

Board-Staff Pact

Foreword

The Board of Directors and Chief Executive Officer/Staff are a *team* working to achieve the organization's mission and goals.

The Board's responsibility is that of governance and leadership --- setting policy and direction while advancing the mission. The Chief Executive Officer (CEO) and staff responsibility is to manage administrative efforts. *Together* their actions add value to and protect the organization.

The "Board-Staff Pact" serves as a checklist or reminder as to the responsibilities of all persons.

Pact

WHEREAS, Serving on the Board is the voluntary responsibility for governance and leadership;

WHEREAS, Members have a right to demand that their organization conduct its affairs in an efficient, competent, and innovative fashion, responsive to members and stakeholders;

WHEREAS, Effective governance and management requires maximum commitment and performance by both the Board and the CEO;

WHEREAS, Such an effort will require that the Board and CEO recognize and focus on their distinct duties;

NOW, THEREFORE, In consideration of the above, we agree to:

Board of Directors

- A. Attend leadership orientation and educational opportunities that enhance governance.
- B. Commit adequate time to prepare and attend meetings.
- C. Make all decisions based on knowledge and fact; exercising due diligence.
- D. Respect the confidentiality of information and documents required for governance.
- E. Govern strategically by focusing on the future; allocating a majority of time on issues with long-term impact for the organization and the communities it serves.
- F. Eliminate committees and practices that are inconsistent with the organization's mission and goals.

- G. Be attentive to trends, issues, opportunities and challenges affecting the organization and members.
- H. Formulate a strategic plan that focuses on the needs of members, the trade, profession, or community represented.
- I. Ensure that future leaders are developed and motivated to govern the organization.
- J. Respect the authority and responsibility entrusted to committees, staff and the CEO; refraining from impeding their progress.

CEO and Staff

- A. Develop a staff team that promotes excellence, professionalism, and dedication to the organization.
- B. Exceed the bounds of job descriptions by bringing to the organization the highest levels of skill.
- C. Faithfully report the status of goals, programs and operations to the Board in a clear concise manner.
- D. Accept complete responsibility for the administration with energy, vision and passion.
- E. Ensure that all duties are carried out in a manner consistent with local, state and federal laws, governing documents and the budget; ever guided by the interests and needs of members.
- F. Respect and respond to members and inquiries in a timely and professional manner.
- G. Recommend to the Board opportunities and funding for professional development, as well as competitive compensation levels.
- H. Protect the intellectual and tangible property of the organization and maintain documented systems of management operations for training, consistency and perpetuity.

Signatures:

Board Chair _____

CEO _____

Note: Adapted by Bob Harris, CAE for discussion purposes in board effectiveness. For additional management and governance samples visit www.nonprofitcenter.com or e-mail bob@rchcae.com.

Board-Staff Pact 2004

Schedule of Authority - Board and Management Issues (Sample)

GOVERNANCE AND MANAGEMENT ACTIONS	DESCRIPTION AUTHORITY Limitations	MEMBERSHIP	SENIOR STAFF	EXECUTIVE DIRECTOR	ASSIGNED COMMITTEES	TREASURER FINANCE COMMITTEE	EXECUTIVE COMMITTEE (OFFICERS)	CHAIRMAN OF THE BOARD	BOARD OF DIRECTORS
Strategic Direction									
Strategic Planning	Conducted every 3 to 5 years, with interim annual reviews. Responsibility of an appointed Strategic Planning Task Force			B	D			B	A
Mission, Vision, Values Statements Adoption or Amendment	Reviewed from time to time.			E					A
Taking Officials Positions	Positions on issues permitted; taking positions on candidates does not occur – per policy.			E	D				A
Meetings of the Board									
Call for Board Meetings and Notice	Required by bylaws			E			(A)	A	
Agenda Development	Distributed 30 days in advance of meeting.			B				A	
Executive Committee Meetings	Authorized by the bylaws.			C			(A)	A	
Executive Sessions	Closed door sessions; discouraged with exception of specific agenda items.						(A)	A	(A)
Finances – Fiscal Controls									
Hiring Independent Auditor - Accountant	Requirement of the Bylaws, Recommendation under Sarbanes Oxley for outside annual review of some sort.		D	D		B			A
Development of the Budget	Team approach of the Treasurer, executive officers and senior staff.		D	E		A			
Adoption of the Budget	Required by the board, 45 days in advance of the FY.					B			A
Dues Changes and Special Assessments	Authority granted in bylaws and policy to the board of directors.			E		B			A
Purchases of Equipment	In accordance with budget and policies on bidding and purchase orders.			B		C			A
Disbursements/Checks over \$5,000	According to adopted policy, authority of the exec. director.					A	D	D	

Code: A – Authority to Make the Final Decision

B – Makes Recommendation to Decision Maker

C – Must be Advised

D – May be Consulted

E – Must be Consulted