

BOARD DEVELOPMENT TOOLKIT



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BOARD OF DIRECTORS

Three Duties

There are essentially three legal duties that the board of directors should understand and follow:

Duty of Care

The Duty of Care describes the level of competence that is expected of a board member. The most commonly expressed standard is that a board member owes the duty “for care that an ordinarily prudent person would exercise in a like position and under similar circumstances.”

Duty of Obedience

The Duty of Obedience requires board members to be faithful to the organization’s mission. Although board members may exercise their own reasonable judgment concerning how the organization should best meet its mission, they are not permitted to act in a way that is inconsistent with the mission of the organization. One reason is that nonprofits rely heavily on the public’s trust when soliciting donations and grants, and the public has a right to rely on the representation that the money will be used for the purpose for which it was given.

Duty of Loyalty

The Duty of Loyalty refers to a standard of faithfulness to the organization. The fundamental duty of loyalty owed by a board member is the duty to give undivided allegiance to the organization (i.e. versus personal gain) when making decisions affecting the organization. In practice this means that board members can never use information obtained as a member for personal gain and is only permitted to act in the interests of the organization. The most common breaches of the duty of loyalty occur when a board member uses the organization’s property for personal ends or participates in any activity that would result in personal gain or “private inurement”, to use the technical term.



BOARD OF DIRECTORS

Ten Essential Responsibilities

Determine the Organization's Mission and Purpose

Select the Chief Executive

Support the Executive Director and Review Performance

Ensure Effective Organizational Planning

Ensure Adequate Financial Resources

Manage Resources Effectively

Determine and Manage the Programs and Services

Enhance the Organization's Public Image

Serve as a Court of Appeal

Assess the Board's own Performance

1. The board's fundamental responsibility is to assure that everyone connected with the organization understands its reasons for existing -- what it strives to do.
2. This responsibility has the greatest impact on the organization's development and effectiveness.
3. Nowhere else can the executive director get the moral and substantive support crucial to the agency's success. The full board must assure that the executive director receives frequent and constructive feedback and is complimented for exceptional initiatives.
4. Board members must be involved extensively in the planning process if the board is to have ownership. Board committees should give input to planning. The full board should formally approve the plan following consultation and revision.
5. Providing adequate financial resources is first and foremost a board responsibility. Each board member should be expected to make an annual personal gift to support the organization.
6. The full board should set the annual budget. Appropriate board committees should monitor monthly and quarterly financial statements. Insist on annual independent CPA audits.
7. It is a delicate challenge to balance the Board's responsibility for quality, cost-effective programs and the staff's role in initiating and conducting them. Candor, openness, and written job descriptions for both staff and board help solve this problem.
8. The Board has overall responsibility for a successful public image program to educate public, government, media, and funding sources. It is very helpful to have board officers and volunteers willing to serve as spokespersons on thorny issues.
9. Even a well-managed organization will on rare occasions require the Board to resolve a thorny personal issue.
10. Annually, the board and chief executive should stand back and reflect on how the board is meeting its responsibilities.



GOVERNANCE

Principles and Standards for Nonprofit and Philanthropy Excellence

The boards of directors for all nonprofit and philanthropic organizations are responsible for developing, defining, and reviewing the organization’s mission and for providing overall leadership and strategic direction to the organization. Boards are not owners of the organization but are stewards of the missions and resources. Each board should actively set policy and ensure that the organization has adequate resources to carry out its mission, provide direct oversight and direction for the executive director/CEO and the organization as a whole. Charitable boards have a responsibility to evaluate their own effectiveness as governing bodies in upholding the public interest served by the organization.

Board Characteristics and Qualifications

Board Composition

1. Board members are responsible for fully understanding their legal and fiduciary obligations. This includes upholding the organization’s mission and using its resources wisely and in accordance with the law. Additionally, board members should actively develop an understanding of ongoing activities, finances, business model and changes in the operating environment of the organization.
2. Board members should value diversity and understand the role of board participation and the importance of including diverse groups of people in the current and future success of the organization’s work. The board should be diverse in its makeup to be reflective of its community and have a written plan to maintain diversity.
3. Charitable boards should be made up of individual volunteers who are committed to representing the best interests of the organization, its mission and the community it serves.
4. The board should consist of members who represent the organization’s constituents, including business and public leaders who: influence decisions and resources, provide effective governance, generate needed resources and are actively involved in meeting the organization’s needs. The board should build strong relationships with local, state and federal officials where possible.



BOARD GOVERNANCE

Principles and Standards for Nonprofit and Philanthropy Excellence

Board Composition (Continued)

5. To be open to new viewpoints and community members, boards should seek out new potential board members from outside the organization's traditional circles and should include board representatives from the communities the organization serves.
6. To allow for sufficient deliberation and diversity of perspectives, boards should consist of no fewer than five individuals, all of whom are unrelated to each other or to staff.
7. Boards must have a chair and a treasurer (with financial knowledge), and should have a vice-chair and secretary, all chosen by and from the board of directors. No one should occupy more than one officer position in the same organization at the same time.
8. If staff membership on the board is deemed necessary, it should be limited to the executive director, who should not serve as the chair, vice-chair, secretary, or treasurer. If a staff member serves on the board, he/she should not vote on issues regarding his/her compensation, benefits or other decisions pertaining to their own personal gain.

Board Responsibilities

9. Charitable board members are responsible for upholding the organization's mission and using its resources wisely and in accordance with the law.
10. The board should establish a process, including the committee or persons responsible for implementing the process, for selecting new board members that will ensure adequate infusion of new ideas and community perspectives, while preserving institutional memory.
11. All new board members should participate in a board orientation and new member training prior to and separate from their first regularly scheduled board meeting. Board members should gain a full understanding of their board roles and responsibilities to the organization and to the public by being provided with:
 - a clear set of expectations and responsibilities,
 - bylaws, articles and other key documents of the organization, and
 - ongoing opportunities to discuss and review responsibilities.



BOARD GOVERNANCE

Principles and Standards for Nonprofit and Philanthropy Excellence

Board Responsibilities (Continued)

12. Board members are responsible for keeping suitably informed in order to actively participate in decision-making and in carrying out their duties in the following areas:
 - . Strategic planning
 - . Policy approval and ongoing review
 - . Annual review of the executive director's performance and compensation
 - . Succession planning
 - . Setting of compensation structure
 - . Annual budget and revenue plans
 - . Financial procedures
 - . Risk management
 - . Regulatory filings
13. Board members are responsible for the ongoing financial health of the organization and should understand the content and significance of the organization's financial statements and audit.
14. To demonstrate personal stake in the organization, board members are expected to volunteer their time, make personal financial contributions to the nonprofits and philanthropies as well as to raise funds from external sources.
15. Board members should receive no monetary compensation for their board duties other than reimbursement for board-related expenses.
16. Board members are responsible for making decisions in the interest of the organization and not in the interest of another entity, including themselves. The board should establish and adopt conflict of interest policies regarding board members, staff, volunteers, consultants and other contractors, and adhere to these policies in all dealings. The policies should include an obligation of each board member to disclose all material facts and relationships and refrain from voting on any matter when there is a perceived conflict of interest.
17. The board should establish and sign a written code of ethics regarding board members, staff, volunteers, consultants and other contractors and adhere to the code in all dealings.



Board Responsibilities (Continued)

Board Operations

BOARD GOVERNANCE

Principles and Standards for Nonprofit and Philanthropy Excellence

18. Board members should be willing to publicly advocate for the organization to help widen the organization's reach and develop connections with the community and its leaders.
19. Board meetings should be held at least on a quarterly basis and regular attendance should be expected. These meetings should have a printed agenda, and meeting minutes should be recorded and distributed to the board prior to the next meeting.
20. Boards should adopt practices that maximize participation, including accommodating remote or electronic participation in meetings, deliberations or decision-making.
21. The board chair is responsible for presiding over the board meetings. The board chair should also make sure that board members have access to key organizational documents and training. The board chair should pay particular attention to helping the board be aware of its obligations with regard to conflicts of interest, board attendance, board evaluation and compliance with board policies.
22. Boards should organize committees as needed to effectively carry out their roles and responsibilities. An audit and appropriate financial controls are in place.
23. Every two to three years, the board should review the organization's bylaws and mission statement. If deemed necessary, these should be amended to reflect organizational growth and development and the ability to respond to changing community needs. Changes to by-laws and mission statement should be submitted to proper federal and state regulatory agencies. Boards should ensure that by-laws and policies address term limits on the board (how long a board member can serve before mandatory rotation off the board), number of terms that a board member can serve and expected attendance requirements at board meetings (including the ability to remove board members who fail to meet attendance requirements) and the organization's sponsored events.



Board Operations (Continued)

BOARD GOVERNANCE

Principles and Standards for Nonprofit and Philanthropy Excellence

24. The board should ensure that the organization has a strategic plan that includes clear benchmarks and outcomes; It should be reviewed annually to include an evaluation of effectiveness and updated when needed.
25. Every year, the board should review and approve an annual budget for the organization.
26. Annually, the board should conduct a performance review of the executive director. The executive director's performance should be assessed in light of organizational accomplishments and the total compensation package should reflect his/her performance as well as comparable industry standards.
27. The board should establish an organizational succession plan to maintain daily operation during the time of a change in executive or board leadership.
28. The board of directors, led by the board chair, should annually evaluate itself through a survey to the board members and a subsequent discussion of the results with intention of improving governance practices.



Annual Board Commitment

I agree to each of the following personal responsibilities as a board member:

Attendance — Attend at least 75% of board meetings annually.

Participation — Participate fully: Be informed about the organization's mission, services, policies, and programs. Review agenda and supporting materials prior to Board and committee meetings. Actively contribute to discussions at meetings. Assist the Board in carrying out its fiduciary responsibilities, such as reviewing the organization's annual financial statements. Represent the Alliance in a positive manner.

Recruitment — Assist in the recruitment of new Board members who can make significant contributions to the work of the Board and the organization.

Give and Get — The following board give/get criteria is a universal standard for all board members of the Mississippi Alliance of Nonprofits and Philanthropy. The board may adopt higher standards in future years.

100% of the board will make a personal cash annual gift.

Identify, cultivate, and solicit prospective donors and/or members. Board members focusing on planned gifts will have a written plan for progress rather than a dollar goal.

Out of Board Room Support — Board members select 20 hours of out-of-boardroom support annually based on their own skills set and interest. Please indicate areas that interest you:

- Expertise—Provide staff support in finance, law, HR, either as needed or on planned task groups.
- Public Relations—Representing the organization as needed in the local community speaking, attending events requiring a board presence, etc.
- Thanking Happy Donors—Cultivating existing donors (calling \$500+ donors to extend a personal thank you).
- Fund Development—Soliciting donations and fulfill other fund development tasks.

I Accept the Board's Role in Fund-Raising — Board members are involved in Constituency Development and Face-to-Face Solicitation. Constituency Development can involve providing personal names and addresses as prospects for membership campaigns, signing letters to personal contacts for annual campaign, calling personal contacts as part of annual campaign, or calling donors to thank them. Face-to-Face Solicitation can involve a team solicitation with another board or staff member, soliciting own personal contacts, determining the amount of the request



Sample Code of Ethics and Fundraising Policy

Board Code of Ethics Statement

As a member of this Board of Directors, I will:

- Strive to live the mission of the organization
- Focus my efforts on the mission of the organization and not my personal goals
- Represent the interests of those served by this organization
- Not use the organization or my service on this Board for my own personal gain or for that of my family or friends
- Keep confidential information confidential
- Approach all Board issues with an open mind, prepared to make the best decision for the whole community
- Do nothing to violate the trust of those who elected me to the Board or of those we serve
- Never exercise authority as a Board member except when acting in a meeting with the full Board or as I am delegated by the Board.

Board Fundraising Responsibility Policy Statement

- Providing adequate financial resources is a Board responsibility.
- Every Board member will be expected to take an active role in some phase of fundraising.
- Each Board member will be expected to make an annual personal gift.
- Prospective Board members should be made aware of this Board policy.



Sample Conflict of Interest Policy

Article I: Purpose

The purpose of the conflict of interest policy is to protect this tax-exempt organization's (Organization) interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Article II: Definitions

1. Interested Person

Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

2. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,
- b. A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Article III: Procedures

1. Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

2. Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest

- a. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- b. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the governing board or committee shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

4. Violations of the Conflicts of Interest Policy

- a. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article IV: Records of Proceedings

The minutes of the governing board and all committees with board delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Article V: Compensation

The minutes of the governing board and all committees with board delegated powers shall contain:

- a. A voting member of the governing board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- c. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Article VI: Annual Statements

Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

- a. Has received a copy of the conflicts of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Article VII: Periodic Reviews

To ensure the Organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Article VIII: Use of Outside Experts

When conducting the periodic reviews as provided for in Article VII, the Organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted. The following states have adopted legislation satisfying the requirements of section 508(e) relating to private foundation governing instruments. Information derived from Revenue Ruling 75-38, 1975-1 C.B. 161.



Board Development Committee Job Description

Purpose: To ensure strong leadership for the Board of Directors, dedicated to the mission of the Mississippi Alliance of Nonprofits and Philanthropy.

The Board Development Committee is responsible for the overall recruitment, nomination, orientation, development, and evaluation of the Board of Directors and Advisory Board (if any). The Chairperson of the committee is appointed by the Board Chair. The committee is composed of four to six members of the Board of Directors. Committee members are selected by the Board Chair, in consultation with the committee chair, and may be subject to the approval of the whole Board at its request. Terms are for one year, up to a maximum of six consecutive years.

Key Responsibilities

1. Analyze the current board and identify areas of strength and weakness, considering individual skills and attributes needed to complement board diversity.
2. Review criteria and job descriptions for board and advisory board membership and committee structure and process, and recommend changes as needed.
3. Coordinate recruitment of new board members for nomination, including interviews of prospective board and advisory board members. Ensure that new board members understand board roles and responsibilities.
4. Prepare a slate of candidates for the board and officer positions, and make suggestions to the board chair when appropriate.
5. Ensure that a board orientation process occurs, and assist with orientation programs.
6. Assist board committees with recruitment of volunteers when requested.
7. Evaluate nominating and election procedures and provide recommendations and expertise to the board as needed.
8. Ensure that annual board self-assessment takes place and recommend procedures for board evaluation, training, and education.

To assist the nominating committee, staff will:

- Maintain a committee file including notes of meetings, and a file of board prospects suggested by the committee.
- Prepare packets for use in interviewing prospective board members.
- Solicit suggestions for nominations from the full membership of the Alliance.
- Prepare materials for board orientation, and other written documents when needed.
- Coordinate logistics of board retreats and orientation, training, or evaluation programs.
- Keep track of dates of committee meetings and remind committee members of meetings.



Board of Directors Exit Survey

Dear retiring board member:

We sincerely thank you for your commitment time, energy and support you've demonstrated as a board member for the Mississippi Alliance of Nonprofits and Philanthropy and the people and communities of Mississippi. We hope your service with us and our mission will not end with your term on the board of directors. Your skills and experience are a valuable resource and we would enjoy having you continue to be part of the Alliance's work.

Please take a few minutes to complete this Board of Directors Exit Survey.

Sincerely,
Board Development Committee

1. What was the most rewarding part of being a board member of the Alliance?

2. What was the most frustrating part about being a board member?

3. What advice would you like to pass on to new board members?

4. What would you recommend to this board to:
 - a. Improve board meetings?
 - b. Improve how we keep the board engaged?
 - c. Improve the committee structure and processes?

How do you feel you could continue to be involved with the Alliance?

- | | |
|--|--|
| <input type="checkbox"/> Membership Recruitment | <input type="checkbox"/> Financial Support |
| <input type="checkbox"/> Imperative Assignments | <input type="checkbox"/> Using your influence for key partnerships |
| <input type="checkbox"/> Orienting New Board Members | <input type="checkbox"/> Other: |



Succession Planning: Surviving the Loss of Your Leader

“Succession planning is a purposeful and thoughtful plan of action for a successful executive leadership transition.”

“Succession planning works best when board members and the incumbent CEO collaborate in advance in a purposeful manner to create the conditions for a successful executive leadership transition.”

“The best laid plans of mice and men often go awry.” John Steinbeck, Of Mice and Men

The Five Best Tips for Successful Succession Planning

The succession plan:

1. is created before the CEO¹ leaves
2. includes views of board, staff, and stakeholders
3. is based on the best interests of the organization and its clients—not on one or a few individuals
4. sets the stage for a successful and informed transition
5. should be in writing and reviewed annually

Succession Assessment of the Organization

The assessment should focus on the two leadership entities: the board and the CEO. Ideally, the assessment would include both the board and the retiring CEO. To conduct an institutional assessment, look at the organizational mirror to reflect on:

Mission	<ul style="list-style-type: none"> • Does our mission truly reflect our reason for existence? • Do all programs reflect our mission? • What will our new CEO need to understand about our mission?
Vision	<ul style="list-style-type: none"> • Do we have a collective vision? • What do we want to accomplish in the next five years?

¹ In this section, the terms CEO (Chief Executive Officer) and Executive Director are used interchangeably and refer to the same position.

<p>Financial Structures</p>	<ul style="list-style-type: none"> • What does our financial situation look like and where do our revenues come from? • What are the key issues regarding our financial issues? Controls? Budgeting? • What do we want the next CEO to do regarding our financial issues?
<p>Board Governance</p>	<ul style="list-style-type: none"> • What value does the board add to the organization? • What issues do we need to work on?
<p>Staff Management</p>	<ul style="list-style-type: none"> • What are our greatest staff challenges? • Will the staff structure need to change? • What behaviors and skills does the new CEO need to have to support, build or change staffing?
<p>Communications (internal/external)</p>	<ul style="list-style-type: none"> • Who do we serve and how do we communicate with them effectively? • How well do we communicate and interact with our stakeholders? • What do we expect the new CEO to do regarding our communication strategies?
<p>Organizational Culture (formal and informal)</p>	<ul style="list-style-type: none"> • What are our core values and beliefs about how we operate? • What behaviors, frustrations or other organizational issues do we want the new CEO to address? • What are the key or “non-negotiable” values that the new CEO must uphold and support?
<p>Other Questions</p>	<ul style="list-style-type: none"> • What must the new CEO do well in order for us to fulfill our mission? • What are the top two or three leadership skills that the next CEO needs to have? • What performance indicators will show that the new CEO is successful in their first three months?

The board should assess themselves at least every other year. The assessment should identify potential gaps in leadership and help the board understand what it does well and what it needs to consider for improving performance. The CEO, however, should already have had performance evaluations that will inform the process for recruiting and hiring the next Chief Executive Officer.

Getting Ready for Succession

Review each question and mark either “yes” or “no”. Discuss each of the “no” elements and consider how your organization might move these to the “yes” column:

Quick Organizational Assessment	Yes	No
Do you have the written CEO/Executive Director job description?		
Has the relationship between the CEO and the board been positive (respectful and trustworthy)?		
Do board members understand their roles and responsibilities?		
Do the board and CEO understand their mutual roles and expectations?		
Is there a performance evaluation conducted for the CEO?		
Does the board regularly assess its own performance?		
Do board members support the mission statement?		
Do both board and CEO have a shared vision for the future?		
Does the board have a clear understanding of the financial condition of the organization?		
Does the board have an emergency management plan in place?		

Emergency Succession Planning

What would happen to your organization if your Executive Director was hit by a truck? An emergency succession plan allows an organization to provide uninterrupted performance of essential executive function by outlining policies and procedures for the temporary appointment of an acting executive director or other interim administrative structure.

Steps to take in a succession emergency:

1. Provide professional counseling for staff if the CEO's departure is due to a sudden death or other catastrophic reason.
2. Identify and prioritize key leadership functions of the CEO. (Review Job Description)
3. Outline the sequence of events during the Executive Director's absence. (Create a broad-stroke "to-do" list...see Succession Planning checklist.)
4. Identify senior management leaders who are best qualified to serve in the interim. This might be more than one person, depending on function. Also, in your plan don't put names, put position titles. For example, you would put Operations Manager, not Anne Smith. If need, provide cross-training necessary to keep programs and operations running.
5. Establish a communication plan that includes: funders/donors (major), government contract officers or managers, and community leaders/other key stakeholders.

Tips for Hiring and Orienting the New CEO

- Find out immediately if there are internal candidates. Do a search even if everyone likes the internal person and put them through the same process. If true, make sure you tell the candidate if they are no longer being considered for the job.
- Keep list of candidates confidential. Even if they indicate that their current employer knows, it is always a good idea to not share the names of candidates.
- If an executive level management person was a candidate but didn't get the position, you and they should be prepared for their departure within 18 months.
- Provide the briefing book to the new executive. This might include history of the organization, specific program and services information, grant contracts and/or proposals that are still active or pending.
- Develop a written statement of expectations of both board and new CEO. This is very helpful to guide the new executive's first three months.
- Encourage informational interviews with board and staff members. The board chair should plan on meeting with the new executive weekly for the first 6 weeks.

The Journey of Succession Planning

A Proactive Checklist

- CEO notifies the chair or another board member
- Ask for at least 4 weeks' notice (if possible)
- Notify the board of directors as soon as possible
- Communicate with the staff to address concerns
- If the process is longer than 4 weeks, let major stakeholders know
- Identify who will be the official spokesperson to media and stakeholders (likely the board chair)
- Determine the message to convey
- Appoint an *ad hoc* transition team
- A board member should be at the meeting when the staff is officially notified to discuss transition plan
- Have emergency contact information of two key board members as support for remaining staff
- Update the CEO job description from both board and current CEO perspectives
- Prepare advertising for the position as soon as possible (Will you advertise locally? Nationally? Within the industry?)
- Develop an interim staff structure: Will you hire an interim executive or will a staff person be appointed? Board member? (If board member, they should temporarily step down from the board or be ex-officio)
- Write a letter to all staff outlining the *temporary* relationship to board and staff (emphasize *temporary*)
- Develop an administrative calendar for the year with deadlines
- Prepare a list of key stakeholders for the new CEO
- Go over CEO office for file organization
- Review personnel files and status. Ask that the outgoing CEO conduct performance evaluations on staff before he or she leaves
- Conduct meetings with staff and board: Board contacts meet with staff weekly and a staff person attends the board meetings
- Current CEO should ask the staff to compile a "to do" list for the next three months
- Identify who will be authorized to issue and sign off on paychecks (specifically) and other financial instruments
- Board to have a weekly meeting with the CEO prior to his or her departure
- Board should receive a briefing book from the outgoing CEO
- Hire and orient new CEO