# Board Roles & Responsibilities:

**Nonprofit Community Action Agencies**

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**(NYSCAA)**

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* Legal Requirements Governing Tripartite Boards
* A Few Points About How a Board of Directors Operates
* Role of the Tripartite Board
* Key Responsibilities of the Tripartite Board

**Agenda**

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**Legal Requirements Governing Tripartite Boards**

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**Federal CSBG**

**Act, block grant regulation, guidance**

**State CSBG**

**statute, regulations, policies**

**IRS tax-**

**exempt org. requirements**

**CAA Boards**

**CSBG grant**

**agreement/ contract with state**

**Articles of**

**incorporation**

& **bylaws**

**State**

**Nonprofit Corporation Act**

**Other**

**federal/state funding requirements**

**Legal Requirements**

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**42 U.S.C. § 9910**

**True or False**

* **Requires tripartite board to be fully engaged in the development, planning, implementation and evaluation.**
* **The tripartite board composition is a suggested practice and not required by the federal CSBG Act.**

**Remainder**

**individual or group from private sector**

**At least 1/3**

**low-income representative**

**1/3 elected or**

**appointed public officials**

**Federal CSBG Act**

**PERFORMANCE MANAGEMENT**

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**The Big Picture:**

**A Few Points About How a Board of Directors Operates**

# Operation Framework

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**Board of Directors**

## The board acts only as a body

– Opportunity for group discussion and deliberation is important

## Sole employee of the board is the executive director

#### Executive Director

**Staff Staff**

# Board Member/ Staff Contact

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**EXAMPLES**

## Board of Directors

**Direct Contact Via the ED**

1. **Seek staff input**

on ED evaluation

1. **Reports of fraud, misuse of resources, discrimination or harassment involving the ED**

#### Executive Director

**Staff Staff**

1. **Coordinate board meeting logistics with staff admin**
2. **Staff liaison assists with board committee business**

# Board Operational Guide

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### Bylaws serve as an organization’s operational guide

***Bylaws***

***Article I***

*Thou shall read the bylaws****.***

### See bylaws for information about:

* + Board member composition
	+ Meeting frequency, notice
	+ Officers
	+ Committees
	+ Votes, quorum
	+ **And more. . . .**

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**Board Committees**

* **Committee work is essential to smooth and efficient operation of board and CAA**
	+ Executive directors are not committee members
* **Most state laws permit board members to rely on information provided by committees**
	+ But board members must have a reasonable basis for believing that the committee is a competent source of information
* **Regular review of committee structure is recommended**

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**Role of Tripartite Board**

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**Fiduciary Duties**

**NONPROFIT BOARD MEMBERS**

* **Duty of Care – Diligent**
	+ Acting with the care of a prudent person in similar circumstances
	+ Attend and be prepared at committee and board meetings
	+ Asking hard questions
	+ Reading materials
	+ Deliberating the decision

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* **Duty of Loyalty – Faithful to CAA**
	+ Act in good faith and in the best interests of CAA
	+ Put the interests of the organization before personal and professional interests
	+ Disclose and avoid conflicts of interest

**Fiduciary Duties**

**NONPROFIT BOARD MEMBERS**

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**Key Responsibilities of the Tripartite Board**

**Key Board Responsibilities**

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**Accountability**

**Performance**

**Generating Funds**

**Engagement**

**Planning**

**Mission**

**Key Board Responsibility**

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**Mission**

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* **Why mission matters:**
	+ Provide clarity of purpose to stakeholders
	+ Guide major decisions
	+ Prevent “mission creep”

**Why Mission Matters**

**Review Update**

**Use**

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**Mission**

**Board Role and Mission**

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* **Ways boards highlight and use the mission:**
	+ Recite at board meetings
	+ Reference in meeting agenda
	+ Include on business cards
	+ Discuss in relation to all board actions

**Use Mission**

**Key Board Responsibility**

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**Planning**

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**Strategic Plan**

**5-Year Review**

**(Organization-wide)**

**Community**

**Action Plan**

**1-Year Review**

**(Community needs assessment/CSBG- specific- 3 years**

**Planning Under CSBG**

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* **Approaches to help a board meet its planning and strategy development obligations:**
	+ Form a planning/strategy committee
	+ Uses the strategic plan to frame board discussions
	+ Use a strategic agenda

**Engage in Planning**

**Key Board Responsibility**

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**Engagement**

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**With**

**Stakeholders/ Community**

**Engagement**

**With Board/**

**Organization**

**Internal and External Responsibilities**

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**Regularly**

**Orienting & Training**

**Strategically Recruiting**

**Building**

**Relationships**

**Connecting with**

**Conducting Community Assessments**

**Ways to INCREASE Engagement**

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**Follow selection procedures**

**Require applications**

**Recruit smartly & strategically (What is our**

**primary purpose and what do we need to accomplish?)**

**Board Selection Procedure -**

**Strategically Recruiting**

**Use board committee**

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**…leads to board engagement which ensures strong retention**

**Onboarding-**

**Orientation and Training**

* **Use a governance committee to work with executive director and designated staff to:**
	+ Develop a comprehensive approach
	+ Identify topics, e.g., financial oversight, board operations, etc.
	+ Establish methods: e.g., webinars, in-person, etc.

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**Building Relationships**

**Board Members/Executive Director**

* **Meet one-on-one with board members**
* **Periodic check-ins**
* **Provide board members with opportunities to develop their skills as board members**
* **Help board members get to know each other**
* **Encourage board members to be actively engaged at board meetings**

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**Board Assessment**

**Process**

1. **Get your full board on board!**
2. **Establish a group of board members to oversee the process**
3. **Administer the assessment tool**
4. **Tabulate responses**
5. **Discuss results – strengths, weaknesses**
6. **Establish a realistic action plan**
7. **Follow up and reassess!**

**Key Board Responsibility**

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**Generating Funds**

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**\*Executive director and staff**

Capital campaigns

**\*Board and executive director**

Preparing bid proposals

Putting on special events

Writing grants

Soliciting gifts

**Proposals\***

**Fundraising\***

**Two Main Ways CAAs Generate**

**Funds**

**Key Board Responsibility**

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**Strategic & Programmatic Performance**

**Board’s Role in Programmatic & Strategic Performance**

* **Establishing a culture of using data to make decisions**

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**Performance management**

**Cost effectiveness?**

**Quality?**

**Outcomes?**

**How can we improve our . .**

**Board’s Role in Programmatic & Strategic Performance**

* **Inquiring about relevancy of data received and the metrics used**

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**Performance measurement**

**What data will need to be captured**

**What metrics matter?**

**How will we know if we are meeting community needs prioritized?**

**Key Board Responsibility**

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**Accountability**

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**OPERATIONAL**

**LEGAL**

**FINANCIAL**

**Ensure Accountability**

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* Select and monitor auditor

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* Set and reassess CEO compensation

3

* Approve and monitor annual budget

2

* Review financial statements

1

**Oversee Financial Standing**

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The organization has written **personnel policies** that have been

reviewed by an attorney and approved by the governing board within the past 5 years.

The **fiscal policies** have been reviewed by staff within the past 2 years, updated as necessary, with changes approved by the governing board.

The organization has a **whistleblower policy** that has

been approved by the governing board.

Each board member has signed a **conflict of interest**

**policy** within the past 2 years.

**Policies - Operational**

**Common Board Missteps**

**Board members acting as individuals**

**Micromanagement**

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**Too much deference to executive director**

**Not discussing critical issues**

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