



Good Governance: Best Practices and Resources

March 2019 | Presentation to the Western Regional Rendezvous

No Silver Bullet



While there is not one formula for building a highly effective chapter, there are elements and processes that most effective chapters have in common.

Five Traits of Thriving Chapters



1. The mission is central.
2. A dynamic plan that guides decision-making.
3. Welcoming, inclusive communications and culture.
4. A strategic approach to leadership development.
5. **Good governance, i.e. systems, processes, fiscal management, adherence to policies and resolutions.**

The Mission is Central



Protect



Reconnect



Restore



Sustain

A Dynamic Plan That Guides Decision-Making



Where chapter strategic plans are made

Plans are:

- Aspirational
- Part Wish
- Part Ability
- Part Need

Welcoming, Inclusive Communications and Culture



Western Regional Rendezvous April 26 to 29 in Keystone, Colorado

Learn More >

Latest from Colorado TU

- PARTNERS. NOT ENEMIES.**
Learning By Doing: How Trout Unlimited got their seat at the table with Denver Water
A conversation with Kirk Klancke, President of the Colorado River Headwaters
- NO HITCHHIKING**
Hitchhikers NOT welcome
We have been dealing with invasive species since humans starting transporting goods across land and sea. Many species that we
- STATE-WIDE RAFFLE**
Win a dream trip on the Madison River!
ARE YOU READY FOR THE COLORADO TROUT UNLIMITED STATE WIDE RAFFLE? This is your chance to win a dream trip
- TROUT UNLIMITED WESTERN REGIONAL RENDEZVOUS**
Western Regional Rendezvous April 26 to 29 in Keystone, Colorado
Why should I attend the Western Regional Rendezvous? REGISTER HERE Whether you are a

TROUT UNLIMITED PRESENTS
KIDS FLY FISHING EXPO
FEBRUARY 25TH
8:00AM - 6:00PM
ADMISSION: \$8 ADULTS, \$4 KIDS
MAIN STREET EVENTS CENTER
55 WEST MAIN STREET, CITY, STATE
321-555-7654
SPEAKERS | BOOK SIGNING | KIDS TROUT POND
SHINGEXPO.COM

Strategic Approach to Leadership Development

Promising volunteers are asked to participate in committees that allow for engagement, evaluation and a leadership resource pool

**Officers/
Directors**

Promising volunteers are chosen to assume responsibility as a chapter director or director

**Committee
Members**

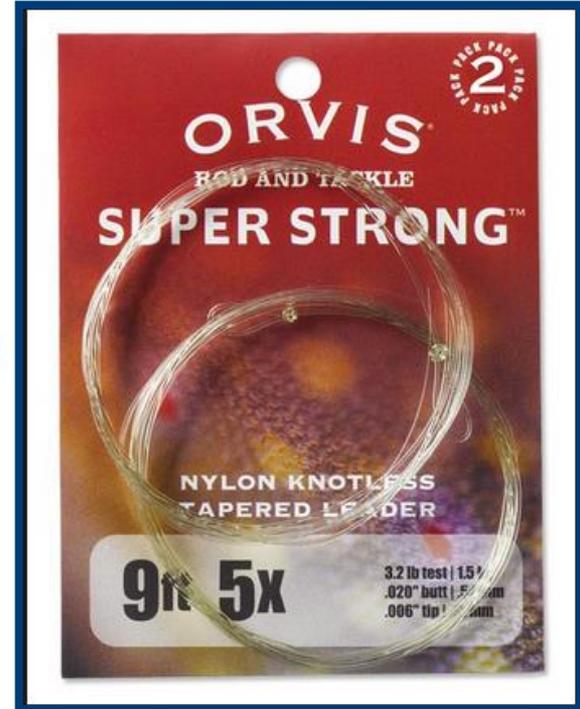
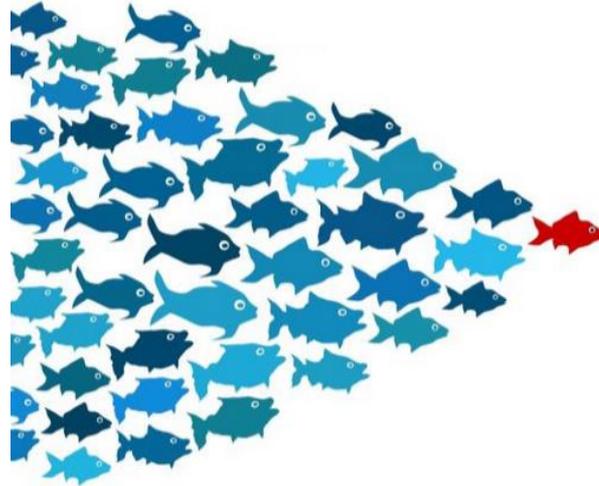
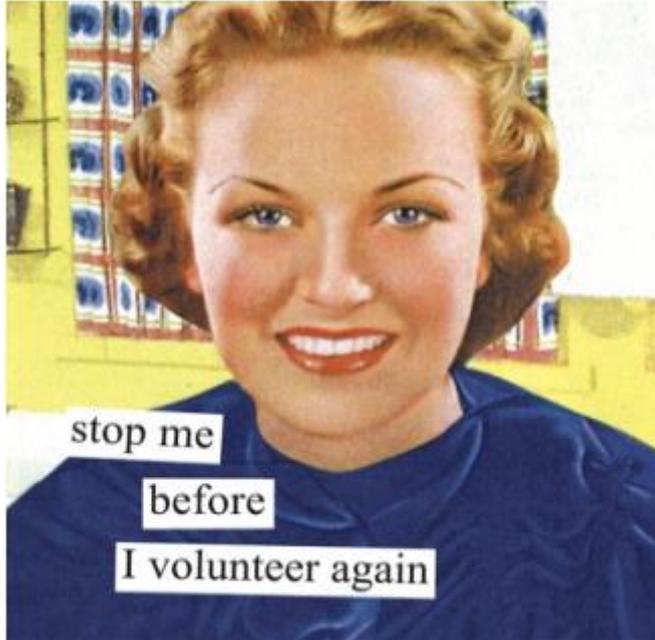
Promising participants are asked to take responsibility for larger tasks they can perform

One-time Volunteers & Participants

Short-term, defined, enjoyable tasks allow volunteers to try out TU and share in accomplishing the mission

Members & General Public

Strategic Approach to Leadership Development



Good Governance



- Board succession planning, term limits
- Running a productive meeting
- Fiduciary and legal chapter responsibilities
- Managing risk
- Adherence to important policies
- Evaluating effectiveness

Board Succession Planning



The Role of Board Leadership -> Develop your replacement as your first task in the job

The Role of Officers -> If your VP isn't intending to step into the role of President, get a new VP

Role of Nominating Committee -> Keep a continuous list of skills and diversity needed to make a well-rounded board

Electing Officers -> Take this process seriously, be open and transparent

Term Limits -> Adhere to them as they help avoid stagnation, undue concentration of power, or continuous inadequate leadership

Term Limits for Officers



Article VI. Election, Term, Vacancy

Section 1. The Chapter officers shall be elected for two-year terms. No officer shall serve more than two (2) consecutive two-year terms in the same office, but an officer may again hold the same office after a one-year period out of office.

Section 2. In the event of a vacancy in any office, the Board of Directors shall appoint an individual to serve until the next regularly scheduled election.

Section 3. A majority vote of those Chapter members in good standing present at the annual business meeting will be sufficient to elect all officers and directors. [Delete if officers are appointed by the Board]

Section 4. The Nominating Committee shall nominate members for each elected office. Nominations may also be made from the floor at the Annual Meeting.

Each chapter should establish term limits for officers.

Alternative: The Chapter officers shall be elected for one-year terms. No officer shall serve more than three (3) consecutive one-year terms, but an officer may hold the same office after a one-year period out of office.

Delete if officers are appointed by the Board.

This provision is mandatory.

Delete if officers are appointed by the Board.

Appoint a Nominating Committee



XYZ CHAPTER BOARD PROSPECT MATRIX				
DESIRED SKILLS SETS				
	CONFIRMED COMMITTEE MEMBERS	POTENTIAL FUTURE COMMITTEE MEMBERS	Member ID	E-Mail
GOVERNANCE/ FINANCE				
Non-Profit Management		Jonnie Doe		
Visionary/Strategic Thinking	Jane Smith; Joe Smith			
Accounting/Finance				
DEVELOPMENT/ MARKETING				
Marketing	Joe Smith			
Communications				
Events Coordination		Jannie Doe		
Fundraising: Corporate	Joe Smith			
Fundraising: Foundation Grants		Jannie Doe		
Fudraising: Donor Relations/ Individual	Jane Smith			
PROGRAM				
Chapter Historical Perspective				
Collaboration/Partnerships		Jannie Doe		
Advocacy				
Biologist/ Ichthyologist		Jannie Doe		
Fish and Game Agency Rep	Joe Smith			
Educator	Jane Smith			
UNDER REPRESENTED DEMOGRAPHICS				
Women				
Under 40				
People of Color				
Veteran				

Run a Productive Meeting

Tips for Running Effective Meetings

Email an agenda 24 hours in advance.	Arrive 5 minutes early	Start and end on time. 
Come prepared.	No smartphones. 	Bring paper and a pen. 
Share all relevant data. 	Stay on topic. Be brief and concise.	No interrupting. Silence = agreement
No side conversations or comments 	Disagree without being disagreeable	Challenge ideas rather than people.
Everyone participates. 		Follow-up by email within 24 hours. 

- An Agenda/ Preparation
- Decision-Making
- Time/ Attendance
- Inclusion/ Atmosphere
- Constructive Conflict
- Facilitation
- Bylaws Adherence/ Robert's Rules of Order

Effective Meetings: What is Needed?



BEFORE MEETING

- Establish rules of conduct. As an example, agree on how to disagree.
- Require some advance reading.
 - Working with the executive committee, develop and distribute a clear agenda
 - Distribute the monthly financial statement
 - Save time during board meetings by preparing draft board recommendations
 - Clearly define the outcomes you wish to achieve during the meeting to prevent lengthy, unfocused discussions
- Facilitate a meeting location at a suitable site, time and day.

DURING THE MEETING

- Focus on decision-making
 - Change the format of meetings from show-and-tell to give-and-take
- Ensure the president/ chair is neutral and involves all board members.
- Good housekeeping
 - Start and end on time
 - Follow-up with no-shows
- Have a good time
 - Never underestimate the power of humor

AFTER MEETINGS

- The board should be invited to share feedback on the meeting

Fiduciary & Legal Chapter Responsibilities



1. Understand and enforce the restrictions associated to TU's 501(c)(3) exemption.
2. Understand and enforce your chapter, council and TU national's bylaws and Board resolutions and policies.
3. Understand and enforce TU's liability limitations.
4. File required forms with the IRS by August 15, each year and TU's Annual Financial Reports by May 15.
5. Develop, approve and track a budget of chapter/council expenses and revenues each fiscal year.

Councils: *Part of your role is to ensure that all chapters in the state are aware of the requirements and restrictions.*

Restricted \$ for Specific Projects



- Chapters and councils must assure that money or other assets donated for a particular purpose are used only for that purpose.

Personal Property Inventory



- Each chapter must have a written inventory of personal property in value that exceeds \$2000 and must appoint an officer to

Electronic Document Storage - 051 - Jackson Hole

CURRENT CHAPTER BYLAWS:
 Click to view: [051 - Jackson Hole Bylaws \[PDF / 172KB\]](#)
 Uploaded on 03/06/2012 at 05:13PM ET by Jim Broderick
 Upload new bylaws document: No file chosen

CURRENT CHAPTER STRATEGIC PLANS:
 There is currently no strategic plan uploaded for this chapter.

re and keep a current inventory of personal property in excess of \$2000 and must appoint

Trout Unlimited - Personal Property Inventory						
 <p>CHAPTER: ### - Chapter Name VOLUNTEER: First Name Last Name ROLE: Volunteer Position EMAIL: email@email.com PHONE: (xxx) xxx-xxxx</p>						
<p>Please Update This Spreadsheet Annually and Upload to the "Electronic Files" Storage in the Leaders Only Tools Section of www.tu.org Learn more about risk management and TU's new Financial Controls Policy at www.tu.org/riskmanagement</p>						
ITEM NUMBER	ITEM NAME	ITEM DESCRIPTION	Year Purchased	ITEM LOCATION	ITEM QUANTITY	ITEM VALUE
1	LL Bean Angler II Fly Rod Outfits - Various Lengths and Weights	Fly rods for use in chapter youth education events and free family fishing day.	2011	Joe Smith's Garage - jsmith@gmail.com 123 Main Street, Anytown, AK 12345	12	

Monthly Review of Transactions



- Chapters and all chapter are authorized to access accounts, or
- Hard copy vs
- A review of r

Update Chapter Leaders - 999 - Test Chapter

STEP ONE: CHOOSE A LEADER POSITION

Roles	Role definition
Chapter Board Member	Due to the policies of Trout Unlimited, each chapter is required to have a designated member outside of the Chapter Executive Board to independently audit the monthly financial statements and budget.
Chapter Conservation Chair	
Chapter Financial Reviewer	
Chapter Fundraising Chair	
Chapter Meeting Coordinator	
Chapter Membership Chair	
Chapter Newsletter Editor	
Chapter President	
Chapter Secretary	
Chapter TIC Coordinator	

STEP TWO: ADD A CHAPTER FINANCIAL REVIEWER

There are no leaders currently assigned.

STEP THREE: SEARCH FOR A MEMBER

Last Name
equals

OR

Member ID

access to the records of officer who is not withdraw funds from the or council credit card.

st monthly

Dual Signature on Accounts



- The safest practice is for chapters and councils to require that two chapter or council officers sign any check if a dual-signature requirement is permitted by the chapter's or council's financial institution
- Consider dual signatures required on any check over \$1,000

Financial Reporting: Small & Medium



Report out every month, regardless of meeting:

- Current cash balance
- Current inventory balance
- Budget versus actual
- List of all deposits and withdrawals

Financial Reporting: Large



Report out every month, regardless of meeting:

- Statement of activity; statement of financial position
- Budget versus actual
- List of all deposits and withdrawals
- Annual or bi-annual review by outside firm (if you don't already have a firm assisting with the monthly financial preparation)

Annual Financial Reports & IRS Form 990s



Financial Controls

- 59 How long has your treasurer been in office?  Select ▼
- 60 Does your chapter or council require dual signatures on checks over a certain amount of money?  Yes
 No
- 61 Does your chapter or council have an officer (who is not authorized to write checks, otherwise withdraw or transfer money from accounts, or use chapter or council credit cards) review the bank and/or credit-card statements every month?  Yes
 No

Completing the e-Postcard requires the eight items listed below:

1. [Employer identification number](#) (EIN), also known as a Taxpayer Identification Number (TIN).
2. [Tax year](#)
3. Legal name and mailing address
4. Any other names the organization uses
5. Name and address of a principal officer
6. Web site address if the organization has one
7. Confirmation that the organization's annual [gross receipts](#) are \$50,000 or less
8. If applicable, a statement that the organization has terminated or is terminating (going out of business)

Manage Risks



First: Pass on the risk to someone else.

Second: Minimize the risks taken on by your council or chapter.

Third: Insurance.

Particularly for issues which involve boats, alcohol, minors or major in-stream construction projects, special care needs to be taken to protect your chapter and Trout Unlimited.

FIRST STEPS

- Review the guidance at www.tu.org/riskmanagement
- Reach out to your state council
- Call your Volunteer Operations Staff

Major Risks to 501(c)(3) Status:



Do not endorse or oppose candidates for political office.

Restrict portion of activities devoted to lobbying.

Do not donate funds to non-governmental organizations that are not 501(c)(3) orgs.

Do not donate funds to organizations that do not further TU's purposes.

Coordinate with TU Volunteer Operations on scholarships.

Contract Guidance



Language to Avoid:

“Chapter shall defend, indemnify and hold State Parks harmless from all claims, including costs of defense and attorneys' fees, arising in whole or in part from the acts or omissions of Chapter.”

Replacement Language:

“To the extent permitted by applicable law, Chapter shall defend, indemnify and hold State Parks harmless, solely to the extent of Chapter's insurance, from all claims, including costs of defense and attorneys' fees, arising from any bodily injury or property damage caused by the acts or omissions of Chapter, its employees, or its volunteers in connection with work done pursuant to this agreement.”

Important TU Policies



Anti-Harassment Policy (2018)

Illegal Substance Policy (2018)

Litigation Policy (2017)

Social Media Policy (2016)

Guidelines for Working with Youth (2015)

Securely Processing Credit Card Transactions (2014)

Guidance on Copyrights and Trademarks (2014)

Gift Acceptance Policy Guidelines and Procedures (2013)

**And much, much
more...**

at tu.org/policies

Evaluate Effectiveness



Chapter Effectiveness Index ?

Index Score

Conservation Activities

- 72 Number of conservation projects
- 73 Any project over \$50K or 500 hours? Yes No

Youth Education Activities

- 74 Number of education projects
- 75 Do any chapter education programs include interaction with the same students at five or more discrete events (such as classes, clinics or multi-day camps)? Or do any one-time youth education events involve more than 250 volunteer hours? Yes No

Membership Outreach & Engagement Activities

- 76 Number of chapter meetings
- 77 Number of membership and outreach events ?
- 78 Average chapter meeting or event attendance
- 79 Does your chapter offer alternative engagement opportunities for members outside the typical membership Yes No

Evaluate Effectiveness



Internal Board Operations Assessment

Use the scale below to indicate how each statement applies to your board. *Note: the assessment is geared towards chapters; however, many questions will be applicable on the council level too.*

3 = Usually **2** = Sometimes **1** = Rarely

- ___ 1. Board members are passionate and unguarded in their discussion of issues and call out one another's unproductive behaviors when it occurs.
- ___ 2. The board has active committees (e.g., fundraising, nominating, long-range planning) with specific responsibilities
- ___ 3. The chapter provides an orientation for new board members.
- ___ 4. Board members have the combination of skills (e.g., fundraising, management, legal, fiscal, etc.) that complement the strategic priorities of the chapter.
- ___ 5. There are regularly scheduled board meetings at least four times a year.
- ___ 6. The board is representative of its membership and more broadly the fly fishing demographic with regard to race, class, gender, etc...
- ___ 7. Board meetings are compelling and fun.
- ___ 8. The chapter supplies a packet of information to all board members that includes, but is not limited to, the TU national leadership manual, descriptions of current programs, a list of board members, budget and funding information, and bylaws.
- ___ 9. The strategic plan is reviewed annually, if not more frequently.

- ___ 10. During board meetings, the most important - and difficult - issues are put on the table to be resolved.
- ___ 11. Board members follow through on their commitments in a timely manner.
- ___ 12. The organization develops future board members through the use of volunteers on committees.
- ___ 13. All board members understand their fiduciary responsibility, liability limitations and the restrictions associated with TU's 501c3.
- ___ 14. Board meetings begin and end on time per an agreed-upon schedule, and there is adequate preparation and distribution of material, including agendas, in advance meetings.
- ___ 15. The chapter has established community assessment and member feedback processes.

Scoring

Combine your scores for the preceding statements as indicated below.

Function 1: Selection and Composition	Function 3: Orientation and Training	Function 4: Structure and Organization	Function 2: Constructive Conflict	Function 5: Accountability
Statement 4: ___	Statement 3: ___	Statement 2: ___	Statement 1: ___	Statement 9: ___
Statement 6: ___	Statement 8: ___	Statement 5: ___	Statement 7: ___	Statement 11: ___
Statement 12: ___	Statement 13: ___	Statement 14: ___	Statement 10: ___	Statement 15: ___
Total: ___	Total: ___	Total: ___	Total: ___	Total: ___

A score of 8 or 9 → a probable indication that the function is not a problem for your board
 A score of 6 or 7 → indicates that the function could be a problem
 A score of 3 to 5 → probably an indication that there is dysfunction that needs to be addressed

Example Internal Board Operations Assessment (handed out)

Questions?





TU's Insurance Agent:

Doug Adams
dadams@adamsins.net
1-888-761-6411

Online Resources:

www.tu.org/tacklebox
TU Leadership Manual
Policies
Guidelines
Forms & Waivers
And much, much more!

TU's Volunteer Operations Staff:

Beverly Smith, VP for Volunteer Operations
bsmith@tu.org or (307) 734-2814

Jeff Yates, Director of Volunteer Operations
jyates@tu.org or (203) 216-7078

Lisa Beranek, Leadership Development Manager
lberanek@tu.org or (907) 205-0974

Nick Halle, Volunteer Operations Coordinator
nhalle@tu.org or (703) 284-9425

List of Additional Resources:

TU's Leadership Manual (tu.org/tacklebox)

"The Less Visible Leader: Emerging Leadership Models for Environmental Networks, Coalitions and Collaboratives," The Institute for Conservation Leadership

"Begging for Change," Robert Egger

"Boards That Make a Difference," John Carver, Josey-Bass 2nd Ed.

"Called to Serve: Creating and Nurturing the Effective Volunteer Board," Max De Pree

"Governance as Leadership," Richard Chiat, William Ryan, Barbara Taylor

