



## TOOL KIT #4

# BOARD/STAFF RESPONSIBILITIES

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### FAQ – MANAGEMENT VERSUS GOVERNANCE

#### 1. Why is it important to know the difference between management and governance?

Clarity about Board and staff roles, boundaries, and expectations will result in improved collaboration, communication, and organizational functioning. Without this clarity, frustration, confusion, and misunderstanding often result, to the detriment of the organization.

#### 2. How do staff and Board roles differ?

The Board governs and the staff manages. The Board takes a high level view. It sets direction; approves broad policies to guide and protect the organization, Board, and staff; monitors legal requirements; hires the Chief Executive (as, Executive Director) and delegates daily operations to her or him; and expects regular and accurate information to do its job.

The Chief Executive manages programs and administration; oversees daily operations; hires staff and delegates responsibilities to them; and shares information with the Board.

#### 3. What are some of the risks of poor boundaries?

Board members might request information or research outside the scope of a project on which they are collaborating; ask a staff member to attend an event or help a friend in the community, or request a staff member's opinion on an issue under consideration. This can create confusion and conflict.

When Board members become too involved in day-to-day operations, or are tempted to micromanage, it can muddle lines of authority, confuse staff, and undermine the effectiveness of the Chief Executive. It also prevents the Board from maintaining the strategic and policy focus needed to do its job effectively.

Often, staff will "staff" a Board committee or project. The Chief Executive and Board Chair need to have shared understanding of the roles, boundaries, and communication to collaborate effectively.

#### 4. Common goals and different roles – what are three examples of concurrent staff and Board collaboration?

##### Example 1: Finance

The Board has the fiduciary duty over the organization. It sets overall fiscal policies and ensures appropriate internal controls. It approves the annual budget and monitors carefully the financial reports. The Board selects an auditor and reviews the audit. The review may take place in an executive session with the auditor (a closed session /without the presence of the Chief Executive or other staff).

For the audit, while the Board communicates with and selects audit firm, the Chief Executive might facilitate by vetting candidates and preparing a list. While the auditor will share findings directly with the Board, the auditor will work directly with agency staff to obtain information needed to prepare the audit.



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With the help of the financial staff, the Chief Executive prepares the annual budget for Board approval and provides the Board with regular financial statements for their review. With staff, the Chief Executive handles the daily financial operations and monitors cash flow, and defines and follows financial procedures.

### Example 2: Board recruitment and development

The Board ensures that Board composition reflects the organization's needs, actively cultivates new recruits, approves Board specific policies and ensures the organization bylaws are current, and incorporates governance training and orientation into the Board schedule.

The Chief Executive assigns staff to support the Board in committees and in meetings, orientation, and projects. Staff may provide extensive administrative support to the Board.

Practically, the Chief Executive needs to be involved in the process of Board recruitment, tracking prospects, helping to draft materials, supporting logistics, and assuring organization.

### Example 3: Planning and Evaluation

The Board sets the strategic framework for the organization by adopting an overall strategic mindset by focusing on the big issues that matter most. It actively participates in strategic sessions, annually evaluates the performance of the Chief Executive and evaluates its own performance regularly. Using information provided by staff, it assesses the organization's achievement of its strategic goals. For Parent Centers, this includes a quarterly review of progress on the goals and objectives included in the organization's federal grant application.

The Chief Executive ensures strategic planning happens with the Board's appropriate involvement, leads operational planning and approves the plans for the staff, ensures that a process for staff performance evaluation exists, approves staff compensation, and develops and monitors indicators for evaluating progress toward goals.

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The contents of this product were developed under a grant to WI FACETS from the U.S. Dept. of Education, #H328R130010. The contents do not necessarily represent the policy of the U.S. Dept. of Education and you should not assume endorsement by the federal government.

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