

# COMMUNITY SERVICES BLOCK GRANT



**T**rainning  
ools  
for  
**PUBLIC CAA  
BOARDS**

## Handouts

### GOVERNANCE

**Tripartite Board Composition  
and Selection**

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**CAPLAW**  
Community Action Program Legal Services, Inc.

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# Table of Materials Needed for Each Part

This table shows not only which materials will be needed for the different parts but also which ones are included as attachments and which ones your board will need to obtain. See the first facilitator instruction box in Part I for guidance on obtaining the materials not included. If the materials will be used for a part(s), an "X" will be in the space under that part and next to the box referring to the material.

Material	Part I	Part II	Part III	Part IV	Availability
<i>Name that Individual Exercise</i>	X				Included
<i>CSBG History Q&amp;A</i>	X				Included
<i>Understanding the Relationship of CSBG Laws and Guidance Exercise</i>	X				Included
Federal CSBG Act tripartite board section 42 U.S.C. § 9910	X	X	X	X	Included
State CSBG statutes/regulations and excerpt from the CSBG grant agreement addressing tripartite board composition and selection, if any exist	X	X	X	X	Board Obtains
Local ordinance or other official act establishing board and local governing body relationship	X	X	X	X	Board Obtains
<i>General Tripartite Board Concepts Q&amp;A</i>	X				Included
U.S. HHS OCS Information Memorandum (IM) 82	X	X	X	X	Included
<i>Board Composition and Selection Matrix</i>	X	X	X	X	Included
Full CAA bylaws with board composition and selection sections highlighted	X	X	X	X	Board Obtains
<i>Public Official Key Components Questionnaire</i>		X			Included
<i>Public Official Common Questions Questionnaire</i>		X			Included
List of CAA's current programs		X		X	Board Obtains
Current CAA community needs assessment survey		X		X	Board Obtains
Current CAA Strategic Plan		X		X	Board Obtains
<i>Public Official Bylaws Provisions Questionnaire</i>		X			Included
Sample Public Official Bylaws Language		X			Included
<i>Low-Income Representative Sector True &amp; False Quiz</i>			X		Included
Sample Low-Income Representative Bylaws Language			X		Included

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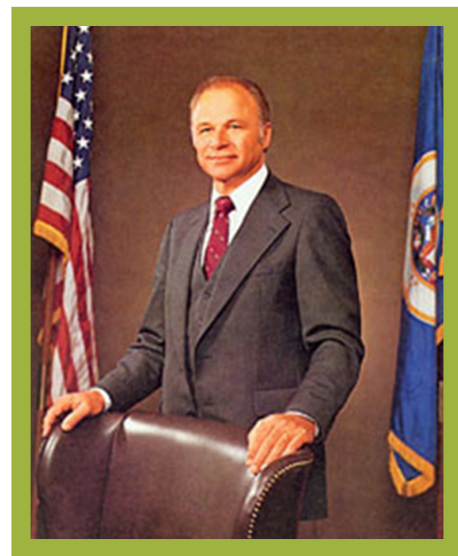
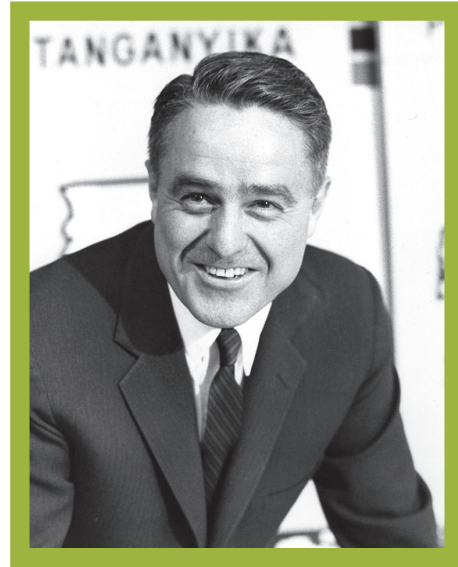
Material	Part I	Part II	Part III	Part IV	Availability
<i>Low-Income Representative Bylaws</i> Questionnaire			X		Included
CAA's current democratic selection process			X		Board Obtains
<i>Private Sector Composition</i> Multiple Choice				X	Included
Sample Private Sector Bylaws Language				X	Included
<i>Private Sector Bylaws</i> Questionnaire				X	Included



# Name that Individual Exercise

## Name that Individual Exercise

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# CSBG History Q&A

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Who is often considered the architect of the Community Action movement?

What is the name of the initial piece of federal legislation that created the Community Action Program and authorized federal funding for the program?

When was this legislation enacted?

What was the mandate in the Economic Opportunity Act that initiated the concept of tripartite board composition for CAAs?

What were the two early amendments to the Economic Opportunity Act that addressed the composition of CAA boards?

What was the Quie Amendment? What did it establish? Who was Quie?

What was the Green Amendment? What did it establish? Who was Green?

Is the Economic Opportunity Act still in force? If not, what replaced it and how is it different?



# Understanding the Relationship of CSBG Laws and Guidance Exercise



## Understanding the Relationship of CSBG Laws and Guidance Exercise

Number the items according to which one takes precedence over all the other items, i.e., the number "one" will take precedence over the others and so forth.

- \_\_\_\_\_ Federal Office of Community Services Information Memorandum 82
- \_\_\_\_\_ State Community Service Block Grant (CSBG) statutes (if exist)
- \_\_\_\_\_ CAA bylaws
- \_\_\_\_\_ Federal CSBG Act
- \_\_\_\_\_ Local ordinance or other official act such as a delegation agreement
- \_\_\_\_\_ State CSBG regulations (if exist)
- \_\_\_\_\_ CAA CSBG grant agreement with state



# Federal Community Service Block Grant, Section 9910

# Federal Community Service Block Grant Act, Section 9910

## 42 U.S.C. § 9910: Tripartite boards

### (a) Private nonprofit entities

- (1) Board In order for a private, nonprofit entity to be considered to be an eligible entity for purposes of section 9902(1) of this title, the entity shall administer the community services block grant program through a tripartite board described in paragraph (2) that fully participates in the development, planning, implementation, and evaluation of the program to serve low-income communities.
- (2) Selection and composition of board. The members of the board referred to in paragraph (1) shall be selected by the entity and the board shall be composed so as to assure that –
  - (A) 1/3 of the members of the board are elected public officials, holding office on the date of selection, or their representatives, except that if the number of such elected officials reasonably available and willing to serve on the board is less than 1/3 of the membership of the board, membership on the board of appointive public officials or their representatives may be counted in meeting such 1/3 requirement;
  - (B)(i) not fewer than 1/3 of the members are persons chosen in accordance with democratic selection procedures adequate to assure that these members are representative of low-income individuals and families in the neighborhood served; and (ii) each representative of low-income individuals and families selected to represent a specific neighborhood within a community under clause (i) resides in the neighborhood represented by the member; and
  - (C) the remainder of the members are officials or members of business, industry, labor, religious, law enforcement, education, or other major groups and interests in the community served.

### (b) Public organizations In order for a public organization to be considered to be an eligible entity for purposes of section 9902(1) of this title, the entity shall administer the community services block grant program through –

- (1) a tripartite board, which shall have members selected by the organization and shall be composed so as to assure that not fewer than 1/3 of the members are persons chosen in accordance with democratic selection procedures adequate to assure that these members –
  - (A) are representative of low-income individuals and families in the neighborhood served;
  - (B) reside in the neighborhood served; and
  - (C) are able to participate actively in the development, planning, implementation, and evaluation of programs funded under this chapter; or
- (2) another mechanism specified by the State to assure decision making and participation by low-income individuals in the development, planning, implementation, and evaluation of programs funded under this chapter.



# General Tripartite Board Concepts Q&A

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Does a public CAA have to use the tripartite structure?

Who selects the board members for the tripartite board?

Should a public CAA refer to its board as “advisory” or “administering”?

May a CAA have a tripartite board that is not divided into equal parts, i.e., into thirds?

If the local governing body retains the authority to select board members, in what ways is a public CAA board involved in the composition and selection of the board?

Do we have language in our bylaws establishing a board governance committee?

How does the board generally ensure that it is recommending and/or recruiting individuals to serve on the board who meet the needs of the CAA?



# IM No. 82

# OFFICE OF COMMUNITY SERVICES

An Office of the Administration for Children & Families

## IM No. 82 Tripartite Boards

June 12, 2012

Audience: Community Services Block Grants (CSBG)

Transmittal No. 82      Date: March 23, 2005

**TO:** State Community Services Block Grant Program Directors, Community Services Block Grant State Association Directors and Community Services Block Grant Eligible Entities

**SUBJECT:** Tripartite Boards

**PURPOSE:** This Information Memorandum addresses a number of policy questions that have arisen in recent years concerning the composition, role, and responsibilities of local community action agency tripartite boards. In addition, the Memorandum describes steps that may be taken by State CSBG lead agencies and State Community Action Associations to promote the continued viability and effectiveness of eligible entities through appropriately constituted and well-functioning tripartite boards.

**This Information Memorandum is not intended to be definitive or binding on State or local agencies, but to serve as a guide on key issues.**

**BACKGROUND:** Since 1968, local community action agencies have been required to have tripartite governing boards to gain and retain designation as eligible entities and to receive CSBG funding. Effective tripartite boards reflect and promote the unique anti-poverty leadership, action, and mobilization responsibilities assigned by law to community action agencies. Boards are responsible for assuring that agencies continue to assess and respond to the causes and conditions of poverty in their community, achieve anticipated family and community outcomes, and remain administratively and fiscally sound.

The nature of poverty and our nation’s response to it continues to evolve. Many community action agencies are in the process of passing the baton to a new generation of leaders. This Information Memorandum restates and amplifies how tripartite boards help preserve community action focus, effectiveness, and accountability in these changing times.

### Questions and Responses

The following questions and OCS responses convey important information about the roles and responsibilities of tripartite boards as required by statute and suggestions on how State CSBG authorities, State community action associations, and local agency officials can help assure that boards function effectively.

#### **Question 1 - *What does the law require?***

##### *Roles and Responsibilities of Tripartite Boards*

Sections 676B of the Community Services Block Grant Reauthorization Act of 1998 requires that, as a condition of designation, private nonprofit entities and public organizations administer their CSBG program through tripartite boards that “fully participate in the development, planning, implementation, and evaluation of the program to serve low-income communities.”

##### *Board Composition*

- Low-Income Individuals and Families

For private nonprofit entities, a minimum of one-third of tripartite board membership must be democratically selected representatives of low-income individuals and families who reside in the geographic area being served by the agency.

For public organizations, such as city, county, or town governments, the law also requires that a minimum of one-third of tripartite board membership be comprised of representatives of low income individuals and families who reside in areas served. The statute allows public

organizations to utilize State-specified mechanisms other than tripartite boards that “assure decision-making and participation by low-income individuals in the development, planning, implementation, and evaluation of programs...”

OCS does not recommend including in this community representation category for either public or private agency boards individuals who provide services or supports to low-income residents but who are neither low-income or residents of the agency’s service area. Such individuals may qualify for board membership as representatives of another board category -- “major groups or interests in the community.”

- Elected Officials or Their Representatives

One-third must be elected officials, holding office at their time of selection, or their representatives. If a sufficient number of elected officials or their representatives are not

available to serve, appointive public officials or their representatives may take the place of elected officials.

- Major Groups and Interests in the Community Served

The remaining board members must be chosen from “business, industry, labor, religious, law enforcement, education, or other major groups and interests in the community served.”

### **Question 2 - *Who appoints members to a tripartite board?***

The law states that members of tripartite boards “shall be selected by the entity” in accord with the conditions described above. States must assure that local agencies comply with Federal statute and any applicable State statutes, and that the bylaws of tripartite boards reflect and advance statutory requirements.

### **Question 3 - *Are term limits permissible?***

The CSBG statute is silent on term limits. However, many CAAs find term limits helpful to keep boards revitalized and current. Community action agencies may impose such limits through their own bylaws if they wish.

To achieve the purposes intended by statute for each of the three components of agency boards, State and local agencies are encouraged to consider the following term limit considerations:

#### *Representatives of Low-Income Individuals and Families*

The statute requires that representatives of low-income individuals and families be “chosen in accordance with democratic selection procedures.” The implicit intent of this requirement is to insure that those who currently live in areas served by the agency are represented so that they have a strong voice in agency governance and direction and are able to convey to those they represent the presence and significance of community action in their lives. And, because some programs within community action agencies, especially Head Start, also require governance involving families being served, overall agency coordination and communications across programs are further enhanced when a few (one or two) members of Head Start Policy Councils serve on agency tripartite boards. The Head Start regulations require that the Policy Council and the Board cannot have identical membership, so this must be observed.



Every effort should be made by eligible entities to assure that board members representing low-income individuals and families:

- Have been selected on the basis of some form of democratic procedure either directly

through election, public forum, or, if not possible, through a similar democratic process such as election to a position of responsibility in another significant service or community organization such as a school PTA, a faith-based organization leadership group; or an advisory board/governing council to another low-income service provider;

- Are truly representative of current residents of the geographic area to be served, including racial and ethnic composition, as determined by periodic selection or reselection by the community. Being current should be based on the recent or annual demographics changes as documented in the needs/ community assessment. This does not preclude extended service of low-income community representatives on boards, but does suggest that continued board participation of longer term members be revalidated from and kept current through some form of democratic process and the assessment of community changes. Ultimately, it is the responsibility of the State to assure that agencies uphold both the letter and intent of the law governing appointment of low-income community representatives to tripartite boards. Particular attention should be paid to the two conditions described above.

#### *Elected Public Officials or their Representatives*

The overarching purposes for having elected officials serve on tripartite boards are to encourage awareness of poverty needs within the community and action by local governments, and to foster close coordination and partnership between public agencies and the eligible entities. State CSBG lead agencies, State community action associations, and local agency officials should ensure that the nature and number of public officials serving on each agency board supports and promotes these goals. The statute requires that elected public officials must be "holding office on the date of selection" to a tripartite board. The statute does not identify which public officials ought to serve on the tripartite board. The statute allows public officials (elected, or if necessary, appointed) to name someone to represent them on the board. Again, while the statute does not set term limits for this category of board membership, the spirit of the law, that local governments participate in agency oversight and governance, suggests that:

- Elected officials serve on boards in this capacity only while they are in office.

Similarly, individuals designed by elected or appointed officials to represent them on boards

serve only while their principals are in office or are re-designated by those in office. Agencies are responsible for making sure that this category of board membership remains current through such procedures as prompt notification of newly elected or currently elected public officials of the opportunity for board service or representation, and timely replacement of board members (or their representatives) who no longer hold public office.

Local agencies that wish to extend the board service of either formerly elected officials or their representatives may choose to appoint them as representatives of "major groups and interests in the community."

#### *Representatives of Major Groups and Interests in the Community*

While the statute does not set term limits for these board members, their role is to reflect and involve key interests and resources within the community to guide agency actions and outcomes. For this category, agencies should strive to assure that:

- Groups and interests with current influence or resources deemed critical to the success of the agency are represented.
- Members are empowered by their organizations to participate in board activities and play a role in agency outcomes.

#### **Question 4 - What does "fully participate in the development, planning, implementation, and evaluation of the program" mean?**

Tripartite boards are responsible for oversight and governance of community action agencies:

## Development

As the designated anti-poverty-agencies within their community, both public and private eligible entities are required to conduct periodic needs assessments of the causes and conditions of poverty within their service area and to decide what role, or mission, the agency will assume relative to other community organizations and resources, in addressing those needs.

Tripartite boards are key players in the developmental processes described above:

- **Needs Assessment** -- Board members, especially those that live in communities to be served and that represent low-income people, ought to be a primary source of information and insight concerning the conditions in their neighborhoods. Representatives of low-income families can help fashion agency outreach and communication strategies, on an ongoing basis, to assure that agency staff and programs are responsive to changing community needs and conditions. Board members that represent elected officials, and other community groups and interests, all bring critical information and perspective to the needs assessment process. Elected officials or their representatives can commission or make available government-sponsored studies of local economic, social, educational, and key conditions that affect poverty. Business, labor, religious, and other community group representatives offer similar information from the private sector and access to short-term and longer-range service and resource assessments and/or development plans that may impact the nature or extent of poverty in the community.
- **Clarifying Agency Mission** -- The way each community action agency perceives its role, or mission, is central to what they do and how they assess their effectiveness. Tripartite boards, if correctly constituted, provide an agency with a broadly-based, in-house, panel of "experts" on most aspects of community need, resources, and opportunities. Their expertise should help inform agency leadership and staff concerning the role(s) community action should and could play to reduce poverty vis-a-vis other public and private programs and initiatives. Creating or reviewing mission statements can provide a focus for collaborative strategic planning among board members and agency leadership and staff, and a foundation for meaningful board oversight of agency operations and effectiveness.

## Planning

Tripartite boards are important participants in agency annual and longer-range planning activities. Specifically, individual members of the board, and the board as a whole, ought to contribute to, and benefit from, various aspects of program planning:

- **Long-range Strategic Planning**- For those CSBG entities that are 501(c)(3) non-profit agencies, tripartite boards are ultimately responsible for the overall direction, conduct, and effectiveness of agency programs and activities. Public agency boards are "advisory" and are intended to guide public officials that manage their agencies, both elected and appointed, with information and advice on how to reduce poverty within the geographic area being served. As such, participation of boards is essential in strategic planning discussions of how the mission of the agency is to be accomplished through its programs and activities, and how the agency will determine what constitutes its "success." Tripartite boards should be encouraged to help the agency: a) identify broad goals and results it hopes to achieve through its work among low-income individuals and families, and within the community being served; b) mobilize and array programs and activities, both within and outside the agency, to achieve those goals and results; and c) establish and maintain procedures for gathering and presenting information on goals and results for agency and board use.
- **Annual Planning** - Tripartite boards of both public and private entities should participate in the identification of what the agency hopes to accomplish each year and to help the agency establish specific performance expectations, in terms of both the nature and number of improvements to be achieved among low-income people and within the community, to guide agency programs and activities. Milestones, or intermediate steps toward achieving the ultimate results, ought to be identified by agency staff so that board members will be able to track progress throughout the year. In addition, boards are encouraged to identify possible ways to strengthen agency operations, including needed staff or facility enhancements, and to identify specific results it expects to be achieved. Boards may chose to utilize annual agency performance expectations, or anticipated program results, as important components of annual performance plans and compensation agreements they negotiate with the agency's executive director and other key staff.

## Implementation

Because members of tripartite boards have “fiduciary” responsibility for the overall operation of private, non-profit community action agencies and statutorily described “advisory”

responsibilities in public agencies, members are expected to carry out their duties as any “reasonably prudent person” would do. At a minimum, CAPLAW suggests that this would require:

1. Regular attendance at board and committee meetings;
2. Thorough familiarity with core agency information, such as the agency’s bylaws, articles of incorporation, sources of funding, agency goals and programs, Federal and State CSBG statutes;
3. Careful review of materials provided to board members;
4. Decision-making based on sufficient information;
5. Ensuring that proper fiscal systems and controls, as well as a legal compliance system, are in place; and
6. Knowledge of all major actions taken by the agency.

Two aspects of the requirements described by CAPLAW above warrant further discussion –board oversight of agency programs and board oversight of fiscal controls:

- Agency Program Implementation - Boards are encouraged to stay informed of agency programs and activities throughout the year, and to receive periodic reports from agency staff that focus on progress toward achieving milestones and ultimate results among clients and communities being served. Timely board awareness of program implementation progress allows for possible reassessment of performance expectations or program realignments should the need arise.

Board members are also encouraged to help the agency establish and maintain working relationships, or partnerships, with other public and private agencies and programs in the community that can help achieve community action results. For example:

1. Members that are either elected officials or that represent elected officials may identify public resources and programs that could contribute to client or community outcomes and facilitate communication and coordination between the community action agency and the public program;
2. Members that represent critical community interests, such as commercial or financial institutions, may help identify possible sources of support for the agency’s low-income clients, including employment opportunities, asset formation assistance, or access to other financial services;
3. All members of the tripartite board may be enlisted in an agency’s advocacy efforts to increase or preserve needed services and programs in the community that support greater self-sufficiency among low-income families.

- Fiscal Controls - Because tripartite boards of private, non-profit agencies are ultimately responsible for assuring that agency funds are spent and accounted for in accord with all

applicable Federal, State, and local statutes and regulations, boards must make sure that fiscal controls and procedures are put in place and maintained by the agency that provide for:

1. Trained and qualified staff to manage fiscal accounts and records of the agency on a day-to-day basis;
2. Commonly accepted financial procedures for transactions, recordkeeping, and reporting such as those required by the CSBG Act, Part 74 of the Code of Federal Regulations, and OMB Circular 133;
3. Frequent reports to the board by agency fiscal staff on overall agency fiscal status, procedures, practices, and transactions;
4. Required board review and prior approval of all "substantial" agency fiscal transactions or commitments, as defined by statute or agency bylaws; and
5. Audits and audit reports to the board by a CPA firm independent of board member or agency staff association.

### **Evaluation**

As indicated, tripartite boards of both public and private agencies are encouraged to focus their attention on results in all phases of agency program activity, including program development, planning, implementation, and especially evaluation. Boards should request, and be provided with, information concerning actual changes or improvements that have occurred among clients and community as a result of agency assistance. To determine the relative "success" of the agency, its staff and programs, boards may compare the nature and level of these outcomes with performance expectations, or targets, which were developed during the agency's planning cycle.

Outcome or performance-focused information from one year can inform and strengthen program planning by the agency and its board in subsequent years.

### **Question 5 - *What kind of training should board members receive?***

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."

At a minimum, it is recommended that board training cover the following topics:

#### **• Fiduciary Responsibilities**

1. Orientation to statutory and regulatory requirements (CSBG Act, other Federal, State or local statutes and regulations, including non-profit board requirements;
2. Agency articles of incorporation, bylaws, etc.
3. Overview of Board functioning - appointment, representation, meetings, committees, conflict of interest policy, relationship to executive director and staff, etc.
4. Role and Responsibilities of the Executive Director
5. Role and Responsibilities of the Board regarding the employment, retention, and compensation of the Executive Director and key agency staff
6. Overview of agency administration and financial management policies and procedures - oversight role and responsibilities of the board
7. Orientation to, and how to oversee, agency mission, long-range and annual plans
8. Orientation to, and how to oversee, agency programs and services

9. Orientation to, and how to oversee, agency evaluation and reporting policies and procedures - role of the board in program and personnel performance evaluation.

• **Agency Leadership - Board Roles and Responsibilities**

Results Oriented Management

1. Agency Development -

o Needs Assessment-

o Agency Mission determination -

2. Agency Planning

o Strategic Long-Range Planning

o Annual Planning - performance expectations and targets

o Forming Partnerships with other resources in the community

3. Program Implementation -

o Tracking of Milestones, interim performance results and reports

o Making mid-course corrections to improve performance

Results Oriented Accountability

4. Evaluation - (Results Oriented Accountability)

o Result-Focused Evaluation - clients and community

o Results-Focused Evaluation - agency and staff

o Using Information for Planning

o Using Information for Additional Funding and Advocacy

Note: In rural areas or where transportation is challenging, teleconference calls and other technological devices have assisted board communication.

Question 6 - What constitutes "conflicts of loyalty or interest" among board members

and how best should they be avoided.

Individuals serve on tripartite boards first and foremost to advance the interests of the agency, its clients, and the community. They do not serve to advance their own interests and have a "duty of loyalty" to the agency. But, the very nature of the tripartite board, which calls for the representation of, and expected outreach to, various sectors of the community, creates possible situations in which distinctions of "loyalty" or "interest" need to be kept very clear and unambiguous.

To safeguard against situations in which the loyalty, interest, or intent, of board member action may be questionable, the following minimum conflict of interest practices are recommended:

• **Have a clear, written policy**

Each agency should have a clear, written policy concerning conflicts of loyalty or interest among board members and agency staff that describes in detail:

1. Full disclosure of financial interest requirements for all board members and staff;

2. Conditions and procedural requirements for board member and/or staff withdrawal from any action for which a real or potential conflict of interest might exist;
3. "Transparency" and full record keeping of all board or agency financial decisions or actions and the parties involved in the decisions or actions;
4. Policies and procedures for selective (i.e. meet a certain threshold of expenditure or financial commitment) "independent" prior review of actions or decisions that may pose potential conflict of interest issues.

• **Avoid situations that advantage board member interests or the appearance of advantage**

As indicated, the very nature of tripartite representation on boards creates potential conflict of loyalty or interest situations in which board members help the agency establish linkages with public and private community resources and services. Often, this outreach may result in financial arrangements or contracts involving expenditure of agency funds. In addition, board members have "inside" knowledge of agency activities and operations, including current and future employment opportunities within the agency. To avoid situations in which a conflict of interest or loyalty would occur, or the appearance of such a conflict, the following is recommended:

1. Competitive bidding procedures should be used for large financial transaction situations in which a board member or agency staff member has an interest in, or relationship to, one or more providers of the needed goods or services. If such a potential is unclear, the agency and its board should refer the issue to a pre-identified "independent" conflict of interest consultant or group for a determination. For smaller transactions that may involve board or staff member interests, a process involving collection of comparable quotes, prices, or salaries may suffice.

2. If, after a competitive process, a provider with ties to a board member(s) or staff is selected to enter into a financial arrangement with the agency, the affected board member(s) and staff must disassociate themselves from participating in any decisions regarding the conduct of the financial relationship. Neither board member(s) nor staff may benefit personally, in any way, from the financial relationship between the agency and the provider with which they have a connection.

3. Board membership should not be used as a "stepping stone" to agency employment.

Board members should not seek or receive employment from the agency in any part-time or full-time capacity during their service on the board. Board members wishing to be considered for employment ought to resign their position and wait a reasonable period of time before applying for a paid position within the agency. This waiting period is recommended to avoid both the actuality and appearance of undue advantage board membership affords in the hiring of agency management and staff.

4. Board members and their families should not enjoy any financial gain from their position, including receipt of salary, goods or special services for their board participation. Board members may be reimbursed for expenses associated with board service, such as incidental costs of supplies, or mileage, per diem, and lodging expenses incurred while attending out of town conferences or training approved by the entire board.

5. Agencies and boards should err on the side of caution in all matters that might create or appear to be a conflict of interest. They should use the proverbial "smell test" in all

potentially questionable conflict of interest situations and call upon independent, outside counsel, both legal and ethical, to screen plans before action.

It should be noted that board members, especially those that represent low-income individuals or families, are not excluded from being clients of the agency and receiving program services for which they are eligible. These board members should not receive preferential treatment in the nature or timing of such services.

Question 7- What is the best relationship between a tripartite board and the



agency executive director?

The best relationship between a tripartite board and the agency executive director is one that advances the work of the agency in achieving results, or improvements, in the lives of low-income people and the community in which they live.

That said, there are organizational and functional issues that have prompted this question from a number of locations around the country over the past few years. While situations vary from agency to agency, and community to community, the following general principles are offered to promote strong, focused, and effective working relationships between tripartite boards and agency executive directors:

- **Boards Establish Policy, Executive Directors Execute Policy**

Tripartite boards are responsible for establishing and approving policies that govern all aspects of agency operations, including agency and board bylaws, administrative and fiscal control policies, and personnel policies. Executive directors are responsible to assuring that the board established policies are carried out by the agency, and for providing information to the board on the execution of its policies as requested by the board. In many agencies, boards work with the executive director and agency staff collaboratively to develop agency policies and procedures, but the ultimate responsibility for promulgating such policies remains with the board.

- **Boards Set Agency Mission, Executive Directors Accomplish Agency Mission**

Boards are responsible for determining the overall mission, or direction, of the agency taking into account the needs of the community and the relative anti-poverty role played by the agency vis-à-vis other programs and resources in the community. Executive directors are responsible for providing the necessary information and assistance to the board that will help them determine the overall mission or direction of the agency, and for organizing the agency's programs and services in such a way that will best accomplish the mission. Again, in many communities, boards and executive directors (and agency staff) work collaboratively to both set the agency's mission and organize programs and services toward that end.

- **Boards Set Performance Targets, Executive Directors Guide Work to Achieve Targets**

Ideally, tripartite boards will officially approve annual performance targets, or outcomes they

expect the agency to achieve among low-income families and the community. In most cases, these performance targets will be in the form of recommendations from the agency's executive director developed ideally in concert with the board, agency staff, and key community partners. How the agency organizes and operates services and programs to achieve these board-approved performance targets is the responsibility of the executive director and the staff of the agency. Boards, therefore, should not routinely be involved in the day-to-day manner in which services are provided, but should pay particular attention to following the consequences, or results of agency programs as they unfold and are reported throughout the year.

- **Boards and Executive Directors Evaluate Agency Performance, Both are Accountable**

Based on reports of results generated by the agency, boards are ultimately responsible for deciding whether or not the agency and the executive director have been "successful" in accomplishing the mission of the agency. Boards are encouraged to focus on client and

community results as a major factor in evaluating the work of the agency, its executive director, and staff. Indeed, such results may point to institutional needs, such as staff enhancement and training or program revisions, which may improve performance in subsequent years.

- **Boards Supervise Directly Only One Employee - the Executive Director**

One of the most important concepts conveyed by agencies that have well-functioning

relationships between their tripartite board and executive director is, "Boards supervise directly only one employee - the Executive Director."

This concept embodies the notion that board and agency staff functions are indeed separate, but they are joined through the relationship between the board and the one person they must hold accountable for the work of everyone else -- the executive director. This clearly means the boards must hold the executive director responsible for the activities of the agency. The board should appraise the executive director's performance on an ongoing basis, but at a minimum, the board should have a complete appraisal annually. Adopting this concept of "one employee" enables boards to refrain from bypassing their agency's executive director to provide day-to-day instructions to agency staff (what many call "micromanaging"). But, it must be clear that the concept should not protect an executive director from gaining too much authority over all aspects of agency policy and operations by assuming roles and functions that clearly reside with the tripartite board.

The concept is not intended to diminish or distort the fiduciary responsibility of tripartite boards of private, non-profit agencies to oversee the overall functioning of their agency and the cumulative work of agency staff.

When a tripartite board is faced with the responsibility of recruiting and hiring a new executive director for their agency, members may set whatever criteria they deem appropriate. Boards are encouraged to seek out and employ a leader capable of:

- 1. Working cooperatively with the board to assure there is on-going consensus concerning the agency's antipoverty purpose, or mission, among board members, agency staff, and the broader community;
- 2. Mobilizing and coordinating programs and services both within and outside the agency toward accomplishing this mission;
- 3. Serving as a key community leader and advocate for the preservation and expansion of opportunities to assist low-income individuals and neighborhoods move out of poverty;
- 4. Achieving strong administration and fiscal control over agency resources; and
- 5. Employing performance-based management concepts embodied in Results Oriented Management and Accountability (ROMA) as the framework for relating to the board, and for all aspects of agency operations including program planning, resource allocation, service provision, program and staff evaluations.

**Question 8 - How can State CSBG agencies and State Community Action Associations advance the effectiveness of tripartite boards?**

At a minimum, OCS recommends that State CSBG agencies and State community action associations work together to assure that:

- **All board members receive timely and continuous training.**

OCS has funded the development of a number of board training curricula that are now available upon request and that contain many of the elements of effective training described in this Information Memorandum. For information on these training materials, please contact:

Barbara Mooney	Owen Heiserman
Training Director	Mid-Iowa Community Action Agency
Community Action Association	1001 S. 18th Street
of Pennsylvania	Marshalltown, Iowa 50158
222 Pine Street	Phone: (641) 752-7162
Harrisburg, PA 17101	E-Mail: owen@micaonline.org
Phone: (724) 852-2272	



E-Mail: [barbaramooney@allte1.net](mailto:barbaramooney@allte1.net)

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- Board representatives participate actively in statewide community action training and technical assistance meetings and conferences.

Board chairs or other members ought to be encouraged to participate in statewide community action meetings and conferences sponsored by both the State CSBG authority and the State CAA association. Such meetings will not only provide an opportunity for board members to contribute to discussions and training, but will also provide a means of conveying to all board members the status of community action in the State, information about the programs, services, and accomplishments of other agencies, and how their boards can continue to help improve the focus and outcomes in their own agencies.

- State CSBG monitoring or CAA association assessments focus on board functioning (both fiduciary and leadership responsibilities)

State CSBG officials should meet routinely with boards as part of their overall monitoring of

local agencies to determine the extent to which the boards are aware of, and are carrying out, their responsibilities. Assessment should be made of agency compliance with statutory

requirements for board composition and functioning. Similar assessments are encouraged in those States in which CAA associations have developed and are using agency self-assessment procedures in conjunction with State CSBG monitoring. State CSBG authorities and State community action associations are encouraged to provide technical assistance to agencies to help them achieve or maintain compliance with the law.

Please don't hesitate to contact me if you have questions concerning this Information Memorandum.

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Margaret J. Washnitzer, DSW

Director of State Assistance

Office of Community Services



# Board Composition and Selection Matrix

# CAPLAW Sample CAA Board Composition Matrix April 2012

Board Members	Sector	Diversity	Skill/Experience/Expertise	Access/Connections	Years on Board	Term Exp.	Committee	Office
1. Jane Doe	Public	Examples: Racial, Ethnic, Disability, Age, etc.	P.R. Communications Financial Planning/Management Organizational Management H.R. Management Fundraising Early childhood education & development Attorney	Foundations Wealthy Individuals Business/Corporations Politics/Government Religious Community Grassroots Constituents	1	9/1/13	Personnel	Secretary
2.	Private							
3.	Low-income							
4.								
5.								
6.								
7.								
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19.								
20.								
21.								



# Public Official Key Components Questionnaire

## Public Official Key Components Questionnaire

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What portion of the board is comprised of public official sector board members?

What type of public official should the board first try to identify as a potential board member?

When must the public official be in the office to which he or she is elected to be in compliance with the public official sector requirement?

What if an elected public official is unable to attend board meetings?

What if there are not enough elected public officials reasonably available to serve?

What if an appointed official is unable to attend board meetings?



# Public Official Common Questions Questionnaire

## Public Official Common Questions Questionnaire

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Why does the CSBG Act require public officials to serve on the board?

Who selects the public official board members, the board or the local governing body?

Is the CAA required to select local county commissioners/supervisors or city councilors as public official board members?

Is an elected public official required to be in office to continue serving on the board? In other words, if, while the elected public official is serving on the board, his or her term in public office ends and he/she is not reelected or chooses not to run for public office again, must the public official step down from the tripartite board?

May a representative appointed by a public official continue to serve on the board even if the public official who designated him or her is no longer holding office?

When a public official designates a representative to serve in his/her place, who is seated on the board and who votes?

Do any requirements exist regarding the type of representative a public official may appoint to serve in his or her place?



# Public Official Bylaws Provisions Questionnaire



## Public Official Bylaws Provisions Questionnaire

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Do the bylaws establish a procedure for the board to either select or recommend public official board members?

Do the bylaws establish terms for public official sector board members?

Do the bylaws specify the public official who must be selected (i.e, they state that the current county commissioners/supervisors or city councilors representing a particular service are will always be selected to fill the public official sector board member seat, etc.)?



# Sample Public Official Bylaws Language

# Sample Public Official Board Members Bylaws Language

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## Sample bylaws public official board member composition language:

One-third of the directors shall be elected public officials, holding office on the date of selection, or their representatives, except that if the number of such elected officials reasonably available and willing to serve on the board is less than one-third of the membership of the board, appointive public officials or their representatives may be counted in meeting such one-third requirement (Public Official Board Member).

## Sample bylaws public official board members selection language if the local governing body has delegated its authority to select the public official board members to the board:

Public Official Board Member. The board of directors shall select elected public officials to serve as Public Official Board Members. If the number of elected officials reasonably available and willing to serve on the board is less than one-third of the board, the board may select appointed public officials to serve. If either an elected or appointed public official selected by the board of directors cannot serve him- or herself, s/he may designate a representative, subject to approval of the board of directors, to serve as a Public Official Board Member; the representative may, but need not be, a public official.



# Low-Income Representative Sector True & False Quiz

## Low-Income Representative Sector True & False Quiz

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1. Low-income individuals and families in the community or area served by the Public CAA must be represented on the board via democratic selection procedures. True or False
2. To meet the democratic selection requirement the CAA may have another board or council made-up predominately of low-income individuals select an elected officer on that board or council to serve as a low-income representative. True or False
3. If a CAA is facing difficulty filling the low-income representative sector, it may elect to the board individuals who provide services or support to low-income residents. True or False
4. By serving on a CAA board, low-income representatives provide those currently living in the service area with a strong voice in the CAA's governance and direction. True or False
5. Low-income representatives must be low-income themselves. True or False
6. Low-income representatives of a public CAA must reside in the specific neighborhood they are representing. True or False
7. For public CAAs, the federal CSBG Act specifically requires low-income representatives to participate actively in the development, planning, implementation, and evaluation of CSBG-funded programs. True or False



# Sample Low-Income Representative Bylaws Language

# Sample Low-Income Representative Bylaws Language

## Sample low-income representative composition language:

At least one-third of the tripartite board members shall be persons chosen in accordance with democratic selection procedures adequate to assure that these members are representative of low-income individuals and families in the neighborhood served; reside in the neighborhood served; and are able to participate actively in the development, planning, implementation, and evaluation of the corporation's programs (Low-Income Representative Board Members)

## Sample low-income representative selection language for boards where the local governing body has delegated its authority to establish the democratic selection procedure to the board:

Low-Income Representative Board Member. The board shall adopt and implement written democratic selection procedures for Low-Income Representative Board Members, which it may revise from time to time. Such procedures may include, either alone or in combination: (1) election by ballots cast by the CAA's clients and/or by other low-income people in the CAA's service area; (2) selection at a community meeting in a low-income neighborhood in the CAA's service area and/or on a topic of interest to low-income people and publicized to low-income people in the CAA's service area; and/or (3) designation by organizations in the CAA's service area composed of a majority of low-income people (Low-Income Organizations).

## Sample low-income representative selection language for boards where the local governing body has not delegated its authority to establish the democratic selection procedure to the board:

Low-Income Representative Board Member. The board shall recommend to the local governing body written democratic selection procedures for Low-Income Representative Board Members, which it may revise from time to time. Such procedures may include, either alone or in combination: (1) election by ballots cast by the CAA's clients and/or by other low-income people in the CAA's service area; (2) selection at a community meeting in a low-income neighborhood in the CAA's service area and/or on a topic of interest to low-income people and publicized to low-income people in the CAA's service area; and/or (3) designation by organizations in the CAA's service area composed of a majority of low-income people (Low-Income Organizations).



# Low-Income Representative Bylaws Questionnaire



## Low-Income Representative Bylaws Questionnaire

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Do the bylaws reflect that the CAA will use a democratic selection procedure for selecting low-income representative board members?

Do the bylaws set terms for low-income representative board members?



# Private Sector Composition Multiple Choice

## Private Sector Composition Multiple Choice

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- 1. Under the federal CSBG Act, which of the following may be considered as a potential private sector board members:**
  - A. Accountant who works for an internet company
  - B. President of the local teachers union who is appointed by the union
  - C. Pastor of a small, local Baptist church who is appointed by the congregation
  - D. B and C
  - E. All of the above
- 2. When either selecting or recommending a private sector board member, the board should focus on those who:**
  - A. Are involved with community groups and interests that would be good partners
  - B. Possess the skills, experience and resources the CAA needs
  - C. Are well-known in the community and would bring positive attention to the CAA even though they are unable to attend at least half of the scheduled board meetings
  - D. A and B
  - E. All of the above
- 3. A CAA should be aware that a state's CSBG statute and/or regulations, if any exist, may require:**
  - A. Specific organizations be represented as private sector board members
  - B. The local governing body or board, if authority is delegated to it, seat a representative appointed by an organization without first approving the representative via a vote
  - C. CAAs select organizations that designate a representative to serve on the board subject to local governing body or board approval
  - D. A and C
  - E. All of the above
- 4. Enabling the board to either recommend or vote to seat a private sector board member appointed by an outside organization permits the board to:**
  - A. Exercise greater control over the board composition
  - B. Maintain a more flexible selection process
  - C. Better fulfill its obligation to fully participate in the development, planning, implementation and evaluation of the CSBG program
  - D. A and C
  - E. All of the above
- 5. Private sector board members serve an important role on the tripartite board because they enable the board to:**
  - A. Attract board members with various types of expertise
  - B. Comply with governance requirements associated with other types of funding received
  - C. Develop goodwill in the community across a variety of groups
  - D. A and B
  - E. All of the above



# Sample Private Sector Bylaws Language

# Sample Private Sector Bylaws Language

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## Private sector composition language:

The remainder of the board members shall be officials or members of business, industry, labor, religious, law enforcement, education, or other major groups and interests in the community served (Private Sector Board Members).

## Private sector selection language where the board itself selects board members:

Private Sector Board Members. The board shall select individuals who are officials or members of business, industry, labor, religious, law enforcement, education, or other major groups and interests in the community served to serve as Private Sector Board Members.

## Private sector selection language where the board recommends board members to the local governing body:

Private Sector Board Members. The board shall recommend to the local governing body individuals who are officials or members of business, industry, labor, religious, law enforcement, education, or other major groups and interests in the community served to serve as Private Sector Board Members.

## Private sector selection language where the board chooses board members through community organizations:

Private Sector Board Members. To fill Private Sector Board Members seats, the board of directors shall select organizations representing business, industry, labor, religious, law enforcement, education, or other major groups and interests in the CAA's service area (Private Sector Organizations) to designate, from among their officials or members, individuals to serve on the CAA's board of directors. Each such organization shall be entitled to designate one individual, subject to approval of the board, to serve as a Private Sector Board Member. Should such an organization fail, within the period specified by the board, to designate an individual to serve as a Private Sector Board Member, the board shall select another organization to designate such an individual.

## Private sector selection language where the board recommends board members identified through community organizations to the local governing body:

Private Sector Board Members. To fill Private Sector Board Members seats, the board of directors shall recommend to the local governing body organizations representing business, industry, labor, religious, law enforcement, education, or other major groups and interests in the CAA's service area (Private Sector Organizations) to designate, from among their officials or members, individuals to serve on the CAA's board of directors. Each such organization shall be entitled to designate one individual, subject to the recommendation of the board and approval by the local governing body, to serve as a Private Sector Board Member. Should such an organization fail, within the period specified by the local governing body, to designate an individual to serve as a Private Sector Board Member, the board shall recommend to the local governing body another organization to designate such an individual.



# Private Sector Bylaws Provisions Questionnaire

## Private Sector Bylaws Provisions Questionnaire

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Do the bylaws give the authority to a third party (e.g., private or public organization) to choose the private sector board member to sit on the board?

Do the bylaws specify which organizations will appoint private sector board members?

If the bylaws specify which organizations will have the authority to appoint private sector board members, are these organizations reviewed on a periodic basis to ensure that their presence on the board is fulfilling or meeting a current need?

# Grant Acknowledgment

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