Governance Training
Participant's Guide
OPENING PRAYER - BUILDING COMMUNITY

As a Vincentian Servant Leader

Leader: Servant leadership in the Society of St. Vincent de Paul is focused on building and sustaining a community of individuals formed in a Mission and Rule. Values control behavior. We act on the basis of what we believe really matters, what is right and good. Whoever influences the Core Values in a group is, in fact, the leader. The process must begin with the values God instills in the leader, and so we pray:

Alternate sides:

- I realize I cannot control everything, God, even through endless rules, regulations, and directives. I do not want an immobilized democracy in which everyone votes on every little thing. Nor do I want a demoralized dictatorship where I have to decide everything and think up everything. I want a true community with strong relationships and effective actions guided by commitment to our mission.

- Our Core Values make us a faith community in which achieving our mission is our means of becoming better people and a better organization. These values move us toward the right goals. If we do not live our core values, nothing else will work right.

- Your call to leadership always includes your provision of what I need to lead. By your grace I can do a lot of things to keep the Core Values before us and to model them myself, but only your Spirit can plant them deep and strong in everyone’s heart. Make me a spiritual leader, a nexus in the dynamic relationship of your Spirit and the spirit of the members.

- I know the odds are against this working. It feels safer to try to tell everyone what to do instead of trusting them to act on their own in concert with our core values. But help me to respect them as individuals you created them to be so they can grow and be truly great for your glory.

- I want to be a spiritually sensitive leader, to enable people to sense more clearly and powerfully the call and guidance of your Spirit in their lives. I know this kind of leadership is rare because it is a matter of the spirit, but, God, that is the kind of leader I want to be.

Together:

As the leader, I am responsible for the mission and values we all live by. It must begin within me. Give me a healthy and strong spirit, for there is no going back. I feel a deep longing for the future. Help us to live the Core Values that will take us there. I want it, God; I ache for it—for how things could be. Infuse the Core Values in our hearts, God. Start with me. Amen
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Society of St. Vincent de Paul
GOVERNANCE
For
COUNCILS and BOARDS

Figure 2 - This Session will cover

This Session will cover

- Vincentian Charism
- Legal Structure
- Governance Documents
- Governance Structure
- Governance Policies
- Board Responsibilities
- IRS, Audits and Annual Reports
Charism

- Charism is a gift given by God to carry out the Church’s mission.
- Vincentian Charism is to walk in the spirit of Vincent de Paul.

Evangelizer of the Poor

- St. Vincent received the mission and vision to follow Christ as the “Evangelizer of the poor”.
- This demands a preferential option for the poor, which call us:
  - to be aware of the plight of the poor and the oppressed
  - to a love that activates and liberates
  - to do justice
Figure 5 - Governance & Vincentian Charism

Governance & Vincentian Charism

- Governance must be rooted in our Vincentian Charism:
  - to preach the good news to the poor
  - to serve the suffering and the most abandoned
  - to love the poor with compassion and action (affective and effective love)
  - to make the love of God a reality in the lives of those living in poverty
  - to call forth justice
  - to trust in Divine Providence
  - to live the Vincentian Virtues and Values

Figure 6 - Study Reveals Non-Profit Governance Lacking

Urban Institute Study Reveals Non-Profit Governance Lacking

A study of over 5,000 nonprofit’s boards reveals a failure to demonstrate good governance practices. Of the boards studied:

- Only 52% “very actively engaged” in setting organizational policy or financial oversight
- Only 54% actively engaged in reviewing the CEO’s performance
- Only 50% have a written conflict of interest policy — This goes to 30% for organizations with < $100,000 in annual revenues
- 75% don’t require board members to disclose their financial interests in entities doing business with the nonprofit — organizations maybe unaware of existing conflicts of interest
- Only 50% have a written policy to protect whistleblowers
Figure 7 - Governance Involves

Governance Involves

- People
- Structure
- Documents

Figure 8 - People

People

- Members elect leaders
- Members confirm those appointed by leaders
In our Society

- Members govern
- In our Bylaws each level: Conference, District Council, (Arch)Diocesan Council, National Council and International Council is made up of Leaders from the preceding level.
- Decision making is determined by the members through Governance Documents at each level.

Society Decision Structure

Members make decisions

- Conferences
  - Assist and support Conferences and make decisions for groups of Conferences.

- District Councils
  - Assist and support Districts and Conferences. And make decisions for all the Districts and conferences in the (Arch)Diocesan Council.

- (Arch)Diocesan Councils
  - Assist and support all Conferences, District & (Arch)Diocesan Councils and make decisions for entire United States.

- National Council of the United States
  - Responsible for the entire world as described in the Rule, Bylaws and Policies.

- International Council General

Figure 9 - In our Society

Figure 10 - Society Decision Structure
Figure 11 - Society Structure

Society Structure

- Conference - Responsible for specific works as described in the Rule, Bylaws and Policies.

- District Councils - Responsible for a min. of 3 and max. of 15 Conferences as described in the Rule, Bylaws and Policies.

- (Arch) Diocesan Councils - Responsible for 3 or more District Councils within its boundaries as described in the Rule, Bylaws and Policies.

- National Council - Responsible for all (Arch)Diocesan and District Councils and all Conferences in the United States as described in the Rule, Bylaws and Policies.

Figure 12 - Legal Structure

Legal Structure

- Corporation – Based on the laws of each state and federal laws that pertain. Incorporated means formed into one unit and are qualified to take, purchase, grant, and have a common seal, sue and be sued in their joint capacity.

- A corporation is a legal person in the law. Grants limited liability for acts of the Corporation and has continuous existence.

- Two forms of corporation - For Profit & Non Profit
Figure 13 - For Profit Corporation

For Profit Corporation

- Success is measured by financial profit or loss.

For A Non Profit Corporation

- Success is measured by comparing results with its stated purpose.

Figure 14 - Society's Stakeholders

Society’s Stakeholders

- Non Profit - many stakeholders
  - Those we serve
  - Members
  - Donors
  - Employees
  - Volunteers
  - Community at large

- Bishops
- Pastors
- Collaborative groups
- Government entities
Figure 15 - Change

Change

- For both Profit & Non-Profit corporations change is coming that will impact both types.

- Change will be demanded by:
  - Law
  - Expectations of stakeholders.

Figure 16 - Documents

Documents

- The Rule
- Articles of Incorporation (Charter)
- Bylaws
- Governance Policies
  - Major policy areas
- Procedures
Documents – The Rule

The Rule
- Primary Governance document of the Society
- All other documents must be in harmony with The Rule
- Documents not in agreement with The Rule are Null and Void

Documents - Articles

Articles of Incorporation (Charter)
- Establishes the legal entity
  - Identifies its full legal name
  - States its purpose
  - Should be as general as possible
  - Contains only what’s required by state law.
- Limits activities to maintain tax status
- Describes distribution of assets on being dissolved.
Figure 19 - Documents-Bylaws

Documents - Bylaws

- Bylaws
  - Are subordinate to the articles of incorporation.
  - State the general way in which the corporation governs itself.
  - Should be reviewed and updated every 3 to 5 years.
  - Must be consistent with Rule and Articles

* National Council has approved bylaws for each level.

Figure 20 - Small Group Discussion

Small Group Discussion

- Please break into groups of 3 and assign a group reporter.
- Consider the following questions:
  - How does your Conference/Council educate its members on the Rule and Bylaws?.
  - How can we improve the process?
- We will take 15 minutes followed by reports from each group.
Figure 21 - Documents - Policies

Documents - Policies

- Governance Policies - established by the Board
  - Governance Process Policy
  - Board Staff Linkage Policy
  - Executive Limitations Policy
  - Global Executive Constraint Policy
  - Ends Policy
- Ends policy should be developed last
- Carver Guide - Basic Principle of Policy Governance

Figure 22 - Governance Process Policy

Governance Process Policy

- Global Governance Commitment
  The Board, on behalf of all stakeholders, has the responsibility to ensure that the Council achieves appropriate results for appropriate persons at an appropriate cost and avoids unacceptable actions and situations.
- The Board determines its philosophy, accountability and the specifics of its own job within the Letter and Spirit of the Rule.
Board Staff Linkage Policy

- The Board clarifies the manner in which it delegates authority to staff as well as how it evaluates staff performance on provisions of the ends and executive limitations policies.
- The Board staff linkage connection will be through the CEO/ED.
- Unity of Control
- Accountability of the CEO/ED
- Delegation to the CEO/ED
- Monitoring of CEO/ED performance

Figure 24 - Board Staff Relations

Board & Staff Relations

- Governance
- Management
- Who does what?
Figure 25 - Board & Staff Relations - Governance

Board & Staff Relations

Governance

- Specific outcomes, constraints & desires
- May suggest how to accomplish
- Determines financial resources and how allocated
- Identifies information required to make sound policy decisions and makes policy decisions
- Monitors progress

Figure 26 - Board & Staff Relations - Management

Board & Staff Relations

Management

- Specifies process to achieve outcomes
- Participates in decisions about what may and may not be done. The goal is flexibility.
- Informs the Board of resources required and recommends cost effective allocations.
- Identifies information needed and determines process for carrying out policy.
- Monitors & reports progress.
- Initiates conflict resolution.
Figure 27 - Board & Staff Relations - Who is in Charge of what?

**Board & Staff Relations**

Who is in charge of what?

\[
\begin{array}{l|l}
X = \text{Responsible} & Y = \text{involved} \\
\hline
\text{Board} & \text{CEO/ED} \\
\hline
X & \text{Governance} & Y \\
Y & \text{Administration} & X \\
X & \text{Decides What} & Y \\
Y & \text{Decides How} & X \\
X & \text{Makes Policy} & Y \\
Y & \text{Carries out Policy} & X \\
X & \text{Sets Goals} & Y \\
Y & \text{Plans to Achieve Goals} & X \\
X & \text{Reviews Plans} & Y \\
Y & \text{Implements Plans} & X \\
XY & \text{Monitors Progress} & XY \\
\end{array}
\]

Figure 28 - Executive Limitations Policy

**Executive Limitations Policy**

- The Board establishes the boundaries of acceptability with in which staff methods and activities can be done by staff. These activities include:
  - Treatment of people
  - Financial planning/budgeting /conditions & activities
  - Emergency Executive Succession
  - Asset protection
  - Compensation and benefits
  - Communication & Support to the board.
Figure 29 - Global Executive Constraint Policy

Global Executive Constraint Policy

- The CEO/ED shall not cause or allow any organizational practice, activity, decision, or circumstance which is either unlawful, imprudent or in violation of the mission, and practice of the council or violates commonly accepted business and professional ethics.

- The CEO/ED will not allow any program, service or public statements that are inconsistent with the teachings of the Catholic Church.

- The CEO/ED shall not endanger the public image or credibility of the Society of St. Vincent de Paul, particularly in ways that would hinder its accomplishment of its mission.

Figure 30 - Board & Volunteer Staff Relations

Board & Volunteer Staff Relations

- Governance
- Management
- Who does what
Figure 31 - Board & Volunteer Staff Relations - Governance

Board & Volunteer Staff Relations

Governance

- Specific outcomes, constraints & desires
- May suggest how to accomplish
- Determines financial resources and how allocated
- Identifies information required to make sound policy decisions and makes policy decisions
- Monitors progress

Figure 32 - Board & Volunteer Staff Relations - Management

Board & Volunteer Relations

Management

- Specifies process to achieve outcomes
- Participates in decisions about what may and may not be done. The goal is flexibility.
- A designated volunteer(s) informs the Board of resources required and recommends cost effective allocations.
- Identifies information needed and determines process for carrying out policy.
- Monitors & reports progress.
- Initiates conflict resolution.
**Figure 33 - Board & Volunteer Staff Relations - Who is in charge of what?**

**Board & Volunteer Staff Relations**

*Who is in charge of what?*

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<th>President</th>
<th>Volunteer</th>
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<td>Y</td>
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<td>Implements Plans</td>
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<td>XY</td>
<td>Monitors Progress</td>
<td>XY</td>
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**Figure 34 - Volunteer Executive Limitation Policy**

**Volunteer Executive Limitations Policy**

- The Board establishes the boundaries of acceptability within which volunteer activities can be carried out. These activities include:
  - Treatment of people
  - Financial planning/budgeting/conditions & activities
  - Asset protection
  - Communication & Support to the board.
Global Volunteer Executive Constraint Policy

- No volunteer shall cause or allow any organizational practice, activity, decision, or circumstance which is either unlawful, imprudent or in violation of the mission, and practice of the council or violates commonly accepted business and professional ethics.

- No volunteer shall establish or engage in any program, service or make any public statements that are inconsistent with the teachings of the Catholic Church.

- No volunteer shall endanger the public image or credibility of the Society of St. Vincent de Paul, particularly in ways that would hinder its accomplishment of its mission.

Figure 35 - Global Volunteer Executive Constraint Policy

Ends Policy

- Global Ends- Mission Statement

- Other ends Policies additional details re:
  - Spiritual Growth
  - Solidarity, Friendship and Community
  - Service

Figure 36- Ends Policy
Figure 37 - Other Governance Process Policies

Other Governance Process Policies
- Governance Language and Style
- Board Job Description
- Agenda Planning
- Presidents Role
- Board Members Code of Conduct
- Board Committee Principles
- Board Committee Structure
- Governance Capability

Figure 38 - Procedures

Procedures
- Conference Aggregation Procedure
- Council Institution Procedure
- Confidential Release Procedure
- Roberts Rules of Order
- Dissolution of a Conference
Small Group Discussion

- Please break into groups of 3 and assign a group reporter.
- Consider the following question(s):
  - What are the most critical policies that your Board needs to update and/or develop?
  - We will take 15 minutes followed by reports from each group.

Figure 39 - Small Group Discussion

Corporate Governance

- The primary responsibility for governance of a non profit corporation is invested in the Board of Directors.

Figure 40 - Corporate Governance
Figure 41 - Overarching Responsibilities/Duties of the Board & Its Members

Overarching Responsibilities/Duties of the Board & Its Members

The Board/Council

- Has a responsibility to articulate prerequisites for membership candidates, orient new members and periodically self evaluate performance individually and as a whole.
- As the backbone of a nonprofit organization, is accountable for the stewardship of the public’s investment in their charitable mission to all our stakeholder’s.
- As nonprofit, needs to pursue good business practices, while not pursuing profits, the focus is on changing lives and providing services that meet real needs and move our vision forward.

Figure 42 - As A Board Member, What Do I Need to Know?

As A Board Member, What Do I Need to Know?

- What Do I Need to Know About the Organization, the Board and its Functions?
- What Is Expected of Me as A Board Member?
- What Is the Description of the Job?
Figure 43 - Job Description

Job Description

- As a member of the Board | Council participate in:
  - Setting policy
  - Determining program directions
  - Setting long and short range goals
  - Approving the annual budget

And is responsible for:
- Oversight of fund development
- Facilities management
- Publicity and marketing
- Leadership development of the Society

Figure 44 - Specific Duties

Specific Duties

- Determines goals & program direction to achieve those goals
- Determines management policies
- Controls the operating funds and capital assets for the use & benefit of the Society
- Hires, supervises, supports, evaluates and terminates CEO/ED

Ensures legal obligations of the Society are met:
- Nonprofit tax exemption status
- Equal opportunity and affirmative action standards
- Federal & state income & social security taxes
- Unemployment compensation and labor and industry insurance
- Related safety & health issues of staff, volunteers & clients
- Public liability insurance coverage
Figure 45 - Specific Duties Cont. 1

Specific Duties Cont. 1

- Approves grants, contracts, leases & other legal documents as per the bylaws
- Ensures that personnel & volunteer policies are properly administered
- Creates & executes a diversified fund development program
- Contributes financially to the organization
- Participates in Board designated fund raising activities
- Represents the organization to the community
- Participates in the annual Board retreat to establish short & long range goals
- Attends all Board meetings & assigned committee meetings

Figure 46 - Specific Duties Cont. 2

Specific Duties Cont. 2

- Responsible for establishing annual staff salary guidelines & benefit packages
- Responsible for the leadership development of the staff and Board
- Ensures adequate funds available for accomplishing leadership training
- Participates in the annual evaluation of the Board
- Possesses experience and skills to assist organization in meeting its goals
- Understands Board is team composed of members
- Assists with community/public relations & marketing services of the organization
Figure 47 - What Do I Need To Know About The Organization & Its Functions?

What Do I Need To Know About The Organization & Its Functions?

Goal: Have sufficient materials & information about the organization & it functions, to allow making informed decisions

- Organization & Its Structure:
- Board Structure:
- Organizational Planning:
- Program Services
- Funding

Figure 48 - What Do I Need To Know About The Organization & Its Functions? - Organization & Its Structure

What Do I Need To Know About The Organization & Its Functions?

Goal: Have sufficient materials & information about the organization & it functions, to allow making informed decisions

- Organization & Its Structure:
- Copies of Articles of Incorporation, Bylaws, Mission Statement
- Society’s legal structure & IRS exemption status
- Legal structure as a non-profit corporation
- Relationship to the National & International Society
- Applicable State Regulations

Governance Training Participants Guide
Figure 49 - What Do I Need To Know About The Organization & Its Functions? - Board Structure

What Do I Need To Know About The Organization & Its Functions?
Goal: Have sufficient materials & information about the organization & its functions, to allow making informed decisions

- Organization & Its Structure:
- Board Structure:
  - Job Description of a Board or committee member
  - Directory for Board & Committee assignment
  - Summary of last year’s minutes & budgets
  - Board policies & procedures
  - Board Calendar
  - Understand role as Board Member and policy setter

Figure 50 - What Do I Need To Know About The Organization & Its Functions? - Organizational Planning

What Do I Need To Know About The Organization & Its Functions?
Goal: Have sufficient materials & information about the organization & its functions, to allow making informed decisions

- Organization & Its Structure:
- Board Structure:
- Organizational Planning:
  - Board Planning cycle
  - Participation in Long Range Planning Sessions
  - Participation in Strategic Planning Sessions
  - Participation in Annual Board Retreat
Figure 51 - What Do I Need To Know About The Organization & Its Functions? - Program Services

Goal: Have sufficient materials & information about the organization & its functions, to allow making informed decisions

- Organization & Its Structure:
- Board Structure:
- Organizational Planning:
- Program Services:

- Current Programs and Staff Assignments
- Current Level of Volunteer Programs and Functions
- Statistical Summary of Programs and Projected Future
- Summary of Temporary Actions on Program and/or Staff Size
- Annual Facility Tour with CEO

Figure 52 - What Do I Need To Know About The Organization & Its Functions? - Funding

Goal: Have sufficient materials & information about the organization & its functions, to allow making informed decisions

- Organization & Its Structure:
- Board Structure:
- Organizational Planning:
- Program Services
- Funding

- Summary of Current Income Sources
  - Grants
  - Contracts
  - Community Support
  - Membership Support

- Summary of Current Expenditures
  - Monthly
  - Year-to-date
  - By Line Items
Figure 53 - What Is Expected Of Me As A Board Member?

What Is Expected Of Me As A Board Member?
Goal: To determine my willingness to accept responsibilities of Board Membership.

- Knowledge & Preparation:
- Participation:
- Time Commitment:
- Constraints:

---

Figure 54 - What Is Expected Of Me As A Board Member?
Knowledge & Preparation

What Is Expected Of Me As A Board Member?
Goal: To determine my willingness to accept responsibilities of Board Membership.

- Knowledge & Preparation:
  - Educate Myself on Society:
    - Its History
    - Goals
    - Clients/Constituency
    - Staff
    - Current Situation
    - Needs & Problems
    - Role & Responsibility of Board
    - Role & Responsibility as Member of Board
  - Keep Abreast of Trends That Affect the Organization:
    - National
    - State
    - Local

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Governance Training Participants Guide
Figure 55 - What Is Expected Of Me As A Board Member?

What Is Expected Of Me As A Board Member?
Goal: To determine my willingness to accept responsibilities of Board Membership.

- Knowledge & Preparation:
- Participation:

Figure 56 - What Is Expected Of Me As A Board Member?

What Is Expected Of Me As A Board Member?
Goal: To determine my willingness to accept responsibilities of Board Membership.

- Knowledge & Preparation:
- Participation:
- Time Commitment:

Effective Board Members:
- Participate in Board Tasks
- Are Knowledgeable & Enthusiastic Voices of Society
- Serve on at Least 1 Committee
- Know Committee’s relationship to Board
- Advocate for Society & Clients
- Contribute Financially to Organization
- Participate in Discussions
- Report To Board as Appropriate
- Recognize Role as Team Member

Attend:
- Board Orientations
- Board Trainings
- Scheduled Board Meetings
- Committee Meetings
- Task Force Meetings

Do Assigned Work Between Meetings
- Preparation of Reports
- Background Materials
- Recommendations

Prepare Before Meeting
- Read Minutes
- Review Agenda/Material
Figure 57 - What Is Expected Of Me As A Board Member?

What Is Expected Of Me As A Board Member?
Goal: To determine my willingness to accept responsibilities of Board Membership.

- Knowledge & Preparation:
- Participation:
- Time Commitment:
- Constraints:

Effective Board Members:
- Avoid Possibility of Or Appearance of Conflict of Interest
- Understand Role Differences between CEO & Board Member
- Do not do Management's or Staff's job
- Do not allow Management or Staff to do their job
- Support Board Decisions once they are made, even though they didn't vote for it
- Unable to support Board Decisions resign

Figure 58 - BOARD RESPONSIBILITIES

Board Responsibilities (1st 5 of 10)
1. Determine and articulate the Mission, Vision, Essential Elements and Core Values
2. Ensure proper recruitment and selection of the CEO/ED
3. Support and assess performance of the CEO/ED
4. Ensure Board engages in Short term & Strategic planning for the future
5. Determine programs, monitors, assess and confirm value.
Figure 59 - Board Responsibility 1 - Determine & articulate Mission, Vision, Essential Elements & Core Values

1 - Determine & articulate Mission, Vision, Essential Elements & Core Values

- The Board responsibility for establishing & articulating the Council Mission has been accomplished by our Council General and the National Council.
- Vision is a long range view of a desirable future. “End Poverty Through Systemic Change.”
- Essential Elements:
  - Spirituality
  - Friendship
  - Service
- Core Values

Figure 60 - Mission Statement

MISSION STATEMENT

Inspired by Gospel values, the SOCIETY OF ST. VINCENT de PAUL, a Catholic lay organization, leads women and men to join together to grow spiritually by offering person-to-person service to the needy and suffering in the tradition of its founder, Blessed Frederic Ozanam, and patron, St. Vincent de Paul.

As a reflection of the whole family of God, members, who are known as VINCENTIANS, are drawn from every ethnic and cultural background, age group and economic level.

Vincentians are united in an international society of charity by their spirit of poverty, humility and sharing, which is nourished by prayer and reflection, mutually supportive gatherings and adherence to a basic Rule.

Organized locally, Vincentians witness God’s love by embracing all works of charity and justice. The Society collaborates with other people of good will in relieving need and addressing its causes, making no distinction in those served, because in them Vincentians see the face of Christ.
Figure 61 - Essential Elements

Essential Elements

- Spirituality: To Bear Witness To Christ and His Church By Showing Them The Faith of Christians Inspires Them to Work For The Good of Humanity
- Friendship: To Bring Together Men of Goodwill and to Assist Them by Mutual Example and True Friendship in Drawing Nearer to the Divine Model by Fulfiling His Essential Precept, Namely, the Love of God in the Person of Others
- Service: To Establish a Personal Contact Between Its Members and Those Who Suffer, to Bring to the Latter the Most Efficacious and Charitable Aid Possible, and to Promote Self Sufficiency

Excerpt From Original Manual of SVD - 1845

Figure 62 - Core Values

Core Values

- Dignity of the Human Person
- Identification of Jesus with those living in poverty
- Preferential option of the poor
- Poverty of spirit
- Concern with Charity and Justice
- Personal and Communal Prayer
Figure 63 - Core Values (Cont.)

Core Values (Cont.)
- Virtue of humility-personal and corporate
- Virtue of charity and justice within and outside of the Society
- Virtue of simplicity
- Reliance on Divine Providence
- Friendship with each other and those in poverty
- Solidarity
- Community

Figure 64 - Board Responsibility 2 - Recruit & Select Council CEO/ED

2- Recruit & Select Council CEO/ED
- Develop selection process
- Determine skill sets and experience & requirements
- Design position description
- Don’t reinvent the wheel
- Know the rules for interviewing & hiring
- Confirm the process
- Communicate the process
3 - Support CEO/ED & Assess their Performance

- Clear understanding of expectations, goals, objectives, roles, performance measurements
- Clear communication channel with the Board
- Clear understanding that CEO/ED works for the Board
  - Not individuals
  - Council Bylaws should define the process for removal of CEO/ED
  - Clarity of functions- Boards, CEO/ED’s

Figure 66 - Board Responsibility 4 - Ensure Board engages in Short term & Strategic Planning

4 - Ensure Board engages in Short term & Strategic Planning

- Planning simply means deciding where we want to go then making a decision(s) on how get there

- The plan consists of: Vision, Mission, Goals, Objectives, Action Plans and who is responsible for what results
Figure 67 - Yogi Berra says:

Yogi Berra says:

“If you don’t know where you’re going
You won’t know where you are
when you get there.”

So

Figure 68 - If you always do -----

“If you always do what you’ve always done,
you will always get what you always got.”

“In order to get what you never got, you’ve
got to do what you’ve never done.”

Author: Fr. Jessie Cox, OFP
Figure 69 - Board Responsibility 5 - Determine Programs & monitor & assess value

5 - Determine Programs & monitor & assess value

- The Council provides services and run programs that are too large or complex for a single Conference to operate including Special Works.
- The principles for establishing the priorities for programs and services are stated clearly in our Rule, Mission, Core Values and Essential Elements and the identified needs of the community.
- There are many great tools for exploring this responsibility and can be found at Board Source.

Figure 70 - Special Works

Special Works
Special Works include but are not limited to:

- Thrift Stores
- Dining Rooms
- Food Pantries
- Meals on Wheels
- Free Pharmacies
- Homeless Shelters
- Transitional Housing
- Indigent Burial
- Budget & Tax Counseling
- Employment Services
- Job Training
- Assistance For Disabled
- Crime Victim Support
- Jail/Prison Ministry
- Post Release Services
- Medical & Dental Clinics
- Eldercare
- Family Resource Centers
- Recycling Centers
- Summer Camps For Kids
Special Works Cont.

RULE: Part III Statute 20

- Only after prayer and discernment should a Conference/Council establish Special Works.
- Special Works can either remain a part of the Council’s normal operations or be separately incorporated.

Normal Operations Special Works

- It will be governed and managed in accord and in compliance with that Council’s:
  - Articles of Incorporation
  - Bylaws
  - Standing operating procedures
  - Reporting policies
  - Human Resource policies
- It is essential that a Special Work remain loyal to the policies and strategies agreed to by the Council to which it belongs and reports.
Figure 73 - Incorporated Special Works

Incorporated Special Works

- In the event a special Work is separately incorporated by a Conference/Council care to ensure at outset that:
  - Its Articles of Incorporation
  - Bylaws
  - Other Governance Documents
  - Management Documents

Recognize the relationship to the Society of St. Vincent de Paul
To include but not limited to:
- Use of the Name
- Use of the Logo
- Asset Acquisition
- Asset Disposal

Figure 74 - Incorporated Special Works Cont.

Incorporated Special Works Cont.

- Such Governance Documents should allow for the President of the Council separately incorporating the Special Work, after Consultation with
  - The Council
  - National Council President

And evaluation of the legal consequences
- Replace members of the Board of Directors of that Special Work, regardless of their function.

- The Council incorporating the Special Work has the responsibility to ensure that:
  - A majority of Vincentian Members make up the Special Works Board
  - Appropriate Reporting Policies are established
Figure 75 - BOARD RESPONSIBILITIES Cont.

Board Responsibilities Cont. (2nd 5 of 10)

- 6. Guarantee that adequate financial resources are provided to carry out the mission and programs
- 7. Make sure there is effective management and use of resources
- 8. Enhance Society’s credibility and public image
- 9. Protect integrity & ensure accountability
- 10. Assess & develop Boards effectiveness

Figure 76 - Board Responsibility 6 - Ensure resources needed to implement plans available

6 - Ensure resources needed to implement plans available

- Guarantee the Council has the financial and other resources it needs to implement its plans.

- Make sure that the Council is stronger and more viable when it passes leadership on to others.
Figure 77 - Reasons Councils go out of existence

Reasons Councils go out of existence (or get into serious trouble)

- Failure to raise funds
- Financial failure ending in bankruptcy
- Losing its tax exempt status
- Losing its right to exist as a legal entity
- Losing its right to exist in the diocese
- Failure to operate in accordance with the Rule, resulting in removal from the Society

Figure 78 - Board Responsibility 7 - Make sure there is effective management & use of resources

7 - Make sure there is effective management & use of resources:

- Each major program should be scheduled for review during the year
- Board should have a firm view of what they expect each program to achieve
- Level of service in each program should be reaffirmed when the new budget is approved
Figure 79 - Board Responsibility 8 - Enhance Society's & Council's credibility and public image

8 - Enhance Society’s & Council’s credibility and public image

- Credibility is corporate integrity. Deserving the trust that what we say can be believed.
- Credibility is built with absolute faithfulness to the Rule and Mission.
- Public image begins with stating our missions, our core values & what we stand for openly & often.
- Public image emerges from telling our story to the public.

Figure 80 - Board Responsibility 9 - Protect Council's & Conference's integrity & ensure accountability

9 - Protect Council’s & Conference’s integrity & ensure accountability

- Ensure Essential Policies are in place and adhered to.

- Make sure the Board of Directors or Council members are operating in compliance with the Rule, corporate charter, bylaws, federal, state and local laws, and all policies in effect for the entity.
Figure 81 - Essential Policies

Essential Policies
- Non discrimination policy
- Conflict of Interest policy
- Document destruction policy
- Whistle-blower protection policy
- Audit policy
- Annual Report policy
- Tax filing policy
- Information sharing policy

Figure 82 - Essential Policies (cont.)

Essential Policies (cont.)
- Spokesperson policy
- Orientation of new board member policy
- Board operation policy
- Employee policies
- Business Practices policies
- Bylaw review policy
Figure 83 - 501 (c)(3) Tax Exemption

501 (c)(3) Tax Exemption

- Councils and Conferences **MUST** have 501(c)(3) Tax Exemption,
  Either by
  - Obtaining their own directly from the IRS
  Or by
  - Becoming included in National SVDP Group Exemption

Coverage by the Church, USCCB Group Exemption, no longer applies!

Figure 84 - National Group Exemption (NSGED)

National Group Exemption (NSGED)

Process for becoming member of the NSGED:

1. Verify that the EIN number you are using is issued in your legal name (cannot be the parish EIN).
2. If not, obtain your own EIN number in your name using the SS-4 form found on [www.irs.gov](http://www.irs.gov).
3. Determine if your Council/Conference is eligible for inclusion in the National Group Exemption.
5. Attach signed Bylaws that have been updated with required IRS language and approved by the Regional Vice President.
6. If incorporated, attach Articles of Incorporation updated with required IRS language.
7. Attach any lease agreements or details of verbal lease agreements.
Figure 85 - Filing 990's

Filing 990's
Every Council or Conference with their own EIN MUST file a 990

<table>
<thead>
<tr>
<th>990 Filing Instructions</th>
<th>Form to File</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross receipts less than $50,000</td>
<td>990-N</td>
</tr>
<tr>
<td>Gross receipts between $50,000 and $200,000 and</td>
<td>990-EZ</td>
</tr>
<tr>
<td>Total assets less than $500,000</td>
<td>or 990</td>
</tr>
<tr>
<td>Gross receipts more than $200,000 and/or</td>
<td>990</td>
</tr>
<tr>
<td>Total assets exceed $500,000</td>
<td></td>
</tr>
</tbody>
</table>

Figure 86 - Loss of Exempt Status

Loss of Exempt Status

- If you fail to file a 990 for three years in succession, your tax exempt status will be revoked.
- If your tax exempt status is revoked, you:
  - must file a Form 1023 to gain independent tax exempt status.
  - must pay a filing fee with Form 1023.
  - cannot join or rejoin the national group.
- If your Conferences are using your Council's EIN, the loss of status affects them as well.
Figure 87 - Board Responsibility 10 - Assess & develop Board's own Effectiveness

10 - Assess & develop Board’s own Effectiveness

- Assess and develop Board’s own Effectiveness
- Critical objective assessment should be part of each meeting
- Training or board retreats should happen once a year
- Formal assessment tools should be used regularly
- Board Source has great check lists and tools for this purpose

Figure 88 Small Group Discussion

Small Group Discussion

- Please break into groups of 3 and assign a group reporter.
- Consider the following question(s):
  - What are the most critical Board Responsibilities that your Board is not fulfilling?
  - What corrections needs to be made?
- We will take 15 minutes followed by reports from each group.
Figure 89 - Overriding Duties

Overriding Duties

- Loyalty
- Obedience
- Care

Figure 90 - Loyalty

Loyalty

- The Board of Directors is the corporate body of the Council.
- The Board acts only as a unit.
- A Board member must be faithful to the Society & the Council.
- All potential “Conflicts of Interest” must be disclosed & personal involvement in Board related decisions must be avoided.
Loyalty (cont. 1)

- Personal agendas not for the good of the Board or Council are inappropriate.
- All decisions of the Board must be supported in public & in private whether the Board member voted for it or against it.
- The only person who speaks for the Board or the Council is the one the Board has authorized to do so in a formal policy.

Figure 92 - Loyalty (cont. 2)

Care (cont. 2)

A Board Member:

- Takes an active roll in finding donors and taking part in fund raising events.
- Takes part in other activities of the Board for the good of the Council. These may include donor receptions, Council annual meetings, membership meetings, and like events.
Figure 93 - Obedience

Obedience

- The member must be obedient to the Rule, Mission, Bylaws, & policies of the Council.
- They must also be obedient to the laws imposed on the corporation by federal, state & local governments.
- That means a personal responsibility to work with the Board to be sure all legal requirements for the Council are met accurately & on time.

Figure 94 - Care

Care

A Board Member:

- Attends all Board meetings, special meetings & assigned committee meetings.
- Reads all of the information provided before a meeting & seeks additional information on Action Items, as necessary.
- Knows how to read basic financial reports or seeks help to learn how to understand them.
Figure 95 - Care (cont.1)

Care (cont. 1)

A Board Member:

- Supports the Council financially by their own direct contributions.
- Asks questions to develop a complete understanding of the issue(s) at hand.
- Actively participates in the Board decision making process.

Figure 96 - Care (cont. 2)

Care (cont. 2)

A Board Member:

- Takes an active roll in finding donors and taking part in fund raising events.
- Takes part in other activities of the Board for the good of the Council. These may include donor receptions, Council annual meetings, membership meetings, and like events.
Final Thoughts

- Effective Governance practices have a commonality.
- Governance is done in real time, its an action not just a theory.
- Good Governance is an ongoing, ever-changing and improving process.
- It makes a difference - it allows us to be the very best we can be for those we serve.
- Good governance is part of excellent Servant Leadership.
Figure 99 - Questions

Thank You

Figure 100 - THANK YOU FOR YOUR PARTICIPATION!

Thank You For Your Participation
BEATITUDES OF A VINCENTIAN SERVANT LEADER

O God, give us the blessing and grace to be Vincentian Servant Leader:

**Blessed** are the leaders who have not sought the high places, but who have been drafted into service because of their ability and willingness to serve.

**Blessed** are the leaders who know where they are going, why they are going, and how to get there.

**Blessed** are the leaders who know no discouragement, who present no alibi.

**Blessed** are the leaders who know how to lead without being dictatorial, because true leaders are humble.

**Blessed** are the leaders who seek the best for those they serve.

**Blessed** are the leaders who develop new leaders.

**Blessed** are the leaders who march with the group, interpreting correctly the signs on the pathway that leads to success.

**Blessed** are the leaders who have their head in the clouds but their feet on the ground.

**Blessed** are the leaders who consider leadership an opportunity for service.

For this we pray. Amen
GOVERNANCE TRAINING

PARTICIPANTS GUIDE

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National Council of the United States
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