Everything You Always Wanted to Know About Boards

Necva Ozgur

I. Legal duties of the school board

According to nonprofit corporation law, a board member should meet certain standards of conduct and attention to his/her responsibilities to the organization. Non-profit board members, besides the attention to programs, finances, and fundraising, should understand the regulatory environment in which their organizations operate. Fundamental legal principles and complex tax laws govern the work of non-profit boards and board members. The legal duties of the non-profit board can be summed up in the "three D's": Duty of care, Duty of loyalty, and duty of obedience.

Duty of Care

Board members must exercise due care in all dealings with the school and its interests.
The duty of care is carried out by the following acts:

*   Attendance at the meetings of the board and committees
*   Advanced preparation for board meetings, such as reviewing reports and the minutes
*   Obtaining information about school issues, especially before voting on them
*   Raising questions whenever something is unclear or questionable
*   Using independent judgment
*   Compliance with filing requirements
*   Review of the school's finances
*   Review of the credentials and performances of the staff

Duty of Loyalty

The duty of loyalty requires board members to exercise their power in the interest of the school and not in their own interest or interest of another entity. When acting on behalf of the school, board members must put the interests of the school before their personal and professional interests.

*   Disclosure of any conflicts of interests
*   Adherence to the school's conflict-of-interest policy
*   Avoidance of the use of opportunities for personal gain or benefit
*   Nondisclosure of confidential information about the school

Duty of Obedience

Obedience to the school's mission and purpose must guide all decisions. The board must also ensure that the school functions within the law, both the "law of the land" and its own bylaws and other policies. The board members must remain the guardians of the mission.

*   Compliance with all regulatory and reporting requirements (IRS Form and paying employment taxes)
*   Examination of all documents governing the school and its operation, such as bylaws
*   Making decisions that fall within the scope of the organization's mission and governing documents

II. Responsibilities of the school board
The board is the guardian of the school's mission. It is the board's responsibility to ensure that the mission is relevant and vital to the community it serves and to monitor the success of the school in fulfilling its mission.
1. Mission
2. Select, support, nurture and evaluate the school head
3. Fiduciary responsibilities
4. Planning
5. Determine, monitor and strengthen the school's programs
6. Enhance the school's public image
7. Ensure legal and ethical integrity and maintain accountability
8. Board management

III. Responsibilities of the individual board members
1. Passionate about the school and its mission
2. Supports and promotes the school's mission, vision, strategic goals, and policy positions.
3. Accepts and supports board decisions. Once a decision has been made, the board speaks with one voice.
4. Separate the interests of the school from the specific needs of a particular child or constituency.
5. Keeps all board deliberations confidential.
6. Authority is vested in the board as a whole. Bring the issues to the school head, or to the board chair, and must refrain from responding to the situation individually.
7. Guards against conflict of interest, whether personal or business related.
8. Represent the school appropriately and accurately and support the school and the head of school.
9. Fulfill the fiduciary responsibility to the school for sound financial management.
10. Attend meetings regularly, come to meetings well prepared, and participate in all matters.

IV. Hallmarks of an effective board
1. Clarity about roles and responsibilities
2. Set, measure and reach goals
3. Focus time and attention on priorities, strategic issues
4. Consciously work on the process of developing a good governance culture
5. Mutually respectful partnership of board and the school head
6. Govern more, manage less
7. Open and honest communication
8. Use evaluation to learn not to criticize
9. Board composition reflects three generations
10. The board can only act as a body; individual board members have no authority as board members

V. The critical partnership between the board and the school head

The relationship between the board and the school head is often identified as the factor most critical in determining the success of the school. The main element in that relationship is mutual understanding of the roles and responsibilities of the school head and the board. Throughout the year, individual trustees can contribute to a healthy board-head relationship by providing an intellectual and emotional support system for the school head. The successful relationship is based on the following principles:

1. Mutual respect
2. Building trust
3. No surprises
4. Praise publicly, criticize privately
5. Open and honest communication
6. Professional and cordial relationship

Many boards find the issue of school head evaluation awkward and try to avoid it. On the other hand the school heads believes they are continuously evaluated by many, with different measures, without objective tools and they prefer a formal annual evaluation process with clearly articulated goals and objectives. The annual evaluation process is one of the essential steps in creating the climate of trust. An annual goal-setting session between the board chair and school head is another important step to reach mutually agreed upon measures of success. The evaluation of leadership is not a one-way street. Boards should also annually assess their own performance, inviting the school head to contribute constructive criticism as part of that process.

VI. The art of effective board meetings

One of the main responsibilities of the board chair is to conduct successful board meetings. An ideal board meeting is one in which every trustee leaves feeling that his/her presence made a difference.

1. At the beginning of the year, develop an annual agenda derived from the board's strategic priorities. Based on the number and scope of these issues, determine how many board meetings are likely to be needed during the year and how the topics should be distributed throughout the calendar.
2. Establish a clear purpose for the each board meeting. Make sure that everyone knows what the desired outcomes are for each portion of the meeting, so they can come prepared to discuss, decide, approve, or receive information for each item on the agenda. The agenda can be designed so that the desired outcome is indicated for each item.
3. Prepare agendas with priorities. Place important items first on the agenda. Routine items can be part of a consent agenda, or can be placed last on the agenda.
4. Maintain focus during the meeting. While the chair runs the meeting, the entire board shares the responsibility for keeping the discussion on track. Digressions and comments unrelated to the item at hand are an unwise use of time, and diminish the effectiveness of the entire board.
5. Strive for consensus. Not every decision will be unanimous, but the more decisions that are arrived at through discussion and consensus, the better the chance for successful implementation. If it takes an additional 30 minutes of

discussion, or even carrying the item over to another meeting in order to give board members the opportunity for thoughtful consideration of the issue, it will be time well spent in gathering support for the final decision.

6. Seek completion of each item. Make sure everyone is clear on the implications of a decision. What are the next steps? Who is responsible for taking what actions? What is the date for a progress report to the board? Who needs to be informed of the decision? The board and the school head should leave the meeting with clear understanding of what will happen next.

7. Critique the board meeting. It can be helpful to spend as little as five minutes at the conclusion of the meeting asking board members for comments on how the meeting went in terms of participation by all members, following the agenda, or keeping within planned time limits.

8. Create a short form for use at the end of board meetings to evaluate whether issues covered were trivial or essential, whether materials provided were useless or indispensable, and whether discussion concerned operations or policy and strategy.

Why use an agenda?
The agenda is the blueprint for the meeting; if care is taken in designing the agenda, the meeting will accomplish what is intended. An agenda provides an orderly way for the board to accomplish its responsibilities, receiving, and sharing information about the school's activities and taking the action necessary for conducting the school's business.

How are agendas prepared?
Typically the school head and the board chair prepare the agenda after providing opportunity for board members to request that certain items be included.

When should board members receive an agenda?
Board members should receive the agenda a few days prior to the meeting so they have time to prepare; they need to know what to expect. A few days' notice gives them time to read supporting materials and prepare for their part in the meeting.

What should the agenda include?
•   Date, time, and place of the meeting
•   Agenda items and desired action for each item
    (for information, discussion, decision)
•   Persons responsible for each item
•   Time allotted for each item

What is a consent agenda?
A consent agenda includes routine and information items that require no additional presentation and discussion at the meeting (receipt of routine reports). A consent agenda can streamline meetings by combining action on standard items to one motion. Any board member may request that an item be clarified and/or removed

from the consent agenda for additional discussion before voting. Benefits of the consent agenda:

- Expediting business at the meeting
- Facilitating the handling of routine items
- Saving time in recording the minutes by combining several actions into one motion to approve the consent agenda.

Request to place items on agenda
Create an agenda for a future meeting with all members submitting in writing those items they wish included.

- Identify agenda items by policy, information, administration, action, decision, etc.
- Estimate projected time for each item
- Prioritize agenda items in descending order of importance

Guidelines for reaching consensus
- We accept that different views and values are healthy and will help us come to satisfactory decision
- We will utilize each person's experience that has some bearing on our problem.
- We will all present our positions as clearly as possible and answer any questions we are asked
- We will not argue over others' position; instead we will ask questions that will encourage understanding of different positions
- We will take whatever time is needed to reach a consensus
- We will explore each person's position thoroughly

VII. Accountability
Every board needs to have measures of accountability. Since there isn't a higher authority keeping the boards accountable, boards need to create a system to keep themselves accountable. The board's credibility rests on trust and integrity, so checks and balances are crucial. If you don't know how you are doing and what the measures are, how you can improve? How can you know if you need to improve? While every element of the schools is being evaluated, it also makes sense that boards are evaluated too. Boards need to develop an accountability system and use it annually. These are a few tools that can be used for board evaluation:

1. Board evaluation form
2. Individual board member evaluation
3. Meeting evaluation
4. Annual goals and objectives
5. 360 degree feedback

VIII. New trends for 21st century boards
- The board's structure mirrors the institution's strategic priorities rather than mirroring administrative structure
- Board meetings are goal-driven rather than process-driven, with protocol varying with circumstances, with meetings beginning with the question "Why are we meeting, and what do we hope to accomplish by the end of the meeting?"

- Reduce committees: ad-hoc committees and task forces are formed for a purpose, to achieve goals instead of standing committees (strategic planning committee, search committee, capital campaign committee)
- Stage 1 boards: attending to fiduciary duties
  Stage 2 boards: attending to strategic issues
  Stage 3 boards: acting generatively

Governing More, Managing Less Remarks by Richard Chait, ACIS Conference, 10/13/95

TRUSTEE CONTRACT

1. I will keep myself informed about the school's history, goals, challenges and current operations. I will read the materials sent to the board and ask for additional clarification if I think I do not have adequate information to make informed decisions.
2. I will attend board and committee meetings regularly and make doing so a priority because I know this board needs the full participation of its members to govern effective. I will also make attending board retreats and/or other training opportunities a priority in my schedule because I know that doing so is an important trustee responsibility.
3. I will work hard to understand my own roles and responsibilities as a trustee and those of the head and other administrative staff in order to provide appropriate oversight without interfering or micromanaging in areas that are hot the board's responsibility.
4. I will participate with an open mind and an objective perspective in the consideration of all issues before the board.
5. I will guard against any conflicts of interest, whether personal or business-0related. If even the appearance of one exists, I will inform the board chair and withdraw from consideration of the issue. If I choose to enter into a relationship with the school that creates a conflict of interest, I will immediately offer my resignation from the board.
6. I will put aside my parent role and any other personal agendas and pledge to actively work only toward those decisions and solutions that are in the school's best interests.
7. I will respect the confidentiality of the board's business at all times because I know that doing otherwise compromises both the head's and the board's authority and efforts on behalf of the school.
8. In my role as a trustee, I will honor the principle of "no surprises," and expect that my fellow trustees and our head will do likewise.
9. I will actively support our head and will demonstrate that support within the school community. If I have differences of opinion or concerns, I will address them with the head directly but privately.
10. When confronted with problems or concerns brought to me by others, I will use proper channels of communication, informing the board chair or the head of the situation, rather than trying to deal with it myself.
11. I will support the school financially, and I will actively participate in its advancement efforts because I know that doing so is an essential part of effective trusteeship.
12. I will be an advocate for the school in our community by supporting it publicly and helping others to understand the important contribution it makes to our city.

I have read and understand the contract above and pledge to abide by it during the coming year.

Signed _____   Date: _____

BOARD SELF-EVALUATION

Using the following scale (1=Never; 2=Sometimes; 3=Frequently; 4=Always; 5=Don't Know) to indicate the degree of existence of the characteristics or traits of the total school board, circle the most appropriate response for each statement.

1=Never 2=Sometimes 3=Frequently 4=Always 5=Don't Know

A. Board Development

Our school board

1. Orients new members to the nature of the board's duties, policies, and operating procedures.   1 2 3 4 5
2. Reads publications produced by professional education and school board organizations to keep informed of trends in education.   1 2 3 4 5
3. Participates in state, regional, and national association functions to become informed of issues in education.   1 2 3 4 5
4. Designates funds for school board training as an annual budgetary item.   1 2 3 4 5

B. Meetings of the Board

Our school board

5. Receives the agenda and background information in sufficient time to prepare for the meetings.   1 2 3 4 5
6. Refrains from adding items to the agenda at the last minute.   1 2 3 4 5
7. Comes to the meetings having reviewed the agenda and prepared for the meeting.   1 2 3 4 5
8. Has an agenda that reflects the school's priorities in that the most important issues are acted upon first.   1 2 3 4 5
9. Makes a conscious effort to welcome the public by providing agendas and other related materials.   1 2 3 4 5
10. Starts its meetings on time.   1 2 3 4 5
11. Has a chairperson who is in control of the meetings.   1 2 3 4 5
12. has members who speak loudly and clearly.   1 2 3 4 5
13. Displays good listening skills, allowing all sides to be heard before a decision is made.   1 2 3 4 5
14. Listens to recommendations prepared by the administration prior to making decisions.   1 2 3 4 5
15. Directs questions about operating procedures to the head.   1 2 3 4 5

BOARD SELF-EVALUATION

1=Never 2=Sometimes 3=Frequently 4=Always 5=Don't Know

16. Remains calm under pressure.   1 2 3 4 5
17. Respects differences of opinions and beliefs.   1 2 3 4 5
18. Displays a spirit of cooperation.   1 2 3 4 5
19. Holds new, controversial, or complicated issues   1 2 3 4 5
   for discussion only and places them on the next agenda
   for action, providing preparation time for members.
20. Periodically reviews the meetings to assess their   1 2 3 4 5
   accomplishments and future needs.

C. Fiscal Management

Our school board
21. Participates in long-range financial planning.   1 2 3 4 5
22. Maintains a financial reserve of at least 5 percent of   1 2 3 4 5
   its operating budget.
23. Budgets according to the total needs of the system.   1 2 3 4 5
24. Assists the community in understanding the budget.   1 2 3 4 5

D. School-Community Relations and Communications

Our school board
25. Seeks cooperation with various news media.   1 2 3 4 5
26. Communicates systematically with employees.   1 2 3 4 5
27. Communicates systematically with residents.   1 2 3 4 5
28. Makes deliberate advance communications efforts   1 2 3 4 5
   on major policy issues through surveys, advisory
   committees, or public hearings.
29. Designates representatives of the board to meet   1 2 3 4 5
   with other local governing bodies and community
   groups to discuss matters of mutual concern.
30. Adheres to channels of communication through the   1 2 3 4 5
   head of school for concerns, complaints, and
   criticisms.
31. Plans communication in the event of a crisis.   1 2 3 4 5

E. Relationship with the head of school

Our school board
32. Provides the superintendent with a clear statement   1 2 3 4 5
   of its expectations.
33. Communicates with the superintendent within the   1 2 3 4 5
   spirit of mutual trust and confidence.
34. Provides time for the head of school to plan.   1 2 3 4 5
35. Requests information from staff members through   1 2 3 4 5
   the superintendent.

BOARD SELF-EVALUATION

36. Discusses potential problems between and among the board and administrators at the earliest opportunity.   1 2 3 4 5
37. Provides opportunities for the professional growth of the head of school.   1 2 3 4 5
38. Provides for an annual evaluation of the head of school.   1 2 3 4 5

F. Instructional Management

Our school board

39. Designates times at board meetings for curriculum presentations.   1 2 3 4 5
40. Reviews program requirements and approves course changes to improve the curriculum.   1 2 3 4 5
41. Encourages the participation of the students, professional staff, and community in the development of the curriculum.   1 2 3 4 5
42. Limits the influence of special interest groups on the curriculum.   1 2 3 4 5
43. Requires follow-up studies of the school's graduates.   1 2 3 4 5
44. Visits the school to see the physical plant and observe the educational process.   1 2 3 4 5

G. Planning and Goal Setting

Our school board

45. Involves students, parents, teachers, and administrators in goal setting.   1 2 3 4 5
46. Consults with community groups, service organizations, local governing bodies, the state department of education, and others.   1 2 3 4 5
47. Reviews the school's progress toward meeting its goals and revises them as necessary.   1 2 3 4 5
48. Establishes new goals based on its own evaluation, the evaluation of the head of school, and the evaluations of the administrative staff.   1 2 3 4 5

BOARD SELF-EVALUATION

H. Staff Relations

Our school board

49. Holds most employees in high esteem.   1 2 3 4 5
50. Requires clearly defined job descriptions.   1 2 3 4 5
51. Encourages professional growth and increased competency through staff development, in-service programs, visitations, and conferences.   1 2 3 4 5
52. Adheres to a well-defined plan for staff evaluations.   1 2 3 4 5
53. Reserves adequate management rights in labor relations agreements.   1 2 3 4 5

I. Legislative Leadership

Our school board

54. Meets with area legislators to discuss state and/or federal education legislation.   1 2 3 4 5
55. Informs the state school boards association of legislative priorities.   1 2 3 4 5
56. Takes public positions on pending state and federal education legislation.   1 2 3 4 5
57. Includes a legislative report on the board agenda.   1 2 3 4 5

J. Policy-making

Our school board

58. Operates according to its written policies.   1 2 3 4 5
59. Reviews and updates policies and regulations.   1 2 3 4 5
60. Involves administrators, teachers, students, parents' and community members in the development of policy.   1 2 3 4 5
61. Makes available copies of its policies and regulations to students, teachers' parents' and to the public.   1 2 3 4 5
62. Adheres to the role of policymaker, leaving the administrative function to the head of school and staff.   1 2 3 4 5
63. Selects officers on the basis of ability.   1 2 3 4 5
64. Works as a group, not as individuals.   1 2 3 4 5
65. Represents the total public interest in decisions, not self-interest.   1 2 3 4 5
66. Protects the administrative team from unjust criticism.   1 2 3 4 5

BOARD PLEDGE

We are committed to excellence in governance and promise to fulfill our duties as a governing body of the New Horizon School System. We understand that we have the ultimate responsibility for the institution. We are responsible for the integrity of the school and, the standing and reputation built by its founders and by those who have labored over the years. We hold in trust the school's future as well as its present. We understand that our collective judgment will determine the success of New Horizon School.

We pledge to form a strong partnership with the head of the school. Through doing so we assure that each child receives excellent quality academic education based on high moral values in an Islamic Environment. We support the aspirations of our head to empower his/her staff to give each boy and girl a quality school experience during the crucial years of childhood.

Our faith in Islam is demonstrated through the children who will bear the fruits of a solid foundation in reading, writing, mathematics, critical thinking, friendship, compassion, honesty, and self-esteem.

We welcome the challenge and know that being a board member is a deeply rewarding endeavor.

Affirmed by the Board Members of the New Horizon School System, Los Angeles, Pasadena and West Los Angeles Campuses.

RESOURCES

Andringa, Robert C. *Nonprofit Board Answer Book II: Beyond the Basics*. Washington, DC: BoardSource, 2002.

Andringa, Robert and Ted W. Engstrom. *Nonprofit Board Answer Book*. Washington, DC: BoardSource, 2002.

Block, Stephen R. *Why Nonprofits Fail: Overcoming Founder's Syndrome, Fundphobia, and Other Obstacles to Success*. San Francisco: John Wiley & Sons, Inc., 2004.

Bobowick, Marla J., Sandra R. Hughes, and Berit M. Lakey. *Transforming Board Structure: Strategies for Committees and Task Forces*. BoardSource Committee Series Introduction. Washington, DC: BoardSource, 2001.

Brountas, Paul P. *Boardroom Excellence: A Commonsense Perspective on Corporate Governance*. San Francisco: Jossey-Bass, Inc., 2004.

Carver, John. *Boards That Make a Difference: A New Design for Leadership in Nonprofit and Public Organizations*. San Francisco: Jossey-Bass, Inc., 1997.

Chait, Richard P., William P. Ryan, and Barbara E. Taylor. *Governance as Leadership: Reframing the Work of Nonprofit Boards*. Hoboken: John Wiley & Sons, Inc., 2005.

Collins, Jim. *Good to Great: Why Some Companies Make the Leap…and Others Don't*. New York: HarperCollins, 2001.

Damback, Charles F., Oliver Tessier, and Carol E. Weisman. *The Business Professional's Guide to Nonprofit Board Service.* Washington, DC: BoardSource, 2002.

DeKuyper, Mary Hundley. *Trustee Handbook: A Guide to Effective Governance for Independent School Boards*. Washington, DC: National Association of Independent Schools, 1998.

De Pree, Max. *Called to Serve: Creating and Nurturing the Effective Volunteer Board*. Grand Rapids: Wm. B. Eerdmans Publishing Company, 2001.

Dietel, William M. and Linda R. Dietel. *The Board Chair Handbook.* Washington, DC: BoardSource, 2001.

Eadie, Douglas C. *The Board-Savvy CEO: How to Build a Strong, Positive Relationship with Your Board*. Washington, DC: BoardSource, 2001.

---. *Extraordinary Board Leadership: The Seven Keys to High-Impact*

Governance. Gaithersburg: Aspen Publishers, Inc., 2001.

Fletcher, Kathleen, ed. *The Policy Sampler: A Resource for Nonprofit Boards*. Washington, DC: National Center for Nonprofit Boards, 2000.

Flynn, Outi. *Meet Smarter: A Guide to Better Nonprofit Board Meetings*. Washington, DC: BoardSource, 2004.

Hesselbein, Frances. *Hesselbein on Leadership*. San Francisco: Jossey-Bass, Inc., 2002.

Holland, Thomas P. *How to Build a More Effective Board*. Washington, DC: National Center for Nonprofit Boards, 1996.

Howe, Fisher. *The Board Member's Guide to Fund Raising: What Every Trustee Needs to Know About Raising Money*. San Francisco: Jossey-Bass, Inc., 1991.

---. *Welcome to the Board: Your Guide to Effective Participation*. San Francisco: Jossey-Bass, Inc., 1995.

Hughes, Sandra R. *To Go Forward, Retreat: The Board Retreat Handbook*. Washington, DC: BoardSource, 1999.

Hughes, Sandra R., Berit M. Lakey, and Marla J. Bobowick. *The Board Building Cycle: Nine Steps to Finding, Recruiting, and Engaging Nonprofit Board Members*. Washington, DC: BoardSource, 2000.

Ingram, Richard T. *Ten Basic Responsibilities of Nonprofit Boards*. NCNB Governance Series 1. Washington, DC: National Center for Nonprofit Boards, 1996.

Lakey, Berit M. *Nonprofit Governance: Steering Your Organization with Authority and Accountability*. Washington, DC: BoardSource, 2000.

Lakey, Berit M., Sandra R. Hughes, and Outi Flynn. *Governance Committee*. BoardSource Committee Series 1. Washington, DC: BoardSource, 2004.

Light, Mark. *The Strategic Board: The Step-by-Step Guide to High-Impact Governance*. New York: John Wiley & Sons, Inc., 2001.

McHenry, Irene and Tom Hoopes. *Governance Handbook for Friends Schools*. Philadelphia, Friends Council on Education, 2002.

National Center for Nonprofit Boards. *The Board Development Planner: A Calendar of Nonprofit Board Initiatives*. Washington, DC: National Center for Nonprofit Boards, 2001.

---. *Building Boards that Work: Video Workshop User's Guide*. Washington, DC:

National Center for Nonprofit Boards, 1996.

Saul, Jason. *Benchmarking for Nonprofits: How to Measure, Manage, and Improve Performance*. St. Paul: Wilder Publishing Center, 2004.

Shultz, Susan F. *The Board Book: Making Your Corporate Board a Strategic Force in Your Company's Success*. New York: Amacom. 2001.

Tesdahl, D. Benson. *The Nonprofit Board's Guide to Bylaws: Creating a Framework for Effective Governance*. Washington, DC: BoardSource, 2003.

Timm, Paul R. *30-Minute Solutions Series: How to Hold Successful Meetings*. Franklin Lakes: Career Press, 1997.

Yankey, John A. and Amy McClellan. *The Nonprofit Board's Role in Planning and Evaluation*. BoardSource Governance Series 7. Washington, DC: BoardSource, 2003.