



# Good Governance: Best Practices and Resources

March 2019 | Presentation to the Western Regional Rendezvous

# No Silver Bullet

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

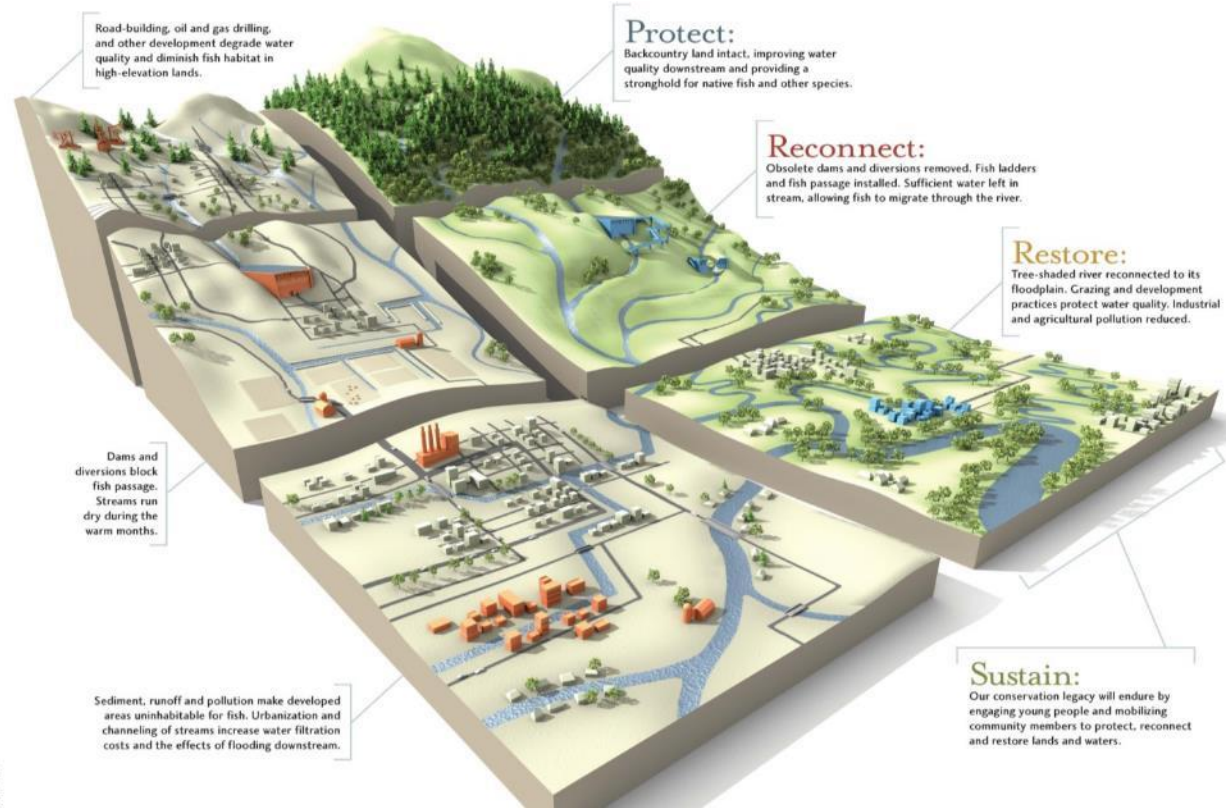
# Five Traits of Thriving Chapters

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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



**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

**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
- Western Regional Rendezvous April 26 to 29 in Keystone, Colorado**  
Why should I attend the Western Regional Rendezvous? REGISTER HERE Whether you are a



# Strategic Approach to Leadership Development

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

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

**Officers/  
Directors**

**Committee  
Members**

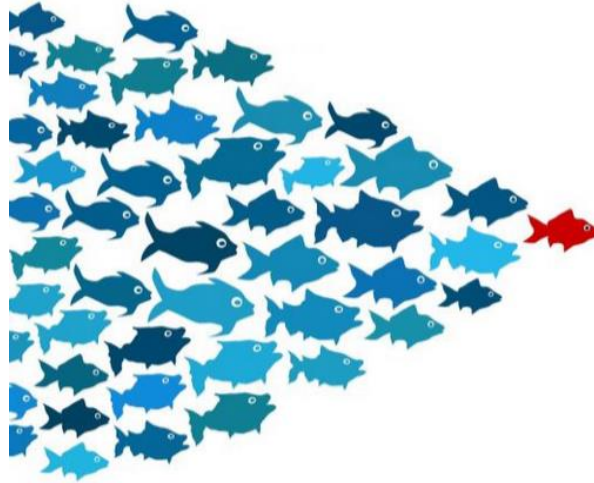
Promising participants are asked to take responsibility for larger tasks they can perform

**One-time Volunteers & Participants**

**Members & General Public**

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

# Strategic Approach to Leadership Development





- 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
<b><u>GOVERNANCE/ FINANCE</u></b>				
Non-Profit Management		Jonnie Doe		
Visionary/Strategic Thinking	Jane Smith; Joe Smith			
Accounting/Finance				
<b><u>DEVELOPMENT/ MARKETING</u></b>				
Marketing	Joe Smith			
Communications				
Events Coordination		Jannie Doe		
Fundraising: Corporate	Joe Smith			
Fundraising: Foundation Grants		Jannie Doe		
Fudraising: Donor Relations/ Individual	Jane Smith			
<b><u>PROGRAM</u></b>				
Chapter Historical Perspective				
Collaboration/Partnerships		Jannie Doe		
Advocacy				
Biologist/ Ichthyologist		Jannie Doe		
Fish and Game Agency Rep	Joe Smith			
Educator	Jane Smith			
<b><u>UNDER REPRESENTED DEMOGRAPHICS</u></b>				
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.	<b>No smartphones.</b> 	Bring paper and a pen. 
Share all relevant data. 	Stay on topic. <b>No</b> interrupting.	Silence = agreement
Be brief and concise. 	Disagree without being disagreeable	Challenge ideas rather than people.
No side conversations or comments	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

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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

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- 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 \$200 and must appoint an officer to maintain and keep a current

## 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



Save

### CURRENT CHAPTER STRATEGIC PLANS:

There is currently no strategic plan uploaded for this chapter.

Upload new strategic plan document:

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erty in excess of \$200  
vns and must appoint



## Trout Unlimited - Personal Property Inventory

**CHAPTER:** ### - Chapter Name

**VOLUNTEER:** First Name Last Name

**ROLE:** Volunteer Position

**EMAIL:** email@email.com

**PHONE:** (xxx) xxx-xxxx

Please Update This Spreadsheet Annually and Upload to the "Electronic Files" Storage in the Leaders Only Tools Section of [www.tu.org](http://www.tu.org)

Learn more about risk management and TU's new Financial Controls Policy at [www.tu.org/riskmanagement](http://www.tu.org/riskmanagement)

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.		Joe Smith's Garage - jsmith@gmail.com 2011 123 Main Street, Anytown, AK 12345	12	

# Monthly Review of Transactions



- Chapters and all chapter are authorized to access to the records of officer who is not withdraw funds from the or council credit card.

- Hard copy vs

- A review of r

### Update Chapter Leaders - 999 - Test Chapter

**STEP ONE: CHOOSE A LEADER POSITION**

**Roles**

Chapter Board Member  
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

**Role definition**

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.

**STEP TWO: ADD A CHAPTER FINANCIAL REVIEWER**

There are no leaders currently assigned.

Add a new Leader

**STEP THREE: SEARCH FOR A MEMBER**

Last Name

equals

Smith

OR

Member ID

Search

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

st monthly

18



# Dual Signature on Accounts

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- 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

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**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](http://www.tu.org/riskmanagement)
- Reach out to your state council
- Call your Volunteer Operations Staff



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

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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

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## 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

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**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](https://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](http://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](http://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

