

AMERICAN FOREIGN SERVICE ASSOCIATION

BOARD RETREAT

Agenda

Saturday, September 17, 2011

What	DESIRED OUTCOME	Who	Time
Welcome	Extend Greetings & Make Introductions	Susan & Ian	.05 (10:00 – 10:05am)
Meeting Set Up	Understand Our Time Together <ul style="list-style-type: none"> • Review the Agenda • Identify Anticipations 	Carole	.15 (10:05 – 10:20am)
Board Roles & Responsibilities	Explore: <ul style="list-style-type: none"> • Ten Basic Roles & Responsibilities of Board Members • The Three “Hats” of Board Members • Governance As Leadership – The Bellagio Story • McKinsey Assessment Responses 	Carole	1.25 (10:20 – 11:45am)
Governing Board Priorities	Identify Board Priorities	Carole	.15 (11:45 – 12:00pm)
Lunch		Everyone	.45 (12:00 – 12:45pm)
The Shared Vision	Identify What We Want to See in Place in 3 – 5 Years for Each Priority	Carole	.45 (12:45 – 1:30pm)
Potential Barriers to Realizing the Vision	Identify Blocks & Barriers to Achieving Each Vision	Carole	.20 (1:30 – 1:50pm)
Break		Everyone	.10 (1:50 – 2:00pm)
Victory Statements	Identify the Innovative, Practical Strategies to Address the Block & Barriers and Realize Each Vision	Carole	.45 (2:00 – 2:45pm)
Report Out	Post and Report Out: <ul style="list-style-type: none"> • Shared Vision • Blocks and Barriers • Victory Statements 	Teams	.50 (2:45 – 3:35pm)
Next Steps	List the Steps to Implementing the Strategic Plan:	Carole	.15 (3:35 – 3:50pm)
Wrap Up Conversation & Adjourn	Reflect on the Work Accomplished	Carole	.10 (3:50 – 4:00pm)

Ten Basic Responsibilities of Nonprofit Boards

Adapted from "*Ten Basic Responsibilities of Nonprofit Boards*" by Richard T. Ingram, BoardSource, 2009,
www.boardsource.org

Determine Mission & Purposes

- ◆ The board is ultimately responsible for ensuring that the organization's mission is clearly stated and advanced.
- ◆ Commitment to the mission drives board and management priorities.
- ◆ The board and management periodically review and revise the mission statement to ensure it is useful, honest, valid and current.
- ◆ The board ensures the mission statement articulates whom the organization serves, explains what makes the organization distinctive and presents a compelling reason for financial support.
- ◆ The board uses its mission and purpose as a guide to organizational planning, board and staff decision making, volunteer initiatives and priorities among competing demands for scarce resources.
- ◆ The board bases fund raising strategies and strategic plans on its mission and purpose and ensures the organization does not drift away from them.

Select the Chief Executive

- ◆ The board's selection of the chief executive is among the most consequential of a board's decisions affecting the organization's continuing development and effectiveness.
- ◆ The board clarifies its own functions as distinct from those of the chief executive and staff, including the chief executive's responsibility to select and supervise a management team without board intrusion.
- ◆ The board clarifies its expectations of the chief executive and what the chief executive can expect from the board.
- ◆ The board reviews and suggests improvements to the chief executive's job description to ensure it is current and relevant to the organization.
- ◆ Succession planning is part of the board's responsibility to ensure the organization is prepared for the future.

Support & Evaluate the Chief Executive

- ◆ The chief executive's success is linked to the board's determination to do its part to sustain an effective relationship – one marked by mutual respect on both sides and an understanding of the distinction between board and executive responsibilities that is determined, first and foremost, by open communication.
- ◆ The board provides frequent, substantive and constructive feedback (not just at the time of the annual performance review.)
- ◆ The board chair or a designee leads the annual review process. The review process should center primarily on the annual goals mutually and previously agreed upon by the board and the executive.
- ◆ The board provides personal and organizational support for the chief executive, periodically assesses performance and acknowledges superb service through appropriate compensation.
- ◆ The board and chief executive adhere to the doctrine of no surprises.

Ten Basic Responsibilities of Nonprofit Boards

Ensure Effective Planning

- ◆ The board insists that organizational planning is comprehensive and done well.
- ◆ Board members must be involved extensively in any significant planning process so they own responsibility for enthusiastically helping to implement appropriate goals and priorities, acquire new resources and ensure the big picture is considered, along with key competitive and environmental factors.
- ◆ The board uses plan goals as a guide for budgeting and other priorities.
- ◆ The board tracks the plan's implementation and the organization's progress, largely based on stated goals and objectives.
- ◆ The board insists that organizational planning be "strategic," comprehensive, and very forward looking.
- ◆ The process the board undertakes in organizational planning is as important as its outcomes. Getting the process right adds value and thus justifies the time and expense involved.

Monitor and Strengthen Programs and Services

- ◆ The board's has fundamental responsibility for ensuring current and proposed programs and services align with the organization's stated mission and purposes.
- ◆ The board seeks a good balance between its responsibility to ensure quality, cost-effective programs and services, and the staff's responsibility to creatively initiate, conduct and evaluate them.
- ◆ The board best performs its program and service oversight role by periodically assessing the efficacy of program and service offerings, asking good questions about proposed program services, studying cost-benefit ratios of major undertakings and user satisfaction data and occasionally recommending or authorizing management to invite qualified third-party consultants to study programs or services.

Ensure Adequate Financial Resources

- ◆ The board has responsibility for making sure the organization does not spend beyond its means.
- ◆ Board members should help identify potential donors and open doors through their personal and professional networks to secure resources as an important part of fundraising.
- ◆ Board members should thank donors and maintain cordial relationships with them.
- ◆ The board should participate in assessing fundraising targets and goals and have clear obligations regarding personal philanthropy.
- ◆ Resource development, including fundraising, is a function of the full board. The development committee is simply the board's agent to help oversee the work of all board members, the chief executive and the development staff.
- ◆ The board should be able to report 100 percent board participation in giving to potential and current supporters, board members are better fundraisers when they set their own good example. If board members don't substantially support their own organization, why should anyone else?
- ◆ As part of its funds development work, the board periodically considers and approves a fund-raising rationale and one or more "case statements."

Ten Basic Responsibilities of Nonprofit Boards

Protect Assets and Provide Financial Oversight

- ◆ Safeguarding organizational assets, or holding them in “trust” on behalf of others, is one of the most important board functions.
- ◆ In providing financial oversight, the board reviews and approves how the organization budgets, spends and makes money.
- ◆ The board receives a Statement of Financial Position presenting assets, liabilities and net assets at least quarterly. The board should routinely receive reliable monthly financial statements and possibly cash-flow statements, typically prepared in accordance with Generally Accepted Accounting Principles (GAAP).
- ◆ The board insists on an annual audit by an independent certified public accountant or accounting firm as part of its financial management oversight.
- ◆ The board insists on adequate Directors and Officers insurance coverage, monitoring the distribution of authority for financial decisions between board and staff, monitoring the organization’s reserve funds and endowments, approving investment policy and overseeing investment performance in exercising its financial oversight role.

Build A Competent Board

- ◆ The board establishes a governance committee and provides it a clear and comprehensive mandate to 1) Clarify expectations for all board members, 2) Periodically assess board and individual board member performance, 3) Orient new board member effectively and 4) Ensure opportunities for in-service education.
- ◆ The board articulates and adopts a statement of its own standards and expectations. Board members will rise only to the level of performance articulated to and expected of them by the board and especially by their leaders, the board chair and the chief executive.
- ◆ The board ensures reasonable turnover in board membership while maintaining adequate continuity of experience among veteran board members and encourage leadership development by setting and adhering to term limits.

Ensure Legal and Ethical Integrity

- ◆ The board demonstrates compliance through adherence to regulatory and legal requirements.
- ◆ The board ensures the organization routinely and openly provides more, and more complete, information to the media and public about their financial condition, major activities and staff compensation.
- ◆ The board sets and periodically assesses the adequacy of major organizational policy and ensures accountability measures are fulfilled by management staff.
- ◆ The board adopts, monitors and consistently adheres to conflict of interest and disclosure policy.

Enhance the Organization’s Public Standing

- ◆ Board members serve as a link between the organization and its members, stakeholders, constituents or clients. They are the organization’s ambassadors and advocates.
- ◆ All board members should have an elevator speech – an interesting and compelling explanation, delivered in less than a minute, of the organization’s mission and purpose.
- ◆ Aware of the importance of the organization’s public image, no board member represents himself or herself as speaking for the board or organization unless specifically authorized to do so.

● **Three “Hats” for Board Members:
Individual vs. Collective
Responsibilities**

1

Governance Hat

- Worn only when full Board meets, proper notice has been given, and a quorum is present
 - Ultimate & legal & moral authority
 - Accountability, per the government
 - An individual Board member has no authority in governance. Governance is a group action.

2

Implementation Hat

- “Worn” only when Board gives a Board members authority to implement a Board policy
 - Board delegates a specific task, e.g., buy a van, pick an auditor, organize an event
 - Authority comes from Board decision

3

Volunteer Hat

- “Worn” at all other times, when Board members are involved with activities as volunteers
 - Volunteer, plain & simple
 - No “extra” authority by virtue of Board position
 - Accountable to another person, e.g., ED, staff, committee or Board chair

4

COMMITTEE TRENDS

- **Limit committees named in bylaws**
 - Standing committees: Finance & Governance
 - Committees and task forces may be created as needed by the Chair or Board
- **Make greater use of task forces**
 - Objective and/or time limited
 - Short-term and/or special projects
 - May be “re-formed” each year, but do not meet year-round
- **Employ a “zero-based” committee structure process**
 - Board starts each year (or two years) with a clean slate of no committees or task forces
 - Board determines organizational strategy/priorities, forms committees & task forces based on current needs
 - Committees & task forces are disbanded when objective is met or at next review
- **Identify board vs. organizational committees & task forces**
 - Board committees & task forces
 - Do policy and strategy work
 - Report to the board
 - Prepare the board to make decisions
 - Composition: Board members
 - Examples:
 - Governance
 - Finance
 - Strategic planning oversight
 - By-laws revisions
 - Organizational committees & task forces
 - Address issues that are usually part of staff responsibility
 - Can be advisers to staff or help with implementation
 - Composition: Board and non-board members (All are “volunteers” plain & simple, including board members)
 - Staff may chair
 - Examples:
 - Marketing and public relations
 - Funds development strategy
- **Create written committee descriptions & chair position descriptions**
- **Don't:**
 - Create committees that duplicate staff work
 - Create committees that are too large
 - Set a precedent that non-board members on committees will automatically become board members
 - Treat non-board members on committees as outsiders
 - Hold committee meetings right before board meetings

- **Eliminate or make limited use of the executive committee**
 - Executive committee advantages:
 - Speeds up decision-making
 - Can give final approval of an action after issues raised by the board are resolved
 - Can be a testing ground for controversial ideas / issues
 - Can meet more easily than a large board
 - Executive committee disadvantages:
 - Can become too powerful and make all decisions
 - Discusses and resolves agenda items later presented to the board
 - Executive members are attending two board meetings
 - Makes board decisions:
 - Leaving the board to “rubber stamp” decisions that have already been vetted and decided
 - Disenfranchising remaining board members, which leads to poor morale and declining attendance at board meetings
 - May be perceived as an “inner circle”

- **Eliminate or make special use of the personnel committee**
 - The board has one employee, the CEO / executive director, consequently the board:
 - Has responsibility for evaluating the CEO / executive director
 - Does not have a need for a personnel committee
 - Board level personnel committees tend to involve board members in management issues that should be relegated to the CEO / executive director
 - The CEO / executive director may need personnel expertise:
 - Engage personnel expertise on staff
 - If a committee is needed, recruit non-board experts to maintain clear delineation between board policy and strategy work and CEO / executive director management work

COMMITTEE FORMATION GUIDELINES

Create written descriptions to address each of the following:

- **Authority**
 - Who creates the committee & appoints the chair?
 - What type of committee?
 - Board or organizational?
 - Is the committee best described as a task force with objective or time-limited responsibilities? Or a committee with ongoing responsibilities?
 - What reporting is needed, when & how often, in what form & to what organizational entities/leadership?

- **Purpose**
 - What expertise does this committee / task force bring to the organization?
 - What accomplishments are expected?

- **Composition**
 - Who can bring the stated expertise?
 - Who is eligible to chair the committee / task force – a board member, volunteer and/or staff?
 - What are the chair’s responsibilities?
 - Who can fulfill representational & liaison requirements?

- **Meetings & Expectations**
 - How often will the committee meet?
 - For what length of time?

Sources: Carole V. Rylander, CFRE & Adapted from *Transforming Board Structure*, by Bobowick, Hughes & Lakey, BoardSource, 2001



AFSA 2011-2013 Governing Board Strategic Retreat

Developing Shared Visions for Five Strategic and Priority Areas

This document assigns illustrative issues and action items to one of the strategic priority areas as a foundation for discussion in the teams organized around each of the five proposed areas. These teams will be tasked with developing a “shared vision” for each strategic area, then with identifying main blocks or obstacles to achieving the vision and strategies for dealing with them. The lists are illustrative and certainly not complete. Some may support more than one strategic area.

Membership and Development

- Growing membership in all categories – retiree, active-duty, associates
- Setting-up A-100, DLI, Specialist brown bag lunches at FSI, USAID
- Improving and expanding services
- Administrative tracking of members, analysis, reporting
- Networking domestic/state constituencies
- Knowing member needs, characteristics, demographics
- Fundraising approaches and “drives” and alternative revenue streams
- Advancing Foreign Service grave markers
- AFSA Experience/Consulting Shop – defining a way forward
- Reviewing Dues Structure

Strengthening Governance – *the next step after progress on streamlining AFSA internal operations*

- Implementing by-law reform (term limits, dues, overseas reps by region)
- Reviewing committee/ad-hoc structure and membership
- Expanding and deepening use of professional expertise
- Strengthen up Board input to oversight of budget/finances
- Reforming AFSA Elections
- Revitalizing AFSA post-rep system

Image, Outreach, Communications

- Promoting the Foreign Service, diplomacy, and development
- Deepening press and media contacts
- Developing strategic alliances - expanding strategic network and creating new panels
- Working with existing alliances and partners (Foreign Affairs Council, DACOR, AAD, ADST, etc.)
- Promoting Museum of American Diplomacy - fundraising; offering substantive input
- Creating plan for community awareness and Foreign Service Park across from AFSA
- Fund for American Diplomacy – growing, maturing, and developing (pros and cons)
- Developing AFSA poster – yes or no
- Redesigning Foreign Service Journal
- Continuing to enhance AFSA technology – digital, video, etc.
- Developing plan for next steps and Open Forum
- Creating Task Force on future approaches to AFSA supported “dissent” awards
- Developing an AFSA history
- Strengthen Congressional Outreach

Professionalism and Effectiveness

Contributing to professional development, education, training - studies/whitepapers
Support member continued professional development
Offering courses/quality seminars by master practitioners of diplomacy at AFSA
Developing a professional code of ethics
Producing serious personnel policy research papers with recommendations
Dissent

Core Advocacy – A list of key issues and subjects

Legislative issues:

AFSA PAC and Legislative Action Fund; PAC Board coordination with AFSA
AFSA and Board of Foreign Service
Foreign Relations Appropriations/Authorization Bills
Overseas Comparability Pay
Pay Freeze
Political Appointee Ambassadors
Federal Employee Entitlements
War Zone Parity with Military (Tax and Health)
Retirement Age
Parental Leave

Labor-Management issues:

AFSA-management relations, channels, process; more cooperative-collaborative
Core Precepts
Mid-Level Staffing Gap
Generalist Mid-Level Entry
Hiring Mechanisms
Waivers on Suspension of Annuities for WAE/Salary and Hours Caps
Equalizations of benefits between agencies
Transparency and fairness in Security Clearances
Separate Maintenance Allowance
Worldwide Availability
USAID/State Coordination and Amalgamation
Low Ranking
Survivor Benefits Servicing
Domestic Partner Issues
WEP/GPO Modification and/or Elimination
Premium Conversion
Diplomatic Privileges and Status of Specialists
Employment of Family Members
FOIA Requests
Burden of Proof
Tandem Couples
Disability
Diversity