

## Board Standards

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### Category 1. Board Preparation

- 1 All new board members participate in a thorough orientation.

Orientation and training of new board members is the responsibility of the full board. The chief executive facilitates this by arranging and organizing board orientation, development, and training. The initial orientation should take place as soon after election/appointment to the board as possible. New board members share the same level of responsibility as every other member of the board and cannot afford to be unfamiliar with how the board operates or how the organization operates. Neither can the board afford to have new members unfamiliar with operations.

- 2 All board members participate in regular board development and training activities.

Board development and training should be appropriate and frequent. This may be as extensive as annual retreats and comprehensive sessions or can be as simple as evaluating meeting procedures or doing self-evaluation. Just as professionals regularly spend time doing in-service training and education, board members must perform in a professional manner and require training as long as they are on the Board. The board budgets money for board development and training and insists on full participation.

- 3 Our board members are familiar with the mission statement, strategic plan, bylaws, board policies and other important documents of the organization.

All board members read and are familiar with the strategic plan, bylaws, board policies and procedures, and organizational structure of the Academy and Foundation. These documents are readily accessible and available at all Board meetings. All board members agree to abide by the operational standards of the organization. (Disagreements with operational standards are addressed in a different assessment standard.)

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### Category 2. Board Membership

- 4 We execute a plan that identifies, recruits, nominates, and encourages qualified people to run for the board.

The board actively identifies and grooms good people to serve on the board even though the board is elected by membership. The board must communicate the qualifications, expectations, and job description to those who will nominate, elect, or serve as board members. The best way to develop the board is to seek good new people to replace those leaving. People who are not qualified or knowledgeable about board activity can slow progress, divert resources, or put special interests ahead of board strategy and long-term direction.

- 5 Our board members understand and demonstrate that they represent all the people the organization serves.

Every board member must represent all the people served by the organization. Even though each board member brings a special perspective to the issues and may have been supported by a particular constituency, board

decisions must be based on what's best for the organization's entire constituency, not what's best for a special interest.

- 6 Our board members hold each other accountable and discipline or remove members who do not perform their duties.

The board has a written set of standards for meeting attendance and a board-approved code of ethics for its members. When occasionally a board member fails to come to meetings, engages in unethical conduct, or generally hinders board activity, the full board acts to remedy the situation.

- 7 The structural make-up of our board (board, officers, committees, executive and staff) is clear and appropriate.

The Board has full and common understanding of the roles and responsibilities of each board member. Each member of the board feels involved and interested in the board's work. Directors cannot serve the board well if members are not clear about what the board expects of them. By appointing people outside the board to serve on board committees, knowledge and expertise are accessed that may not be available from board members. Bringing those people close to the organization is seen as cultivating them for future assistance such as service on the board.

- 8 Our board does not redo the committee's work when the committee reports to the board.

There is an element of trust that must be part of the board's use of committees. The purpose of a committee is to study an issue for action by the board. The committee leadership should present a clear report of actions to the full board and make recommendations for board action. Final decisions on issues belong to the full board, but there is no reason to use committees if the board reviews in great detail everything the committee already studied. The board should be clear on the committee proposal and take action without rehashing all the committee has already done.

- 9 Our board members do not operate in isolation.

Our board does not operate in isolation, but rather learns from and coordinates with other associations and groups with similar interests.

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### Category 3. Strategic Planning

- 10 Our board develops and formally approves a written mission statement and comprehensive, integrated strategic plan that looks several years ahead.

Both the mission statement and strategic plan are reviewed by the full board at least once a year and modified as necessary. The most important part of the board's job description is strategic planning for the long-range future of the organization. Boards that do not have a written mission statement and goals are not able to be fully accountable to constituents for outcomes of the organization.

- 11 Our board includes management, staff and other resource persons in strategic planning and development.

Even though final approval of the mission statement and long-range plan are done by the full board, development of the plan should include all the resources that can help the board develop a good mission statement and integrated strategy for accomplishing goals. Those resources include management, staff, persons outside the organization, or others who can and will act as a resource to build the plan. Board members ensure that the mission and plan appropriately guide the organization.

12 We consider the strategic plan in every major board decision.

Completion of the goals will happen most effectively only if board and staff can communicate and use the plan the board approves. A progress report on the strategic plan is included in every meeting agenda and all reports link the agenda items to the plan. The board is in the habit of asking, "How does this relate to our mission and our strategic plan?"

13 Our board members participate in actions assigned to complete strategic plan goals.

Board members actively assist where they can be a good resource to staff in devising and carrying out actions that will complete the goals. They should not manage the staff processes, but should be a resource in carrying out action. Working collaboratively with staff on strategic goals can be the most productive work that board members do.

14 Our board reviews the mission and strategic plan annually.

Reviewing the mission formally once a year is an exercise in bringing all board members back to the same track. All board members must be in consensus about the direction for the organization. Reviewing the long-range strategic plan formally once a year keeps the plan focused and dynamic and it keeps the board, management and staff accountable for making the organization work according to the plan. The review of both mission and plan are normally done in one day involving board members, management and key staff.

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#### Category 4. Board Monitoring and Evaluation

15 Our board studies and understands the budget and financial reports before they are approved.

The budget is the board's financial plan for the year, and voting to approve the budget implies understanding and agreement with the priorities outlined there. Nonprofit finance can be very complex and most board members are not close to the finances every day, therefore, the budget and financial statements can be very confusing documents. You should allocate adequate time at meetings to discuss financial reports and get understandable explanation from the executive or board leader who is recommending the approval.

16 Our board annually has an outside professional auditing firm evaluate and review the finances and processes of the Academy and Foundation.

A full audit is conducted, as required by the bylaws and the law. The audit is done for the board, and all findings are presented to the board and the chief executive.

17 Our board measures organizational success and progress by accomplishment of strategic plan goals.

The board must be able to measure success or failure by some clear method. Simply considering the number of complaints about the organization or the number of commendations received this year is not a good measurement of success or failure. Making progress in achieving long-range strategic goals is a clear indicator of success that cannot be left to a once-a-year retreat. The board meeting agenda links the reports to the plan so that progress can be measured.

18 Our board follows a plan for evaluating the chief executive annually.

The board delegates management to the chief executive because the board has neither the time nor the expertise to manage the organization. The board takes seriously its responsibility for appropriate management. The board is ultimately responsible for the entire organization, including the chief executive. The board is the employer and must evaluate its employee at least annually. The board should have a written policy that spells out how the chief executive will be given a formal, written evaluation annually. Clearly defined measures exist and are updated and reviewed for relevance and are linked to the strategic objectives of the organization.

19 Our board annually evaluates its own performance.

Clear measures of board performance are defined and focus on the whole board, rather than on distinct individuals. The strategic plan may guide some relevant measures. Board evaluation is not a fault-finding exercise but rather an attempt to build a baseline of board performance so that you have a place to begin to make the board even better.

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## Category 5. Board Policy

20 Our board has an annually updated manual that includes all board policies.

All board members are aware that relevant board policies and bylaws are accessible in a manual. The policy manual is like the board's rule book and new board members need to know the rules before they join the board. All of the board's paperwork needs to be current and accurate. Policy manuals that are not clearly understood by all or are outdated diminish effectiveness and pose a liability risk for the board.

21 Our board has a clear process for reviewing and defining new policy.

Board policies are reviewed at distinct intervals and are updated for relevance and liability concerns to ensure that the board is a fiduciary for its entire membership. New board policies grow out of study and research, not crisis situations, and anticipate problems before they exist. The chief executive is encouraged to recommend new policies and standards to the board

22 Our board assigns responsibility for implementing and enforcing its policies.

Having on the books policies that are not followed or enforced is as dangerous as having no board policies at all. New board policies are circulated to all staff and others who need to know.

23 Our board understands and respects the difference between board governance and management policy.

The board uses policy to govern the overall functioning of the organization such as use of resources, board operations, and affiliation with other organizations. The chief executive establishes management policies for the daily operations of the organization such as personnel policies, internal accounting procedures, work process design and implementation, staff performance measurement, building maintenance and so on. Board members do not usurp operational authority they have granted to the executive and staff.

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## Category 6. Board/CEO Relationship

24 Our board provides the CEO with a current, relevant, written job description.

The greatest cause of conflict between board and executive is poor understanding of the role of each segment of this team. Optimally, board and elected leadership change more frequently than staff leadership. A clear, board-approved job description, along with good board policies and a board-developed strategic plan, clarify what the board expects of the executive. The board cannot hold an executive accountable for standards that it has not set or clearly communicated

25 Our board includes the CEO in all deliberations except in the final stages of evaluation of executive performance.

The chief executive is the board's greatest resource for all board work and should be very much involved in all board deliberations. The board should expect discussion and recommendations from the chief executive during all meetings and on all issues.

- 26 Our board delegates management to the CEO and does not interfere with that management except to monitor and evaluate accountability.

The board holds the chief executive accountable and rewards positive results for the organization resulting from good management. If the board takes back some of the management responsibility, and does not allow the chief executive to manage freely, then the board cannot hold the executive accountable for the results. The board must allow the chief executive to manage, verify the outcomes of that management and then hold the executive accountable.

- 27 Our board, and not individual board members, gives direction to the CEO.

All governance decisions, including giving direction to the chief executive, must come from the full board. Individual board members have no power except that delegated to them by the full board. If every board member acted as the executive's "boss" the result would be chaos. Even the board chair understands that he/she acts as liaison between board and chief executive, but does not act as the employer. The full board hires, directs, and evaluates the executive.

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## Category 7. Board Meetings

- 28 Our board meetings are conducted in an efficient, businesslike manner.

Board meetings are held in comfortable, businesslike surroundings and are conducive to the important business the board must conduct. Board meetings allow informal social time both before and after the business meeting, to offer the opportunity to mix with other board members but not interfere with conduct of business. Board members arrive on time and meetings begin and end on schedule. We follow a businesslike system of parliamentary rules and use time efficiently. The agenda allocates a specific amount of time for each agenda item.

- 29 The CEO and President collaborate to create an agenda that includes only issues the board needs to deal with.

The board agenda is well prepared and includes only issues the board needs to deal with. Most boards need not deal with many issues that could be better left to committees, management, and staff. Past meeting agendas can be analyzed to help the board define those issues that do not need to come before the board. The board chair and the chief executive should continue to ask "Is this an item the board really needed to consider?" each time they build an agenda. Informational items need to be selected carefully.

- 30 The board sticks to the agenda and gives the chair the power to conduct the meeting properly.

The board agenda and preliminary materials contain enough background information to enable thoughtful discussion. Board members all come prepared on the issues and able to discuss and take action. The board chair must feel free to call the discussion back into line if it wanders. If there are times when the discussion borders on performing committee business, the BOD agrees to yield to the President to send those matters back to committee for further deliberation.

- 31 Meeting minutes are concise and include only the important actions taken by the board.

Brevity is an important quality in meeting minutes. Minutes are the official record of the board's actions and should not contain lengthy dialog, descriptions, or editorializing.

- 32 We have an annual board meeting calendar.

The annual meeting calendar is simply a calendar of events that the board can anticipate and prepare for regular board meetings, committee meetings, annual meetings, planning retreat, executive evaluation, board evaluation,

budget approval, orientation of new members and so on. The calendar is part of the board member's notebook and is updated regularly.

**33 Attendance at all board meetings is 100 percent.**

No matter the size of the board, it is important that all board members attend meetings. Missing meetings hampers the board's ability to do its work and puts the absent member at risk. Absence from the meeting does not relieve the board member of responsibility or liability for actions of the board. The board has a plan for dealing with absenteeism, and enforces its attendance rules.

**34 Final decisions of the board are accepted and supported by all board members.**

The board must always act like a team, even if the members are not in agreement. Board ethics demand that even though a member is in the minority on any issue, the minority must accept and support the decision of the majority. Individual board members who undermine board decisions damage the organization they serve and create both personal and board liability.