

Governance Fundamentals for Association Leaders

Rachel Miller-Bleich, MA, CP, CAE
Hillari I. Wennerstrom, CAE

Disclosures

Rachel Miller-Bleich: No relevant relationships with ineligible companies to disclose within the past 24 months.

Hillari Wennerstrom: No relevant relationships with ineligible companies to disclose within the past 24 months.

Introductions



Rachel Miller-Bleich, MA, CP, CAE
Director, BOD & Governance
Interim VP, Governance

- 19+ years of management experience in various association and nonprofit settings. 13 years dedicated to managing governance
- Certified parliamentarian, trained facilitator and experienced consultant.
- Proud member and active volunteer for the American Institute of Parliamentarians.
- Mom to new kindergartener and three fur babies (two cats & one Toy Australian Shepherd)
- Quilter, singer, self-taught ukulele player



Hillari Wennerstrom, CAE
Director, Constituent Organizations

- 19+ year of association management experience across various industries including medical, legal, financial services, government and education.
- Elected Public Official for 15 years - 9 years as a member of the school committee and 6 years as a town council member.
- Proud mother to Jacob (23) & Catherine (20) and 2 crazy Boston Terriers – Berkeley and Lenox.
- Avid reader, lover of adventures, and wine enthusiast.

Opening Questions

Pollev.com/aapagovernance369



Agenda

- Provide a high-level overview of association governance
- Review the hierarchy of governing documents
- Discuss role and basic responsibilities of a board of directors
- Distinguish responsibilities of board vs. CEO vs. volunteer leaders
- Review optimal practices in meetings, bylaws development and oversight
- Present resources available to COs to support good governance

What is Governance?

Defined as ... “systems and processes concerned with ensuring the overall direction, control and accountability of an organization”

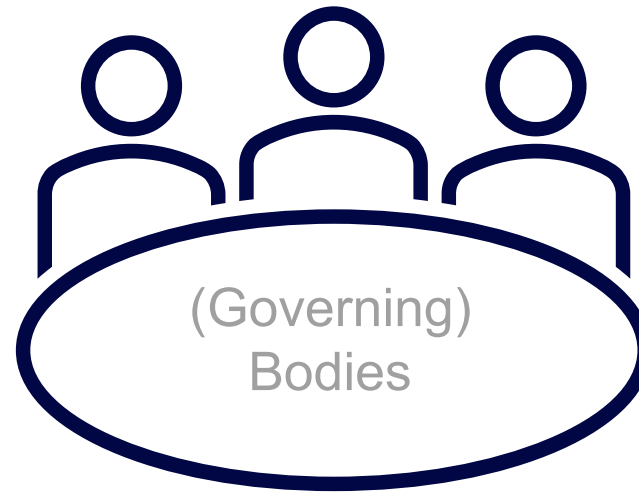
- Cornforth, 2004

Governance is made up of...

(Governing)
Documents



(The Rules)



(People in Charge)



(Governing)
Processes



(The System)

Hierarchy of Governing Documents

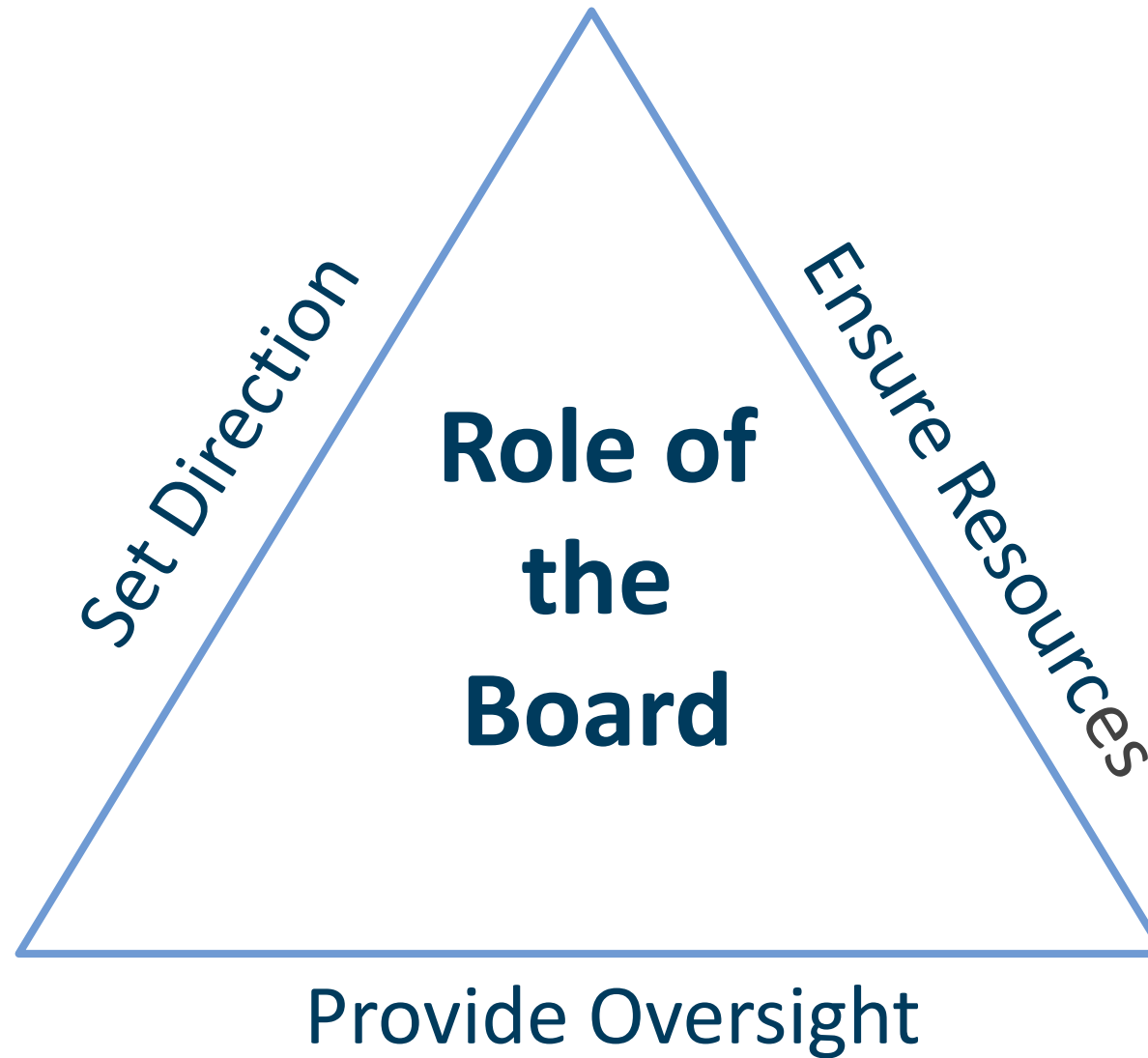
- Corporate Statute & Other Applicable Laws
 - Updating Corporate Officers as required.
- Articles of Incorporation
- Bylaws
- Standing or Special Rules/Organizational Policies
- Parliamentary Authority
- Operating Procedures



The Board's Authority

- Authority established in Governing Documents
- Responsible for “managing the affairs” of the organization
- Board acts as a single body
- Individual members have no inherent authority
- Officers and other board positions defined and delegated duties in Bylaws and/or board policy

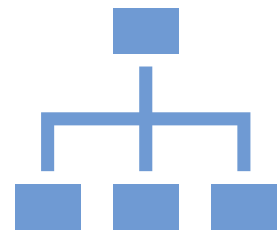




Based on BoardSource: The Handbook of Nonprofit Governance, Chapter 3 (2010) Jossey Bass

© American Academy of PAs. All rights reserved. These materials may not be duplicated without the express written permission of AAPA.

Board Roles & Responsibilities



Fiduciary Duties

- Ensure Resources
- Protect the Organization
- Oversee Management (via the CEO)



Strategic Duties

- Support Mission, Vision & Values
- Set Strategic Direction
- Ensure long term stability and relevance

Board vs. Board Member Responsibilities



Boards

Govern
Strategize
Oversee
Act



Board Members

Participate
Deliberate
Contribute
Represent

Remember Your Fiduciary Duties

Duty of Care

- Be informed prior to making business decisions
- Act with the diligence, care and skill of an ordinarily prudent person.

Duty of Loyalty

- Always act in the best interest of the organization not one's own personal interest or the interest of any other individual or entity.

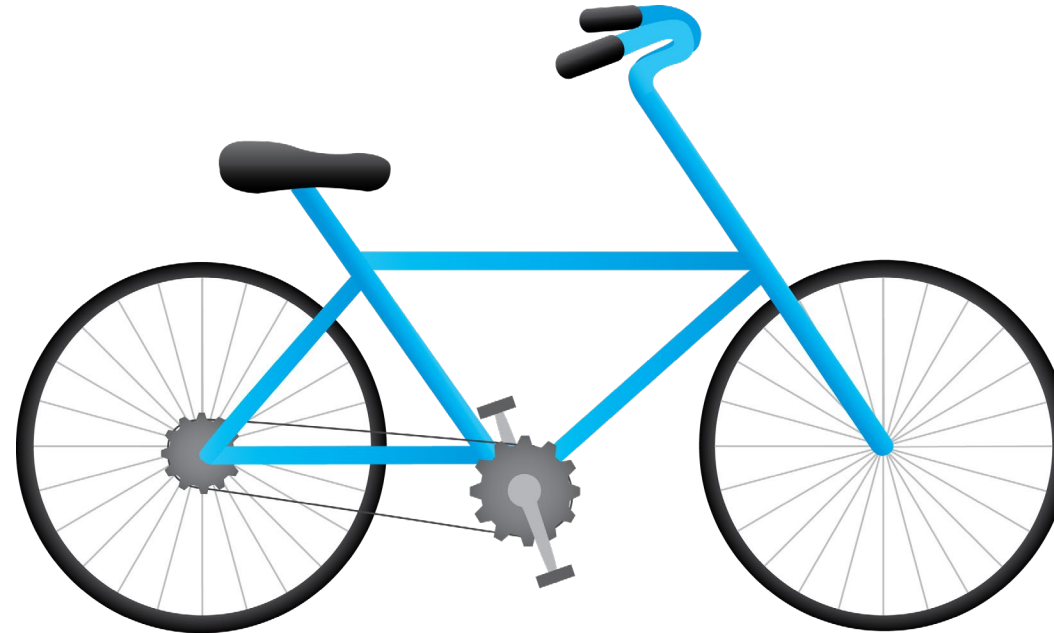
Duty of Obedience

- Ensure the mission is upheld and perpetuated
- Make sure activities are reasonably focused on the mission; AND
- Comply with all documents governing the organization and its operations (i.e. articles of incorporation, bylaws, and policies, etc.)

Board & Volunteer Leaders vs. Staff Responsibilities

Role of the CEO (Pedal)

- Execute Mission & Strategy
- Implement Policies
- Report Outcomes



Role of the Board (Steer)

- Set Strategic Direction
- Ensure and Protect Resources
- Provide Oversight

Role of Volunteer Leaders / Committee Chairs (tires)

- Assist the Board/CEO as directed (advisory/specific task)

Board Members / Volunteer Leaders are Ambassadors

- Tap your networks to spark new opportunities
- Share organization's mission, strategic plan and outreach efforts
- Represent the organization with integrity



Officer Roles

Understand what is required per statute and articles – each organization maybe slightly different.
Specific responsibilities enumerated in bylaws and the duties assigned to the positions.

Sample Responsibilities

- **President** – responsible for leading the board and facilitating meetings
- **Vice President** – acts as the board chair's understudy and second in command
- **Secretary** – responsible for official communications with board members and recording meetings
- **Treasurer** – oversees all matters related to the organization's finances, property, and budget

Optimal Practices - Meetings

- Every good meeting needs...
 - ✓ Chair and Secretary
 - ✓ Proper Notice
 - ✓ Agenda (or Order of Business)
 - ✓ Written Materials (reports, action items etc.)
 - ✓ Quorum
 - ✓ Adequate time (for discussion and decisions)
 - ✓ Rules of Order
 - ✓ Minutes
 - ✓ Follow-up Actions



Optimal Practices – Bylaws & Policies



- Good bylaws are:
 - ✓ Consistent with Articles and Corporate Statute
 - ✓ Carefully crafted with help from legal counsel
 - ✓ Reflective of the organization's purpose and structure
 - ✓ Reviewed regularly by a designated committee
 - ✓ Amended in accordance with applicable rules
 - ✓ Subject to interpretation
 - ✓ NOT a suicide pact
- Good policies provide both rules and guiding principles to inform procedures.

Optimal Practices – Oversight

- Good oversight looks like:
 - ✓ Annually adopting and monitoring a budget
 - ✓ Ensuring proper financial controls are in place
 - ✓ Ensuring legal obligations are fulfilled (i.e. contracts, disclosures, annual filings)
 - ✓ Monitoring programs to ensure relevance to mission and strategic plan
 - ✓ Promoting transparency (i.e. to public, members, etc.)
 - ✓ Assessing and mitigating risk



This Photo by Unknown Author is licensed under CC BY

Optimal Practices – Leadership Development



- Leaders are developed by:
 - ✓ Identifying who is engaged (i.e. committees, advocacy, etc.)
 - ✓ Providing micro-volunteer opportunities
 - ✓ Engaging a nominating committee
 - ✓ Holding open board meetings
 - ✓ Developing clear job descriptions
 - ✓ Onboarding and orienting new board members

AAPA Resources for Constituent Organizations

- **AAPA Website** – Information for Constituent Organization Resources
- **Huddle** – Specific area for CO Leadership
- **COConnections** – monthly email for CO Leaders
- **AAPA Staff:** dedicated staff to assist with State Advocacy & Constituent Organizations

Additional Resources – Boards/Nonprofit Management

- **BoardSource:** Recognized leader in nonprofit board leadership research, leadership, and support. We provide leaders with an extensive range of tools, resources, and research data to increase board effectiveness and strengthen organizational impact, and serve as the national voice for inspired and effective board leadership. BoardSource is a 501(c)(3) organization.
- **ASAE:** The essential organization for association management, representing both organizations and individual association professionals.

**LEADERSHIP
AND
ADVOCACY
SUMMIT**
LEAD. ENGAGE. INSPIRE.

Closing Information

We are here to help!