Committees to identify and implement strategies (including grant writing) to fund programs

# Facilities Committee

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1. Evaluate strategic locations for buildings, programs and services based on community need and create a master plan for community service delivery.
2. Ensure that a long range facility plan is created and periodically updated to ensure appropriateness of facilities
3. Ensure that a preventative maintenance program is developed and implemented to ensure that facilities and equipment are adequate and appropriately maintained.
4. Provide input and direction regarding capital budget expenditures for major building and maintenance requirements for the organization.
5. Monitor the capital and operating expenditures related to building projects and outcomes.

# Development Committee

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1. Involve and motivate other board members and volunteers in cultivation and solicitation of members and “investments”
2. Help to develop policies for board and staff action related to “investment” solicitation and recognition
3. Ensure that the ***case for support*** is strong, current and based on the organization’s mission and goals
4. Help to develop strategies to identify and cultivate members and major funding/investment prospects
5. Provide information on environmental factors affecting fundraising/ investment among the organizations’ constituencies
6. Help to evaluate potential prospects for increased contributions
7. Help to develop expectations for financial contributions from the board, and providing leadership by making their own “investments”
8. Solicit gifts at levels required for annual, special and planned giving programs including sending personal thank you letters
9. Participate actively in special events and providing leadership for capital and “investment” campaigns
10. Work with special event & project subcommittees (i.e., golf outing)



# Compliance Committee

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The compliance committee shall (a) consist of [named positions]; (b) be comprised of **[agency's]** quality assurance committee; or (c) be appointed by [board of Directors, Administrator, or others].

- The compliance committee shall assist the compliance officer in the performance of his or her duties, as described in the compliance manual. In addition to other responsibilities requested or assigned by the compliance officer, the compliance committee shall:
- Assist the compliance officer in analyzing risk areas that should be addressed in the compliance program, including legal risks, operation issues, and program quality care issues;
- Assist in accessing policies and procedures, including the compliance manual and program;
- Work with compliance officer and staff to develop standards of conduct;
- Assist the compliance officer in monitoring internal controls for carrying out policies and procedures; and
- Assist the compliance officer in employee education.