



COMMUNITY ACTION AGENCY BOARDS OF DIRECTORS AND THE CSBG ORGANIZATIONAL STANDARDS

Presented by
Terry Bearden
ROMA Coordinator / NCRT Master Trainer
Arkansas Community Action Agencies Association, Inc.

Community Action Boards

- The Boards of Directors plays a unique and important role in the life of a Community Action Agency.
- While executives retire, staff members come and go, 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.

Maximum Feasible Participation

- Through its tri-partite structure – which requires the involvement of those representing those we serve, elected officials, and the private sector – our unique, yet challenging, board structure allows Community Action to be made up of diverse, engaged, local community members at agencies across the nation.

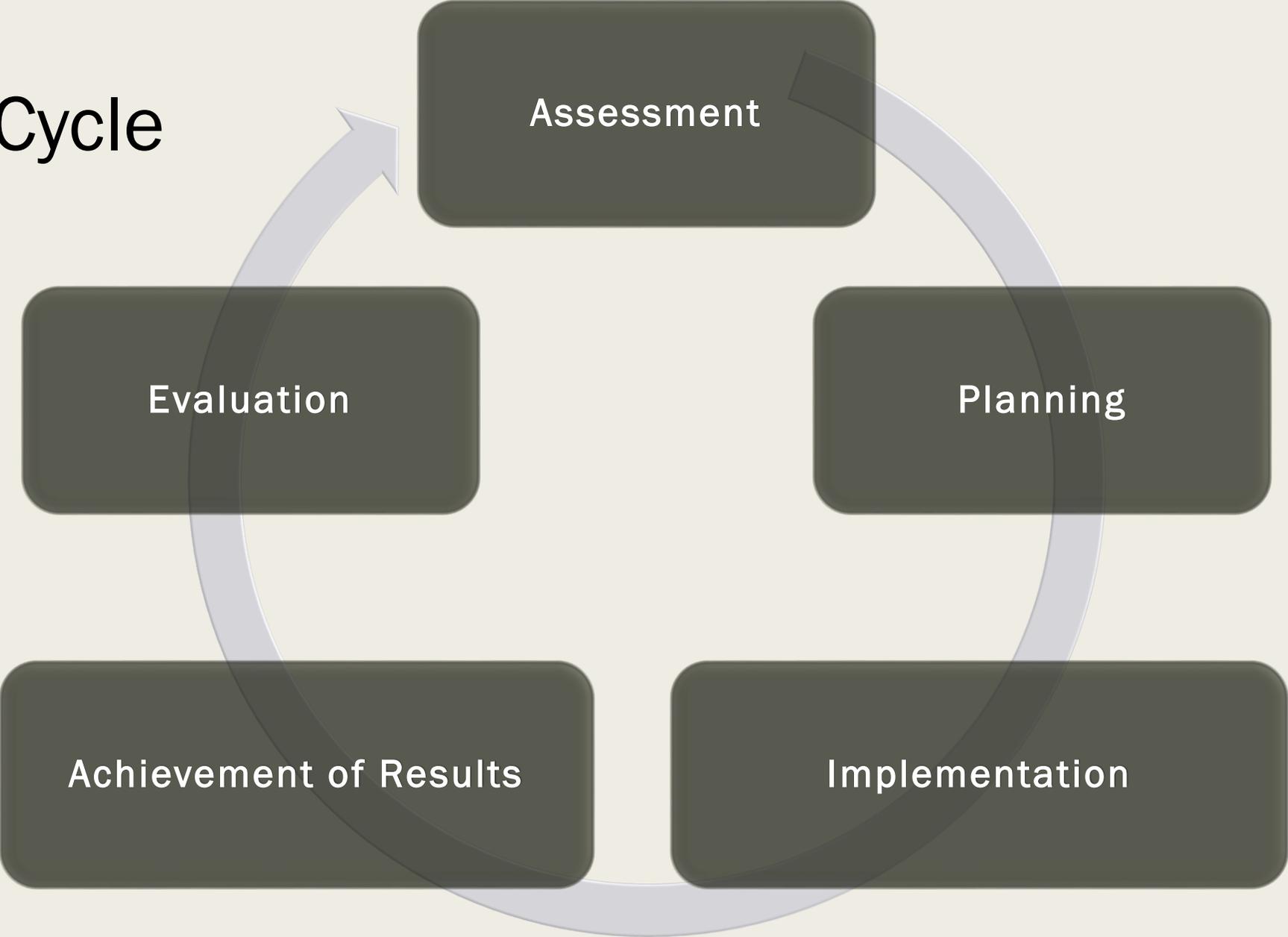
Increased Responsibilities

- The role and responsibilities of nonprofit board members have grown in the past decade.
- Today, board members shoulder significant responsibility for the oversight of finance, executive leadership, human resources, and planning.

CSBG Requirements

- In addition, the CSBG Act states that boards must fully participate in the development, planning, implementation, and evaluation of programs supported by CSBG.
- The board must also ensure that the ROMA Cycle is used to guide the agency in these efforts.
- Community Action Agency boards must find ways to fulfill their responsibilities while maintaining their governance role and not becoming involved in operational activities.

The ROMA Cycle



Organizational Standards

- 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*
 - *Operations and Accountability*
- Included are areas such as leadership, governance, financial management, human resources, strategic planning, customer input, community engagement, community assessment, and data and analysis.

What does this mean for Board Members?

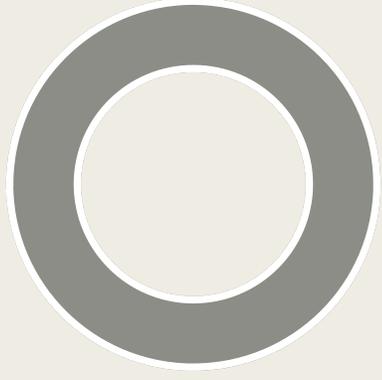
- Your Duties of Care, Loyalty, and Obedience remain unchanged. Your current legal requirements to be informed, conduct your duties in a prudent manner, ensure the agency is meeting legal compliance, and work as a body remain intact.
- Board meetings may include additional action items for approval, acceptance, or review.
- Strategic Planning will be an element of work the board carries out.
- ED/CEO evaluation and compensation setting will be annual activities.

What does this mean for Board Members?

- Financial and programmatic reporting may become more frequent and the Board will be asked to approve an annual agency-wide budget.
- Customer Satisfaction Data will be collected and reported so the board can use this information in its deliberations and planning.
- Additional policies may be created which the board will need to review and approve.
- Legal review of bylaws and personnel policies will need to occur periodically.
- Training and Orientation of board members will be conducted with an expectation that all Board Members are active participants.

What does this NOT mean for Board Members?

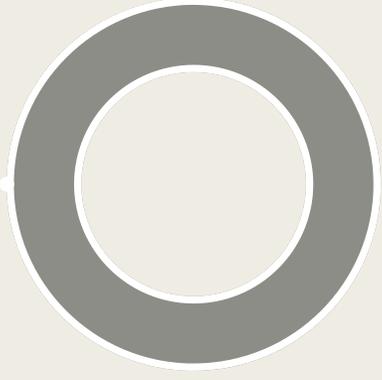
- Your role on the board has not changed. You maintain the same legal responsibilities.
- You do not need to be onsite to observe the agency's procedures to ensure that all the Standards are met. You need to maintain your governance role and leave responsibility for operations to your Chief Executive.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



Who?



What?



When?

Calendar of Required Actions

- Helps with internal planning & tracks what actions must be taken and when.
- Covers 58 organizational standards that require Board review, approval, or other action.
- The standards fall into one of seven categories:
 - *Maintained*
 - *More Frequent Than Annual/As Needed*
 - *Annually*
 - *Every 2 years*
 - *Every 3 years*
 - *Every 5 years*
 - *Related Standards*

Calendar of Required Actions

- Many Standards have a time frame in the text of the Standard. For example:
 - *5.6 - Each governing board member has signed a conflict of interest policy within the past 2 years.*
- Some Standards, however, do not state an exact time frame but refer to something that does happen on a routine basis such as:
 - *8.4 - The governing board formally receives and accepts the audit.*
 - In this case the audit happens annually so the board receiving and accepting the audit would happen in conjunction with that process and is thus put into the same “Annually” category.

Maintain

- 1.3 The organization has a systematic approach for collecting, analyzing, and reporting customer satisfaction data to the governing board.
- 4.5 The organization has a written succession plan in place for the CEO/ED, approved by the governing board, which contains procedures for covering an emergency/unplanned, short-term absence of 3 months or less, as well as outlines the process for filling a permanent vacancy.

Maintain

- 5.1 The organization's governing board is structured in compliance with the CSBG Act: 1. At least one third democratically-selected representatives of the low-income community; 2. One-third local elected officials (or their representatives); and 3. The remaining membership from major groups and interests in the community.
- 5.2 The organization's governing board has written procedures that document a democratic selection process for low-income board members adequate to assure that they are representative of the low-income community.
- 7.7 The organization has a whistleblower policy that has been approved by the governing board.

As Needed/More Frequent than Annually

- 5.5 The organization's governing board meets in accordance with the frequency and quorum requirements and fills board vacancies as set out in its bylaws.
- 5.7 The organization has a process to provide a structured orientation for governing board members within 6 months of being seated.
- 5.9 The organization's governing board receives programmatic reports at each regular board meeting.
- 8.7 The governing board receives financial reports at each regular meeting that include the following: 1. Organization-wide report on revenue and expenditures that compares budget to actual, categorized by program; and 2. Balance sheet/statement of financial position.

Annually

- 4.4 The governing board receives an annual update on the success of specific strategies included in the Community Action plan.
- 6.5 The governing board has received an update(s) on progress meeting the goals of the strategic plan within the past 12 months.
- 7.4 The governing board conducts a performance appraisal of the CEO/executive director within each calendar year.
- 7.5 The governing board reviews and approves CEO/executive director compensation within every calendar year.

Annually

- 8.2 All findings from the prior year's annual audit have been assessed by the organization and addressed where the governing board has deemed it appropriate.
- 8.3 The organization's auditor presents the audit to the governing board.
- 8.4 The governing board formally receives and accepts the audit.
- 8.6 The IRS Form 990 is completed annually and made available to the governing board for review.
- 8.9 The governing board annually approves an organization-wide budget.
- 9.3 The organization has presented to the governing board for review or action, at least within the past 12 months, an analysis of the agency's outcomes and any operational or strategic program adjustments and improvements identified as necessary.

Every 2 Years

- 4.6 An organization-wide, comprehensive risk assessment has been completed within the past 2 years and reported to the governing board.
- 5.4 The organization documents that each governing board member has received a copy of the bylaws within the past 2 years.
- 5.6 Each governing board member has signed a conflict of interest policy within the past 2 years.
- 5.8 Governing board members have been provided with training on their duties and responsibilities within the past 2 years.
- 8.10 The fiscal policies have been reviewed by staff within the past 2 years, updated as necessary, with changes approved by the governing board.

Every 3 Years

- 3.5 The governing board formally accepts the completed community assessment.

Every 5 Years

- 4.1 The governing board has reviewed the organization's mission statement within the past 5 years and assured that:1. The mission addresses poverty; and 2. The organization's programs and services are in alignment with the mission.
- 6.1 The organization has an agency-wide strategic plan in place that has been approved by the governing board within the past 5 years.
- 7.1 The organization has written personnel policies that have been reviewed by an attorney and approved by the governing board within the past 5 years.
- 8.11 A written procurement policy is in place and has been reviewed by the governing board within the past 5 years.

Related Standards

- These are standards that do not specifically call on the governing board in the standard itself to perform an action, but are part of a larger organizational process that involves the governing board (such as the required elements in an approved strategic plan or community assessment).

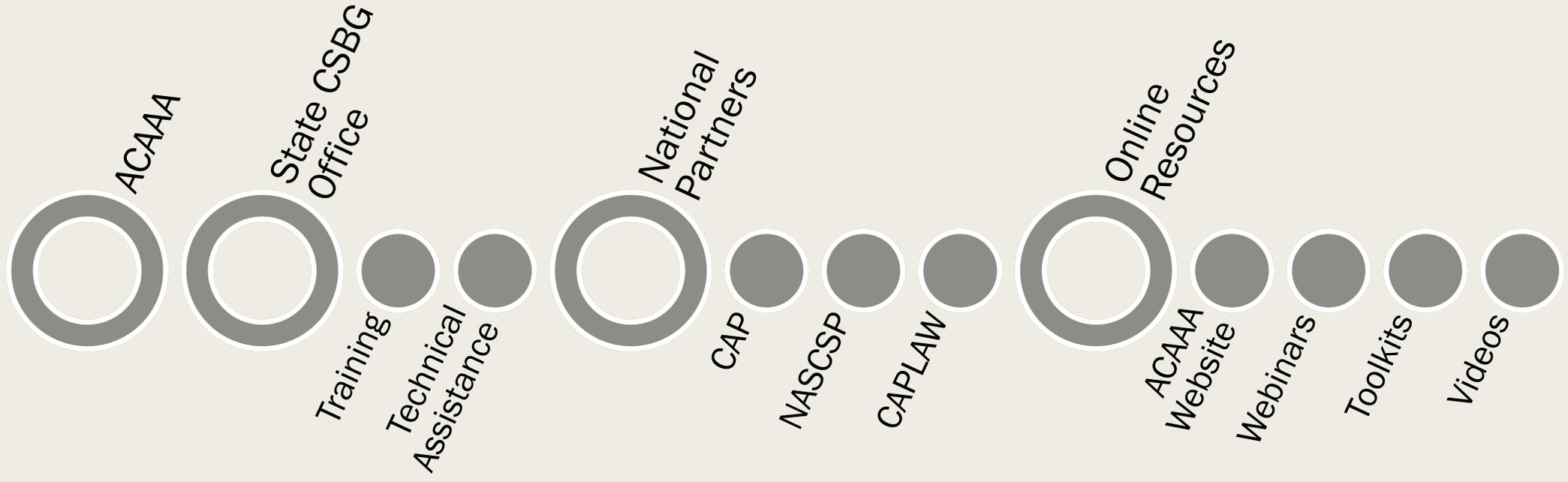
Related Standards

- 3.1 The organization conducted a community assessment and issued a report within the past 3 years.
- 3.2 As part of the community assessment, the organization collects and includes current data specific to poverty and its prevalence related to gender, age, and race/ethnicity for their service area(s).
- 3.3 The organization collects and analyzes both qualitative and quantitative data on its geographic service area(s) in the community assessment.
- 3.4 The community assessment includes key findings on the causes and conditions of poverty and the needs of the communities assessed.
- 4.2 The organization's Community Action plan is outcome-based, anti-poverty focused, and ties directly to the community assessment.

Related Standards

- 4.3 The organization's Community Action plan and strategic plan document the continuous use of the full Results Oriented Management and Accountability (ROMA) cycle or comparable system (assessment, planning, implementation, achievement of results, and evaluation). In addition, the organization documents having used the services of a ROMA-certified trainer (or equivalent) to assist in implementation.
- 5.3 The organization's bylaws have been reviewed by an attorney within the past 5 years.
- 6.2 The approved strategic plan addresses reduction of poverty, revitalization of low-income communities, and/or empowerment of people with low incomes to become more self-sufficient.
- 6.3 The approved strategic plan contains family, agency, and/or community goals.
- 6.4 Customer satisfaction data and customer input, collected as part of the community assessment, is included in the strategic planning process.

How?



www.communityactionpartnership.com

COE-developed CSBG Organizational Standards -
What Do Boards Need To Know?

https://www.youtube.com/playlist?list=PLMVDY93WCekqzYtF_TUostM98dBD1il3T

Questions?

