



**CSBG  
Board  
Governance**

# Session Agenda:

- 20 minutes Tripartite board rules, roles, and guidance
- 20 minutes Board Composition and Selection
- 10 minutes Break
- 10 minutes Board Composition and Selection continued
- 15 minutes Bylaws
- 10 Minutes Board Policies
- 5 minutes Wrap Up and Questions

# Group Warm-up

Why do board members serve?

What do board members expect from the CAA?

What do board members give to the CAA?

What do board members get from board service?

What do CAAs expect from them?

What does the State CSBG Office expect from them?

# The Community Action Board

- Community Action Boards are governing bodies that set out the high-level vision, mission, strategic direction for the organization
- Boards govern the entire agency, not only CSBG\*
  - For a **private nonprofit**, the governing body IS the board
  - For **public agencies**, governing body is local government; duties delegated to the board may differ
    - \*Public agency boards may be limited to only CSBG and specific oversight or advisement tasks

# Role of Tripartite Board

Tripartite boards **ADMINISTERS** CSBG program and is **FULLY ENGAGED** in . . .



# Board Roles and Responsibilities

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Duties of Care, Loyalty, and Obedience

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Financial Oversight

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Personnel

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Board Development

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Fund Development

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Strategic Planning

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Program Performance

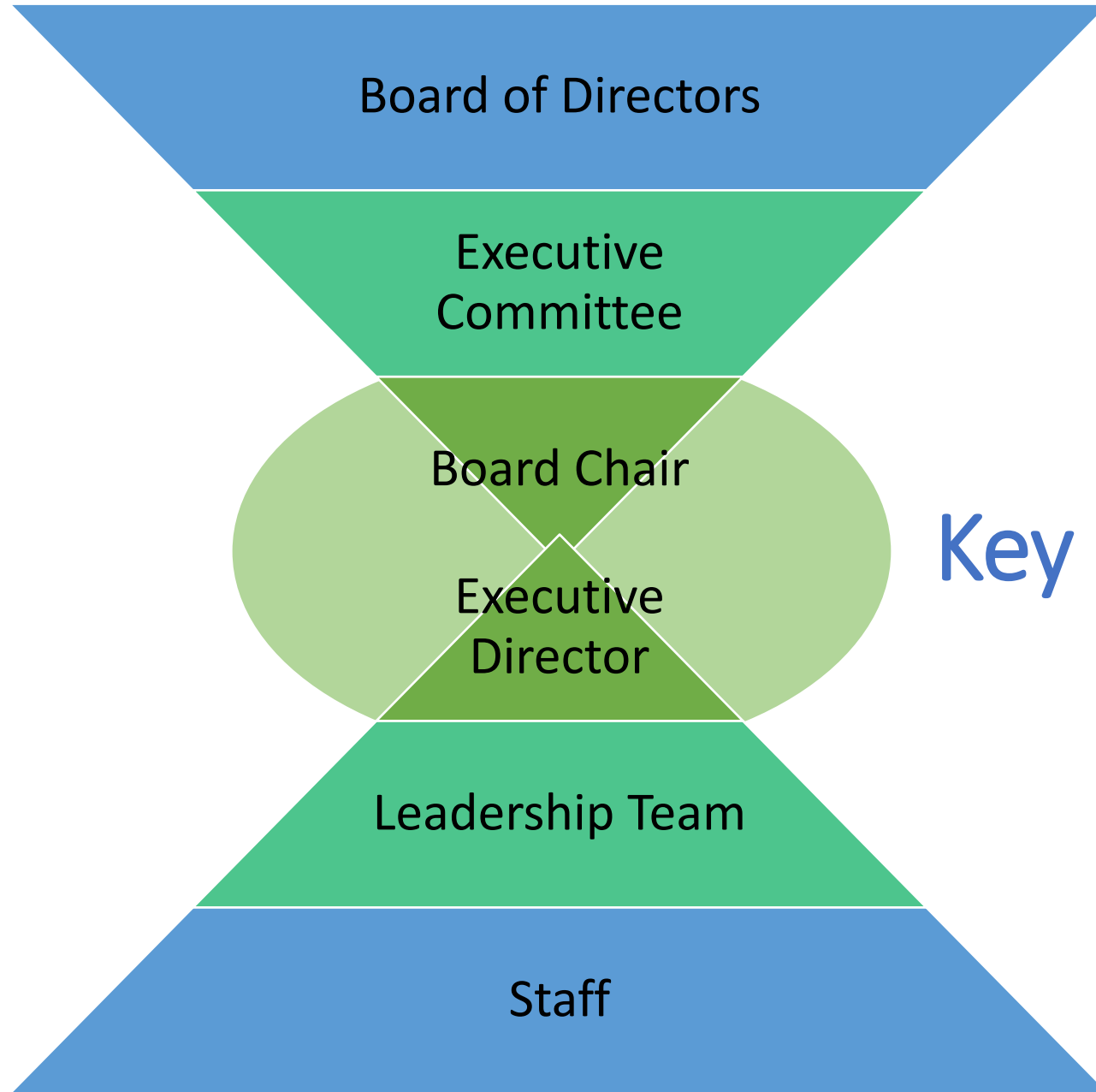
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Community Ambassador

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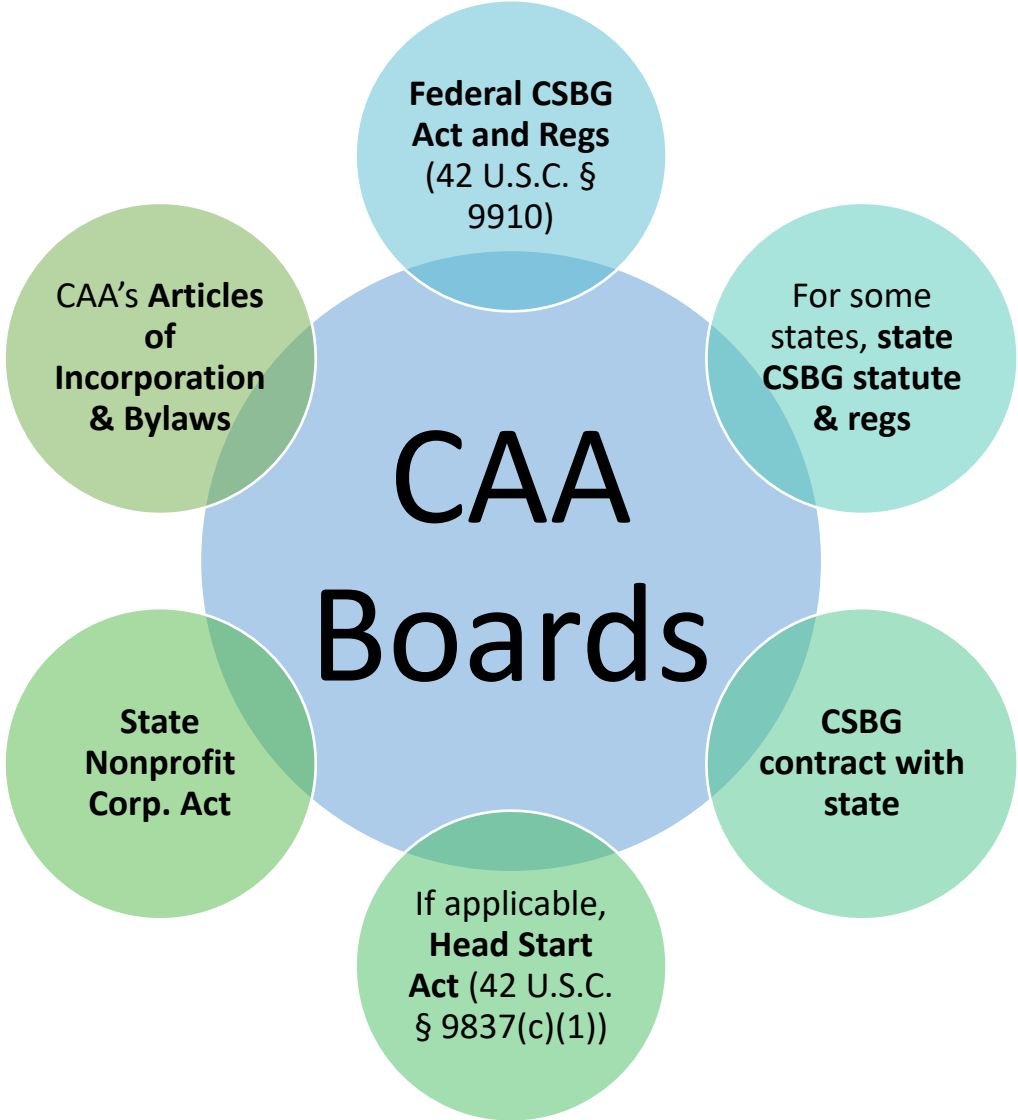
Advocacy

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Key Relationship

# Rules Governing Tripartite Boards





# Tripartite Board Guidance for CAAs

## IM 82: Tripartite Boards

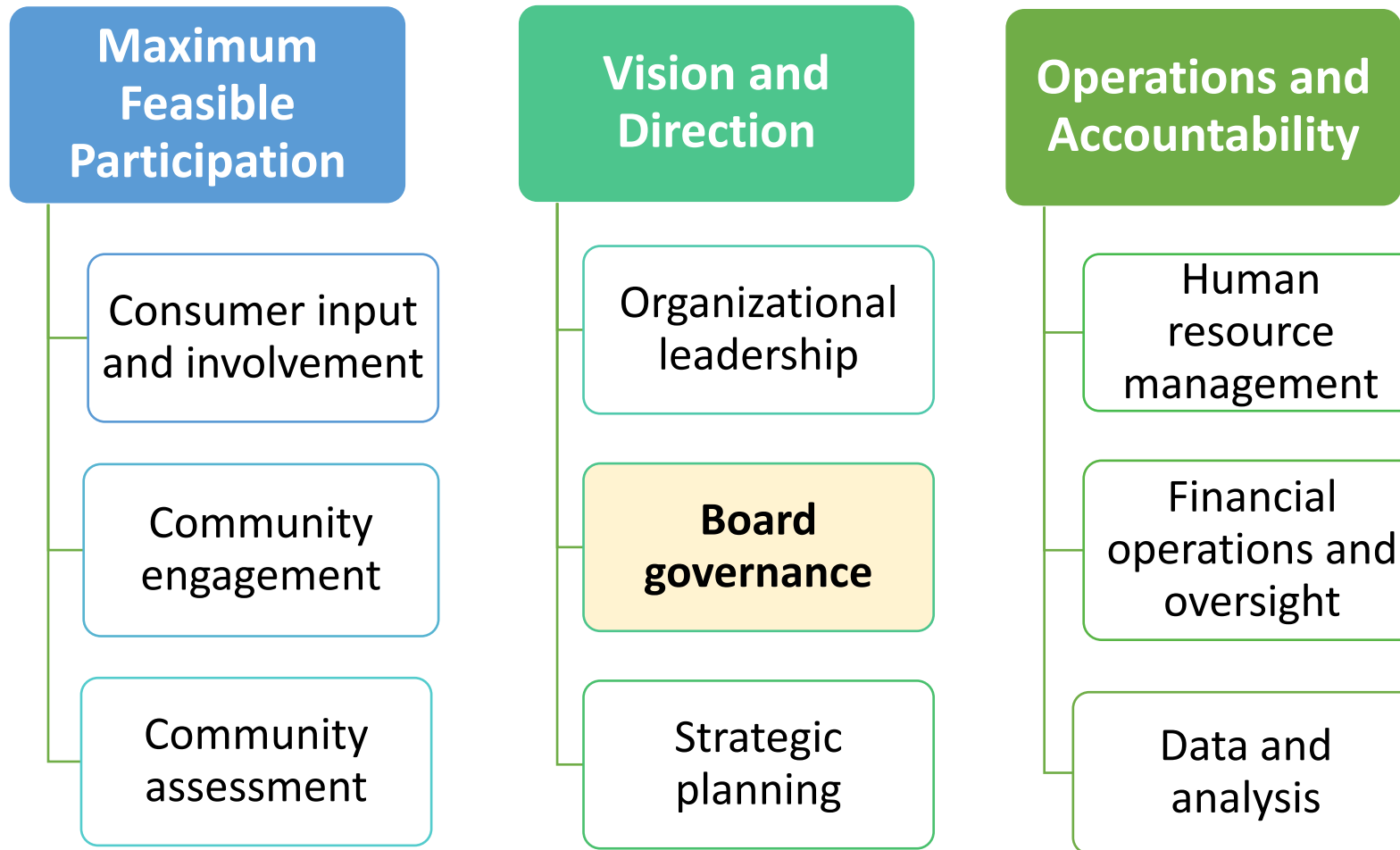
- Selection and composition requirements
- Roles and responsibilities

## IM 138: CSBG Organizational Standards

- OCS recommended as a performance management initiative
- 2016 appropriations act gave OCS authority to require states to adopt org. standards

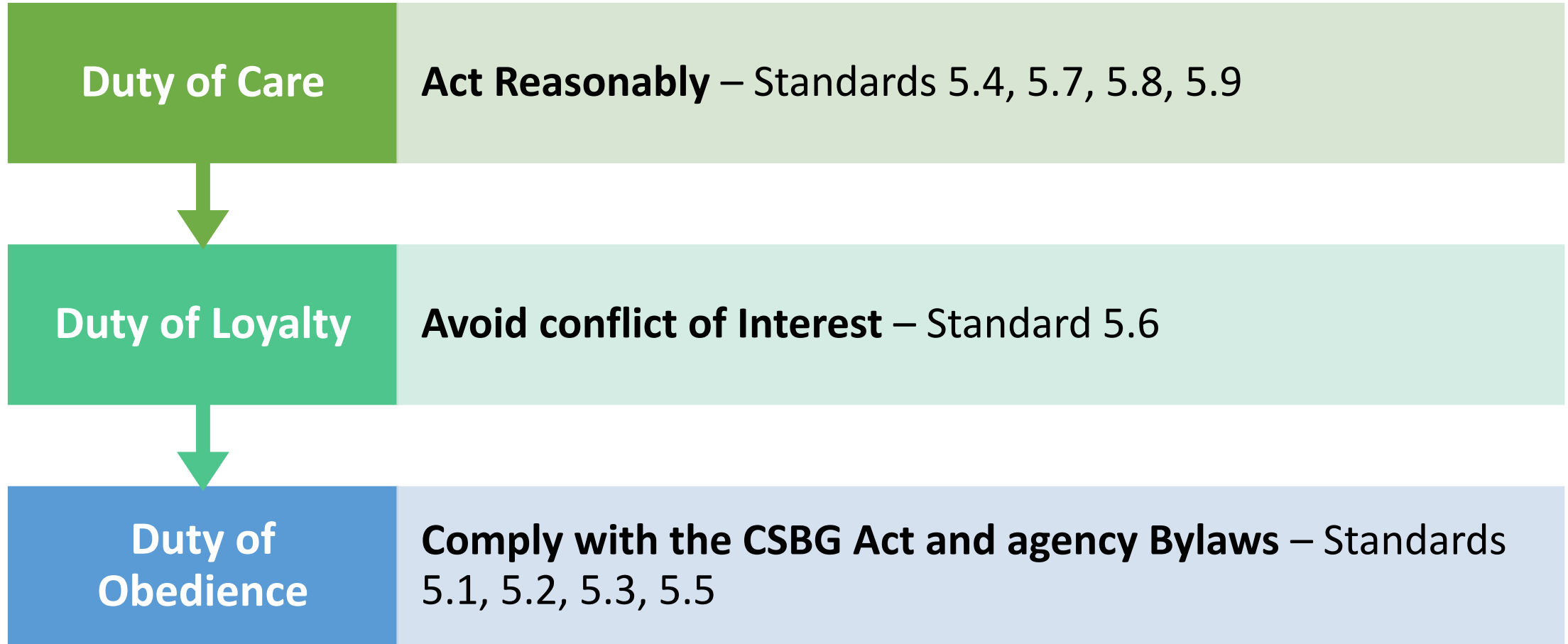
# CSBG Organizational Standards

Organized into three thematic groups



# Category 5 Standards Address the Board's Duties

## A board's Fiduciary Duty



# Many Other Categories Intersect with Board Governance

Community  
Assessment

Financial

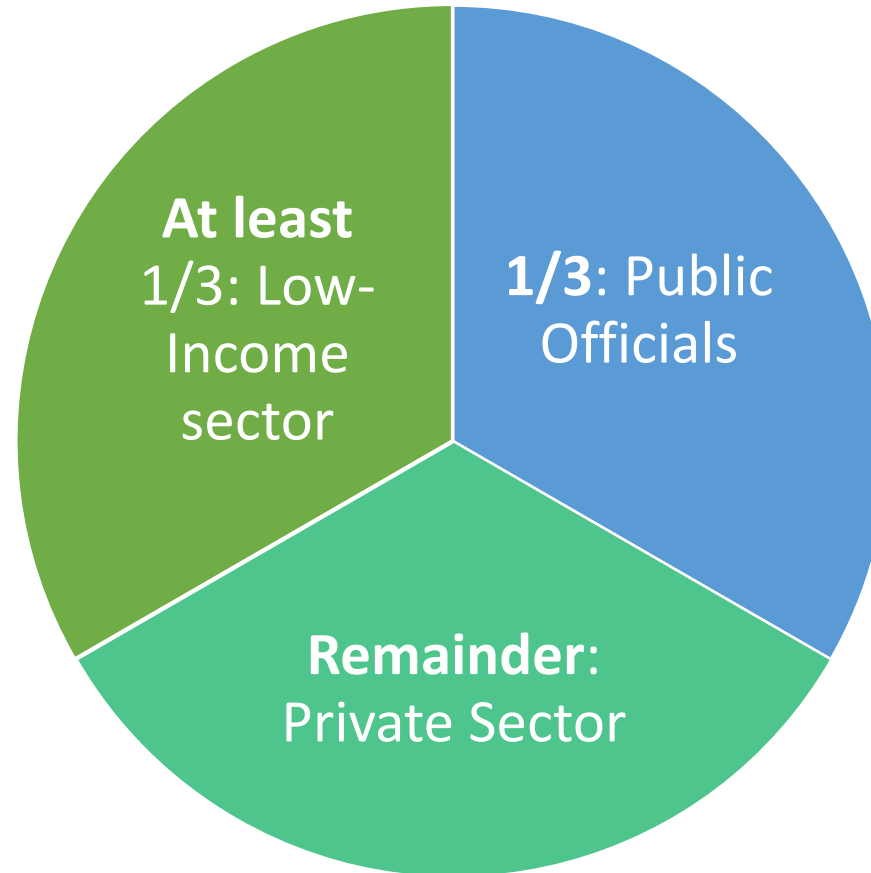
Leadership

Strategic  
Planning

Human  
Resources

Data and  
Analysis

# Tripartite Board Composition



CSBG [IM 82](#) provides critical information on Tripartite Board Composition

# Tripartite Boards

## **Federal CSBG Act**

- Tripartite board administers CAA's CSBG program
  - Except for public CAAs in cases where state specifies another mechanism that assures decision-making and participation by low-income individuals
- The federal CSBG Act doesn't address board size
  - Some state CSBG laws/regs impose board size requirements
  - Most CAAs have between 15 and 36 board members

# Tripartite Boards

## Composition and Selection

- Board members are to be **chosen by the agency**
  - Must use democratic selection process for low-income board members
  - **Public CAA** – tripartite board can make recommendations to governing officials

### Practice Tip

- For maintaining control, have board members elected by full board (for nonprofit CAAs) or governing officials (for public CAAs) once chosen through appropriate selection process

# Public Sector Representatives

- Under federal law, no longer required to include or be chosen by “chief elected officials”
- CSBG Act says “holding office at the time of selection”
  - Many state CSBG laws say “currently holding public office”
  - OCS IM 82 recommends that public officials serve only while they are in office
- If elected officials are not available, may include appointed
- Elected or appointed official may select a representative (alternate) to serve in his/her place
- Public official or representative must serve CAA’s interests (especially for private CAAs)



# Low-Income Representatives



Should represent current low-income residents, but don't need to be low-income themselves

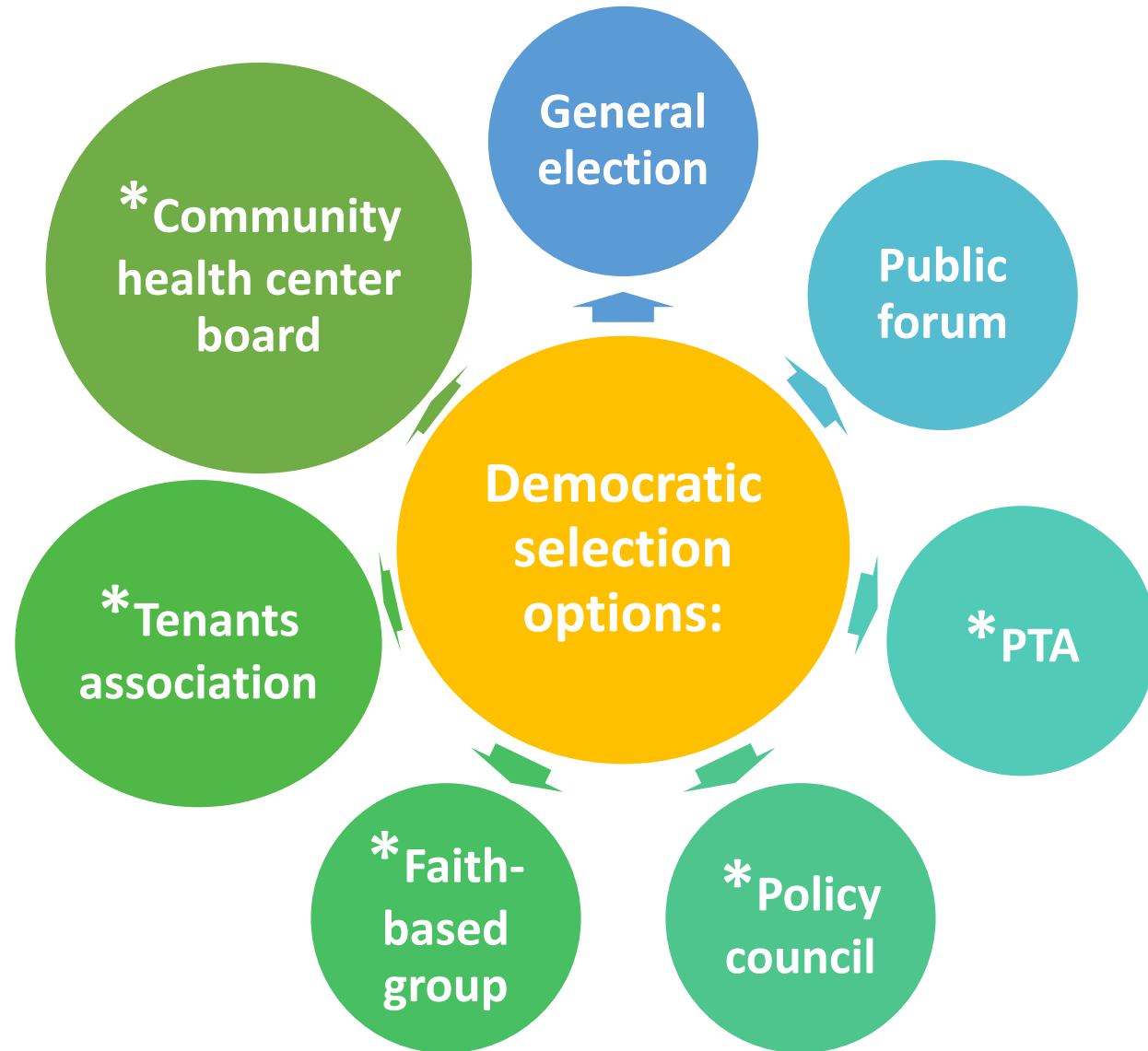


Must be democratically selected to assure that they are representative of low-income people in the service area



Must be able to participate actively in the development, planning, implementation, and evaluation of CSBG programs

# Low-Income Sector



- \* **Micro-democratic selection procedure:** Group predominately made up of low-income individuals may select someone from w/in the group to serve as the low-income rep.

– OCS IM 82

Coffee break...

09:55

# Private Sector Individuals or Groups

- Eligible entities may choose representatives from organizations or individuals

## Practice Tip

- If choosing reps from org, board has more flexibility if bylaws don't specify which orgs





# Board Quorums

- A quorum is the minimum number of directors needed at a board meeting to take action on behalf of the organization.
- How a quorum is established in the bylaws impacts the board's ability to conduct business, as a board cannot take valid action without meeting quorum requirements.
- State CSBG laws and regulations often require the quorum to be fifty percent of the filled seats on the board (i.e., board members currently in office).
- Remember that quorum decisions are often specific to an organization.







# Recruiting & Engaging Board Members



# Vacancies

- Vacancies should be filled as quickly as possible
- Best practice: Bylaws should specify how vacancies in each sector will be filled, the term length of replacement, and how partial term counts toward term limits if any
- Seat board replacements once chosen through the appropriate process



# The Reality of Recruitment

- Agencies, particularly in rural areas, can struggle to find volunteers to serve on their boards.
- It's about more than just finding a person to serve – it's about finding the right person to serve.
- Recruitment is one thing; retention is another.



# Board Meetings & Engagement

- Set tone/culture
- Emphasize pre-meeting work
- Shorten agenda + spread out meetings
- Check-ins to facilitate relationships
- Ask for input throughout
- Invite guests
- Ensure accessible technology + training



## 2. Bylaws

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## Board Bylaws

# CSBG Organizational Standards

**Vision and Direction**

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graph TD; A[Vision and Direction] --> B[Organizational leadership]; B --> C[Board governance]; C --> D[Strategic planning];
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Organizational leadership

**Board governance**

Strategic planning

# Bylaws/Governing Documents

## Standard 5.3: Nonprofit

- Org's bylaws have been reviewed by an attorney within the past 5 years (**not applicable to public CAA**).

## Standard 5.4: Nonprofit/Public

- Org/dept. documents that each board member has received a copy of the bylaws within the past 2 years.

## Standard 5.5: Nonprofit/Public

- Org/department board/advisory body meets in accordance with the frequency and quorum requirements and fills board vacancies as set out in its governing documents.

# Bylaws/Governing Documents

## Petitions for Board Representation

- Federal CSBG Act: CAAs must have procedures for certain individuals and groups to petition for representation

### Practice Tip

- Adopt written procedures and include them in bylaws

# Bylaws/Governing Documents Alternates

- **Nonprofit CAAs** in most states – no voting by proxy/alternates allowed
- **Public CAAs** usually can permit alternates to vote when primary board member can't attend

## Practice Tip

- Consider permitting alternates with no voting rights to: (i) attend meetings and report to primary board member and/or (ii) fill vacancies if chosen pursuant to selection procedures in bylaws



# Bylaws/Governing Documents

## Board Size

- Look at board size and decide on right number of board members
  - Federal CSBG Act does **NOT** address board size
  - States' CSBG law and/or regs **MAY** impose board size requirements

### Practice Tip

- **No** one-size-fits-all, must consider circumstances, e.g., organization size, number of programs, area served, organization needs, board operations

# Bylaws/Governing Documents

## Board Members' Terms

- Federal CSBG Act does **NOT** address CAA board terms
  - States' CSBG law and/or regs **MAY** impose terms
- **Bylaws** should **state** board members' **terms**
  - If the bylaws are silent, state nonprofit corporation law may set a default term (e.g., 1 year)

### Practice Tip

- Term lengths can be different for each sector



# Bylaws/Governing Documents

## Board Members' Terms

- May provide for **staggered terms**
  - State nonprofit corporation act **MAY** have requirements around staggered terms
- **Three-year** term is a **common term** length for nonprofit board members

### Practice Tip

- Keep board fresh but maintain institutional knowledge with mix of new and experienced board members

# Bylaws/Governing Documents

## Board members' Term Limits

- If state law does not specify term limits, board members may serve for any number of successive terms
  - Pros and cons of term limits

### Practice Tip

- To retain institutional knowledge or engaged board members, consider permitting those who reached their term limits to re-join after a break (e.g., 1 year)

# Bylaws/Governing Documents

## Removal of Board Members

- Removal can be with or without cause
  - State nonprofit corporation act **MAY** have requirements around the removal
  - If for cause, define or give example(s) of what cause is in bylaws; use “including, but not limited to”
  - Specify the vote needed to remove board members in bylaws

### Practice Tip

- Consider including strong removal provisions in bylaws and use them if necessary.

A close-up photograph of a document with the word "Policy" highlighted in red. The document is slightly out of focus, with other text visible in the background. A red highlighter is positioned over the word, and the paper has a torn edge at the bottom.

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point of view  
**Policy**  
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certain

## Board Policies

# Board Policies

## Conflict of Interest Policy

### Standard 5.6: Nonprofit/Public

- Each board member has signed a conflict-of-interest policy/comparable local gov't doc. within the past 2 years.

CAPLAW  
Community Action Program Legal Services, Inc.

SECTION 5: DEALING WITH  
CONFLICTS OF INTEREST

Part I: Conflicts of Interest	109
Part II: Additional Legal and Regulatory Considerations	114

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# Board Policies

## Board Orientation/Training

### Standard 5.7: Nonprofit/Public

- Org./Dept. has a process to provide a structured orientation for governing/advisory board members within 6 months of being seated.

### Standard 5.8: Nonprofit/Public

- Board members have been provided with training on their duties and responsibilities within the past 2 years.

# Board Policies

## Whistleblower Policy

### Standard 7.7: Nonprofit/Public

- Org. has a whistleblower policy that has been approved by the board/dept. provides copy of local gov't policy to advisory board at orientation.

CAPLAW  
Community Action Program Legal Services, Inc.

SECTION 6: ADOPTING A  
WHISTLEBLOWER POLICY

Part I: Reasons to Have a Whistleblower Policy	123
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Part IV: Internal Process	130
Part V: The Role of Legal Counsel	132
Part VI: Documenting and Tracking Whistleblower Reports	132
Part VII: Tone at the Top	133

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# Documentation

## Governance

- Board Minutes**
- Board Roster**
- Bylaws**
- Attorney Statement/Invoice
- Board Pre-Meeting Materials/Package
- List of Signatures
- Copies of Acknowledgements
- Conflict of Interest Policy/Procedures
- Signed Policies/Signature List**
- Board Policy/Procedures**
- Board Training Materials
- Board Member Acknowledgement/Signature
- Training Agendas
- Attendee List
- Documentation of Board Attendance At Offsite Training Conferences/Events/Webinars etc.
- Programmatic Reports



# Board Meeting Minutes

## Standard Content/Language Guidance

### A. Recommended Standard Content

- Date/Time/Location of Meeting
- Names of Board Members/CSBG Staff in attendance
- Name of Board Members not in attendance (designating “excused” or “not excused” per agency policy)
- Time the meeting was called to order
- Documentation of the status of a quorum present
- Review/acceptance of Minutes of prior meeting
- Review of Agenda . . . Additions/deletions
- Documentation of Board deliberations/actions indicating the outcomes
- Motion/Time of meeting adjournment

# Board Meeting Minutes



Clearly document the language of the proposed Motion, affirm the Motion was made and seconded and the vote (In Favor, Opposed, Abstentions) is documented (Motion Accepted or Defeated).



Note that the language in each of the applicable 24 Standards specifies that action must be taken by the agency's governing board, not a Committee.



# Discussion

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# Resources

- [OCS IM 82](#)
- [CAPLAW's Organizational Standards](#)
- [CAPLAW's Tools for Top-Notch CAAs: A Practical Approach to Governance and Financial Excellence](#)
- [CAPLAW's Dynamic Duo: A Guide to Enhancing the Board & Executive Director Partnership](#)
- [CAPLAW's Bylaws Toolkit: The Rules CAAs Live By](#)
- [CAPLAW's Bylaws Toolkit Webinar](#)
- [CAPLAW's Weatherproofing CAA Bylaws](#)
- [CAPLAW's Exemplary Legal Practices & Policies Guidebook \(Part I and II\)](#)
- [CAPLAW's Training Tools for Nonprofit and Public CAA Boards](#)
- [CAPLAW's Template Meeting Minutes and Index of Form Resolutions](#)
- [NCAP's Technical Assistance Guide: Category 5 Board Governance](#)



# Thank you!



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