

The Invisible Yellow Line



Board and Staff Roles Who Does What?

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Board = Policy, Strategic Direction



Staff = Management, Administration

Governance Issues - Board

- Has ultimate legal responsibility for effective governance of organization.
- Must ensure organization meets its mission and purpose.
- Brings varied perspectives but does not advance personal issues.
- Must participate in planning, development, implementation and evaluation of CSBG program.

Governance Issues - Board

- ❑ Board members have skills and talents required to carry out the organization's mission and purpose.
- ❑ Board is recruited carefully to avoid conflicts of interest.
- ❑ Board meets tripartite requirements.
- ❑ Board has written Board policies and procedures.

Governance Issues - Board

- ❑ Duty of Care
 - Must act as a reasonably prudent person would act...
 - Must come to meetings educated about the issues and prepared to act responsibly.

Governance Issues - Board

- ❑ Duty of Loyalty
 - Ensures no conflict of interest in decision making.
 - Puts the goals of the organization before personal goals.
 - Discloses all conflicts of interest or potential conflicts of interest.

Governance Issues - Board

Duty of Honesty

- Ensures organization follows Bylaws and all regulatory body requirements in governance matters.
- Reviews and ensures all filings are current and accurate (990 and state)
- Ensures compliance with tax-exempt rules (lobbying, etc.)

Governance Issues – Executive Director

- Carries out Board-Directed policies, strategies.
- Manages day-to-day operations of the organization.
- Provides regular feedback to Board re: execution of goals.
- Supports Board with information required to assist in governance and strategic direction.

Governance Issues – Executive Director

- Ensures that Board has information required to govern effectively:
 - Reports and updates
 - Training
 - Information flow
 - Mission-driven

Governance Issues – Executive Director

- Ensures compliance with regulatory bodies, etc.
- Ensures filing of reports to granting agencies in a timely manner, etc.

But Board has ultimate legal responsibility for governance!

HR Issues – Board

- Establishes job description for Executive Director.
- Hires and supervises the Executive Director...only!
- Evaluates Executive Director performance based on agreed-upon goals and objectives.
- Is not involved with staff below ED.

HR Issues – Board

- Does not get involved in day-to-day human resources management.
- Establishes and ensures HR policies are current.
- Understands and abides by grievance policy.
- Understands and abides by whistle blower policy.

HR Issues – Executive Director

- Hired by the Board...Reports to the Board.
- Has a clear job description.
- Has annual goals and objectives approved by the executive committee or full Board.
- Is evaluated annually (or more often).
- Attends Board and committee meetings as advisor.
- Hires, evaluates, manages other staff.

Fiscal Responsibilities - Board

- Has ultimate legal authority and responsibility for fiscal accountability.
- Has ultimate legal authority and responsibility for effective fiscal management.
- Approves and 'owns' annual budget.

Fiscal Responsibilities - Board

- Authorizes and reviews annual independent audit.
- Reviews annual IRS Form 990 before it is filed.
- Keeps professional minutes of Board meetings.
- Understands and reviews regular financial reports.

Fiscal Responsibilities - Staff

- Prepares annual budget for Board acceptance.
- Coordinates annual audit process.
- Ensures fiscal management, policies, procedures are in place and up to date.
- Manages and reports actual vs. budget expenses and revenues.

Planning - Board

- Board schedules annual strategic planning session.
 - Annual plan drives work of Board and Board committees.
- Board approves and monitors development plan, marketing plan, program plans, etc.

Planning - Staff

- Participates in annual strategic planning process (key staff).
- Develops development plan, marketing plan, etc. for Board approval.
- Reports progress to Board regularly.

Resource Development - Board

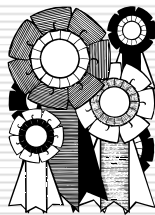
- Members make annual personal or professional financial contribution.
- Develops financial and in-kind resources within their spheres of influence.
- Assists with fundraising events and activities.

Resource Development - Staff

- Day to day responsibility for fundraising.
- Develops plan for Board approval.
- Support Board fundraising efforts.
- Reports actual vs. budget to Board.

Defining the Yellow Line

- Annual communication.
- Respect for each other's roles and responsibilities.
- Open, honest communication and feedback.



Common Potholes to Avoid

- Board micro-manages day to day operations.
- Board micro-manages committees.
- Board is passive – not involved and informed.
- Board is hand picked by Executive Director.
- Executive Director runs the Board and Board meetings, controls information flow.
- Board members are involved with staff management.

Take the Test!



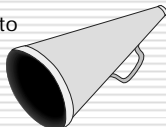
Planning - Who Does it?

- Directs the planning process.
- Participates in annual planning retreat.
- Gives input into strategic plan.
- Monitors achievement of goals.
- Approves annual plan.

Take the Test!

Public Relations –Who does it?

- Meets with community leaders to promote the organization.
- Writes press releases.
- Maintains media relations.
- Promotes organization with personal sphere of influence.
- Responds to media questions.



Take the Test!



Finance – Who does it?

- Prepares preliminary budget.
- Finalizes and approves budget.
- Monitors expenditures.
- Ensures annual independent audit.
- Reviews annual IRS Form 990.
- Decides on expenditures for building, renovation, leasing, expansion.
- Sets fees for service.

Take the Test!



Resource Development – Who does it?

- Makes annual financial contribution.
- Solicits contributions.
- Approves and monitors annual development plan.

Take the Test!

Human Resources – Who does it?

- Employs the Executive Director.
- Directs the work of staff.
- Evaluates staff performance.
- Evaluates Executive Director.
- Settles problems among staff.
- Sets salaries for staff.
- Sets personnel policies.



Take the Test!

Management – Who does it?

- Appoints Board committees.
- Supports Board committees.
- Recruits new Board members.
- Prepares Board meeting agenda.
- Signs legal documents.
- Assumes fiduciary responsibility for actions of the organization.
- Implements Board and committee decisions.
- Approves capital purchases.
- Approves major repairs and agency upkeep.
- Ensures organization meets legal and regulatory requirements and filings.

Resources



*Exploration – Management
by Assessment*

*The ABCs of Building Better
Boards*



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