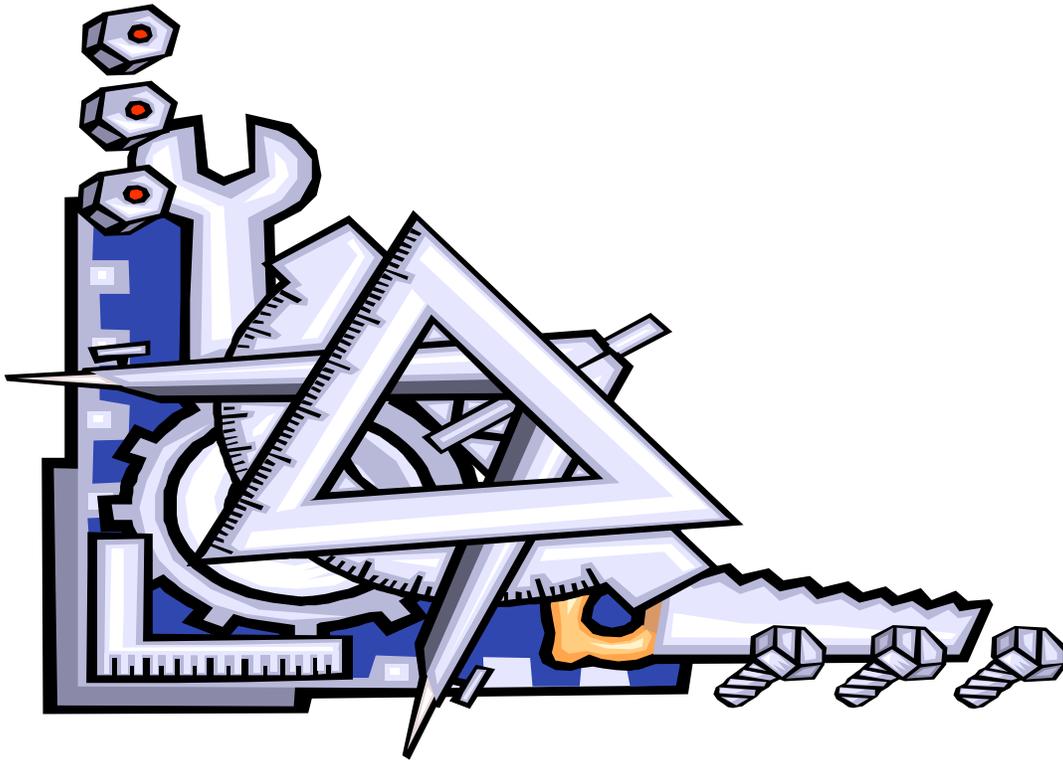


Nuts and Bolts of Board Service

Presented by
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Nuts and Bolts of Board Service

Goals:

Objectives:

1. To provide an understanding of the purpose and functions of the governing body of a civil legal services program.
 - Participants will become familiar with the structure, operating procedures and terminology frequently associated with non-profit (legal services) governing bodies; and,
 - Participants will become aware of the authority and accountability that the governing body has to shape and enforce the mission, strategic direction and performance outcomes of the organization.

2. To promote the advantages of having a diverse membership in the composition and activities of the governing body of a civil legal services program.
 - Participants will adopt the core principle of *inclusiveness*, signifying that feedback and input offered by *all* members produces a variety of perspectives that enrich the decision making by a civil legal services program; and,
 - Participants will feel obligated and entitled to provide input and feedback on issues presented to and discussed by the governing body of the civil legal services program.

3. To prepare client-eligible individuals to serve effectively as members of the governing body of a civil legal services program.
 - Participants will identify strategies to overcome the challenges to full participation faced by client-eligible members that serve on the governing body of a civil legal services program; and,
 - Participants will feel comfortable and confident to provide input and feedback on issues presented to and discussed by the governing body of the civil legal services program.

Nuts and Bolts of Board Service

INTRODUCTION

In 1974, Congress established a separate, non-profit corporation to fund legal aid programs. The Legal Services Corporation, or LSC, is based in our nation's capital and provides financial support to legal aid programs across the United States, including the protectorates of Puerto Rico, Guam,

Micronesia, American Samoa and the Virgin Islands. To receive these funds, these organizations must meet federal laws for providing those in need with effective help with civil legal problems. Congress created the Legal Services Corporation so that individuals would have access to effective legal help regardless of their ability to pay. LSC was formed:

- To provide equal access to the system of justice in our Nation; and
- To provide high quality legal assistance to those who would be otherwise unable to afford adequate counsel.

I. WHAT IS THE BOARD OF DIRECTORS?

A **board of directors** is a body of elected or appointed persons who jointly oversee the activities of a company or organization. The body sometimes has a different name, such as board of trustees, board of governors, board of managers, or executive board. It is often simply referred to as "the board." A board's activities are determined by the powers, duties, and responsibilities delegated to it or conferred on it by an authority outside itself. LSC calls the board of directors of a program that receives LSC-funding a "governing body."

The overriding goal of the board of directors of any legal services program is to make certain that federal and other requirements are met so that individuals who are unable to afford legal assistance receive the best legal help that available funds can buy.



The Legal Services Corporation Act, as amended, 42 U.S.C. §2996 et seq. and the LSC Regulations, 45 CFR Part 1600 et seq., define who can serve on these boards. The board composition of every recipient is reviewed by LSC from time to time to assure that it meets the requirements of the *Act* and Regulations as prescribed below:

“ . . . any recipient organized solely for the purpose of providing legal assistance to eligible clients is governed by a body at least 60 percent of which consists of attorneys who are members of the bar of a State in which the legal assistance is to be provided . . . and at least one-third of which consists of persons who are, when selected, eligible clients who may also be representatives of associations or organizations of eligible clients. Any such attorney, while serving on such board, shall not receive compensation from a recipient.” §1007 (C) of the Act.

45 CFR § 1607.3 -- Governing Body Composition

(a) A recipient shall be incorporated in a State in which it provides legal assistance and shall have a governing body which **reasonably reflects the interests of the eligible clients in the area served** and which consists of members, each of whom is supportive of the purposes of the Act and has an interest in, and knowledge of, the delivery of quality legal services to the poor.

(b) **At least sixty percent (60%) of a governing body shall be attorney members.**

(1) A **majority** of the members of the governing body shall be attorney **members appointed by the governing body(ies) of one or more State, county or municipal bar associations**, the membership of which represents a majority of attorneys practicing law in the localities in which the recipient provides legal assistance.

(i) Appointments may be made either by the bar association which represents a majority of attorneys in the recipient's service area or by bar associations which collectively represent a majority of the attorneys practicing law in the recipient's service area.

(ii) Recipients that provide legal assistance in more than one State may provide that appointments of attorney members be made by the appropriate bar association(s) in the State(s) or locality(ies) in which the recipient's principal office is located or in which the recipient provides legal assistance.

(2) Any additional attorney members may be selected by the recipient's governing body or may be appointed by other organizations designated by the recipient which have an interest in the delivery of legal services to the poor.

(3) Appointments shall be made so as to insure that the attorney members reasonably reflect the diversity of the legal community and the population of the areas served by the recipient, including race, ethnicity, gender and other similar factors.

(c) **At least one-third of the members of a recipient's governing body shall be eligible clients when appointed.**

The members who are eligible clients shall be appointed by a variety of appropriate groups designated by the recipient that may include, but are not limited to, client and neighborhood associations and community-based organizations which advocate for or deliver services or resources to the client community served by the recipient. Recipients shall designate groups in a manner that reflects, to the extent possible, the variety of interests within the client community, and eligible client members should be selected so that they reasonably reflect the diversity of the eligible client population served by the recipient, including race, gender, ethnicity and other similar factors.

(d) The **remaining members** of a governing body may be **appointed by the recipient's governing body or selected in a manner described in the recipient's bylaws or policies, and the appointment or selection shall be made so that the governing body as a whole reasonably reflects the diversity of the areas served** by the recipient, including race, ethnicity, gender and other similar factors.

(e) The non-attorney members of a governing body shall not be dominated by persons serving as the representatives of a single association, group or organization, except that eligible client members may be selected from client organizations that are composed of coalitions of numerous smaller or regionally based client groups.

(f) Members of a governing body may be selected by appointment, election, or other means consistent with this part and with the recipient's bylaws and applicable State law.

(g) Recipients shall make reasonable and good faith efforts to insure that governing body vacancies are filled as promptly as possible.

(h) Recipients may recommend candidates for governing body membership to the appropriate bar associations and other appointing groups and should consult with the appointing organizations to insure that:

(1) Appointees meet the criteria for board membership set out in this part, including financial eligibility for persons appointed as eligible clients, bar admittance requirements for attorney board members, and the general requirements that all members be supportive of the purposes of the Act and have an interest in and knowledge of the delivery of legal services to the poor;

(2) The particular categories of board membership and the board as a whole meet the diversity requirements described in §§ 1607.3(b)(3), 1607.3(c) and 1607.3(d);

(3) Appointees do not have actual and significant individual or institutional conflicts of interest with the recipient or the recipient's client community that could reasonably be expected to influence their ability to exercise independent judgment as members of the recipient's governing body.

II. WHAT ARE COMMON CHARACTERISTICS OF A BOARD OF DIRECTORS?

A. Fiduciary Relationship: The Duty of Care and Duty of Loyalty

Each member of a board of directors is a **fiduciary** of the organization. The word itself comes originally from the Latin *fides*, meaning faith, and *fiducia*, trust. A fiduciary is someone who has undertaken to act for and on behalf of another in a particular matter in circumstances which give rise to a relationship of trust and confidence. In a fiduciary relationship one person justifiably places confidence, good faith, reliance trust in another whose aid, advice or protection is sought in some matter. In such a relationship good conscience requires one to act at all times for the sole benefit and interests of another, with loyalty to those interests. The fiduciary duty is a legal relationship



A fiduciary duty is the highest standard of care. A fiduciary is expected to be extremely loyal to the organization or person to whom he owes the duty. He must not put his personal interests before the duty, and must not profit from his position as a fiduciary, unless the other party consents. A fiduciary cannot have a conflict of interest.

In corporation and business association law, a **duty of care** is part of the fiduciary duty owed to a corporation by its directors. The other aspects of fiduciary duty are a director's **duty of loyalty** and **duty of good faith**. Put simply, a director owes a duty to exercise good business judgment and to use ordinary care and prudence in the operation of the business. They must discharge their actions in good faith and in the best interest of the corporation, exercising the care an ordinary person would use under similar circumstances.

Directors' decisions are typically protected under the business judgment rule, unless they breach one of these duties or unless the decision constitutes waste. A breach of fiduciary duty will typically remove a director's decision from business judgment protection and require that the director show entire fairness.

LSC Performance Area Four- Criterion 1. Board governance.

The program has effective board oversight and involvement in major policy decisions, including board members who are each committed to the program and its mission, and a board that holds program management accountable for effective performance in the areas delineated by these Criteria. The board also meets its affirmative responsibility to help develop resources for the program, promote awareness of the program, enhance its effectiveness and influence and protect and defend the interests of the organization.

B. By-Laws

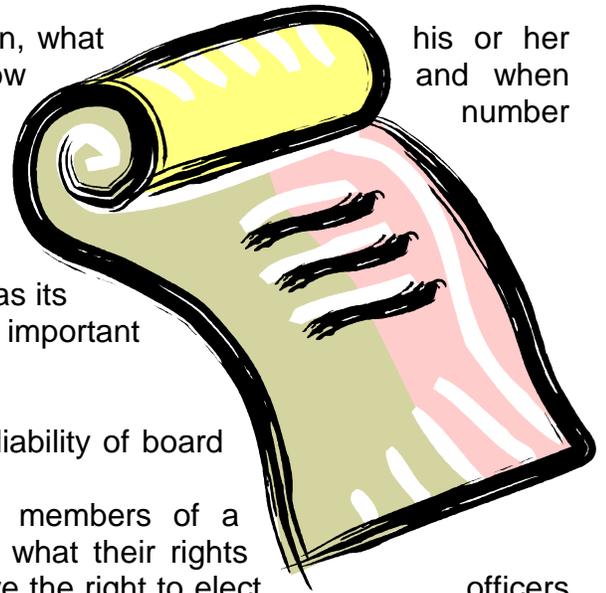
Nonprofit corporations have two sets of rules. The **articles of incorporation** (in some states it is called a "certificate of incorporation" or "charter") is a publicly filed document that states the nonprofit purposes of the corporation and its most basic legal structure. The **by-laws** are a more detailed,

private and internal set of rules adopted by the board of directors that specify the overall structure and operations of the organization.

A program's by-laws set out how a board member is chosen, what qualifications need to be, and the term of office. They tell how meetings are called and the quorum size, which is the number of directors needed to vote. Some by-laws list the corporate officers, key staff and the various types of board committees.

Nonprofit by-laws are governed by state law, so each state has its own regulations. Here is a checklist to be sure the most important provisions are included in your by-laws:

his or her
and when
number



officers

- Indemnification. A statement that limits the personal liability of board members.
- Whether the organization has members (such as members of a neighborhood or professional association) and if so, what their rights are. In a true membership organization, members have the right to elect and other rights. Even if you don't have members with legal rights, you can still have people called "members," but the distinction should be clarified in the by-laws.
- Minimum and maximum number of board members. Example: minimum of 5 and a maximum of 15 board members. Note: Some states specify a minimum, and some specify a formula for a minimum and maximum, so check your state's law.
- The number required for a quorum (how many board members must be present in order for official votes to be taken). Many states specify the minimum required for a quorum; for example, in California a quorum may be as low as one-fifth of the board.
- Terms and term limits. Example: A board term might be two years, with term limits of three consecutive terms (making a total of six years); after a year off, a board member may be permitted to return. Similarly, terms can be "staggered" so that, say, 1/3 of the board is up for reelection each year.
- Titles of officers, how appointed, and terms. Example: By majority vote at a regular meeting of the board; an officer term is for one year with two consecutive officer terms maximum.
- Procedure for removing a board member or officer. Example: By majority vote at a regularly scheduled meeting where the item was placed on the written agenda distributed at least two weeks ahead.
- Conflict of interest policy
- Minimum number of board meetings per year. Example: Four, with one in each quarter.
- How a special or emergency board meeting may be called.
- How a committee may be created or dissolved.
- What committees exist, how members are appointed, and powers, if any.
- Conference calls and electronic meetings.

See, **Appendix A**, *Sample By-laws from Lone Star Legal Services, Inc.*, Houston, Texas.

C. Structure

1. Officers

Typically, the by-laws define the positions of leadership responsibility within the board of directors. **Officers** generally hold titles such as Chairman, Vice-Chairman, Secretary and Treasurer. Sometimes the position of chairman is referred to as President.

See, **Appendix B**, Sample Job Descriptions for Board Officers.

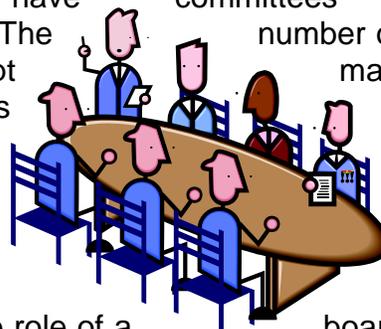
2. Chief Executive Officer (Executive Director)

The position of **chief executive officer (CEO)** or **executive director** [the term more frequently used by non-profit organizations] is described as one who administers the organization, hires and supervises staff; evaluates staff and the organization's programs; writes budgets and program plans; represents the organization to local officials, community organizations and funders; writes grant applications; oversees the care of the property; and submits financial reports. S/he usually serves *ex officio* on the board of directors. Under the policy governance model, the executive director is accountable to the board for the success of the entire organization. Simply put, this means that the executive director is the sole employee of the entire board; is responsible for the complete performance outcomes of the organization; and is the leader of the staff, while the chairman is the leader of the board. See, **Appendix C**, *Basic Principles of Policy Governance*.

3. Committees

Much of the decision-making work of many nonprofit boards is managed through **Committees** that can also serve as an important mechanism for actively involving all board members in the organization's work, and for board leadership to emerge. Board committees are important and powerful tools and they help get the work done better and faster. There are standing committees for ongoing board duties; special or *ad hoc* committees for projects such as searching out a new executive director; and advisory committees that pull community groups together for a common interest.

Do all boards need committees? Most boards have committees because smaller groups can work more efficiently and less formally. (The number of committees should be limited so that individual workloads can be kept manageable. If board members sit on two or three committees their time is spread too thin for the committees to be effective.) Committees can play a helpful role in building teamwork among larger boards. While they require more administrative management from the staff and board chairman, they also divvy up tasks and expertise efficiently.



What is a board committee supposed to do? The role of a board committee can be to prepare recommendations for the board, to decide that a matter doesn't need to be addressed by the full board, to advise staff and/or in some cases, to take on a significant project. For example, a detailed review of the cash flow situation may take place on the Finance Committee, which then recommends to the board that a line of credit be established. Although the full board is responsible for the decision they make, board members rely on the diligence and thoughtfulness of the Finance Committee in making the recommendation. In another example, the fundraising committee will develop a fundraising strategy which is brought to the board for approval. Anyone on the board can

object, and the board can still reject the plan or ask the committee to revise it. Over time, committees gain the confidence of the board by doing their work well.

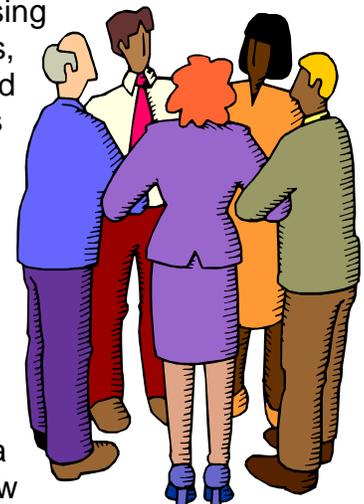
Chief among the committees referred to as “Standing Committees,” is the **Executive Committee**. The Executive Committee handles issues that require action between regularly scheduled board meetings, and should report those actions at the next meeting. Some Executive Committees are comprised of the board officers; others include committee chairs; and some choose other configurations, such as the board officers and the Fundraising Committee chair. One risk is that they may take over decision-making for the board, and other board members will feel they are only there to rubber stamp decisions made by the Executive Committee.

The **Finance Committee** (often called the Budget and Finance Committee) tasks are:

- To review budgets initially prepared by staff, to help develop appropriate procedures for budget preparations (such as meaningful involvement by program directors), and on a consistency between the budget and the organization's plans;
- To report to the board any financial irregularities, concerns, opportunities;
- To recommend financial guidelines to the board (such as to establish a reserve fund or to obtain a line of credit for a specified amount);
- To work with staff to design financial reports and ensure that reports are accurate and timely;
- To oversee short and long-term investments, unless there is a separate investments committee
- To recommend selection of and work with the auditor, unless there is a separate audit committee; and,
- To advise the executive director and other appropriate staff on financial priorities and information systems, depending on committee member expertise.

The role of the **Audit Committee** encompasses interviewing auditors, reviewing bids, recommending selection of an auditor to the board, receiving the auditor's report, meeting with the auditor, and responding to the auditor's recommendations. For many organizations, the annual audit is the only time the organization's financial systems are reviewed by an independent outsider, and as a result the auditor's report is an important mechanism for the board to obtain independent information about the organization's activities. On smaller boards, the functions of the Audit Committee are managed by the Finance Committee.

The functions of the **Personnel Committee** include drafting and/or revising personnel policies for board approval, reviewing job descriptions, establishing a salary structure, and annually reviewing staff salaries, and reviewing the benefits package. In some organizations the board's Personnel Committee also acts as a grievance board for employee complaints. Because difficulties can arise if many less serious complaints are brought directly to the board rather than to the staff person's supervisor, it is preferable for the personnel committee to act only on formal written grievances against the executive director or when an employee formally appeals a decision by the executive director to the board. For descriptions of other committees, see **Appendix D**.



Some committees are convened on a temporary basis to address a specific, single event or issue. These **ad hoc committees** meet for a few months and then disband once their task is completed. Many board members feel

more

comfortable signing on to a temporary, *ad hoc* committee than to a permanent standing committee. Some commonly used temporary committees and their designated tasks include:

- *Site Committee*: To work with staff to evaluate the existing location and consider a move to a different location, to review a new lease, or to weigh the feasibility of purchasing a building.
- *Special Event Committee*: To coordinate board assignments on a particular event.

4. Advisory Committees and Advisory Boards

Can people other than board members serve on committees? In some organizations, board committees are comprised only of board members. In other organizations, committees have both board members and non-board members. Having non-board members on committees invites specialized expertise from people who may not have time to serve on the board, or individuals who may be inappropriate for full board membership.

An **Advisory Board** does not have any legal, formal responsibilities. Rather, an Advisory Board is convened by the organization to give advice and support.

Guidelines for Having Advisory Boards

- a. Develop a written description of the responsibilities, activities, and limits on authority of the Advisory Board. An Advisory Board needs its own informal job description which spells out how many meetings are held, length of terms, chairs, etc.
- b. Establish a formal relationship between the Advisory Board and the governing board. For example, at the Manzanita Center above, a board member can be the liaison to the Living with Breast Cancer Advisory Board, attending meetings and communicating between the two groups.
- c. Distinguish between the role of the governing Board of Directors and the Advisory Board. For example, a Board of Directors hires the Executive Director of the organization; an Advisory Board may draw up a suggested list of qualifications for the person or people hiring the CEO. A Board of Directors can direct staff to take certain actions; an Advisory Board can suggest actions to staff or the board, but an Advisory Board can't force either to act.
- d. Don't establish an Advisory Board if you cannot commit the time to preparing for effective Advisory Board meetings and to making the experience meaningful and rewarding for members. Some organizations have erred by creating Advisory Boards where members felt ignored or superfluous.
- e. Consider asking a community leader to chair the Advisory Board and act as a spokesperson for the agency in the community.
- f. In some cases, an Advisory Board may never meet, but may be a way of recognizing individuals who advise staff and/or the board. In this instance, make it clear to nominees that there are no meetings, but what their responsibilities are.

5. Meetings

The frequency of board meetings is stated in the by-laws and a minimum number of meetings is usually prescribed by state law. LSC expects its recipients to ***meet at least four times a year or quarterly***. See, 45 CFR Part 1607.4(a). The requirements of a public notice of meetings are also prescribed by state law. Meeting sites and accommodations should be carefully selected to assure maximum participation of members.

III. PREPARING DIRECTORS FOR THEIR ROLE AS BOARD MEMBERS

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A. Is New Member Orientation Needed?

When an individual is appointed to organization, an orientation that the newcomer will the overall structure organization. While a convenes quarterly, its work will be that meet more situation, all governing body the documents needed to perform fundamental for board member to be a full organization. Orientations should the new member will be expected to review during future service. Board member functions are generally defined, but the organization's expectations for the contribution of services by the new member also should be explained during the orientation. Some programs have drafted written job descriptions or expectation agreements for board members.¹



the governing body of a legal services session should be provided so quickly become familiar with and operations of the governing body usually a significant amount of done by committees frequently. In either members of the should be familiar with containing information their functions. This is successfully empowering a participant in the work of the include all the forms and documents the new member will be expected to review during future service. Board member functions are generally defined, but the organization's expectations for the contribution of services by the new member also should be explained during the orientation. Some programs have drafted written job descriptions or expectation agreements for board members.¹

A newly recruited member of a governing body should enjoy the advantages of a comprehensive introduction to the organization. Along with touring facilities and meeting staff, a new board member of a legal services program should be given a formal training or “**new member orientation**.” The

¹ See, **Appendix E**, , Legal Aid Services of Oklahoma, Inc., *Board Member Responsibilities and Expectations*,

training should include the following substantive topics and the interpretation and use of corresponding documents:

1. Topics to Introduce the Organization:

- a) Organization History
- b) Mission & Vision
- c) Board Membership Roster
- d) Listing of Offices & Staffing
- e) Program Priorities & Case Acceptance
- f) Description of Special Programs & Projects
- g) Grants, Contracts and Agreements

2. Governance

- a) By-laws
- b) LSC Regulations and Other Guidance
- c) One Year of Minutes of Board Meetings (Full & Executive Committee)
- d) Conflict of Interest Policy
- e) Grievance Policies & Procedures (Employee and Client)

3. Reports

- a) Monthly Financial Reports
- b) Case Service Reports
- c) Executive Director and other Staff Reports
- d) Annual Audit
- e) IRS Form 990
- f) Peer Review and Other External Evaluations

B. Training

To do their jobs effectively board members should be given appropriate orientation and ongoing training, including training on the role of the board, potential conflicts of interest, and on fiscal, fiduciary and other responsibilities. This should include topics such as:

- ***How to read and understand financial, statistical and other reports;***
- ***Understanding the substantive laws affecting clients;***
- ***Legislative updates on developments impacting clients and client services;***
- ***Leadership Capacities, such as LSC's Core Competencies of Leadership.***

IV. WHAT ARE THE BOARD MEMBER'S FIDUCIARY RESPONSIBILITIES?

As a member of a legal services board you have four major responsibilities. They are:

- ***To evaluate your program's work***
- ***To oversee your program's financial and other resources***
- ***To set policies and procedures to direct your program***

- *To work with the community*

V. What Happens During Meetings?

A. Preparation Materials

1. **Board Packet.** In advance of each board of directors meeting, materials related to topics for review and discussion should be compiled and distributed to members of the governing body in time for them to be studied prior to the meeting. The **packet** should contain relevant information that will be discussed during the meeting.
2. **Meeting Agenda.** The **meeting agenda** is a roadmap for the meeting. It lets participants know where they're headed so they don't get off track. Most importantly, the meeting agenda gives a sense of purpose and direction to the meeting. All agendas should include the following: meeting start time; meeting end time; meeting location; Topic headings; Include some topic detail for each heading; Indicate the time each topic is expected to last; Indicate which meeting participants are expected to be the main topic participants.

B. Items of Business for Discussion

1. **Review and adoption of minutes.** **Minutes** are the permanent, formal, and detailed (although not verbatim) record of business transacted, and resolutions adopted, at an organization's official meetings such as those of the board of directors. Once written up (or typed) in a minute book and approved at the next meeting, the minutes are accepted as a true representation of the proceedings they record and can be used as prima facie evidence in legal matters.
2. **Approval of Reports**
 - a. **Executive director reports.** The chief executive officer (CEO) of the organization provides an oral review of program developments during the interim since the last meeting. A written copy of this report will usually be included in the board meeting packet. There may be issues that require approval or ratification by the full board, contained in the information.
 - b. **Financial reports.** To keep track of finances, your program has budget or financial statements and an annual audit. Each program should produce regular and on-time financial statements of how money has been spent and where. The board should be prepared to take action when funds are being overspent, under spent, or mis-spent. Remember that your program's staff and executive director are accountable to the governing body. Check the director's management reports and the financial statements to make sure the program is sticking to its budget. When you read the auditor's report on the program, pay special attention to the improvements suggested or required.
 - c. **Performance reports.** Case service reports, or **CSR's**, record how many cases your program completes over a period of time. They tell how many cases are closed, what kinds of cases they are, and what kind of help was provided, such as advice, brief service or litigation. CSR's are a good measure of whether your program has been helping more or fewer people over time. The governing body

should know the reason for a decrease or increase in the number of clients helped or other changes in the work done by your program.

- d. **Special reports/presentations.** Many legal services programs invite staff to attend meetings for the purpose of sharing information about special programs or projects that have been launched; the status of existing projects/programs; the ongoing work of particular offices and special practice unit; or, other new developments. This is an opportunity for the board members to become more acquainted with the staff and more intimately familiar with the needs of the client community and strategic work of the program responding to the needs.

3. Other Business

Topics of **old and new business** are also discussed. These may include the adoption of policies, review of proposals and/or plans for new initiatives, discussion of emerging issues related to the mission of the organization and upcoming special events. All members of the board are entitled to present their views.

- C. **Parliamentary and Other Rules of Procedure.** Rules such as **Roberts' Rules of Order** can be an extremely useful tool for conducting a board meeting, which, under the law, the governing body is required to hold. Using *Roberts' Rules*, you can introduce new business; make or object to motions; vote; stop or table a vote; and, act as a group. Smart use of these rules can shape the outcome of a vote and the success of a board meeting. Other procedures can also be agreed upon to control the way deliberations are conducted if your organization does not want to follow *Roberts' Rules*.

But, be careful!! As one commentator wrote,

“ . . . few boards can function efficiently by following Robert's Rules to the letter. Robert's Rules of Order was originally created as the manual for parliamentarians to better structure official assembly meetings — not for small nonprofit boards focusing on making wise and educated decisions for their organizations. When major efforts go toward ensuring that the process is impeccably structured and legally indestructible, the board is inviting discontent and easily spends more energy on the process than the results.”

From, **BoardSource -Knowledge Center**, www.boardsource.org.

VI. WHAT ARE THE KEY RESPONSIBILITIES AND CHALLENGES?

- A. **Adopting the Annual Budget.** The governing body must keep an eye on how the program spends its money. After careful review each year, board members must approve a budget that sets out precisely, in a line-by-line statement, just how their program will spend its income. Along with approval of the final budget, the board's responsibilities related to the budget are: to make sure that expenses do not exceed income; to ensure that the program has a proper system for handling and protecting its money and other assets; and to approve a yearly independent, outside review of program financial records.



B. Conducting Annual Audit. Once a year, the governing body also chooses an independent auditor to check the office books. When you review the auditor's findings, make certain that the program's expenses don't exceed its budget and that funds are spent according to your direction and policies.

C. Fundraising. Some programs bring in more money from outside sources than they do from LSC. Governing bodies need to tap other government and private funds and agencies if you truly expect to help clients. In recent years, a significant trend of organized fundraising has been embraced by recipients. Programs have invested in professional resource development strategies independently and in partnership with other organizations in the state justice community.

D. Policy Governance. The governing body is responsible for adopting written policies that respond to federal, state and local laws, financial accounting principles and other standards of professional conduct and performance. Policies should guide the daily operation of the organization. Boards should also adopt policies that reflect the common "vision" and direction of the organization, clearly expressing its core values. For more details about policy governance, see, **Appendix F**, *A New Vision for Governing Boards: A Model for Board Governance*.

E. Priority-Setting. The governing body must set out policies describing who the program will help and on what areas of law it will concentrate. To do this, each year the program must adopt "eligibility guidelines" that list the income and asset levels below which an applicant must fall to be eligible receive assistance from the program. The program must also set "priorities," that is, the kinds of cases (divorce, bankruptcy, housing, etc.) that your program will handle for clients and kinds that it will have to turn away.

F. Strategic Planning. Through this process, the governing body determines where an organization is going over the next year or more, how it's going to get there and how it'll know if it got there or not. The focus of a strategic plan is usually on the entire organization. The way that a strategic plan is developed depends on the nature of the organization's leadership, culture of the organization, complexity of the organization's environment, size of the organization, expertise of planners, etc. Strategies developed to achieve specified objectives. These strategies are reasonably calculated to achieve the specified objectives and are re-evaluated regularly and modified as appropriate. Development of the strategic plan greatly helps to clarify the organization's plans and ensure that key leaders are all "on the same script". Far more important than the strategic plan document, is the strategic planning process itself.



G. Program Evaluation. It is up to the governing body to evaluate how good a job your program is doing. You must see that the work is efficient and effective and that the greatest needs of the community are being met. Look at the number and cost of the cases your program handles and its success in meeting your client's needs. Measure the quality of the representation. Many programs provide their clients with client satisfaction surveys. Some programs ask local judges and attorneys to review their work. Through the advances of technology, automated case management systems provide for more efficient oversight of

legal work and other aspects of program performance, including timekeeping. These tools can generate reports that also assist in the evaluation of the program's overall performance. See that you have a way of measuring how good a job your program does.



H. Evaluation of the Executive Director.

Because the executive director is so central to the success or failure of the agency, evaluation of the executive director by the board is an important component of the board's responsibilities. But too often evaluations (and job descriptions) are undertaken only

when the board has become unhappy with their chief executive. An annual, written evaluation both documents the executive director's achievements and shortcomings, and helps the executive director understand areas for improvement or where the board is insufficiently informed. Typically, a committee of the board (often the board officers) leads the evaluation process, reports on the evaluation to the entire board, and recommends salary for the next year. Since the executive director acts both directly and indirectly through others to manage the organization, evaluating the executive director's performance is inevitably linked to evaluating the agency's performance as a whole. Regardless of the evaluation process used, don't forget that executive directors need feedback all year round. Like any employee, executive directors need praise and acknowledgment for work well done, and immediate feedback when problems arise. In the best situations, the board president and officers have established good working relationships with the executive director where constant feedback flows in both directions. The annual formal evaluation is an important component of, not a substitute for, that relationship.

- I. Ambassador for the Program.** The governing body needs to open as many avenues to the community as possible. This includes telling people about the work of legal services, while paying attention to the work of others who are also dealing with the problems faced by your clients. Find out who is doing what. Community work pays off in added sources of help for your clients, better insight into the legal needs of the community and support for new funding for the program.
- J. Leadership.** The board of directors is responsible for maintaining effective leadership of the organization. A primary means of achieving this responsibility stems from the adoption of core values or principles of leadership. LSC has adopted the **Core Competencies of Leadership** to describe the values that are important for leaders of LSC grantee programs. See, **Appendix G**.

Another aspect of that responsibility is preparing for when the executive director or other long-term staff members leave the organization by retiring or for some other reason. **Leadership transition** is least disruptive when the board has developed strategies for "succession planning" and conduct a thorough executive search.

VII. WHY IS A DIVERSE BOARD IMPORTANT?

A. What is Diversity?

“Diversity” means difference. The most commonly recognized differences are age, race, ethnicity and gender. But there are many, many others. When people understand diversity within the legal services organization and community, it becomes a positive characteristic that should be welcomed. Diversity brings opportunity for new insights about legal assistance and access to clients who have not been reached in the past, and thus, vastly improves the services offered and the legal services delivery approaches used.

- In the 1991 book *Workforce America!*, authors Loden and Rosener define diversity in terms of two dimensions: primary and secondary. **Primary dimensions** are those that we are born with. People are usually the most sensitive about these dimensions because others can tell these things about us (with the exception of sexual preference) just by looking at us. So if someone has a preconceived idea about a certain dimension, they can project that onto someone before the person even opens his or her mouth.
- The **secondary dimensions** are those that we have some control over. These can change throughout our life. People also have a choice of whether they want to disclose this information or not. Because of this, people usually aren’t as sensitive about these dimensions, even though these may have as big an impact on who we are as the primary dimensions.

See, **Appendix H**, *Primary and Secondary Dimensions of Diversity Chart*.

B. Key Stakeholder Participation

Stakeholders are those people who are interested in using the diversity of the legal services organization/community to reach more clients and to provide legal assistance to them in a more effective way. Identifying stakeholders broadens the opportunity to be creative in delivering legal services to clients. Some recognized stakeholders include:

1. Attorneys
2. Client-eligible individuals
3. Other partners
 - Law Schools
 - Bar associations
 - Judiciary and courts
 - Community Organizations
 - Agencies
 - Faith-based Initiatives
 - State/local governments

C. Benefits of Managed Diversity

“Managed diversity” is the planned use of the different skills, knowledge, abilities and experiences that people have to offer. Managed diversity brings benefits to clients because the overall effectiveness of the legal services organization is improved. Failure to manage diversity will result in high costs to the organization and to the clients. Some of the contributions of managed diversity for a legal services board of directors include having members who are:

1. Reflections of Community Demographics – language, ethnicity, industry, etc.
2. Informants on Emerging Issues
3. Assistants in Developing Cultural Competency
4. Ambassadors for the Program within the Community

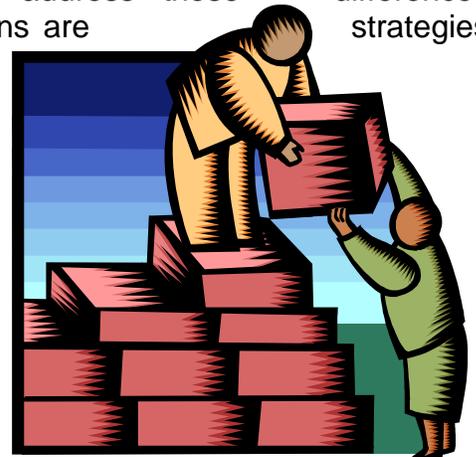
D. Diversity Leadership

Members of a legal services organization governing body shape the mission and vision of the organization, determine its future goals and objectives by establishing policies and procedures, and exercise oversight. The composition of the governing body is diverse. Officers should take steps to assure that meetings are conducted in a manner that is inclusive and promotes using the differences among its membership to effectively lead the organization. Participation of every member is a right and a responsibility. Diversity leaders demonstrate personal commitment by their individual actions and contributions. The benefits of diversity are maximized when all the members of the governing body assert themselves by interacting, contributing and by rejecting all forms of stereotypes.

VIII. WHAT ARE THE CHALLENGES TO CLIENT ENGAGEMENT ON BOARDS?

As we have seen, there is a variety of dimensions that characterize or describe the composition of the governing body. These dimensions include: varying degrees of education, knowledge, skills and abilities; professional status, such as attorneys or non-attorneys; ethnic and cultural differences; economic status; literacy and language proficiency; geographic location; and access challenges, such as physical disability, lack of transportation and/or childcare. There are others.

Does your board provide adequate **“accommodations”** to address those differences that create problems of access or participation? Accommodations are strategies that provide something to meet a need or to eliminate or ease a stumbling block. Reasonable accommodations are required in federal, state and local laws that prohibit employment and other forms of discrimination. Accommodations are an appropriate response to the challenges presented to some of the members of a governing body due to their diversity.



For example, in selecting locations, it is important that the facilities for meetings are free of physical barriers such as staircases, narrow corridors and sidewalks without ramps or cutaways. Locations should have access to public transportation if possible, and should have adequate lighting, appropriate chairs, tables and supplies to support all who attend. A governing body that promotes diversity should also consider providing name tags or tent cards to foster interaction among members. Seating plans can also promote interaction.

IX. WHAT TIPS ARE THERE FOR WORKING EFFECTIVELY IN A GROUP?

A. Positive Dynamics of Board Meeting Participation

It is important that every member of the governing body be treated equally, have adequate resources and fully participate in the work of the group. Carver contends that “one of the reasons a board member’s job is so difficult is that *the job* is essentially a group responsibility. In fact, it is hard to discuss how an individual is to approach a group task. Yet each board member has a responsibility

to come with an effective mind set, to carry out his or her part of preparation and participation, and to take responsibility for the group. Here are some suggestions:

1. Be prepared to participate responsibly.
2. Remember your identity is with the ownership, not the staff.
3. Represent the ownership, not a single constituency.
4. Be responsible for group behavior and productivity.
5. Be a proactive board member.
6. Honor divergent opinions without being intimidated by them.
7. Use your special expertise to inform your colleagues' wisdom.
8. Orient to the whole, not the parts.
9. Think upward and outward more than downward and inward.
10. Tolerate issues that cannot be quickly settled.
11. Don't tolerate putting off the big issues forever.
12. Support the board's final choice.
13. Don't mistake form for substance.
14. Obsess about ends.
15. Don't expect agendas to be built on your interests.
16. The organization is not there for you.
17. Squelch your individual points of view during monitoring.
18. Support the chair in board discipline.

B. Overcoming Hindrances to Group Dynamics

Too often valuable contributions of governing body members are lost when individuals do not feel valued or that they have anything worthwhile to contribute to the organization. They attend meetings, but say nothing. They vote, but follow the lead of others they believe to be more knowledgeable. Ultimately, their presence on the governing body becomes token membership. For example, a young Asian, female attorney may not feel comfortable asserting her opinions in a group of older, predominantly white, male attorneys even though she has tremendous professional and cultural experience to share! This is a loss to the board, program and community. There are things that new members or those who feel like outsiders² should do. Here are seven tips for dealing with the discomfort of being a "different" member:

- ***Don't assume everyone is hostile because of previous bad experiences***
- ***Admit that you need all the help you can get***
- ***Demonstrate that you are valuable to the organization***
- ***Make sure your organization knows what you do***
- ***Become aware of your cultural style***
- ***Know your rights and how to get them***
- ***Develop a plan to make your vision a reality***

C. Active Listening

Those who usually influence us most effectively are powerful listeners. They have developed the skill of empathetic listening. This skill is essential to being an effective board member.

² See, Blank, Renee &, Slipp, Sandra, *From the Outside In*, (AMACOM, 2000).

Four characteristics of empathetic listeners:

- Desire to be other-directed, rather than to project one's own feelings and ideas onto the other.
- Desire to be non-defensive, rather than to protect the self. When the self is being protected, it is difficult to focus on

Active listening skills, like those of self-expression, can be learned, practiced, and mastered. Our society places much more attention on the spoken side of the communication equation, but if you think about who influences you, are they good talkers or good listeners? As we come to understand ourselves and our relationships with others better, we rediscover that communication is not just saying words; it is creating true understanding." Active listening is an important skill in that process. See, *I, Skills Associated with Empathy*.

D. Self-Expression and Public Speaking

The other prong of communication is **speech**. In a group setting, effective information sharing hinges on the skillfulness of the speaker's self-expression. This includes all sources of information – from our experiences, based on our belief, based on our feelings, based on our wants and from other sources. It is important to speak in the "first person;" to distinguish between fact and feeling; to keep the focus and avoid "topic jumping;" and, to use past-present-future tenses in self-expression. Public speaking skills are important for good presentations:



Presentation Tips for Public Speaking

Eye Contact	Look directly into participant's eyes; look at one person at a time; cover the entire group, front, back and sides; watch for non-verbal responses from the audience (e.g. frowns, smiles, nodding).
Physical Space	Podiums/tables create barriers, so stand to the side or in front; move around after making a point; encourage audience to sit near the front.
Your Voice	Speak clearly and project your voice. Avoid speaking too fast / slow.
Your Gestures	Use smooth, firm whole-arm gestures to help visualize your message; avoid irrelevant, distracting gestures; don't hold demonstration objects and pointer after you have finished with them.
Your Hands	Let them fall, relaxed at your side; rest them on lecterns, tables or in your pockets. Avoid rubbing hands together or playing with hair or other objects
Dress	Attire should be comfortable, but one step above the audience norm. Avoid flashy jewelry, busy prints and tight-fitting clothes. Comfortable shoes are critical.
Verbal Fluency	Speak intelligently, but use words and phrases that are not above the comprehension level of your audience. Vary your voice, volume and pitch, emphasizing important points by raising or lowering your voice; consider your speech rate.

X. Technology and Other Solutions

A. Technology

The advances of technology provide solutions to many of the access challenges to participation experienced by some board members.

- Video and teleconference access is permitted in most state, making the necessity for physical presence at meetings less important to be counted in attendance. This is a reasonable accommodation for people with physical challenges and geographic challenges.
- Similarly, there are assistive technology devices that facilitate telephone use by the hearing impaired. Using email, the internet and voicemail also promote efficient, accurate communication between board members and the organization.
- Legal services and other non-profit programs have introduced intranets, blogs, electronic newsletters, dashboards, and wikis. These new alternatives make information accessible to board members remotely and around-the-clock.

B. Other solutions

1. Maintaining a library of training materials will afford board members convenient access to management and substantive information.
2. Rethinking meeting times, dates and locations
3. Reviewing meeting materials prior to the meeting
4. Client-member presentations

XI. Wrap up, Questions and Closing Remarks