

# Board Relations

---

Presenter: Sarah Pelle

# Characteristics of an Effective CEO & Fair Board



# Roles and Responsibilities CEO vs Board



# CEO / Board Roles and Responsibilities

AREA OF RESPONSIBILITY	CEO	BOARD OF DIRECTORS
Day to Day Operations	Makes all decisions regarding daily operations	No Role
Board Meeting Information	Create/post board meeting notices/agenda/full board packet	Provides input and direction to the CEO for items to be listed on the Meeting Agenda, approves policy of board packet publish date
Short-term goals (less than one year)	Establishes and carries out	Monitors performance of CEO in accomplishing short-term goals
Long-term goals (more than one year)	Recommends	Approves
Budget	Develops and recommends annual budget	Approves Annual Budget
Financials	Works with staff to complete/reconcile - Provides full financials at board meeting	Reviews, ensures within budget, asks questions, ensures financials trend toward viability
Fees and Charges	Develops and recommends fee schedule	Approves fee schedule
Policies	Recommends and administers	Approves recommended policies
Staffing	Makes ALL hiring decisions, assignments, grievances, evaluations, salary levels, time base, etc.	Authorized to hire and annually evaluate only the CEO. Approves line items for salaries in the annual budget

# CEO / Board Roles and Responsibilities

AREA OF RESPONSIBILITY	CEO	BOARD OF DIRECTORS
Capital Purchases	Prepares Requests	Approves requests as line item in annual budget
Decisions on building, renovation, leasing, expansion	Recommends, signs contracts with board approval	Makes decisions, assumes financial responsibility
Emergency Repairs	Notifies board chairperson and act's with chair's concurrence	Works with CEO to respond to emergencies
Major Repairs	Obtains estimates and prepares recommendation for board	Approves Recommendation
Minor Repairs	Authorizes repairs up to amounts pre-approved by the board	Establishes policy which specifies amounts the CEO may spend without prior board approval
Voice of Organization	Recommends and implements policy	Approves policy

# CEO / Board Roles and Responsibilities

AREA OF RESPONSIBILITY	CEO	BOARD OF DIRECTORS
Cleaning and Maintenance	Establishes and monitors schedule	No Role
Contracts	Negotiates and signs contracts within parameters set by board and state/county to secure services for purposes in keeping with the fair's plan and budget	Establishes policy which specifies amounts CEO may spend without prior board approval
Supply Purchases	Purchases supplies according to board and state/county policy and maintains audit trail	Establishes purchasing policies and annual budget for supplies
Writing off Bad Debt	Up to \$500	Anything about \$500 Board Must approve
Billing, Credit, and Collections	Recommends and implements policy	Approves policy
Appeals of CEO Decisions from community participants, etc.	Places issue(s) on Board Agenda and briefs the board	Listens to appeal and makes decisions that are within the board's authority

# Delegation of Authority

- Revenue generating/rental contracts
- Service Contracts
- Purchasing/credit cards
- Workers Comp/Board of Directors

# **Who's Responsible for Board Engagement?**

**THE CEO AND THE BOARD**



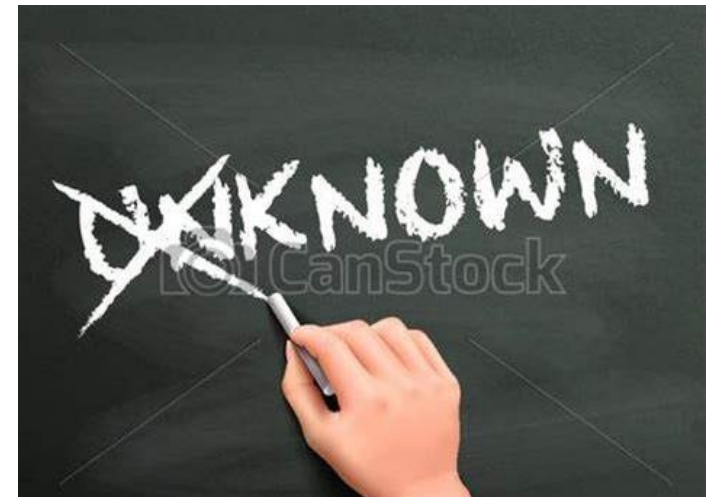
# Benefits of an Engaged Board

- An engaged board is an **effective board**
- An engaged board is a **high performing board**
- Engaged Board Members **Monitor, Question, Evaluate** and **ALWAYS** act in the best interest of the fair organization
- Engaged Board Members attend and actively participate at Board Meetings, Committee Meetings and Fair Sponsored Events
- Engaged Board Members want to contribute and make a positive impact on the fairgrounds

# Promoting Board Member Engagement

## Make the Unknown Known

- Knowledge is a key characteristic of engaged and effective board members. Ensure that all board members are well informed
- Share with new Board members the Vision, Goals, Philosophy and Objectives
- Share additional Business related reports periodically
  - Trend Reports, Financial Forecast



# Promoting Board Member Engagement

## Managed Meetings

- Provide a thoughtfully prepared agenda that was developed with all the board members' input
- Provide meeting agenda packets to the board members with ample time to review and come prepared
- Promote willingness to introduce new ideas and be respectful of opinions
- Allow an opportunity for meaningful & vigorous board discussion, debate and questioning. Ask each board member for their input on items of business
- Change up the seating arrangement at meetings

# Promoting Board Member Engagement

## Assign Tasks

- Assign tasks at board meetings with the intent to report back at the next meeting.
  - Committee Tasks
  - Individual Tasks

# Promoting Board Member Engagement

## Committee's & Rotation

- Establish & Enforce Term Limits of Board Officers
- Find the right committee for new Board Members
- Rotation of Committee Members & Committee Chairpersons

# Promoting Board Member Engagement

## Celebrate the Positives

- Recognize progress
- Celebrate Accomplishments – Even the small ones!
- Appreciate & Recognize Individual Contributions – to the board, the organization and the community
- Make room for humor and a good laugh

# Promoting Board Member Engagement

## Providing Educational & Social Opportunities

- Hold board member retreats – Strategic planning event or visit another fair as a group, etc.
- Promote board member attendance at fair conventions, Board of Director seminars and workshops

# Board Alignment - Strategic Planning

- Does the board undertake strategic planning, or at least review and update the organization's strategic plan yearly?
- Establish a clear vision of what the organization wants to be?
- Is the fair's vision compelling, clear, and concise?
- Does it have easily defined metrics to track progress?



# BOARD DEVELOPMENT

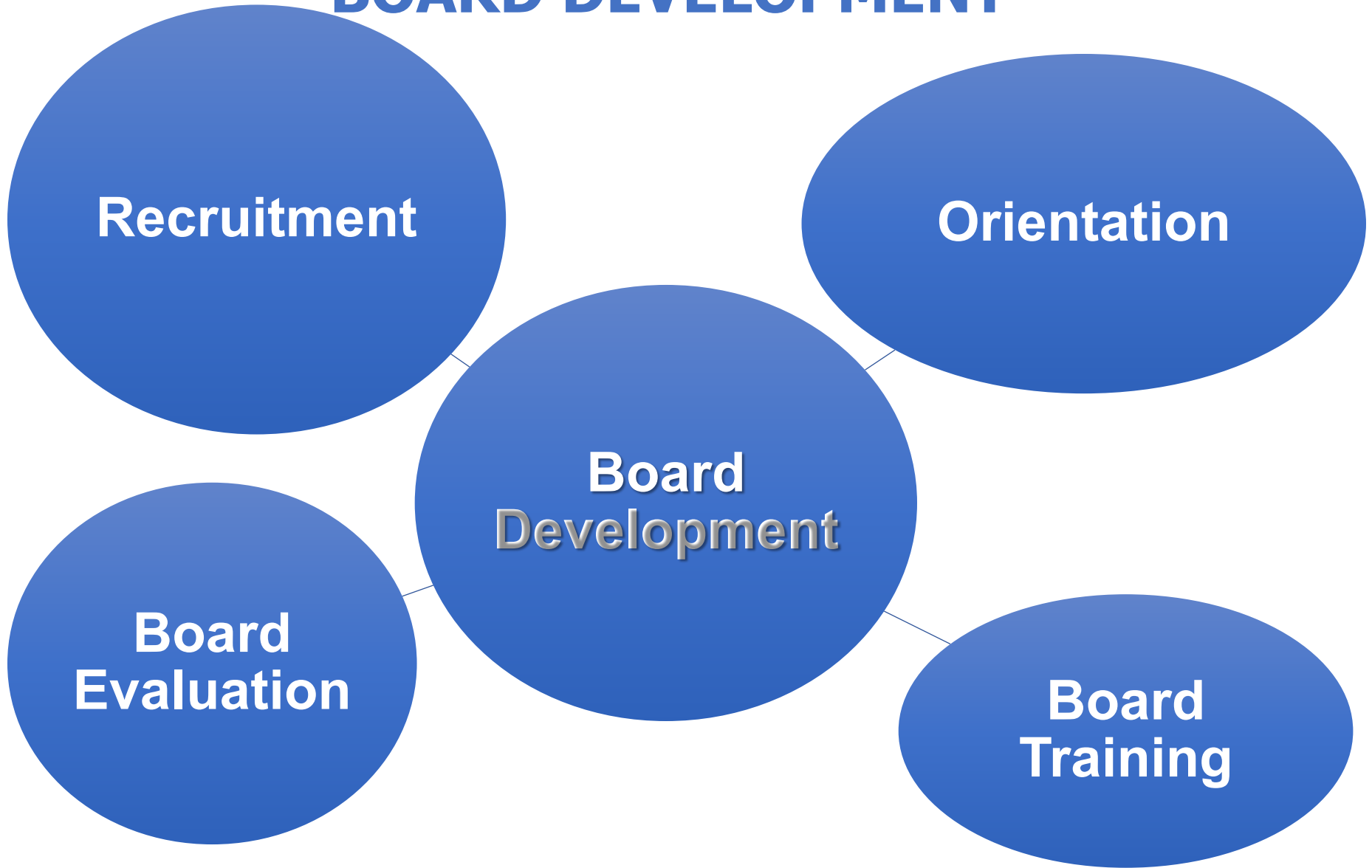
**Recruitment**

**Orientation**

**Board  
Development**

**Board  
Evaluation**

**Board  
Training**



# Questions?



## Fairs on the Watch

- The purpose is to identify ways of reversing negative trends so the fair can continue to meet community needs & pursue success at the local level
- Criteria used to identify prospective fairs:
  - A negative reserve percentage (determined by STOP).
  - Declining reserves over a three year period or a significant drop in reserves over the latest two year period
  - Trends showing direction toward insolvency
  - Operating circumstances such as a new fair manager
- Criteria for removal
  - 2 years of positive reserves. Increasing to 5% or more

# Fairs on the Watch

- Fairs submit monthly
  - Complete Board Package
    - Financials (Balance Sheet, Income Statement, Trial Balance, etc.)
    - Board Meeting Minutes
- Additional Resources
  - Strategic Planning Services
  - Agenda Review/Development
  - Board Meeting Attendance
  - Financial Trend Reports



# Questions?

---