

Boys & Girls Clubs of America Board Volunteer Training



Participant's Guide

Topic 1: Roles and Responsibilities of Boys & Girls Club Governing Boards

Version 1

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Welcome & Introductions

In this section, we will set the scene and discuss the roles and responsibilities of Boys & Girls Club governing boards (also sometimes called the “corporate board”).

Topic Objectives

By the end of this topic, you will be able to:

- Describe the role of the board and the role of individual board members;
- Design a board member job description;
- Discuss various principles of exceptional governance; and
- Summarize key board relationships in the Movement.

Lesson Titles

Within this topic we will cover the following lessons:

- Board Roles and Responsibilities
- Principles of Exceptional Governance
- Governance and the BGCA Movement

LESSON 1: BOARD ROLES AND RESPONSIBILITIES

BE GREAT

Let's begin by learning learn more about the roles and responsibilities of board members.

Governance

“Governance” comes from the Greek word “kebernon,” to steer. Governance means to steer, to control, and to influence from a position of authority or, said slightly differently, to ensure the legitimate distribution of authority throughout the organization.

Now, let's explore more about the specific roles of a nonprofit governing board of directors.

Overview: Roles and Responsibilities

There are **two components** to board roles and responsibilities: the board has duties as a whole and individual board members have responsibilities as individuals.

As a whole, all nonprofit governing boards (including Boys & Girls Club governing boards) are responsible for governance (steering from a position of authority).

The board as a whole:

- Establishes identity and strategic direction
- Ensures resources
- Provides oversight

As individuals, each board member must participate, be informed, promote the Club, and safeguard ethics and values. Board members also have legal obligations.

Board Role 1: Establish Identity and Strategic Direction

The first role of the governing board is to establish identity and strategic direction. The board must:

- Establish identity which consists of
 - the mission, and
 - the values by which the Club intends to operate
- Establish strategic direction, including:
 - Vision for the future
 - Major goals and strategies
- Ensure that operational policies and plans support the goals and strategies in the strategic plan

Board Role 2: Ensure Resources

It's important to distinguish mission from vision. The Mission identifies what business the organization is in, who it serves, and why it exists. The Vision describes the organization's impact in the future and refers to what the organization itself will be like at some point in the future. The vision is aspirational.

The second role of the governing board is to ensure resources. The board must identify resources needed, including:

- Financial resources [Note: The board and Chief Professional Officer (CPO) work together to secure financial resources]
- Leadership: hire the CPO and identify and recruit board members
- Credibility/good reputation
- Facilities and other physical resources needed for the Club's programs

It is essential to note that without a good reputation, the Club will not gain access to the financial and leadership resources needed. The board must also establish policies for how these resources will be acquired, including the roles to be played by board members (i.e., making a personal donation and active participation in resource development) and staff.

Finally the board must steward relationships with the CPO, staff, BGCA, United Way, social and civic networks, ancillary groups, philanthropic community, and the community. More information on these relationships can be found in the revised BGCA *Board Member Handbook & Orientation Guide*.

Board Role 3: Provide Oversight

The third responsibility of governing boards is to provide oversight. This includes:

- Ensure financial health by
 - Establishing financial policies and
 - Ensuring fiscal accountability
- Monitor progress toward strategic goals and evaluate program effectiveness
- Ensure compliance with laws and ethical standards
- Safeguard and model organizational values
- Provide annual CPO performance review

Individual Board Member Responsibilities

As mentioned before, board members also have responsibilities as individuals. The role of an individual board member is to be a participant in the Club's governance structure. When accepting board membership, you become a part of a group that is vested with the authority to make decisions on behalf of the Club, a group that is also held accountable for the effects of these decisions. This means that you accept certain duties and agree to undertake responsibilities inherent in the position of board member.

In order to participate in establishing identity and strategic direction, ensuring that the organization has the necessary resources, and providing oversight of the Club, INDIVIDUAL BOARD MEMBERS must do a number of things. All of these things will help you BE the type of board member we discussed a few minutes ago.

As individuals, board members must participate, which includes:

- Providing time and talent
- Attending meetings/events
- Serving on committees, carrying out assignments
- Helping raise money

Individual board members must be informed. They must:

- Know the mission, programs, and the Club's financial health
- Prepare for meetings
- Stay current with related issues and organizations
- Ask questions

Individual Board Member Responsibilities (cont'd)

Individual board members must also promote the Club by:

- Spreading the word and acting as an ambassador for the Club
- Identifying potential board members and other volunteers

They must also safeguard ethics and values by

- Following conflict-of-interest and confidentiality policies

- Refraining from asking special favors from staff or getting involved in staff issues. Board members must recognize that only one member of the staff reports to the board: the CPO. He or she is authorized to manage the staff.

Conflict of Interest — Sample Boys & Girls Club Policy

Reason for Statement

XYZ Club, as a nonprofit, tax-exempt organization, depends on charitable contributions from the public. Maintenance of its tax-exempt status is important both for its continued financial stability and for the receipt of contributions and public support. Therefore, the operations of XYZ Club first must fulfill all legal requirements. They also depend on the public trust and thus are subject to scrutiny by and accountability to both governmental authorities and members of the public.

Consequently, there exists between XYZ Club and its board, officers, and management employees a fiduciary duty that carries with it a broad and unbending duty of loyalty and fidelity. The board, officers, and management employees have the responsibility of administering the affairs of XYZ Club honestly and prudently, and of exercising their best care, skill, and judgment for the sole benefit of XYZ Club. Those persons shall exercise the utmost good faith in all transactions involved in their duties, and they shall not use their positions with XYZ Club or knowledge gained there from for their personal benefit. The interests of the Club must have the first priority in all decisions and actions.

Persons Concerned

This statement is directed not only to board members and officers, but to all employees who can influence the actions of XYZ Club. For example, this includes all who make purchasing decisions, all other persons who might be described as “management personnel,” and all who have proprietary information concerning XYZ Club.

Key Areas in Which Conflict May Arise

Conflicts of interest may arise in the relations of directors, officers, and management employees with any of the following third parties:

- Persons and firms supplying goods and services to XYZ Club
- Persons and firms from whom XYZ Club leases property and equipment
- Persons and firms with whom XYZ Club is dealing or planning to deal in connection with the gift, purchase or sale of real estate, securities, or other property
- Competing or affinity organizations
- Donors and others supporting XYZ Club
- Family members, friends, and other employees

Nature of Conflicting Interest

A material conflicting interest may be defined as an interest, direct or indirect, with any persons and firms mentioned in Section [ABC]. Such an interest might arise, for example, through

- owning stock or holding debt or other proprietary interests in any third party dealing with XYZ Club
- holding office, serving on the board, participating in management, or being otherwise employed (or formerly employed) by any third party dealing with XYZ Club
- receiving remuneration for services with respect to individual transactions involving XYZ Club

- o using XYZ Club's time, personnel, equipment, supplies, or good will other than for approved XYZ Club activities, programs, and purposes
- o receiving personal gifts or loans from third parties dealing with XYZ Club. Receipt of any gift is disapproved except gifts of nominal value that could not be refused without discourtesy. No personal gift of money should ever be accepted.

Interpretation of This Statement of Policy

The areas of conflicting interest listed in Section [ABC], and the relations in those areas that may give rise to conflict, as listed in Section [DEF], are not exhaustive. Conceivably, conflicts might arise in other areas or through other relations. It is assumed that the trustees, officers, and management employees will recognize such areas and relation by analogy.

The fact that one of the interests described in Section [DEF] exists does not necessarily mean that a conflict exists; or that the conflict, if it exists, is material enough to be of practical importance; or that the conflict, if material enough, upon full disclosure of all relevant facts and circumstances is necessarily adverse to the interests of XYZ Club.

However, it is the policy of the board that the existence of any of the interests described in Section [DEF] shall be disclosed on a timely basis and always before any transaction is consummated. It shall be the continuing responsibility of board, officers, and management employees to scrutinize their transactions and outside business interests and relationships for potential conflicts and to immediately make such disclosures.

Disclosure Policy and Procedure

Disclosure should be made according to XYZ Club standards. Transactions with related parties may be undertaken only if all of the following are observed:

1. A material transaction is fully disclosed in the audited financial statements of the organization;
2. The related party is excluded from the discussion and approval of such transaction;
3. A competitive bid or comparable valuation exists; and
4. The organization's board has acted upon and demonstrated that the transaction is in the best interest of the organization.

Staff disclosures should be made to the chief professional officer (CPO) (or if he or she is the one with the conflict, then to the designated committee), who shall determine whether a conflict exists and is material, and if the matters are material, bring them to the attention of the designated committee. Disclosure involving directors should be made to the designated committee.

The board shall determine whether a conflict exists and is material, and in the presence of an existing material conflict, whether the contemplated transaction may be authorized as just, fair, and reasonable to XYZ Club. The decision of the board on these matters will rest in its members' sole discretion, and their concern must be the welfare of XYZ Club and the advancement of its purpose.

6. Were you or any of your affiliated persons indebted to pay money to XYZ Club at any time in the past year (other than travel advances or the like)? Yes No

If yes, please describe the indebtedness:

7. In the past year, did you or any of your affiliated persons receive, or were entitled to receive, directly or indirectly, any benefits from, or as a result of your relationship with XYZ Club that in the aggregate could be valued in excess of \$1,000 that were not or will not be compensation directly related to your duties to XYZ Club? Yes No

If yes, please describe the benefit:

8. Are you or any of your affiliated persons a party to or have an interest in any pending legal proceedings involving XYZ Club? Yes No

If yes, please describe the proceeding(s):

9. Are you aware of any other events, transactions, arrangements, or other situations that you believe should be examined by XYZ Club's board or the executive committee in accordance with the terms and intent of XYZ Club's conflict-of-interest policy?
 Yes No

If yes, please describe the situation(s):

I HEREBY CONFIRM that I have read and understand XYZ Club's Conflict-of-Interest Policy and that my responses to the above questions are complete and correct to the best of my knowledge and belief.

Signature

Date

Conflict of Interest — Sample Boys & Girls Club Policy

RESOLVED: That the Board of Governors of Boys & Girls Clubs of Anytown hereby assigns to the Audit Committee the following duties and responsibilities in the area of Conflict of Interest and Ethics:

1. To implement the long-standing policy of Boys & Girls Clubs of Anytown:

That the board members and other employees of the organization any should avoid any situation which does or may involve a conflict between their personal interests and the interests of Boys & Girls Clubs of Anytown; and

That it is in the best interest of Boys & Girls Clubs of Anytown that continuing efforts be made to determine whether any such conflicts of interest do now, or may in the future, exist and, if so, to see that the conflicts are eliminated and/or that the interests of Boys & Girls Clubs of Anytown are properly protected; and

That all board members and other employees of Boys & Girls Clubs of Anytown should be alert and diligent to avoid situations or transactions involving conflicts of interest, and where such conflicts of interest do exist, to report the same to Boys & Girls Clubs of Anytown to the end that the interests of Boys & Girls Clubs of Anytown may be properly protected; and

That such board members and other employees of Boys & Girls Clubs of Anytown should bear in mind that counsel has advised the Board that a "conflict of interest" might exist in any situation in which the individual may be in a position to use his position with Boys & Girls Clubs of Anytown for personal gain to the possible detriment of Boys & Girls Clubs of Anytown, whether or not detriment to Boys & Girls Clubs of Anytown actually results;

2. To cause the Chief Professional Officer of Boys & Girls Clubs of Anytown, at least annually, to transmit to all board members and such other employees as may be designated by the chief volunteer officer, a letter which shall conform in all respects to the intent of this resolution, inquiring whether any such board members, officers or other employees are involved in conflict of interest situations of transactions;

3. To cause all such board members, and other employees promptly to report to the Chief Professional Officer of Boys & Girls Clubs of Anytown any situation presently existing, or which shall in the future exist, which might involve a conflict of interest as above defined; and to cause the Chief Professional Officer of Boys & Girls Clubs of Anytown promptly to transmit all such reports to the Audit Committee which Committee shall review and act upon any such conflict of interest which may be reported to it, and in any case which shall be deemed appropriate by the Committee, report the matter to the Board which will review such report and vote upon the action that should be taken in the absence of any board member who may be implicated in such alleged conflict of interest. **(SAMPLE DISCLOSURE LETTER)**

Conflict of Interest — Sample Disclosure Letter

To the Board of Directors:

The attached copy of a resolution passed by the Board of Directors deals with Boys & Girls Clubs of Anytown's policy on conflicts of interest and ethics. As a matter of practice, we require the statements to be filed annually. Please become familiar with the policy and respond to the statement below. If your response is negative, please separately describe each exception resulting in your negative response.

I have read and understand the Board resolution dealing with the Boys & Girls Clubs of Anytown's policy on conflicts of interest and ethics. To the best of my knowledge and belief:

A. I am in compliance with such policy

Signature

Printed Name

Date

B. I am not in compliance with such policy (explanation attached)

Signature

Printed Name

Date

Please return to: Chief Professional Officer
Boys & Girls Clubs of Anytown
1234 Main Street
Anytown, XY 99999

Confidentiality Policy

For Board Members, Committee Members, and Staff

The following policies apply to members of the XYZ board, its staff, volunteers, and to members of committees authorized by the board. References in the policies to board members are intended also to apply to committee members.

1. **Board and Committee Meetings**: On any vote of the board, both the numbers of affirmative and negative votes and the individual votes of board members, unless specifically requested by a member otherwise, shall be confidential, but the record of individual votes must be kept on file.
2. Board, committee, and staff members shall not disclose to anyone outside of XYZ the statements, positions, or votes by any board or committee member on actions taken by the board or its committees. Only in extraordinary situations will a board or committee member disclose his or her position or vote on a board or committee action, and only after advising the board's chair before making such a disclosure.
3. The general "sense of the board" on a particular matter may be conveyed to an applicant, grantee, vendor, or donor when the sharing of such information is helpful in conveying the board's concerns. However, such information should only be shared with the concerned party. In addition, such information may be shared with a donor or with another grantmaker when the information has been requested and is deemed important in helping the donor or grantmaker arrive at an informed decision on a grant proposal or opportunity.
4. **Executive Sessions**: The minutes of the board meeting shall indicate when the board goes into executive session but shall not normally reflect any of the topics or discussion that occurs in executive session. However, when the board takes an action in executive session that needs to be recorded, the board chair will provide any such text that is to be included in the official minutes of the meeting.
5. **Board and Program Committee Docket**: The docket prepared for the board and staff is confidential and should be treated as an internal document restricted to XYZ use. No portion of the docket may be shared, in written or oral form, with any individual or with any organization outside of XYZ. Exceptions may be made only with the consent of the chief executive.
6. **Personal Information on Staff and Board Members**: The home addresses, telephone numbers, fax numbers, and e-mail addresses of board, committee, and staff members are not to be given to any individual or organization without the express permission of the person to be disclosed.
7. **Information on a Donor's Fund**: All information concerning a donor's fund, other than information published in the annual report, newsletter, or XYZ publication, shall remain confidential unless approved by the donor. This includes information on the size and types of grants, the size of the fund, and other such information.
8. **Information on Donors and Prospects**: All information obtained about donors and prospective donors will remain confidential and not discussed with any individual other than a board or staff member, unless otherwise authorized by the donor or prospective donor.

9. The home addresses, telephone numbers, fax numbers, or e-mail addresses of donors and prospective donors are not to be given to any individual or organization without the express permission of the person to be disclosed.
10. When a donor requests that his or her gift or fund be treated as an anonymous gift or fund, the donor's wishes are to be honored by both board and staff members.
11. All staff members shall adhere to the principle that all donor and prospect information created by, or on behalf of, XYZ is the property of XYZ and shall not be transferred or utilized except on behalf of XYZ.

In signing this statement, I confirm that I have received a copy of the Confidentiality Policy and agree to abide by the guidelines set forth therein.

Please print name: Board Member, Committee Member, Staff Member

Signature: Board Member, Committee Member, Staff Member

Date

Legal Duties

Finally, individual board members have a number of **legal obligations**. These standards are commonly known as the duties of care, loyalty, and obedience.

- The Duty of care means using your best judgment. It doesn't mean you have to be perfect or that you cannot make a mistake, just that you have exercised reasonable caution in making decisions. *How do you do that as a board member?* You ask good questions, attend meetings, participate in discussions, learn about the Club's programs, and read materials. Examples of breaches of the duty of care include:
 - Deciding that the Club should buy a property without having it properly assessed (as it puts Club at risk of a bad investment)
 - Missing meetings
 - Failing to stay informed and to ask questions related to fiduciary oversight or a proposed action
- The Duty of loyalty means putting your personal and professional interests aside for the good of the Club. Having a conflict of interest policy in place would be one way to exercise duty of loyalty. Also, leaving aside personal agendas. An example of a conflict of interest would be if a board member who is part-owner of a business which seeks a contract with the Club.
- The Duty of obedience means being true to the mission. Using funds for the purposes for which the organization was established, not for a completely different purpose. Donors, the community, etc. have a right to expect that the funds given will be used for the stated purpose. It is also important that the board ensure that the Club follows all laws and regulations that may apply to a nonprofit organization, such as payments of any taxes and public disclosure of information. A breach would include knowing that the organization is in violation of regulations and not taking action.

Note: The board of a tax-exempt organization is always accountable to the public trust. It is responsible for ensuring that the organization operates within federal, state, and local laws. For state laws, contact the office of your Secretary of State or Attorney General.

Legal Duties of Board Members

According to nonprofit corporation law, a board member must meet certain standards of conduct and attention to his or her responsibilities to the organization. These are referred to as the Duty of Care, Duty of Loyalty, and Duty of Obedience.

- o **DUTY OF CARE** means using your best judgment. It doesn't mean you have to be perfect or that you cannot make a mistake but that you have exercised reasonable caution in making decisions.

Our board and its members carry out these duties by:

1. _____
2. _____
3. _____

- o **DUTY OF LOYALTY** means putting your personal and professional interests aside for the good of the organization. Having a conflict-of-interest policy in place would be one way to exercise the duty of loyalty.

Our board and its members carry out these duties by:

1. _____
2. _____
3. _____

- o **DUTY OF OBEDIENCE** means being true to the organization's mission. A donor has a right to expect that funds given will be used for the stated purpose. It is also important that the board ensure that the organization is following all laws and regulations that may apply to nonprofits, such as payments of any taxes and public disclosure of information.

Our board and its members carry out these duties by:

1. _____
2. _____
3. _____

Board Member Job Descriptions

One very important thing that Clubs can do to ensure that all members of the governing board understand their roles and responsibilities is to develop a board member job description that is tailored for your unique Club and its board.

In addition to board duties, you can include some of the personal competencies that will help them be successful board members in the job description - including commitment to youth and the Club's mission; ability to listen, analyze, and think strategically; ability to work well with others and demonstrate tolerance of differing points of view; willingness to prepare for and attend all board meetings and all relevant committee meetings; and exhibit honesty and sensitivity.

All prospective board candidates should receive a written copy of the board and board member job descriptions in advance of their board service so that there is absolute clarity and agreement about mutual expectations.

The job description can also be used as a tool for holding board members accountable and can help each of you be the board members that you want to BE.

Sample Board Member Job Description

The job description needs minimally to include expectations regarding board meeting attendance, personal giving, resource development, committee participation, knowing and articulating the mission, participating in strategic planning, avoiding conflicts of interest, and recruiting board members. The job description can be revisited periodically as needed. What is on the screen is only a sample of board member responsibilities.

Sample Boys & Girls Clubs - Governing Board Member Job Description

It is recommended that boards develop a board member job description and clearly communicate it to all board members, including prospective members. A sample board member job description, which translates general board duties into individual board member expectations, is included below.

Job Title: Board Member

Accountability: Board of Directors

General Function: To participate as a member of the board of directors.

Individual Board Member Duties

- o Know and effectively articulate the mission, vision, core values, goals, policies, and program areas of the Club.
- o Shape and uphold the mission and ensure the congruence between decisions and core values.
- o Participate in the strategic planning process and in the development of a plan for the board's work to support the strategic plan.
- o Identify connections to individuals, corporate leaders, foundations, etc. who might provide financial or other support for the Club.
- o Complete the orientation session for new board members.
- o Identify friends and associates who might be prospective board members.
- o Make a personally meaningful financial contribution annually to the Club.
- o Participate in Club resource development activities in a variety of ways (e.g., identifying, cultivating, soliciting, and thanking donors).
- o Participate in board leadership and development activities conducted or sponsored by the local organization, Boys & Girls Clubs of America, and community.
- o Serve as a Club ambassador in the community.
- o Participate in hiring and conducting the annual evaluation of the Club's chief professional officer (CPO).
- o Support and advise the CPO as appropriate.
- o Participate actively in assessing Club performance.
- o Participate in periodic board self-assessment.
- o Accept responsibility for Club financial accountability (e.g., approve and oversee the budget, hire the auditor with the full board, meet with the auditors, etc.).
- o Participate in establishing and enforcing Club policies.
- o Avoid conflicts of interest but disclose them when potential conflicts arise.
- o Chair and/or participate in at least one board committee.
- o Attend board meetings regularly and attend applicable committee meetings on a regular basis. Also, attend all Club events.
- o Review materials in advance of meetings. Participate in meetings actively.
- o Commit time, thought, and effort to the Club.
- o Maintain confidentiality of all board meetings.
- o Perform all other duties that may be necessary to carry out the mission and purpose of the organization.

Key Board Member Competencies and Characteristics

- Has achieved recognition and status within the community.
- Is knowledgeable about the social concerns of the community.
- Has the resources (personal and/or corporate) to apply to the needs of the Boys & Girls Club.
- Is committed to youth and the Club's mission.
- Has the ability to listen, analyze, and think strategically.
- Has the ability to work well with others and demonstrates tolerance of differing points of view.
- Is willing to prepare for and regularly attend board meetings and relevant committee meetings.
- Exhibits honesty and sensitivity.

LESSON 2: PRINCIPLES OF EXCEPTIONAL GOVERNANCE

Being clear about **WHAT** the board is responsible for is not enough.

It is important to note as we talk about roles and responsibilities that being clear about **WHAT** the board is responsible for is not enough. **HOW** the board does its work is a crucial factor in creating an exceptional and productive board. Too often board attention is more focused on operational issues than on the strategic issues that will have an impact on the organization's effectiveness in the future. And too often the board has failed to recruit the mix of people who can serve as an effective leadership group and a strategic resource.

A recent project at BoardSource has identified 12 principles of board operations that lead to exceptional board practice.

Twelve Principles of Governance That Power Exceptional Boards

BoardSource's *The Source: Twelve Principles of Governance That Power Exceptional Boards* identifies 12 principles of exceptional boards that are aspirational in nature.

The Source: 12 Principles of Governance That Power Exceptional Boards

The 12 principles of governance that power exceptional boards enable nonprofit boards to operate at the highest and best use of their collective capacity. These principles offer boards a vision of what is possible and a way to add lasting value to the organizations they lead.

Principle 1: Constructive Partnership. Exceptional boards govern in constructive partnership with the chief executive, recognizing that the effectiveness of the board and chief executive are interdependent. The board is a powerful force supporting the organization, while the chief executive sees the board as a strategic asset.

Principle 2: Mission Driven. Exceptional boards shape and uphold the mission, articulate a compelling vision, and ensure the congruence between decisions and core values. An exceptional board sees creating and upholding the mission not as an exercise to be done once but as statements of crucial importance to be drilled down and folded into deliberations. The mission is integrated into fundraising, meetings, and decision making.

Principle 3: Strategic Thinking. Exceptional boards allocate time to what matters most and continuously engage in strategic thinking to hone the organization's direction. This thinking is not periodic; rather it is part of the ongoing work of the board.

Principle 4: Culture Of Inquiry. Exceptional boards institutionalize a culture of inquiry, mutual respect, and constructive debate that leads to sound and shared decision making. Board members seek more information, question assumptions, and challenge conclusions while drawing upon multiple sources and perspectives.

Principle 5: Independent-Mindedness. Exceptional boards are independent-minded. When making decisions, board members put the interests of the organization above all else. They apply rigorous conflict of interest procedures and avoid undue influence based on loyalty, seniority, position, or reputation.

Principle 6: Ethos Of Transparency. Exceptional boards promote an ethos of transparency by ensuring that donors, stakeholders, and interested members of the public have access to appropriate and accurate information regarding finances, operations, and results. Making available the IRS Form 990, having firmly established donor relation standards, and instituting a whistleblower policy are all examples of needed transparency.

Principle 7: Compliance With Integrity. Exceptional boards promote strong ethical values and disciplined compliance by establishing appropriate mechanisms for active oversight. Some mechanisms available include vigorous oversight, code of ethics, use of independent audits, and review of executive compensation.

Principle 8: Sustaining Resources. Exceptional boards link bold visions and ambitious plans to financial support, expertise, and networks of influence. A budget tied to the strategic plan, a solid infrastructure including focus on human resources, technology, and facilities and active engagement in fundraising contribute to success.

Principle 9: Results-Oriented. Exceptional boards are results-oriented. They measure the organization's advancement towards mission and evaluate the performance of major programs and services. Consideration of the efficiency and impact of programs are considered, including program evaluation and a review of the financial ratios.

Principle 10: Intentional Board Practices. Exceptional boards intentionally structure themselves to fulfill essential governance duties and to support organizational priorities. Evaluation of board size and structure, committees, and task forces and the use of consent agendas are all intentional considerations.

Principle 11: Continuous Learning. Exceptional boards embrace the qualities of a continuous learning organization, evaluating their own performance and assessing the value they add to the organization. This learning is about the organization and industry, includes board orientation and self-assessment, and extends beyond the boardroom.

Principle 12: Revitalization. Exceptional boards energize themselves through planned turnover, thoughtful recruitment, and inclusiveness. They understand the importance of fresh perspectives and the risk of closed groups. They review board composition, term limits, and diversity and implement recruitment strategies as a result.

Principle 1: Constructive Partnership

A strong partnership between the CPO and the board is essential. According to BoardSource's *The Source: Twelve Principles of Governance That Power Exceptional Boards*, exceptional boards govern in constructive partnership with the CPO, recognizing that the effectiveness of the board and the CPO are interdependent.

Boards and the CPO must be clear about their respective duties and respect the division of labor. However, the two must work together in pursuit of the Club's mission.

The constructive partnership will be an underlying theme in our discussions.

Why Does a Constructive Partnership Matter?

Why does the board-CPO partnerships matter?

- In today's world, teamwork is key to achieving success
- Achievement of the organization's mission depends on the board-CPO partnership

Characteristics of Effective Board-CPO Partnerships

There are several characteristics of an effective board-CPO partnership.

1. Shared understanding of mission and vision, and shared purpose
2. Clear roles and responsibilities – As we've just discussed the board establishes direction, ensures resources, and provides oversight. The CPO – and their staff – conduct operations. There can, however, be some gray areas – in particular in smaller Clubs where board members may also help with operations. But, the board chair and CPO must eliminate confusion by making everyone's working role crystal clear. It requires willingness on everyone's part to examine assumptions.
3. Open and honest communication – The partnership requires regular and open communication between the CPO and chief volunteer officer.
4. Mutual respect, trust, and support for each other and the partnership – It is important to note that the relationship may need redefinition as the Club grows in size and complexity.

5. Two-way evaluation – The board and CPO benefit from regular and systematic feedback and assessment.

Principle 2: Mission-Driven

The second principle of *The Source* is being **mission driven**. Exceptional boards shape and uphold the mission, articulate a compelling vision and ensure the congruence between decisions and core values. Let's take a moment to talk about the mission, vision, and core values of BGCA.

Mission-Driven

The mission is a statement declaring the purpose of the Club; this statement must be narrow enough to explain succinctly why the Club exists, and broad enough to allow flexibility. The mission statement answers why the board is committed to support that existence. It should articulate whom the Club serves and explain what makes the Club distinctive by suggesting compelling reasons why individuals, foundations, and corporations should provide financial support.

In a 2008 survey of Clubs across the Movement conducted by BGCA and BoardSource, it was clear that passion for mission was of prime importance to many when joining a Club's governing board. Of those board members who responded, 72 percent indicated that they joined because of a fit of the mission with their personal beliefs and 71 percent indicated that they joined the board out of passion for youth.

It's important that all board members know and understand the mission of your Club and bring – along with other skills and abilities – a passion and enthusiasm for the mission. This passion will serve members well as they carry out their duties as board members. Exceptional boards shape and uphold the mission and use the mission as a guide in decision-making.

The mission statement of the Boys & Girls Clubs of America is: *To enable all young people, especially those who need us most, to reach their full potential as productive, caring, responsible citizens.*

Mission-Driven

Vision is the dream and desired future for the community if the Club succeeds at its mission—the enticing idea of what could happen to the community the Club serves, to the issues the Club addresses (“a future where success is within reach of every child”), and to the Club itself if all ideas were implemented and all dreams came true. The vision inspires action: planning, fundraising, marketing, good governance, sound management.

BGCA’s vision is:

We envision a future in which the Boys & Girls Club Movement is a catalyst for an age in which success is within reach of every child, and whole generations of children are inspired to a level of civic engagement not seen since the founding of our nation.

Mission-Driven

Embedded in both mission and vision, **values** are the deeply held beliefs that guide all aspects of the Club’s programs and operations and provide the litmus test for all decisions. Values are what click with people when they read a Club’s materials. Vision statements also have implicit and expressed values. As boards work to gain a sense of mission and to create and reaffirm mission statements, it is imperative to know and communicate values.

For example, one of Boys & Girls Club of America’s core values is: “*Integrity*—Staff and board members demonstrate the highest standards of personal/professional conduct, objectivity and trustworthiness. Communication is open, respectful and transparent. Decisions are made with fiscal and ethical responsibility. Time and resources are used wisely.”

Principle 3: Strategic Thinking

The third principle of *The Source: Twelve Principles of Governance That Power Exceptional Boards* is **strategic thinking**. Boards must ensure that the Club is able to deal with its challenges and take advantage of opportunities in such a way that the mission is effectively served in the future. The board is responsible for 1) periodically engaging in a strategic planning process for the Club and continuous strategic thinking to advance its mission

and 2) monitoring and evaluating progress as it strives toward its vision.

Please be aware that BGCA offers a guide called, *Strategic Planning and Oversight*, which details the process for strategic planning, getting the board involved; developing mission, vision, and values statements; and monitoring progress and evaluating final outcomes.

The Source Assessment — How Does Your Board Shape Up?

SOURCE PRINCIPLE	Does Well	Needs Work	Consensus	Recommended Action
<p>Principle 1: Constructive Partnership. Exceptional boards govern in constructive partnership with the , recognizing that the effectiveness of the board and chief executive are interdependent. The board is a powerful force supporting the organization, while the chief executive sees the board as a strategic asset.</p>				
<p>Principle 2: Mission Driven. Exceptional boards shape and uphold the mission, articulate a compelling vision, and ensure the congruence between decisions and core values. An exceptional board sees creating and upholding the mission not as an exercise to be done once but as statements of crucial importance to be drilled down and folded into deliberations. The mission is integrated into fundraising, meetings, and decision making.</p>				
<p>Principle 3: Strategic Thinking. Exceptional boards allocate time to what matters most and continuously engage in strategic thinking to hone the 's direction. This thinking is not periodic; rather it is part of the ongoing work of the board.</p>				
<p>Principle 4: Culture Of Inquiry. Exceptional boards institutionalize a culture of inquiry, mutual respect, and constructive debate that leads to sound and shared decision making. Board members seek more information, question assumptions, and challenge conclusions while drawing upon multiple sources and perspectives.</p>				
<p>Principle 5: Independent-Mindedness. Exceptional boards are independent-minded. When making decisions, board members put the interests of the organization above all else. They apply rigorous conflict-of-interest procedures and avoid undue influence based on loyalty, seniority, position, or reputation.</p>				
<p>Principle 6: Ethos Of Transparency. Exceptional boards promote an ethos of transparency by ensuring that donors, stakeholders, and interested members of the public have access to appropriate and accurate information regarding finances, operations, and results. Making available the IRS Form 990, having firmly established donor relation standards, and instituting a whistleblower policy are all examples of needed transparency.</p>				

SOURCE PRINCIPLE	Does Well	Needs Work	Consensus	Recommended Action
<p>Principle 7: Compliance With Integrity. Exceptional boards promote strong ethical values and disciplined compliance by establishing appropriate mechanisms for active oversight. Some mechanisms available include vigorous oversight, code of ethics, use of independent audits, and review of executive compensation.</p>				
<p>Principle 8: Sustaining Resources. Exceptional boards link bold visions and ambitious plans to financial support, expertise, and networks of influence. A budget tied to the strategic plan, a solid infrastructure including focus on human resources, technology, and facilities and active engagement in fundraising contribute to success.</p>				
<p>Principle 9: Results-Oriented. Exceptional boards are results-oriented. They measure the organization's advancement towards mission and evaluate the performance of major programs and services. Consideration of the efficiency and impact of programs are considered, including program evaluation and a review of the financial ratios.</p>				
<p>Principle 10: Intentional Board Practices. Exceptional boards intentionally structure themselves to fulfill essential governance duties and to support organizational priorities. Evaluation of board size and structure, committees and task forces, and the use of consent agendas are all intentional considerations.</p>				
<p>Principle 11: Continuous Learning. Exceptional boards embrace the qualities of a continuous learning organization, evaluating their own performance and assessing the value they add to the organization. This learning is about the organization and industry and includes board orientation and self-assessment and extends beyond the boardroom.</p>				
<p>Principle 12: Revitalization. Exceptional boards energize themselves through planned turnover, thoughtful recruitment, and inclusiveness. They understand the importance of fresh perspectives and the risk of closed groups. They review board composition, term limits, and diversity and implement recruitment strategies as a result.</p>				

Exercise: Who Does What?

Board/Staff Responsibilities

Listed below are responsibilities typically carried out in nonprofit organizations. If the responsibility is carried out primarily by the board, indicate that by writing “board” in the space provided. If the responsibility is carried out primarily by the staff, indicate that by writing “staff” in the space provided. If the responsibility is carried out by both the board and the staff, indicate that by writing “both” in the space provided.

1. _____ Hires, supports, and evaluates the CPO
2. _____ Makes a personal financial contribution to the Club
3. _____ Prepares for board meetings
4. _____ Develops and monitors adherence to personnel policies
5. _____ Approves the annual budget reflecting the organization’s goals and policies
6. _____ Promotes the Club in the community
7. _____ Reviews the organization’s policies, procedures, and bylaws
8. _____ Develops a strategic plan and monitors the organization’s initiatives towards it
9. _____ Determines the mission and purpose
10. _____ Monitors income and expenses on a daily basis

LESSON 3: GOVERNANCE AND THE BGCA MOVEMENT

Impact 2012

The Commission for the Second Century – a group of Club leaders and board volunteers – set forth a strategic direction for the Movement for the next five years. That plan is IMPACT 2012. This plan charges the Movement to boldly move forward to lead with impact, continue to grow, strengthen all organizations, assure greater public trust and expand the influence of the Movement beyond our walls.

Implement an **impact with strategic growth** agenda

- Create developmentally and program-rich environments in Clubs
- Increase frequency of participation
- Measure outcomes of national and local importance
- Enhance services to teens and increase the number of teens served
- Strategically increase the number of Clubs

Reach **beyond our walls** to enhance our effectiveness in Clubs and communities

- Implement programs that encourage civic engagement
- Promote programs and partnerships to strengthen Club programs, families and communities
- Implement new brand strategy

Build **stronger organizations**

- Develop and retain strong, diverse executive leadership and staff
- Create diverse sustainable revenue streams and financially stable local organizations
- Improve governance practices, and the strength and diversity of board members [NOTE TO FACILITATOR: You can note that this training content was developed to strengthen governance practices in the Movement]
- Consolidate Movement-wide resources to increase operational efficiency

All Clubs and board members should be aware of Impact 2012 and use it to inform the strategy for their Club.

History of the Boys & Girls Club Movement

Boys & Girls Clubs of America had its beginnings in 1860 with several women in Hartford, Conn. Believing that boys who roamed the streets should have a positive alternative, they organized the first Club. A cause was born.

In **1906**, several Boys Clubs decided to affiliate. The Federated Boys Clubs in Boston was formed with 53 member organizations – *this marked the start of a nationwide Movement.*

In **1931**, the Boys Club Federation of America became Boys Clubs of America.

In **1956**, Boys Clubs of America celebrated its 50th anniversary and received a U.S. Congressional Charter.

To recognize the fact that girls are a part of our cause, the national organization's name was changed to Boys & Girls Clubs of America in **1990**. Accordingly, Congress amended and renewed our charter.

2006 marked the Centennial year of Boys & Girls Clubs of America, as we celebrated 100 years of providing hope and opportunity to young people across the country.

Key Relationships in the Movement

Finally, let's review some key relationships between the board and others in the Movement. BGCA has created a national, regional and local network designed to promote the exchange of information and ideas that will advance the Movement throughout the United States. The national headquarters in Atlanta supports the work of regional service centers that work with local Clubs. Through important bodies such as the National Council, Area Councils, a strong partnership is built between the national and local organizations. The BGCA *Board Member's Handbook* contains helpful information about the various services of BGCA.

Area Councils are the channel through which ideas, suggestions, and proposals flow to the National Council. Area Councils bring board volunteers together to exchange information and discuss plans, trends, challenges, etc. Every Club should appoint an Area Council Liaison who actively participates in the Area Council.

The National Area Council Committee is another important element of the Movement. It is

- Composed of representatives from each region who are involved with Area Council matters
- Serves as conduit from the Area Councils to the National Area Council
- Promotes growth, development, and effectiveness of all Area Councils

Area Council Liaison — Job Description

The Area Council liaison:

- Attends the annual planning meeting of his/her Area Council, presenting ideas and suggestions from the organization for consideration at the next Area Council meeting;
- Attends and participates in the annual Area Council meeting;
- Promotes attendance and participation in the annual meeting of the Area Council and national conference by members of the organization's board of directors;
- Provides at least quarterly reports on Area Council activities at the organization's board meetings;
- Assures that the organization reviews, discusses and adopts a formal position on issues of Boys & Girls Clubs of America governance that may be voted on from time to time; and
- Presents and interprets Area Council objectives and initiatives to the Boys & Girls Club.

Understanding the Roles of a Local Board Volunteer within the Boys & Girls Club Movement

The importance of Boys & Girls Club leadership cannot be overstated. Across America, more than 30,000 volunteer leaders represent the strength and diversity of local Club boards. They are a reflection of the communities in which they live and work. Their depth of understanding about Clubs is crucial to their power as advocates and to preserving young lives.

Local Boys & Girls Club Organization

The board of directors of a local Boys & Girls Club serves three primary roles: Establish Identity and Strategic Direction, Ensure Resources, and Provide Oversight.

Area Council

Area Councils provide the chief medium for securing and maintaining the interest and active participation of board volunteers in national and regional Boys & Girls Club affairs. Every Boys & Girls Club organization should appoint an Area Council Liaison. The liaison is a key board member who recognizes the importance of helping the Boys & Girls Club keep abreast of the Movement and various activities of other Boys & Girls Clubs. The National Area Council Committee recommends that the liaison be the immediate past Chief Volunteer Officer of the organization due to their knowledge and experience leading a Boys & Girls Club organization. In addition to the liaison position, other board volunteers are encouraged to become active in the Area Council, as their involvement will be broadened by the education, exposure and experience the Area Council provides. The Area Council educates and motivates board volunteers; provides a forum for the exchange of ideas and information; initiates recommendations of matters for National Council consideration; and promotes the development of the Boys & Girls Club Movement. Each Boys & Girls Club organization has a voice in the national governance of Boys & Girls Clubs of America through the National Council and has one vote in National Council decisions (see Relationship between Local Clubs and Boys & Girls Clubs of America).

National Area Council Committee

The National Area Council Committee is composed of representatives from each region who are involved with Area Council matters. The National Area Council Committee serves as a conduit from Area Councils to the National Board of Governors for considering matters to bring before the National Council. It promotes the growth, development, and effectiveness of all Area Councils.

Boys & Girls Clubs of America

The board's relationship to Boys & Girls Clubs of America should be based on the understanding that Boys & Girls Clubs of America is a service organization that has three primary purposes: *Serves Boys & Girls Club Organizations; Starts Boys & Girls Clubs Sites, and Creates Value for Boys & Girls Club Organizations.* A close working relationship should be established between local boards and Boys & Girls Clubs of America staff in Regional Service Centers. Although boards should not hesitate to call on staff at Boys & Girls Clubs of America headquarters for service, they should rely on the Regional Service Director as the primary contact for guidance and assistance.

National Council

The National Council established the requirements and standards for membership in Boys & Girls Clubs of America; determines annual membership dues to be paid by member organizations; and acts on all matters which may properly come before it. Each member organization has one vote on matters submitted to a vote at meetings of the National Council.

State Alliances

The Office of Government Relations works with all of 46 state Alliances, which are subsidiaries of Boys & Girls Clubs of America. The purpose of the Alliance is to provide a mechanism for joint decision, communications and exchange of ideas, and cooperative action among Clubs in a state; develop and expand quality youth development throughout the state; promote public awareness of youth development and the problems youth face throughout the state; promote and strengthen Boys & Girls Clubs'