Training & Orientation Tools for Public CAA Tripartite Boards

Community Action Partnership of Utah Virtual Conference
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www.caplaw.org
https://caplaw.org/resources/PublicationDocuments/TrainingToolforPublicBoards.html
Board Roles & Responsibilities:
Public Community Action Agencies

[ Trainer Name ]
[ Date ]
[ Trainer Website or Email ]
[ Trainer Phone Number ]

[ Trainer Logo ]
• Tripartite board/advisory body members have been provided with training on their duties and responsibilities within the past 2 years

CSBG Org. Standard 5.8

Agenda

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

Legal Requirements

- Other federal/state funding requirements
- CSBG grant agreement/contract with state
- State CSBG statute, regulations, policies
- Federal CSBG Act, block grant regulation, guidance
- Bylaws/governing document
- State/local government laws
- Public CAA Boards
State/Local Government Laws

- The authority of a tripartite board to take action on behalf of a public CAA is established by the federal CSBG Act. **True or False**

- Authority of a public CAA tripartite board is often established by:
  - Local governing officials of local government where public CAA is a dept/division
  - Local state/laws under which public CAA created
Bylaws

- While not always required, bylaws or a similar governing document serve as a useful operational guide for public CAA tripartite boards. **True or False**
- Bylaws establish the ways the tripartite board will operate and may describe its authority to act
- Bylaws typically reflect funding source requirements
  - Ex., CSBG tripartite board composition and responsibilities; Head Start board composition, responsibilities and conflicts of interest requirements

Federal CSBG Act

- A public CAA may choose whether to use the tripartite structure as set forth in the federal CSBG Act for its board. **True or False**
- Requires tripartite board to “actively participate” in the development, planning, implementation and evaluation.
  42 U.S.C. § 9910(b)
OCS Guidance

- Guidance issued by the federal Office of Community Services (OCS) in the form of Information Memoranda (IMs) may create new legal requirements that are automatically binding on CAAs. **True or False**

- OCS IM 82 provides guidance to tripartite boards regarding:
  - Composition requirements
  - Role and responsibilities
State CSBG Act and Regulations

- CAAs must maintain compliance with state CSBG statutes and regulations, if they exist. **True** or **False**
- May contain board requirements
  - Example, terms and/or term limits
- CSBG Organizational Standards
  - Standards from OCS IM #138
  - Utah assesses compliance every fiscal year
  - Application tailored to a public CAA to account for its unique structure

A Few Brief Points About How a Board of Directors Operates
Board Operations Scenario One

Tonya is new to the tripartite board and really excited to start making a contribution. She previously served on nonprofit boards but never on a board for a government agency – she didn’t even know they existed!

She is confused by why the board is always voting to make recommendations to the city council, but not voting to take actions itself. She is wondering if the board is operating properly.

Any advice for Tonya?

Operation Framework

- Local governing officials establish authority of tripartite board
- Delegation of authority established by:
  - Ordinances
  - Bylaws
  - Delegation of Authority Agreement
Operation Framework

- **REMEMBER:** For the public CAA to receive CSBG funding:
  - The tripartite board must **“participate actively”** in the development, planning, implementation and evaluation of the CSBG program.

  *42 U.S.C. § 9910(b)(1)(C)*

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Board Committees Exercise

A. It is a best practice for most board decisions to be made in a committee and reported to full board. **True or False**

B. Boards may use both standing and ad hoc committees. **True or False**

C. Committees that solely make recommendations do not need to take minutes or record meetings. **True or False**
Role of Tripartite Board

Duty of Care

- Generally, not a requirement but serves as an informative guide
  - Check local laws
- Diligent
  - Acting with the care of a prudent person in similar circumstances
  - Asking hard questions
  - Reading materials
  - Deliberating the decision
Role of Tripartite Board Scenario

The board is considering whether to begin an afterschool college prep program. Its board chair asks board members, Larry, Marsha, and Devon to review the staff's preliminary research and make a recommendation to the full board on the program's potential impact and financial viability.

As a committee, they examine proposed budgets, a needs assessment, staffing and training requirements, and survey data from CAAs with similar programs. They question staff and then prepare a 10-page report for the full board, recommending the program. At its next meeting, following a 90-minute discussion, the board unanimously votes to fund the program.

Unfortunately, after a year, the program is much more expensive than the initial projections and youth participation lower than expected. The board has no choice; it must end the program.

Duty of Care Scenario

- Did the board fulfill its duty of care? Why or why not?
  - Board committee tasks
    - Review mission
    - Review needs assessment
    - Examine proposed budgets
    - Assess staffing and training requirements
    - Collect data from others with similar programs
    - Question staff
    - Prepare report for the full board, with a recommendation
  - Full board:
    - Engage in discussion prior to vote
Duty of Loyalty

- Generally, not a requirement but serves as an informative guide
  - Check local laws
  - Local government may require conflict of interest policies
- Faithful to CAA
  - Act in good faith and in the best interests of CAA
  - Disclose and avoid conflicts of interest
  - Not engage in self-dealing

Duty of Loyalty Scenarios

- Do any of these board members have actual or perceived conflicts of interest? Why or why not?
  A. An elected public official board member votes to support only programs that benefit the constituents he represents, which make up 1/3 of the CAA's service area.
  B. A private sector board member’s neighbor is a real estate agent and has offered to help the CAA find a building for its direct services for a reduced fee.
  C. A low-income representative sits on the board of another social service provider that sometimes competes for the same grants the CAA is seeking.
Duty of Loyalty

- **Conflicts of interest policy**
  - Protects CAA

- **Applicable requirements**
  - Funding source requirements
    - Examples: CSBG Organizational Standard 5.6, Head Start Act prohibited financial conflict of interest, Office of Management and Budget (OMB) Uniform Guidance

Who Does What Around Here?

**Fill in the Action**

<table>
<thead>
<tr>
<th>Role</th>
<th>Board of Directors</th>
<th>Executive Director</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Policy</strong></td>
<td>Establishes</td>
<td>Executes</td>
</tr>
<tr>
<td>Action: establish, execute</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Mission</strong></td>
<td>Sets, Reviews, Updates</td>
<td>Accomplishes</td>
</tr>
<tr>
<td>Action: set, accomplish, review, update</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Performance</strong></td>
<td>Sets targets, evaluates, updates, executes, accountable for</td>
<td>Executes, Accountable for</td>
</tr>
<tr>
<td>Action: sets targets, evaluates, updates, executes, accountable for</td>
<td></td>
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</tr>
<tr>
<td><strong>Employees</strong></td>
<td>Supervise executive director</td>
<td>Supervise staff</td>
</tr>
<tr>
<td>Action: supervise executive director, supervise staff</td>
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Key Responsibilities of the Tripartite Board

Key Board Responsibilities

- Mission
- Planning
- Engagement
- Maintain and Grow Funds
- Performance
- Accountability
Public CAA Case Study: Power of a Tripartite Board

Key Board Responsibility

Mission
Know Your Mission Exercise

1. Write down your organization's mission
   - If you don’t know it exactly, write down the gist

2. Briefly describe 3 ways in which your board works with your organization's mission
   - For example, we discuss it in relation to new proposals or recite it at every meeting

3. Think about 1 way in which your board could better incorporate the CAA's mission in its board meetings and activities

Why Mission Matters

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

- Why do you think mission matters?
CSBG Organizational Standards

Mission

CSBG Org. Standard 4.1:
- Tripartite board/advisory body has reviewed the department's mission statement within the past 5 years and assured that: (1) the mission addresses poverty; and (2) the CSBG programs and services are in alignment with the mission.

CSBG Org. Standard 3.1:
- Department has conducted a community assessment and issued a report within the past 3 years.

CSBG Org. Standard 3.5:
- Tripartite board/advisory body formally accepts the completed community assessment.

Key Board Responsibility

Planning
Planning Exercise

- Name at least one of each of the following in relation to your CAA:
  - Strength
  - Weakness
  - Opportunity
  - Threat

Planning Under CSBG

Community Action Plan
3-Year Review
(Community needs assessment/CSBG-specific)

Strategic Plan
5-Year Review
(Organization-wide)
Development of Strategic Plan


• Department has a strategic plan in place that has been reviewed and accepted by the tripartite board/advisory body within the past 5 years.

CSBG Org. Standard 6.1:
  • Department has a strategic plan in place that has been reviewed and accepted by the tripartite board/advisory body within the past 5 years.

CSBG Org. Standard 3.1:
  • The department conducted a community assessment and issued a report within the past 3 years.

CSBG Org. Standard 3.5:
  • The tripartite board/advisory body formally accepts the completed community assessment.
Engage in Planning

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

Strategic Agendas

- Strike a balance between “routine” agenda items (e.g., contract approvals etc.) and strategy discussions
- How will agenda items and information provided to board members help tripartite board:
  - Connect with the CAA’s mission?
  - Enhance board functioning?
  - Provide oversight?
  - Identify and make decisions on key issues?
Consent Agendas

- Used for routine, procedural, informational, and self-explanatory non-controversial items
- Helps streamline meetings
- If using, be sure to educate board members on:
  - Purpose, i.e., not used to force through decisions
  - Process, i.e., allows for removal of item upon request

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Traditional Board Agenda
1. Welcome and approve minutes of last meeting
2. Executive Director's Report
   - Verbal report on web site redesign update
3. Finance Committee Report
   - Circulation of quarterly financial statements
   - Treasurer or Finance Committee Chair points out any significant variances between budget and actual, which are briefly discussed
4. Nominating Committee Report
   - Update on new candidates and elected officers
5. Program Committee Report
   - Chair of Program Committee asks staff to provide a 10-minute verbal report on various programs that are being implemented to increase the community awareness of the agency's programs and services
6. Fundraising Committee Report
   - Update on plans for gala and reminder to purchase tickets
7. New Business?
8. Adjourn
   - Meeting lasts two hours

Strategic Agenda
1. Welcome and Opening Thoughts
   - Different board members offer opening thoughts each meeting
2. Consent Agenda
   - Approval of minutes of last meeting and acceptance of items placed on consent agenda (previously circulated written report from ED on web site redesign, board of revenueexpires from Finance Committee, ACTION, change of executive authority in bank forms, Accept reports on board member prospects from Board Development Committee and from Fundraising Committee
3. Discussion of Strategic Initiative 
   - Expand Community Awareness
   - Full board discussion facilitated by board chair: are goals being met? What are board members hearing from the community? What are the barriers? What other avenues could be used to enhance awareness? Consider a communications task force to recommend how web site, annual report, and partnerships with other agencies can expand awareness.
4. What's keeping you up at night? (See this brainstorming session to develop future board agenda)
5. Adjourn
   - Meeting lasts one hour
   - Outcome: not discussion on a strategic priority for the organization

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National Council of Nonprofits
National Voice. State Focus. Local Impact.
Jack, a recently retired school superintendent, joined the CAA board 10 years ago and continually gets re-elected to the private sector. He assumes he is on the board because the CAA operates a Head Start program. He is tired of attending community gatherings and interacting regularly with others – he did it for over 30 years with his school job. He likes his fellow board members and makes a real effort to attend board meetings focused on early education matters, but doesn’t worry if he can’t make other meetings.

Is Jack an engaged board member? Why or why not?
Internal and External Responsibilities

With Board/Organization

With Stakeholders/Community

Engagement

Board Selection Procedure

1. Use board committee
2. Recruit smartly & strategically
3. Require applications
4. Follow selection procedures
Recruitment Matrices
Board Source & CAPLAW

https://boardsource.org/board-recruitment-matrix/

http://www.caplaw.org/resources/SelfAssessmentDocuments/CAPLAW_BoardComposition%20Matrix_April2012.xls
CSBG Organizational Standards
Board Orientation and Training

CSBG Org. Standard 5.7
• Department has a process to provide a structured orientation for tripartite board/advisory body members within 6 months of being seated.

CSBG Org. Standard 5.8
• Tripartite board/advisor body members have been provided with training on their duties and responsibilities within the past 2 years.

Training & Orientation Exercise
What Would You Do?

- List the five most pressing topics for a board member orientation.
- List the five topics that you think are essential to be covered in board trainings.
- List three methods for providing training to the board.
Key Board Responsibility

Maintain and Grow Funding

Two Main Ways CAAs Generate Funds

Proposals*

- Writing grants
- Preparing bid proposals

Fundraising*

- Soliciting gifts
- Putting on special events
- Capital campaigns

*Executive director/dept. head and staff

*Board, executive director/dept. head and county counsel
Key Board Responsibility

Strategic & Programmatic Performance
Program Performance Exercise

- List 3 reasons why a tripartite board should have a framework in place for reviewing the performance of the CAA’s programs.

1. Community Services Block Grant organizational standards require it.
2. ALL funders expect organizations to demonstrate how programs and services are making an impact.
3. It is the best way for the organization to know what’s working and what’s not.

Regular Strategic and Programmatic Reviews

<table>
<thead>
<tr>
<th>5-Year Review (Strategic)</th>
<th>Annual Review (Milestone / Programmatic/ Strategic)</th>
<th>Review at Every Board Meeting (Milestone / Programmatic)</th>
</tr>
</thead>
</table>
**CSBG Organizational Standards**

**Strategic and Program Performance**

**CSBG Org. Standard 6.1**
- Department has a strategic plan in place that has been reviewed and accepted by the tripartite board within the past 5 years.

**CSBG Org. Standard 6.5**
- Tripartite board/advisory body has received update(s) on progress meeting the goals of the strategic plan within the past 12 months.

**CSBG Org. Standard 5.9**
- Department's tripartite board/advisory body receives programmatic reports at each regular meeting.

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**Key Board Responsibility**

**Accountability**
Financial Oversight Quiz

1. Because a public CAA is often a division or department of the local government, the tripartite board has no real influence over the CAA’s budget. True or False

2. The tripartite board should work closely with local governing officials to ensure it receives the financial reports for the programs it oversees as permitted by local government procedures. True or False

Oversee Financial Standing

1. Receive financial reports at regular meetings
2. Provide input on annual budget
3. Develop dashboards
4. Receive notification of audit and any CSBG findings
CSBG Organizational Standards

Financial Oversight

CSBG Org. Standard 8.7
• The tripartite board/advisory body receives financial reports at each regular meeting, for those programs the body advises, as allowed by local government procedure.

CSBG Org. Standard 8.9
• The tripartite board/advisory body has input as allowed by local governmental procedure into the CSBG budget process.

Developing a Culture of Compliance

10 ACTION STEPS TO COMPLIANCE AND ETHICAL STANDARDS

Exemplary Legal Practices and Policies Guidebook, Part I: Do the Right Thing: How to Cultivate a Culture of Compliance and High Ethical Standards
http://caplaw.org/resources/PublicationDocuments/DotheRightThing.html
Questions?