Governance Readiness Tool

Introduction

Head Start is distinguished from other federal programs by its compelling mission to prepare the nation's neediest children for school, an extensive body of regulations designed to promote high-quality services, and a congressionally mandated performance monitoring system.

Governance in Head Start is complex. Head Start and Early Head Start programs that are successful in delivering high-quality, consistent services to pregnant women, young children, and their families are guided by committed governing bodies that understand and faithfully implement their roles as leaders and fiduciary agents. To ensure Head Start's success, Congress charges governing bodies of organizations that operate Head Start programs to include members with particular expertise, to exercise specific oversight and leadership functions, and to create a governance system that includes an active role for the Policy Council, whose membership includes parents of enrolled children and community representatives.

The Office of Head Start (OHS) has found that many governing bodies, especially those that are new to Head Start, find their oversight role to be challenging. For this reason, the National Center on Program Management and Fiscal Operations has developed this Governance Readiness Tool to help organizations' governing bodies and leaders assess their capacity to effectively oversee and monitor a Head Start program. This tool also is designed to help governing bodies and other leaders to develop a Governance Readiness Plan that details the types of Training and Technical Assistance (T/TA) that would be most effective in moving the organization's governing body forward. This tool draws on current research related to effective governing body practices and highlights those that are particularly relevant to the leadership and oversight of a Head Start program.

Completing the Tool

The Governance Readiness Tool includes three sections.

Section 1: Indicator Worksheets

The first section on pages 1–15 contains worksheets that describe 15 indicators of high-functioning governing bodies. The indicators are divided into six categories: structural, fiduciary, strategic direction, leadership, community relations, and decision-making. Governing body members and organizational leaders can take stock of their progress in relation to each indicator by considering the list of items that characterize effective governance practices. Members should draw on their personal experiences as well as knowledge of written documents to respond objectively. Governing body members and organizational leaders can then come together to share their thoughts and determine which of the following stages of development best describes their progress in each area: (1) needs improvement,

(2) in process, or (3) strong. They should capture their rationale for each response in the "Comments" section.

The governing body chair and executive director may want to work in partnership to lead this process. They can

- include the Governance Readiness Tool as an action item on an upcoming meeting agenda, reserving adequate time for a full group discussion, or
- share the tool with individual governing body members, requesting that they consider their responses to each of the indicators in preparation for the next meeting.

Governing bodies overseeing large organizations may choose to assign the responsibility for completing the tool to a committee that can report its findings and recommendations back to the entire group.

Section 2: Governance Readiness Plan
In the second section of the tool, governing body members along with the executive director can summarize their assessment across all 15 indicators and develop a Governance Readiness Plan for building capacity in targeted areas. The plan can identify the resources and T/TA support needed by the organization and serve as a road map for strengthening the governing body and its effectiveness in overseeing a Head Start program.

Section 3: Resources
The third section provides a list of resources that are aligned with the 15 indicators. Governing body members and organizational leaders may want to consider these resources as they develop their Governance Readiness Plan.

Structural

Head Start and Early Head Start programs must ensure that the structural components of their governing body comply with the expectations outlined in the Improving Head Start for School Readiness Act of 2007. To determine your governing body's structural readiness to comply with Head Start regulations and oversee a Head Start and/or Early Head Start program, take stock of current practices and assess your progress in meeting the indicators described below.

Indicator #1: Bylaws

The governing body adheres to a set of **bylaws** that members regularly review and update. The bylaws
- outline the qualifications of members,
- clearly delineate the roles and responsibilities of members,
- establish a functional committee structure,
- include policies that define expectations for attendance and membership on committees, and
- include an annual calendar of activity.

Take Stock

Are your bylaws an area of strength for your governing body or an area you wish to improve? Think about whether or not the following are in place:
- All governing body members have a copy of the current bylaws.
- The bylaws indicate when they were last updated.
- The bylaws include the five items listed above.
- Governing body members regularly reference the bylaws during meetings to clarify how the governing body is expected to function.
- The governing body has a system for regularly reviewing and updating the bylaws.

Share Your Thoughts

Discuss your thoughts with other governing body members and leaders in the organization. Then, as a group, determine your governing body's stage of development in relation to this indicator. Select one of the following stages and provide comments explaining what led to your conclusion.

Needs Improvement   In Process   Strong

Comments (750 characters):

Indicator #2: Major Policies
The governing body has established **major policies** that include but are not limited to • a conflict of interest policy, • personnel policies, and • a formal process for employees and consumers to report complaints without retaliation.

Take Stock

Are your policies an area of strength for your governing body or an area you wish to improve? Think about whether or not the following are in place:

- At a minimum, policies exist in the three areas listed above and are current and easy to locate.
- The policies are referenced during meetings to provide guidance to the organization and governing body during their decision-making processes.

Share Your Thoughts

Discuss your thoughts with other governing body members and leaders in the organization. Then, as a group, determine your governing body's stage of development in relation to this indicator. Select one of the following stages and provide comments explaining what led to your conclusion.

Needs Improvement   **In Process**   **Strong**

Comments (1,250 characters):

Indicator #3: Measuring Governing Body Performance

The governing body has a system for **measuring its own performance** and evaluating the engagement of individual members, and it uses the results to strengthen the governance system.

Take Stock

Is measuring governing body performance an area of strength for your governing body or an area you wish to improve? Think about whether or not the following are in place:

- The governing body chair, other members, and the organization's director are committed to continually improving the governance system.
- The governing body has measured its own performance, documented the results, and used the results to make improvements.
- Governing body members are able to recall their individual evaluations; some members report they have increased their level of engagement as a result.
- Governing body members are aware of tipoffs that indicate the need for evaluating governance policies and practices, such as
  - o spotty attendance and lack of quorum at meetings,
  - o late arrivals and early departures at meetings,
  - o lack of preparation for meetings, and
  - o meetings that reflect micromanagement rather than strategic focus.

Share Your Thoughts

Discuss your thoughts with other governing body members and leaders in the organization. Then, as a group, determine your governing body's stage of development in relation to this indicator. Select one of the following stages and provide comments explaining what led to your conclusion.

Needs Improvement	**In Process**	**Strong**

Comments (950 characters):

Indicator #4: Membership

The governing body successfully recruits **diverse and qualified members** whose experience and expertise align with governing body responsibilities and ensure that the community served is adequately represented.

Take Stock

Is membership an area of strength for your governing body or an area you wish to improve? Think about whether or not the following are in place:

- The bylaws describe specific qualifications that are sought when recruiting governing body members to fill vacancies.
- The governing body has a nominating committee that has been successful in recruiting qualified members.
- The governing body includes members with different areas of expertise that align with key governing body responsibilities as well as members who represent the community served.
- The governing body is prepared to change its membership in accordance with the Head Start Act.[1]

Share Your Thoughts

Discuss your thoughts with other governing body members and leaders in the organization. Then, as a group, determine your governing body's stage of development in relation to this indicator. Select one of the following stages and provide comments explaining what led to your conclusion.

Needs Improvement	In Process	Strong

Comments (700 characters):

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[1] The Head Start Act requires the governing body to include at least one member who has a background and expertise in accounting or fiscal management; at least one member who has a background and expertise in early childhood education and development; at least one member who is a licensed attorney familiar with issues that come before the governing body; additional members who reflect the community, including parents of formerly or currently enrolled Head Start/Early Head Start children; and other members who are selected for their expertise in education, business administration, or community affairs. For further information regarding exceptions to these requirements and the use of consultants, refer to the Head Start Act Sec. 642(1)(B)(v) and (vi).

Indicator #5: Orientation and Training

The governing body provides **orientation** to all new members **and ongoing training**, as needed, so that members fully understand their responsibilities and are knowledgeable about the organization's systems, services, and financial health.

Take Stock

Is orientation and ongoing training an area of strength for your governing body or an area you wish to improve? Think about whether or not the following are in place:

- A comprehensive governing body orientation is held annually for all new members.
- A current governing body handbook exists, is distributed to all new members, and is used to guide members in embracing their new roles.
- The executive director is responsive to the ongoing needs of members by providing yearly training activities that support their continuous growth and development.
- The executive director utilizes internal and external resources to ensure that all training content is current and the professional development strategies are appropriate to the audience.
- Governing body members can describe the orientation and ongoing training they received and how it helped prepare them for their role.

Share Your Thoughts

Discuss your thoughts with other governing body members and leaders in the organization. Then, as a group, determine your governing body's stage of development in relation to this indicator. Select one of the following stages and provide comments explaining what led to your conclusion.

Needs Improvement	**In Process**	**Strong**

Comments (1,150 characters):

Fiduciary

Head Start and Early Head Start programs must ensure that strong systems are in place for exercising their fiduciary responsibilities. To determine your governing body's readiness to oversee federal funds and carry out its fiduciary responsibilities related to Head Start and Early Head Start, take stock of current practices and assess your progress in meeting the indicators described below.

Indicator #6: Fiscal Oversight

The governing body exercises **fiscal oversight** by

- approving the organization's annual Head Start budget and other major program budgets;
- establishing and adhering to procedures and guidelines for accessing, reviewing, and approving regular budget reports;
- implementing a system of checks and balances to ensure that proper internal controls are in place for expenditures; and
- regularly analyzing budget reports to monitor the organization's financial health, compare actual fiscal performance against the budget, ensure that appropriate financial controls are in place, and initiate corrective action when indicated.

Take Stock

Is fiscal oversight an area of strength for your governing body or an area you wish to improve? Think about whether or not the following are in place:

- One or more governing body members have fiscal expertise.
- Financial management is included in the governing body orientation and training process so that all members have the skills to review and assess budget reports.
- Minutes from either full governing body meetings or finance committee meetings clearly document the budget review and approval process.
- Governing body members can recall times when budget reports have revealed potential fiscal issues and members have worked with management to take corrective action.
- Governing body members regularly review their fiscal policies and develop new, more efficient procedures as necessary.

Share Your Thoughts

Discuss your thoughts with other governing body members and leaders in the organization. Then, as a group, determine your governing body's stage of development in relation to this indicator. Select one of the following stages and provide comments explaining what led to your conclusion.

Needs Improvement	In Process	Strong

Comments (500 characters):

Indicator #7: External Audit

The governing body enlists an independent auditor to conduct an annual external **audit** and works with the executive director to take corrective actions, as warranted, to strengthen the organization's financial management operations.

Take Stock

Is external auditing an area of strength for your governing body or an area you wish to improve? Think about whether or not the following are in place:

- Governing body members are involved in the selection of a qualified and independent auditor.
- Governing body members have thoroughly reviewed the most recent audit report and all members are familiar with the results.
- Governing body members recall times when they have worked with the chief financial officer and the executive director during the audit resolution process to ensure compliance and avoid a repeat finding.
- Governing body members have evaluated the relevance of audit findings and have changed audit firms over time to ensure that audits are independent, objective, and useful to the organization.

Share Your Thoughts

Discuss your thoughts with other governing body members and leaders in the organization. Then, as a group, determine your governing body's stage of development in relation to this indicator. Select one of the following stages and provide comments explaining what led to your conclusion.

Needs Improvement	In Process	Strong

Comments (1,100 characters):

Indicator #8: Managing Federal Funds
The governing body has a history of successfully **managing federal funds**.

Take Stock

Is managing federal funds an area of strength for your governing body or an area you wish to improve? Think about whether or not the following are in place:

- The organization has a track record of successfully managing programs supported by federal funds.
- The governing body is confident that the organization has a highly qualified chief financial officer and fiscal management staff who can manage federal funds based on their prior experience.
- The governing body has supported organizational staff in developing their professional skills and expertise related to managing federal funds.
- The chief financial officer and fiscal management staff have the ability to address compliance issues, especially as they relate to financial reporting requirements.

Share Your Thoughts

Discuss your thoughts with other governing body members and leaders in the organization. Then, as a group, determine your governing body's stage of development in relation to this indicator. Select one of the following stages and provide comments explaining what led to your conclusion.

Needs Improvement	In Process	Strong

Comments (1,200 characters):

Strategic Direction

Governing bodies must provide strategic direction to Head Start and Early Head Start programs. To determine your governing body's readiness to successfully engage the Head Start management team and Policy Council in a strategic planning process, take stock of your current system for planning and assess your progress in meeting the indicator described below.

Indicator #9: Strategic Planning

The governing body has an ongoing process for examining internal and community data in order to analyze trends and develop a **strategic plan** that includes an organizational vision, short-term and long-term goals, and operational and fiscal objectives.

Take Stock

Is strategic planning an area of strength for your governing body or an area you wish to improve? Think about whether or not the following are in place:

- The strategic plan is a key reference point during the governing body's orientation and ongoing training.
- Governing body members can describe how they have worked with senior program managers on the development of a strategic plan.
- Governing body members can share examples of how they have used data to make decisions regarding the goals and objectives to be included in the strategic plan.

Share Your Thoughts

Discuss your thoughts with other governing body members and leaders in the organization. Then, as a group, determine your governing body's stage of development in relation to this indicator. Select one of the following stages and provide comments explaining what led to your conclusion.

Needs Improvement	In Process	Strong

Comments (1,000 characters):

Leadership

In accepting funding for Head Start and Early Head Start, governing bodies agree to provide leadership to the program as a whole as well as to Head Start staff and parent leaders. Governing bodies also recognize the important relationship between the governing body and the Policy Council and their shared leadership responsibilities. To determine your governing body's readiness to embrace this area of responsibility, take stock of current practices and assess your progress in meeting the indicators described below.

Indicator #10: Oversee Organizational Performance
The governing body oversees **organizational performance** by monitoring and evaluating metrics of major programs, services, and initiatives.

Take Stock

Is organizational performance review an area of strength for your governing body or an area you wish to improve? Think about whether or not the following are in place:

- Organizational staff regularly share progress reports with the governing body.
- Progress reports contain information regarding core services and are tied to program goals and objectives.
- Meeting minutes confirm that the governing body regularly reviews reports that provide information on the status of program services.
- Governing body members utilize progress reports to determine the progress the organization is making in meeting organizational and program-specific objectives.
- Governing body members can recall instances when they have used progress reports to identify trends and emerging issues with organizational performance and have worked with the executive director to address these issues and support the organization in meeting objectives.
- Governing body members spend time observing program services in action in order to obtain their own perspective on program operations.

Share Your Thoughts

Discuss your thoughts with other governing body members and leaders in the organization. Then, as a group, determine your governing body's stage of development in relation to this indicator. Select one of the following stages and provide comments explaining what led to your conclusion.

Needs Improvement	In Process	Strong

Comments (600 characters):

11

Indicator #11: Relationship with Executive Director

The governing body hires the **executive director**, works collaboratively with him or her in leading the organization, holds him or her accountable, and regularly evaluates his or her performance.

Take Stock

Is the relationship with the executive director an area of strength for your governing body or an area you wish to improve? Think about whether or not the following are in place:

- Governing body members are involved in the process of hiring the executive director.
- Governing body members annually evaluate the performance of the executive director.
- Governing body members have a system for insuring that the opinions of parents, staff, and community members are included in the hiring and evaluation of the executive director.
- Governing body members, when asked, can provide examples of ways they have worked with the executive director to provide leadership to the organization.

Share Your Thoughts

Discuss your thoughts with other governing body members and leaders in the organization. Then, as a group, determine your governing body's stage of development in relation to this indicator. Select one of the following stages and provide comments explaining what led to your conclusion.

Needs Improvement   **In Process**   **Strong**

Comments (1,100 characters):

Community Relations

In accepting funding for a Head Start and/or Early Head Start program, governing bodies agree to work with program leaders to develop links with the community that the program serves. To determine your governing body's ability to embrace this area of responsibility, take stock of current practices and assess your progress in meeting the indicators described below.

Indicator #12: Community Partners and Stakeholders

Governing body members speak on behalf of the organization with **community partners and stakeholders** and create connections with resource providers who can benefit the organization and its programs.

Take Stock

Are relationships with community partners and stakeholders an area of strength for your governing body or an area you wish to improve? Think about whether or not the following are in place:

- Governing body members can provide examples of ways they have enhanced community partnerships on behalf of the organization.
- Governing body members are actively involved with community organizations that will serve as effective partners and provide resources for the Head Start and/or Early Head Start program.

Share Your Thoughts

Discuss your thoughts with other governing body members and leaders in the organization. Then, as a group, determine your governing body's stage of development in relation to this indicator. Select one of the following stages and provide comments explaining what led to your conclusion.

Needs Improvement	In Process	Strong

Comments (1,100 characters):

Indicator #13: Communication Strategies

The governing body shares accomplishments with the community through its annual report and other **communication strategies**.

Take Stock

Are communication strategies an area of strength for your governing body or an area you wish to improve? Think about whether or not the following are in place:

- The organization produces an annual report.
- The governing body is aware of the contents of the annual report and can provide examples of how this information is shared with the broader community.
- The organization regularly communicates its accomplishments to the community through newsletters, website content, media outreach, and other communication channels.

Share Your Thoughts

Discuss your thoughts with other governing body members and leaders in the organization. Then, as a group, determine your governing body's stage of development in relation to this indicator. Select one of the following stages and provide comments explaining what led to your conclusion.

Needs Improvement	**In Process**	**Strong**

Comments (1,100 characters):

Decision-Making

Head Start and Early Head Start programs must establish a Policy Council, whose members include (1) parents of children currently enrolled in the program and (2) community representatives; and the governing body must actively engage this group in program decision-making. To determine your governing body's readiness to successfully implement this important addition to your governance structure, take stock of current practices and assess your progress in meeting the indicators described below.

Indicator #14: Constituent Voice

The governing body includes members from the organization's constituent group and/or has other mechanisms to ensure that a **constituent voice** informs its decision-making.

If your organization has a history of managing Head Start services, also include this indicator in your assessment: The governing body carefully considers the opinions and recommendations of the Policy Council when making decisions pertaining to the Head Start program.

Take Stock

Is constituent voice an area of strength for your governing body or an area you wish to improve? Think about whether or not the following are in place:

- Governing body members recognize that the opinions and ideas of those being served should be used to shape the organization and its service delivery systems.
- Governing body members are able to share examples of how they have utilized feedback from constituents in their decision-making.
- The governing body, when making decisions, has mechanisms in place for obtaining and considering the viewpoints of those being served.

If your organization has a history of managing Head Start services, also think about the following:

- Policy Council and governing body meetings are designed and scheduled to support a coordinated flow of information between the two groups that results in sound and inclusive decision-making.

Share Your Thoughts

Discuss your thoughts with other governing body members and leaders in the organization. Then, as a group, determine your governing body's stage of development in relation to this indicator. Select one of the following stages and provide comments explaining what led to your conclusion.

    Needs Improvement   **In Process**   **Strong**

Comments (700 characters):

15

Indicator #15: Informed and Inclusive Process

The governing body holds meetings that are well attended and characterized by full and meaningful participation. The chairperson encourages diversity of opinion, and decisions reflect an **informed and inclusive process.**

Take Stock

Is informed and inclusive decision-making an area of strength for your governing body or an area you wish to improve? Think about whether or not the following are in place:

- Governing body meetings are well attended, allowing for diverse expertise and perspectives in resolving issues.
- Governing body members report that their views and the views of others are respected and considered during meeting discussions.
- Governing body members receive a packet of materials prior to meetings so they can review the information and prepare for discussions.

Share Your Thoughts

Discuss your thoughts with other governing body members and leaders in the organization. Then, as a group, determine your governing body's stage of development in relation to this indicator. Select one of the following stages and provide comments explaining what led to your conclusion.

Needs Improvement	In Process	Strong

Comments (1,000 characters):

Summary

Thank you for taking the time to complete all 15 indicator worksheets. Now that you have thought thoroughly about the policies and practices of high-functioning governing bodies as they relate to your own system of governance, summarize your responses in the table below.

Your Responses (1,000 characters each)
Strong: Review your indicator worksheets and list here the indicators that represent areas of strength.
In Process: Review your indicator worksheets and list here the indicators that represent areas you are in the process of strengthening.
Needs Improvement: Review your indicator worksheets and list here the indicators that represent areas that need improvement.

Section 2: Governance Readiness Plan

Governance Readiness Plan

Part 1: For each of the indicators that you are in the process of strengthening, describe below the next steps you will take to advance your governing body's practices in these areas. Section 3 of this tool, found on pages 20–26, offers resources that may help you in completing your plan. If there are more than three indicators that you are in the process of strengthening, make additional copies of this template as needed.

Indicator:		
Next Steps	**Person(s) Responsible**	**Time Frame**

Indicator:		
Next Steps	**Person(s) Responsible**	**Time Frame**

Indicator:		
Next Steps	**Person(s) Responsible**	**Time Frame**

Section 2: Governance Readiness Plan

Governance Readiness Plan

Part 2: For each of the indicators that need improvement, describe below the next steps you will take to advance your governing body's practices in these areas. Be sure to identify and include where you will seek Head Start T/TA support. Section 3 of this tool, found on pages 20–26, offers resources that may help you in completing your plan. If there are more than three indicators that need improvement, make additional copies of this template as needed.

Indicator:

Next Steps	Person(s) Responsible	Time Frame

Indicator:

Next Steps	Person(s) Responsible	Time Frame

Indicator:

Next Steps	Person(s) Responsible	Time Frame

Section 2: Governance Readiness Plan

Completing your Governing Readiness Plan is your first step toward strengthening your organization's governing body. Equally important is that you regularly monitor your progress in implementing your plan. Be sure to connect with your OHS Program Specialist to communicate your T/TA needs and explore available resources. You should also ensure that the needs of your governing body are represented in the Head Start program's T/TA plan.

Section 2: Governance Readiness Plan

Resources

Listed below are resources to support your governance improvement efforts. The resources are organized by indicator and can be used to jump-start your efforts to strengthen your governing body in areas that you have determined are "in process" or "need improvement." The National Center on Program Management and Fiscal Operations also regularly updates its website with valuable resources in the area of governance. Visit eclkc.ohs.acf.hhs.gov/hslc/tta-system/operations.

Structural Indicators

Indicator #1: Bylaws

GrantSpace. (2012). *Knowledge base: What are nonprofit bylaws? Where can I find samples?* www.grantspace.org/Tools/Knowledge-Base/Nonprofit-Management/Establishment/Nonprofit-bylaws

- This webpage defines bylaws and provides links to several resources on bylaws, including sample bylaws for different types of nonprofits.

McConnell, R. (2006). What do bylaws do or accomplish? *Parliamentary Internet Newsletter, 11*(1). eclkc.ohs.acf.hhs.gov/hslc/tta-system/operations/mgmt-admin/governance/responsibilities/What%20Do%20Bylaws%20Do%20or%20Accomplish.htm

- The article provides an overview of the purpose of establishing organizational bylaws and can help governing body members and other leaders further their understanding of the importance of having and using bylaws.

Indicator #2: Major Policies

Nonprofit Resource Center. (2012). *Models, samples, and templates.* www.nprcenter.org/models-samples-templates

- This webpage offers customizable samples and templates of nonprofit policies and procedures, including some related to board governance, financial management, and accounting procedures.

Indicator #3: Measuring Governing Body Performance

Alliance for Advancing Nonprofit Health Care**. (2011). *Great governance: A practical guide for busy board leaders and executives of nonprofit health care organizations*. www.nonprofithealthcare.org/resources/Alliance-GreatGovernanceGuide.pdf

- This document highlights seven benchmarks for in achieving excellence in governance. A statement and rationale is given for each benchmark, followed by recommended key action steps to achieve it. Appendix A provides a list of recommended resources for additional information and guidance to accomplish the key steps. Appendix B provides checklists that board leaders and executives can use to conduct a snapshot assessment of meeting practices and an annual assessment of other, more "foundational" governance practices.

Indicator #4: Membership

The Bridgespan Group. (2012). *Building leadership: Recruiting and vetting nonprofit board members.* www.bridgespan.org/Publications-and-Tools/Hiring-Nonprofit-Leaders/Recruiting-Board-Members/Recruiting-and-Vetting-Nonprofit-Board-Members.aspx#.UN2mBW9X3oI

- This web article describes how finding the "right" board members can assist an organization in achieving its strategic goals, and it provides guidance for recruiting and vetting strong board candidates.

Masaoka, J. (2009). *A fresh look at diversity and boards* [Web log post]. Blue Avocado. www.blueavocado.org/content/fresh-look-diversity-and-boards

- This web article explores four key reasons why nonprofit boards should seek to expand the diversity of their members.

The Muttart Foundation and Alberta Culture and Community Spirit. (2008). *Board development: Board building – recruiting and developing effective board members for not-for-profit organizations*. www.muttart.org/sites/default/files/downloads/publications/recruiting_development.pdf

- Recruiting, developing, and retaining individuals to serve in board roles is a difficult and time-consuming job. Organizations must be willing to make a major investment of time and effort in these activities to build a strong and effective governing body. This workbook provides a road map for programs to recruit, develop, and retain committed board members.

Indicator #5: Orientation and Training

BoardSource. (2013). *Board orientation*. www.bridgespan.org/Publications-and-Tools/Hiring-Nonprofit-Leaders/Recruiting-Board-Members/Board-Orientation.aspx#.UGsn366GU84

- This web article describes strategies for designing and developing an effective orientation for board members.

BoardServe NYC. (2013). *Nonprofit Board Tune-Up Kit*. home.uwnyc.com/boardservenyc/?pg=site&area=resources&detail=trngmatls

- The tools, advice, and guidelines included in this toolkit can help boards to assess their membership needs, find and recruit board members, and orient new board members to effective board practices and their roles and responsibilities.

Fiduciary Indicators

Indicator #6: Fiscal Oversight

National Council of Nonprofits. (2012). *Financial management.* www.councilofnonprofits.org/resources/financial-management

- This section of the National Council of Nonprofits website serves as a repository for information on fiscal management, including templates for financial policies, a sample balance sheet, and an overview of the budgeting processes.

Jacobson Jarvis & Co PLLC. (2013). *What board members need to know about not-for-profit finance and accounting*.

www.jjco.com/resources/pdf/JJ_WBNTK%20Booklet%20FINAL2013.pdf

- This document is designed to help nonprofit board members perform their fiscal responsibilities. This in-depth tool focuses on the roles and responsibilities related to protecting the organization's assets by overseeing its financial activities and implementing best practices**.**

Indicator #7: External Audit

GrantSpace. (2012). *Knowledge base: Where can I learn more about nonprofit audits?*
www.grantspace.org/Tools/Knowledge-Base/Nonprofit-Management/Accountability/Nonprofit-audits

- This web article serves as a gateway to many resources on nonprofit audits, including links to each state's charity office, information on preparing for an audit, and a toolkit for the audit committee.

Ostrower, F., & Bobowick, M. J. (2006). Nonprofit governance and the Sarbanes-Oxley Act. *Urban Institute National Survey of Nonprofit Governance Preliminary Findings*.
www.urban.org/UploadedPDF/311363_nonprofit_governance.pdf

- This Urban Institute report looks at the impact of making some of the provisions of the Sarbanes-Oxley Act—includes its audit requirements—mandatory for nonprofit organizations.

US Department of Health and Human Services, Administration for Children and Families, Office of Head Start. (2007). *Audit requirements*.
eclkc.ohs.acf.hhs.gov/hslc/tta-system/operations/fiscal/financial-mgmt/audit/TestAuditRequir.htm

- This publication provides an overview of federal audit requirements and links to the federal regulations that govern audits for recipients of federal grants, cooperative agreements, awards, and subawards.

Indicator #8: Managing Federal Funds

US Department of Health and Human Services, Office of the Assistant Secretary for Resources and Technology, Office of Grants. (2007). *Health and Human Services: Grants policy statement.*
http://www.hhs.gov/asfr/ogapa/grantinformation/hhsgps107.pdf

- This federal manual makes available in one document the general terms and conditions of HHS discretionary and cooperative agreement awards. The document provides information about the grants process and the responsibilities—including fiduciary—of HHS grant recipients. A detailed table of contents allows users to quickly find information related to a particular topic or area of interest.

Compassion Capital Fund National Resource Center. (2010). *Managing public grants*.
strengtheningnonprofits.org/resources/guidebooks/Managing_Public_Grants.pdf

- This guidebook, developed for HHS, is designed to help capacity builders and nonprofit organizations to better understand the key concepts and elements required to effectively manage federal grants. These include achieving proposed program goals, receiving and disbursing federal funds, and complying with reporting requirements. The guidebook includes detailed information on federal regulations for grant management.

Section 3: Resources

Office of the Federal Register. (2013). *Code of Federal Regulations*.

- 45 CFR Part 92—Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.
  eclkc.ohs.acf.hhs.gov/hslc/tta-system/operations/fiscal/regulations/part92/45CFRPart92.htm
- 45 CFR Part 74—Uniform Administrative Requirements for Awards and Subawards to Institutions of Higher Education, Hospitals, Other Nonprofit Organizations, and Commercial Organizations
  eclkc.ohs.acf.hhs.gov/hslc/tta-system/operations/fiscal/regulations/part74/CFR82107.htm

Strategic Direction Indicator

Indicator #9: Strategic Planning

National Council of Nonprofits. (2012). *Strategic and business planning for nonprofits.*
www.councilofnonprofits.org/strategic-business-planning-for-nonprofits

- This web page offers a comprehensive overview of strategic planning for nonprofits as well as links to numerous additional resources on the topic. The web page also explores business (contingency) planning as a natural outgrowth of strategic planning, given the risks of funding uncertainty and natural disasters.

Toole, T. F. (2010, October). *Strategic planning in nonprofit organizations: Lessons from the field*. Center for Community Engagement at St. John Fisher College.
www.cce-rochester.org/files/Strategic_Planning_Report_Oct_2010.pdf

- This report discusses findings from a quasi-qualitative study conducted by the author with 16 nonprofit executives and reveals very valuable lessons about the importance of strategic planning.

Leadership Indicators

Indicator #10: Monitor Organizational Performance

Bell, J., & Masaoka, J. (2009). *A nonprofit dashboard and signal light for boards* [Web log post]. Blue Avocado.

www.blueavocado.org/content/nonprofit-dashboard-and-signal-light-boards

- Using several visual examples, this web article provides an overview of the efficacy of dashboards in monitoring nonprofit organizational performance.

National Council of Nonprofits. (2013). *Self assessment and evaluation of outcomes.*
www.councilofnonprofits.org/resources/resources-topic/evaluation-and-measurement

- This section of the National Council of Nonprofits website provides information and resources to help nonprofit organizations with self-assessment and program evaluation, particularly outcomes-based evaluation.

Section 3: Resources

Eckhart-Queenan, J., & Forti, M. (2011, April). *Measurement as learning: What nonprofit CEOs, board members, and philanthropists need to know to keep improving*. The Bridgespan Group. www.bridgespan.org/getattachment/f41775d2-b766-41f0-96b3-0853b28c10a9/Measurement-as-Learning-What-Nonprofit-CEOs,-B.aspx

- This report provides insight into the benefits of performance measurement in the social sector and a framework for implementing an effective measurement system.

Association of Governing Boards of Universities and Colleges. (2010). *How boards oversee educational quality: A report on a survey on boards and the assessment of student learning*. http://agb.org/sites/agb.org/files/AGBBoardsandEdQuality.pdf

- Although this report focuses on student learning in higher education, it is of use to Head Start governing bodies because it explores how governing boards of educational institutions can engage in and contribute to discussions focused on student learning and program outcomes. Recommendations made in this report may stimulate productive conservations in Head Start programs between the governing body and administration on the important issue of school readiness goals and outcomes.

Indicator #11: Relationship with Executive Director

The Muttart Foundation and Alberta Culture and Community Spirit. (2008). *Board development: Hiring and performance appraisal of the executive director.* culture.alberta.ca/bdp/workbooks/ED_Workbook.pdf

- This electronic self-guided workbook offers comprehensive insight into the hiring and appraising of a nonprofit executive director and the role of the nonprofit board throughout. While produced in Canada, the workbook provides information that is relevant to nonprofit organizations in the United States.

The Bridgespan Group. (2009). *Finding the right ED: Creating and managing an effective search committee.* www.bridgespan.org/getattachment/4e15beb3-2d3c-4742-a94e-26d44380dec1/Creating-Managing-Search-Committee.aspx

- Finding the right executive director can be a challenging experience for most nonprofit organizations. This article explains how to create a search committee and equip it with the tools necessary to find the right executive director for your program.

Community Relations Indicators

Indicator #12: Community Partners and Stakeholders

Beck, D. (2012). *10 ways to support board ambassadors* [Web log post]*.* Laramie Board Learning Project. www.boardlearning.org/2012/05/10-ways-to-support-board-ambassadors.html

- This web article explores practices that nonprofit organizations can adopt to expand and improve their board members' roles as community ambassadors.

Jones, B. (2009). Empowering board members to tell your agency's story: Personal testimony is a cost-effective fundraising strategy. *Alliance for Children & Families Magazine, 3,* 41–42. magazine.alliance1.org/content/funddevelopment/issue3-09/empowering-board-members-tell-your-agency's-story

- This article examines how nonprofit board members can build relationships with community members, service organizations, and local businesses to generate financial and other support for their organization's mission and services.

US Department of Health and Human Services, Administration for Children and Families, Administration on Children, Youth and Families, Head Start Bureau. (1997). Planning community partnerships. *Leading Head Start into the future.* eclkc.ohs.acf.hhs.gov/hslc/tta-system/family/Family%20and%20Community%20Partnerships/Community%20Partnership/Building%20&%20Planning%20Partnerships/famcom_lea_00208_050106.html

- These training activities were produced to help Head Start leaders and staff to recognize the role that the Head Start program plays in the community and to develop their skills and behaviors for building, strengthening, and promoting community partnerships.

Indicator #13: Communication Strategies

GrantSpace. (2013). *Knowledge base: Where can I learn more about making a nonprofit annual report?* grantspace.org/Tools/Knowledge-Base/Nonprofit-Management/Accountability/Annual-reports

- This webpage provides links to several resources for producing an effective and high-impact annual report.

Colorado Nonprofit Association. (2011, July). *Principles & practices for nonprofit excellence in Colorado: Communications toolkit.* www.coloradononprofits.org/wp-content/uploads/Communications-Toolkit_Pt.-1.pdf

- This toolkit was developed to help Colorado's nonprofit organizations create more effective internal and external communications to advance their mission, inspire community stakeholders, and increase their impact.

Section 3: Resources

Decision-Making Indicators

Indicator #14: Constituent Voice

US Department of Health and Human Services, Administration for Children and Families, Administration on Children, Youth and Families, Head Start Bureau. (1997). *Linking our voices*. Streaming video.

eclkc.ohs.acf.hhs.gov/hslc/hs/resources/video/Video%20Presentations/LinkingOurVoice.htm

- This 22-minute video explores the knowledge, skills, and behaviors necessary for successful Head Start Policy Councils and examines the partnership that Head Start programs must develop between Policy Councils, governing bodies, and program leaders.

Indicator #15: Informed and Inclusive Process

National Council of Nonprofits. (2013). What makes a great meeting? *Nonprofit knowledge matters.* www.councilofnonprofits.org/news/nonprofit-knowledge-matters/nonprofit-knowledge-matters-what-makes-great-meeting

- This article examines practices nonprofit boards should adopt for designing effective meetings, developing strategic agendas, and facilitating inclusive and diverse debate and decision-making.

Bibliography

Becoming a more effective board. (2009). Boston, MA: The Bridgespan Group, Inc. Retrieved from http://www.bridgespan.org/Publications-and-Tools/Nonprofit-Boards/Resources-for-Board-Members/Becoming-a-More-Effective-Nonprofit-Board.aspx

- This web article highlights key areas boards need to be aware of to improve effectiveness.

Boardsource. (2010). *BoardSource nonprofit governance index 2010.* Washington, DC: Author. Retrieved from http://www.boardsource.org/dl.asp?document_id=884

- In this report, hundreds of nonprofit leaders share their experience and perspectives on organizational challenges, governance practices, and board performance.

Boardsource. (2012). *BoardSource nonprofit governance index 2012: Data report 1, CEO survey of BoardSource members*. Washington, DC: Author. Retrieved from http://www.boardsource.org/AboutUs.asp?ID=200

- This most recent version of the Governance Index is the only national survey to gather information from both chief executives and board chairs on their experiences in the boardroom. The 2012 Index includes two independent samples of nonprofit organizations: (1) a selection of BoardSource members; and (2) a national random sample of nonprofits unaffiliated with BoardSource.

Bobowick, M. J., & Tenuta, R. (2011). Striving for Best Practices in Nonprofit Governance [Slide presentation from an April 27, 2011, BoardSource Webinar].

Bobowick, M. J., Tenuta, R., & Davis, A. (2011). Bringing Best Practices into Your Boardroom [Slide presentation from a September, 23, 2011, BoardSource Leadership Forum].

Chait, R. P., Ryan, W. P., & Taylor, B. E. (2005). *Governance as leadership: Reframing the work of nonprofit boards.* Hoboken, NJ: John Wiley & Sons, Inc. Retrieved from http://www.boardsource.org/Bookstore.asp?Item=161

- This book offers trustees and executives a new and practical framework to govern nonprofit organizations more effectively. It describes three modes of governance—fiduciary, strategic, and generative—that together enable effective trusteeship.

Czerwinski, S. J. (2007). *Nonprofit sector: Increasing numbers and key role in delivering federal services.* Testimony Before the Subcommittee on Oversight, Committee on Ways and Means, US House of Representatives. Washington, DC: Government Accountability Office. Retrieved from http://waysandmeans.house.gov/media/pdf/110/07%2024%2007/czerwinski%20testimony.pdf

- This testimony (1) provides a picture of the nonprofit sector—its size, composition, and role in the economy; (2) discusses how and why the federal government partners with the sector; and (3) identifies issues that are related to the sector as a federal partner and that need to be better understood.

Herman, R. D., & Renz, D. O. (2000). Board practices of especially effective and less effective local nonprofit organizations. *The American Review of Public Administration, 30*(2), pp. 146–160. Retrieved from http://www.uk.sagepub.com/chaston/Chaston%20Web%20readings%20chapters%201-12/Chapter%2011%20-%2043%20Herman%20and%20Renz.pdf

- This study reviews evidence in support of the hypothesis that nonprofit organizations' effectiveness is related to the effectiveness of their boards of directors; the study includes a list of "frequently recommended board practices based on the reading of the normative board literature."

Maryland Association of Nonprofit Organizations. (2009). *Standards for excellence: An ethics and accountability code for the nonprofit sector*. Baltimore, MD: Author. Retrieved from http://www.standardsforexcellenceinstitute.org/dnn/TheCode.aspx

- This document identifies eight major areas of nonprofit governance and management, contains 55 implementation goals, and provides a structured approach to building capacity, accountability, and sustainability in organizations.

Ostrower, F. (2007). *Nonprofit governance in the United States: Findings on performance and accountability from the first national representative study.* Washington, DC: The Urban Institute, Center on Nonprofits and Philanthropy. Retrieved from http://www.urban.org/publications/411479.html

- This document presents findings from a 2005 national representative survey of nonprofit governance, with over 5,100 participants. Discussed topics include relationships between public policy and governance, factors that promote or impede boards' performance of basic stewardship, board composition and factors associated with board diversity, and recruitment processes.

Panel on the Nonprofit Sector. (2007). *Principles for good governance and ethical practice: A guide for charities and foundations.* Washington, DC: Independent Sector. Retrieved from https://www.independentsector.org/uploads/Accountability_Documents/Principles_for_Good_Governance_and_Ethical_Practice.pdf

- This document defines and describes the principles that should guide board members and staff leaders of charitable organizations as they work to improve their operations.

Partnership for Excellence in Jewish Education. (2011). Resources on board assessment and evaluation (Website). Retrieved from http://www.peje.org/index.php/knowledge-a-resources/governance/board-assessment-a-evaluation

- This website offers links to several resources for evaluating nonprofit board effectiveness, including the Board Excellence Measurement Tool, a Board of Trustees Accountability Checklist, and a monograph titled "Board Health, Board Culture."

US Department of the Treasury, Internal Revenue Service. (2011). Form 990 return of organization exempt from income tax. Washington, DC: Author. Retrieved from http://www.irs.gov/uac/Form-990,-Return-of-Organization-Exempt-From-Income-Tax-

- Part VI (page 6) of this IRS tax form is a reminder of what particular information about an organization's governing body, management, and policies must be reported to the IRS and publicly available.

Section 4: Bibliography

US Department of the Treasury, Internal Revenue Service. (n.d.). *Good governance practices for 501(c)(3) organizations.* Washington, DC: Author. Retrieved from http://www.nacua.org/documents/GoodGovernancePractices.pdf

- This document provides guidance to help ensure that members of nonprofit governing boards understand their roles and responsibilities and actively promote good governance practices.

US Department of the Treasury, Internal Revenue Service. (2008). *Governance and related topics—501(c)(3) organizations*. Washington, DC: Author. Retrieved from http://www.irs.gov/pub/irs-tege/governance_practices.pdf

- This document provides guidance from the IRS on recommended policies and practices at well-governed nonprofit organizations.

Section 4: Bibliography