

**THE
THREE
R'S
OF
BOARD
MEMBERSHIP**

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The Three R's

1. Roles

2. Rights

3. Responsibilities

COMMUNITY ACTION AGENCY BOARD BASICS

1. Tripartite Board :

1/3 elected officials

1/3 private sector

1/3 or more low income sector

2. Board Size

Federal GSBG does not address

Some states CSBG law and /or regs. impose board size requirements

3. Board Members' Terms

Federal CSBG Act does not address CAA board members terms or term limits

Bylaws should state board members' terms

4. Job Description for Board Members (Board Source)

5. List of Committees & What Each Committee Does

6. Board Member Duties

A. Duty of Care

B. Duty of Loyalty

C. Duty of Obedience

RULES OR STANDARDS OF BOARD MEMBERS

- 1. Respect and support majority decisions of the full board.**
- 2. Conduct self in a respectful manner.**
- 3. Be committed to positive and constructive interaction.**
- 4. Respect the dignity, values and opinions of fellow board members.**
- 5. Not discussing confidential information outside of the board meeting.**
- 6. Recognize chain of command.**
- 7. Not interfere with the duties of the Executive Director.**
- 8. Serve as supporter, defender and advocate of the agency.**



Community Action Agency Boards of Directors and the CSBG Organizational Standards

The Boards of Directors plays a unique and important role in the life of a Community Action Agency. While staff members transition, founding directors retire, and programs change, the board offers consistency in purpose, intent, and responsibility. The governing board acts as a body, not as individuals, and its members are bound by the Duties of Care, Loyalty, and Obedience, bearing legal liability for their individual actions as well as those of the corporation.

In Community Action Agencies, the board embodies the core belief and value of *maximum feasible participation*. Through its tri-partite structure and the involvement of those representing the people our Network serves, elected officials, and private sector individuals, this elegant, yet challenging board structure allows Community Action to be in and of the community, all across the U.S.

The role and responsibilities of nonprofit board members has grown in the past decade and today, board members shoulder significant responsibility for the oversight of finance, executive leadership, human resources, and planning. In addition, the CSBG Act states that boards must fully participate in the development, planning, implementation, and evaluation of programs supported by CSBG. Community Action Agency boards must find ways to fulfill their responsibilities while maintaining their governance role and while not dipping into operational activities.

The **CSBG Organizational Standards** are a new element of Community Action accountability that boards need to be aware of and consider when carrying out their responsibilities. These 58 Standards address three broad categories: Maximum Feasible Participation, Vision and Direction, and Operations and Accountability and include areas such as leadership, governance, financial management, human resources, strategic planning, customer input, community engagement, community assessment, and data and analysis,

These Standards will likely be incorporated into your Community Action Agency's CSBG contract with your State CSBG Office over the next year. Your staff will work to ensure your CAA meets all 58 Standards and very likely, your CAA already meets the vast majority of them. Part of meeting the Standards may mean adding some work to the plate of the Board of Directors in terms of oversight and approval, and may lead to some changes in general process. The Standards were designed, however, to minimize this while ensuring the board is informed over time of critical elements of organizational functioning.

It is important that Board members are aware of the Organizational Standards and that your CAA will be working to meet them. These Standards may cause new items to be brought to the board table for discussion or approval, or for new activities to be conducted. You may find that your CAA is already meeting the 58 Standards, or very close to that number; or you may find that your CAA has some work to do. This document is designed to assist you in explaining how the Standards may impact your regular board work. There are additional resources and other [training videos](#) on the Standards for boards that can help you dig a deeper into each area and explain the Standards in more detail. We also encourage boards to read the full Standards document and access these training materials at www.communityactionpartnership.com.

What does this mean for Board Members?

- **Your Duties of Care, Loyalty, and Obedience remain unchanged.** Your current legal requirements to be informed, conduct your duties in a prudent manner, ensure the agency is meeting legal compliance, and work as a body remain intact.

- **Board meetings may include additional action items for approval, acceptance, or review.** The CSBG Act calls on boards to be engaged in the development, planning, implementation, and evaluation of CSBG activities. Boards carry out this responsibility through board action and oversight. Given this, the Standards may increase the number of action items you vote on at board meetings over the course of the year.
- **Strategic Planning will be an element of work the board carries out.** Many CAAs regularly conduct Strategic Planning but others do not. The Standards may impact your role in planning and the frequency in which it is conducted.
- **ED/CEO evaluation and compensation setting will be annual activities.** Many CAA boards regularly evaluate their Chief Executive and the Standards will require this as well as an annual update on compensation of the executive.
- **Financial and programmatic reporting may become more frequent.** Most CAAs receive financial and programmatic updates at each meeting and the Standards require it for those that currently do not. In addition, you will be asked to approve an annual agency-wide budget and for some CAAs, this will be new.
- **Customer Satisfaction Data will be collected and reported to you.** Standards related to satisfaction do not call on your CAA to achieve a certain satisfaction level, only that the board and staff collect, review, and use this information in your deliberations and planning.
- **Additional policies may be created.** The Standards call for certain policies and plans to be in place and that the board will need to review and approve.
- **Legal review of documents may need to occur.** The Standards include legal review of bylaws and personnel policies periodically.
- **Training and Orientation of board members will occur.** As with any position, good orientation and regular training is important and the Standards provide for both for board members.

What does this NOT mean for board members?

- **Your role on the board has not changed.** You maintain the same legal responsibilities.
- **You do not need to be onsite to observe the agency's procedures to ensure that all the Standards are met.** You need to maintain your governance role and leave responsibility for operations to your Chief Executive.
- **Your board structure does not need to change.** There are no term limits, mandated committees, meeting frequencies, or other structural mandates in the Standards.

Please keep the lines of communication open with your Chief Executive and leadership team. They will have access to updates on how Standards are being implemented, tools to help CAAs be successful with implementing Standards that may be new to the agency, and resources for information and training.

Questions? The Community Action Network has several national groups that can assist you and your board as you learn more about the Standards. You may also have a State or Regional Association that can of assistance as well. Please don't hesitate to reach out if you have questions.

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Board Member Responsibilities

<i>Set Direction</i>	<i>Ensure Necessary Resources</i>	<i>Provide Oversight</i>	<i>Tend to Board Structure & Operation</i>
<p>Define Purpose & Mission</p> <p>Establish a Vision for the Future</p> <p>Ensure Necessary Planning</p>	<p>Financial</p> <p>Human – Perpetuating the Board</p> <p>Human – Hiring, supporting & evaluating the Executive Director</p> <p>Serve as Ambassadors & Protect the Organization's Reputation in the community</p>	<p>Program</p> <p>Finances</p> <p>Legal & Ethical</p> <p>Values & Culture</p>	<p>Size & Composition</p> <p>Structure & Operations</p> <p>Succession Planning</p>

Adapted by Nonprofit Services Center from BoardSource, Assessment of Governing Boards Practitioner Program, Presented by Berit M. Lahey, PhD, 2010

RIGHTS OF BOARD MEMBERS

1. Receive notice of board meetings and agenda.
2. Attend and participate in board meetings.
3. Examine meeting minutes, agency policies, financial records, and contracts.
4. Place items on the board meeting agenda.
5. Receive a copy of organization's mission statement.
6. Receive a copy of organization's bylaws.
7. Receive information on organization, including purpose, services it provides, roles in the community, chain of command and staff.

COMMUNITY ACTION CODE OF ETHICS

We, as Community Action professionals, dedicate ourselves to eliminating poverty in the midst of plenty in this nation by opening to everyone the opportunity for education and training; the opportunity for work; and the opportunity to live in decency and dignity; and with respect for cultural diversity, commit ourselves to:

- Recognize that the chief function of the Community Action movement at all times is to serve the best interests of the poor, thereby serving the best interests of all people.
- Accept as a personal duty the responsibility to keep up to date on emerging issues and to conduct ourselves with professional competence, fairness, impartiality, efficiency, and effectiveness.
- Respect the structure and responsibilities of the board of directors, provide them with facts and advice as a basis for their making policy decisions, and uphold and implement policies adopted by the board of directors.
- Keep the community informed about issues affecting the poor; facilitate communication by the poor with locally elected public officials and the private sector.
- Conduct our organizational and operational duties with positive leadership exemplified by open communication, creativity, dedication, and compassion.
- Exercise whatever discretionary authority we have under the law to promote the interests of the poor.
- Lead the Community Action movement with respect, concern, courtesy, and responsiveness, recognizing that service to the poor is beyond service to oneself.
- Demonstrate the highest standards of personal integrity, truthfulness, honesty, and fortitude in all our Community Action activities in order to inspire confidence and trust in the Community Action movement.
- Serve in such a way that we do not realize undue personal gain from the performance of our professional duties.
- Avoid any interest or activity that is in conflict with the conduct of official duties.
- Respect and protect privileged information to which we have access in the course of official duties.
- Strive for professional excellence and encourage the professional development of our associates, including those seeking to become certified Community Action professionals.

Signature _____ Date _____