

FROM THE NATIONAL RURAL TRANSIT ASSISTANCE PROGRAM

BOARDS THAT PERFORM

ROLES & RESPONSIBILITIES OF TRANSIT BOARD MEMBERS

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ACKNOWLEDGEMENTS

Boards That Perform is an update of the National RTAP module previously known as Roles & Responsibilities of Rural Transit Board Members. This module and its related products were created by a consortium of consultants:

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THE NATIONAL RURAL TRANSIT ASSISTANCE PROGRAM

This product has been sponsored under a Cooperative Agreement with the U.S. Department of Transportation and the American Public Works Association under Section 18(h) of the Urban Mass Transportation Act of 1964, as amended; now 49 U.S.C. 5311.

Special recognition and thanks to PennTRAIN and the Pennsylvania Department of Transportation for the Transit Board Member Handbook, and Board Source, formerly the National Center for Non-Profit Boards, for augmenting the materials used in the redevelopment of this National RTAP training module. Special thanks to Caltrans Division of Mass Transportation for select photos included in this handbook.

FOREWORD

This handbook is designed to help you through the joys and difficulties of being a transit board member. At times you will wonder why you should, for no pay, give up your precious free time to serve on your local community transit board. To that end, I would like to share a true story.

I am a transit consultant who works with transportation systems throughout the United States. Recently, while visiting a small community transit system, I came upon an obituary posted on the company bulletin board. What was unusual about the obit was that it was actually written by the deceased before her passing.

The woman wanted to thank all those who contributed to her life. She thanked her parents, husband, children, teachers, and priest. Importantly, she also thanked the transit system for the mobility it gave her during the last ten years of her life.

“It allowed me to live life fully and to participate in the community,” she said.

Whenever times get tough as a board member, remember this woman and many in your community who would say the same thing. It is indeed a privilege to serve on a community transit board.

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EXECUTIVE SUMMARY

“Happiness lies in the joy of achievement and the thrill of creative effort.”

- Franklin D. Roosevelt

It is a privilege to serve on a community transit board of directors. Through active participation, a board member will improve the quality of life for many in their community.

The board member’s charge is to oversee a safe, cost-effective, and customer-friendly public transportation system. Along with this privilege come very serious roles and responsibilities involving safety issues, legal concerns, stewardship of public funds, and public advocacy. These are the issues all transit board members must be concerned with.

This handbook will examine ten key roles and responsibilities for board members and provide guidance on how to carry these out in the context of public transit. Additionally, it will offer tools on holding effective board meetings, developing committee and advisory group structures, and dividing responsibilities between board, management and staff.

This handbook will provide the basic information board members will need to carry out their roles and responsibilities in an ethical and meaningful manner.

Every effort has been made to keep this handbook succinct, informative and user-friendly. While this handbook will give direction, it cannot cover the specifics of every community and local transit system. There are many significant differences between how individual states administer transit dollars, how transit systems operate within their community, and legal statutes. Board members will need to become familiar with the particulars of their transit system. This handbook, along with local understanding of the relevant agency, will provide board members much of what they will need to succeed.

THE BIG PICTURE

“Transit must operate with the heart of a charity and the mind of a business.”



WHO USES TRANSIT?

Community transit provides mobility to young people, seniors, persons with disabilities, people who cannot afford private transportation, persons who have lost or cannot get a driver’s license, and persons with various medical conditions. Some transit users depend upon their transit agency for the quality of life that mobility provides. Other riders choose transit as a less expensive, more convenient way to get to work, shopping, and doctor’s appointments.

By using public transportation riders are able to participate in and support community businesses, medical facilities, and more. In short, the whole community benefits directly and indirectly from the availability of public transportation. That is why transit receives financial support from federal, state, and local governments.

It is important for transit board members to remember that transit service is essential to independence and quality of life for all these customers. Transit board members must take into account the impact on these riders, as well as the community as a whole, for any decision they make.

Some transit users depend upon their transit agency for the quality of life that mobility provides. Other riders choose transit as a less expensive, more convenient way to get to work, shopping, and doctor’s appointments.

In a recent Transit Cooperative Research Program (TCRP) report, TCRP Report R-54 *Transit Manager Tool Kit for Rural and Small Urban Transportation Systems* (<http://www.tcrponline.org/>), transit customers identified seven essential elements they need when using public transportation. They are:

RELIABILITY

Customers should have confidence that a vehicle will arrive and transport them on time or as promised.

SAFETY AND SECURITY

Customers should feel safe and secure while using the system.

CONVENIENCE

Customers should be able to use transit to travel from residential areas to major destinations or activity centers on the dates and times they need to travel.

CLEAN & COMFORTABLE

Customers should find the vehicles and facilities clean and comfortable when riding or waiting.

UNDERSTANDABLE

Customers should easily understand how to use the services through effective, accessible information and materials.

AFFORDABLE

Customers should be able to afford the transit system, and receive good value for their transit fare.

EMPATHETIC

Customers should feel that the transit system staff cares about their needs and that all personnel are friendly and customer-service focused.



All transit board decisions need to support these seven essential elements.

However, board members must also recognize their role as financial stewards of local, state, and federal tax dollars. Board members must ensure that the regulations are followed and funds are spent for maximum public benefit.

Transit must operate with the heart of a charity and the mind of a business. It is the board member's job to carefully balance these two positions.

THE ROLE OF BOARD MEMBERS

“When the effective leader is finished with his work, the people say it happened naturally.”

- Lao Tse

The Board of Directors has four primary roles. Each of these roles is “big picture” in nature, and should guide policy decisions. The four primary roles are:

SAFETY CONCERNS

The board must support reasonable efforts by the staff to ensure that employees are trained to provide safe, friendly services on which the public can depend. Vehicles, buildings and facilities must be diligently inspected and maintained to provide a safe environment for employees and customers. The transit system must also be able to react to emergency situations at their facilities, on their vehicles, and within the community.

LEGAL CONCERNS

If a transportation system happens to be an authority or a private nonprofit, the board is the legal body. The board must approve all contracts, labor agreements, personnel policies, etc. Contracts have binding legal implications for the agency and the board. Most states have “sunshine laws” requiring legal public entities to conduct board business in full view of the public at advertised, public meetings. While non-profit agencies are usually not bound by “sunshine laws,” many choose to use state law as a guide.

Legal issues have serious implications. The board should retain an attorney to advise them in these matters. While the attorney may advise the board, final decisions and legal responsibility rest solely with the board.

STEWARDSHIP

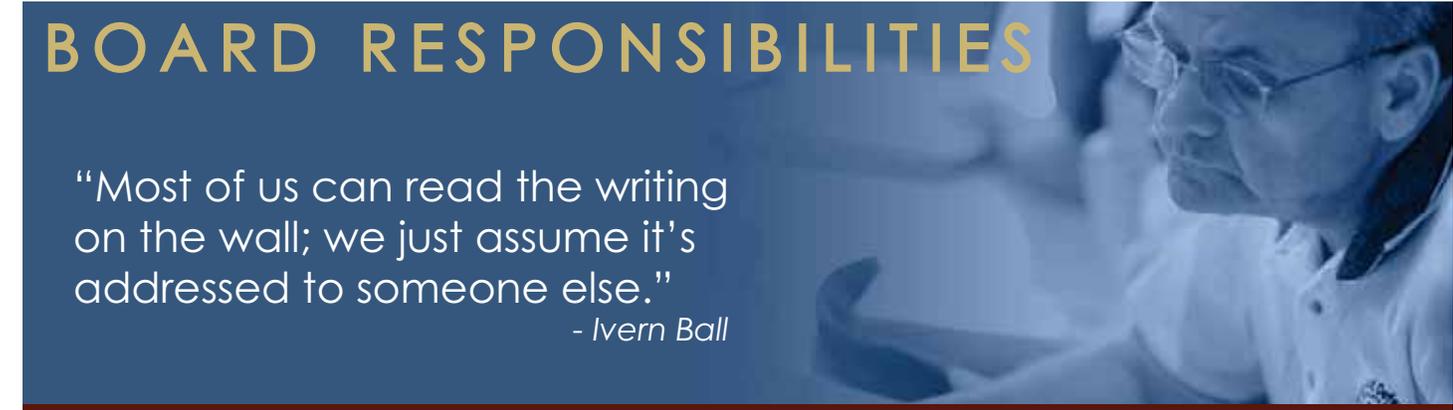
The board is responsible for the financial health of the organization. Board members should understand the budget and review financial statements to ensure that spending conforms to both organizational goals and local, state, and/or federal funding requirements.

It is important for board members to track key performance measures – cost/mile, cost/hour, cost/passenger, mechanical service calls, accidents, complaints, and farebox revenue return. These performance measures help transit boards to balance community needs with available resources and ensure a reasonable return on the transit investment.

ADVOCACY

To be an effective board member, it is vitally important that the member support public transportation in their community. The availability of safe and dependable public transportation is essential to the quality of life for many citizens. A board member must be a champion of the people who depend upon his or her organization. They should speak positively when discussing their organization with local government, the business community, and in social circles. Board members need to be available and committed to attendance and participating in board meetings, committee meetings, and when otherwise called upon.

BOARD RESPONSIBILITIES



“Most of us can read the writing on the wall; we just assume it’s addressed to someone else.”

- Ivern Ball

In general, the board focuses on policy and the big picture. The executive director and staff deal with actual operations. The Board Source, a nonprofit organization in Washington, D. C. (<http://www.boardsource.org/>), has identified the ten areas of responsibilities for nonprofit boards:

1. Determine the organization’s mission.
2. Select the executive director.
3. Support the executive director and review his or her performance.
4. Ensure effective organizational planning.
5. Ensure adequate resources.
6. Oversee / monitor effective use of resources.
7. Determine and monitor the organization’s programs and services.
8. Enhance the organization’s programs and services through advocacy.
9. Serve as a court of appeal where appropriate.
10. Assess its own leadership and performance.

This Boards That Perform handbook will look at each of these ten responsibilities and provide guidance on how to carry out these responsibilities in the context of public transit.

RESPONSIBILITY NUMBER ONE

DETERMINE THE ORGANIZATIONAL MISSION

For an organization to succeed, it must have direction. One of the key roles of the board is to determine the organization's direction by defining an organizational mission and leading the organization in a manner that is faithful to that purpose.

Every business writer has discussed the importance of this basic leadership task. In Principle-Centered Leadership, Stephen Covey (www.stephencovey.com) discusses at length how an organization's mission is fundamental to its success. According to Covey, boards must ask themselves:

- Does the mission guide decision-making?
- Is it used as a constitution?
- Do frontline staff know and share the mission?

While mission statements alone do not create successful organizations, lack of a clear mission that guides decision-making is a prescription for failure. The old axiom, "if you don't know where you are going, any road will do," is quite true. The organization's mission statement should serve as a compass, always pointing true north.

A few good samples of transit-specific organization mission statements:

AMTRAN

Altoona, PA [<http://www.amtran.org/about/index.htm>]

"To improve the economic well-being and quality of life of our customers, our community and our employees through the provision of excellent transportation services."

RABBITTRANSIT

York, PA [http://www.rabbittransit.org/about_us.html]

"We recognize that mobility is a fundamental right for our citizens and an essential need for our community to maintain a high quality of life. We at rabbittransit therefore dedicate ourselves to provide safe and customer-friendly service in a manner consistent with our stewardship of the community's trust and resources."

JEFFERSON TRANSIT

Port Townsend, WA [<http://www.jeffersontransit.com>]

"To provide reliable, safe, comfortable public transportation service in Jefferson County which is cost effective, reduces energy consumption and contributes to the cultural and economic betterment of the residents of Jefferson County.

ALLEGANY COUNTY TRANSIT

Cumberland, MD [<http://gov.allconet.org.ACT>]

"It is the mission of the Allegany County Transit to support and improve access to public transportation services throughout Allegany County and its citizens. Allegany County and its employees shall seek to serve and meet the public's needs through fixed routes and Demand Response, (Special Needs) transportation services in a courteous and professional manner at all times."

Your first responsibility as a transit board member is to provide direction by establishing a clear and effective organization mission.

RESPONSIBILITY NUMBER TWO

SELECT THE EXECUTIVE DIRECTOR

While executive directors are sometimes selected by an elected official or the head of a municipal department responsible for transit, more often, hiring of the executive director is the responsibility of the transit board.

When hiring an executive director, the following checklist will help to make a decision based on agency needs rather than politics:

- Determine what the agency needs from an executive director. Will there be greater emphasis on administrative, operational, business, or political skills?
- Write/update the executive director's job description. Emphasize the real responsibilities of the position.
- Select interview candidates based on experience, education and background consistent with the job description.
- Develop a list of interview questions such as:
 - How would you build and maintain morale?
 - What are your strongest/weakest technical skills?
 - What is your experience with governmental funding, transit operations, negotiations, employee relations, etc.?
 - What is your experience working with the media?
 - Describe the ideal relationship with the board.
 - What are your core values?
- Conduct interviews that allow the board to make a good hiring decision. Consider education, experience, communications, problem solving, and people skills.

Above all things, the board must remember that they are looking for a true leader. The executive director must prepare and share information regarding the financial and operational health of the organization, and will rely on the board for support and advice. Given the close association between the board and executive director, it is of utmost importance that the executive director and the board share a level of trust, honesty and respect and work together for the ultimate success of the transit organization.

Once hired, the executive director should develop/evaluate organizational staffing to ensure clear lines of responsibility for operations, maintenance, finance, marketing ad planning, and clear chain-of-command indicating who is in charge in absence of the executive director. Senior staff should be trained to assume management duties when necessary to ensure continuity of operations.

RESPONSIBILITY NUMBER THREE

SUPPORT THE EXECUTIVE DIRECTOR AND REVIEW HIS OR HER PERFORMANCE

Once the board collectively has approved the recommendations of the executive director, the board needs to work as one to support the efforts of the executive director in carrying out the plan. The board should create an environment where the executive director can succeed. In turn, the executive director should create an environment where staff can succeed.

The board should discuss with the executive director how well he or she is doing on a routine basis. A strong executive director will welcome objective attainable suggestions for improvement.

At least annually, the board must employ objective criteria to formally evaluate the executive director's performance. Many transit agencies tie job retention and financial incentives to the attainment of specific, previously agreed-to goals and objectives. The executive director should have full prior understanding of the method of evaluation. The board should give positive feedback in the annual evaluation and "raise the bar" by suggesting additional attainable improvements.

The board should create an environment where the executive director can succeed.

Many examples of sample evaluations for General Managers are available from the American Public Transportation Association (APTA) (<http://www.apta.com/research/info/pubs/2007p&s.cfm>) including *Resource Kit: General Manager Evaluation and Assessment of the General Manager: A Tool for Transit Boards and General Manager of Public Transit Systems*.

RESPONSIBILITY NUMBER FOUR

ENSURE EFFECTIVE ORGANIZATIONAL PLANNING

The board's job is to set a course for the organization that ensures a safe, well-managed system that optimizes resources and leverages opportunities to serve customers cost effectively. That requires planning.

Ideally, boards will conduct such strategic planning at an annual retreat, in a relaxed atmosphere away from the interruptions of day-to-day business. This allows for open discussion on future strategies and stumbling blocks to that strategy. Some issues that should be considered at annual planning meetings include:

- CURRENT RESOURCES
 - Financial
 - Capital
 - Human
- FUTURE GROWTH
 - Community growth
 - Changing customer needs
 - Reassessment of routes and schedules
- AGENCY PRIORITIES
 - Mission statement
 - Critical populations
 - Critical resources

Vision requires “big picture” thinking, not “business as usual.” Effective planning involves having a vision of “what could be,” given the present constraints of “what is.” The vision should support the organizational mission and guide decisions for the future.

A plan of action (where do we go from here?) must be agreed upon and routinely monitored to determine what is working and what is not. At a minimum, the strategic plan the board approves should outline a realistic future that includes:

- Organizational mission
- Short-term goals (1 year or less)
- Action steps to attain short-term goals (costs, timeline, who's responsible)
- Long-term goals (1-5 years)
- Long-term action steps (costs, timeline, who's responsible, etc.)
- Vision statement (5-10 years from now)

The strategic plan should be reviewed regularly by senior staff and the board and should be updated at least quarterly on progress made.

RESPONSIBILITY NUMBER FIVE

ENSURE ADEQUATE RESOURCES

Boards have a fiduciary responsibility to ensure that the transit system has adequate resources to meet its goals and objectives. A board should develop a budgeting process that is a primary tool and defines a plan of action for meeting organizational goals and managing resources.

More information is available at www.fdot.gov/transportation/boardsandcommittees/boardsandcommittees.htm

Source: www.fdot.gov/transportation/boardsandcommittees/boardsandcommittees.htm

Visit www.fdot.gov/transportation/boardsandcommittees/boardsandcommittees.htm for more information.

The board must be aware of the requirements of the Florida Administrative Code at www.fdot.gov/transportation/boardsandcommittees/boardsandcommittees.htm

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Boards have fiduciary responsibility to guide the transit system's expenditures for the maximum good of their customers and community.

by their participation on the board. On the rare occasion a board member owns or works for a company selling a product or service to the transit agency, that board member must declare the conflict of interest and refrain from voting. If a purchase is made from the company of a board member, it is important that approval also be obtained from the funding source for the purchase.



Most organizations must be independently audited annually, and the board should receive a copy of the audit and be allowed to question any audit findings.

Of all the duties a board has, financial responsibility may be the most critical for the transit system and the transit board member.

RESPONSIBILITY NUMBER SIX

MANAGING RESOURCES EFFECTIVELY

In addition to fiscal oversight, transit boards must ensure that resources are used in accordance with organizational goals and objectives. One of the best ways to monitor resources is to occasionally use the service.

Vehicles should be welcoming to customers, clean, and well maintained. Every vehicle should have an operable first aid kit, biohazard clean-up kit, working wheelchair lift, and wheelchair securement devices, as well as escape routes (hatches and windows) in case of emergency.

All facilities should be clean, free of rubbish, well lit, well maintained, and located away from areas where crime or acts of nature could threaten life and/or property. Bus stops, shelters, and transfer centers should be clearly marked, easily accessed and designed with safety in mind.

Public access to administrative, maintenance, and operations areas should be limited. All maintenance equipment and tools should be stored when not in use, and eye wash stations and first aid kits should be readily visible and usable in an emergency. Maintenance pits should be clearly marked and protected, and hazardous materials used and stored within the Occupational Safety & Health Administration (OSHA - <http://www.osha.gov/>) standards.

Management and staff should be appropriate for the size of the operation, respectful to one another and the customers they serve, well trained for the jobs they are asked to perform, and physically and mentally fit for duty.

One of the best ways to monitor resources is to occasionally use the service.

While it is the responsibility of the executive director to manage staff, facilities, and operations, he or she should do so in accordance with the policies established by the board. The board should approve policies on purchasing, staffing plans, hiring/firing, system safety and security, work rules, drug and alcohol policies, and pay and benefits. By using the transit system, board members will develop a sense for where policies are not being fully implemented, and where they may not be having their intended result.

RESPONSIBILITY NUMBER SEVEN

MONITOR PERFORMANCE

By establishing organizational goals and approving allocation of resources, transit boards determine the scope of the organization's programs and services. Generally speaking, transit operates two distinctive types of services. They are:

- **FIXED ROUTE** – Service following a specific route with designated stops and departure times.
- **DEMAND RESPONSIVE** – Service scheduled and dispatched to collect and transport passengers – often door to door – based on advance request. But contrary to taxi service, demand-response trips are shared with other passengers for efficiency.

The Americans with Disabilities Act (ADA) of 1990 requires that publicly sponsored transit agencies provide ADA-accessible vehicles on all fixed-route services and offer complimentary demand-responsive (paratransit) service within $\frac{3}{4}$ of a mile of any fixed route to anyone who cannot get on, get off or otherwise navigate the existing system due to their physical or cognitive disability. As a result, the majority of transit systems today are some blend of fixed-route and demand-response service. Often times, transit agencies will administer programs such as carpooling, cycling, and other alternative transportation initiatives.

Board members should be aware of all types of services provided and should be very aware of the organization's overall performance. There are industry standard performance measures that help boards and management keep their fingers on the pulse of the agency:

- Ridership (by route, service segment, and overall)
- Cost per hour of service
- Cost per mile of service
- Cost per passenger
- Farebox recovery ratio
- Accidents per 100,000 miles
- Road calls per 100,000 miles
- Number of complaints / commendations received

Most states require systems to monitor these and other performance measures. Board members should be aware of federal and state performance measure requirements. They should periodically review how well their agency is performing in relationship to these stated goals, and seek staff recommendations regarding potential changes on under-performing routes and services. Additionally, boards should be careful to ensure that their transit system is not violating federal charter regulations that prevent public transit agencies from competing unfairly with for-profit transportation companies (http://www.fta.dot.gov/laws/leg_reg_179.html)



The board must work closely with management and staff to provide services that serve the needs of the community within the context of resource constraints. When a decision is made to significantly change the amount of service, type of service, or fares, the board should host public meetings to gather input from the public.

RESPONSIBILITY NUMBER EIGHT

ENHANCE THE ORGANIZATION'S PUBLIC IMAGE

Board members are responsible for enhancing the system's image and reputation. That means that they represent the transit system both formally and informally and have a responsibility to promote and enlist support for the system at every opportunity. Board members should use the service periodically and may identify a particular segment of the community – such as seniors or persons with disabilities – for whom they advocate.

Board members may be asked to use their network of contacts to advocate for the system and to speak with local, state, and federal officials to ensure continued support and funding. They may even be asked to participate in special fundraising activities.

Transit board members have influence over policy that affects people's lives very directly. Issues should be discussed openly at regular board meetings, committee meetings, and public hearings. However, confidential information that may be learned as a board member, including personnel matters, must remain confidential.

Whether talking with friends, giving a presentation, attending a ribbon cutting ceremony, or acting in some other official capacity for the board, board members should speak positively and enthusiastically about the transit system and enlist community-wide support.



RESPONSIBILITY NUMBER NINE

SERVE AS A COURT OF APPEAL WHERE APPROPRIATE

From time to time the board may have to examine system problems such as accident rates, customer service difficulties, misuse of public resources, staff and management conflicts, and so forth. Isolated complaints should be weighed carefully, but chronic or recurring problems must be addressed with the executive director.

Board members may also be called upon to arbitrate on conflicts surrounding procurement contracts and minor personnel issues. In unusual circumstances, the transit board may be required to act as a court of appeal when a personnel action is challenged or a labor dispute involving transit staff arises.

It is important for the board to have a procedure in place so that conflicts between management and staff can be resolved as quickly and fairly as possible. It is imperative that employee grievances and personnel matters are handled in a manner that is fair, consistent, and conforms to any collective bargaining agreements.

While most transit business is conducted publicly, it is appropriate to call for a “closed door” executive session to discuss personnel or contract related disputes. However, except for certain non-profits all formal actions must take place in full public view.



RESPONSIBILITY NUMBER TEN

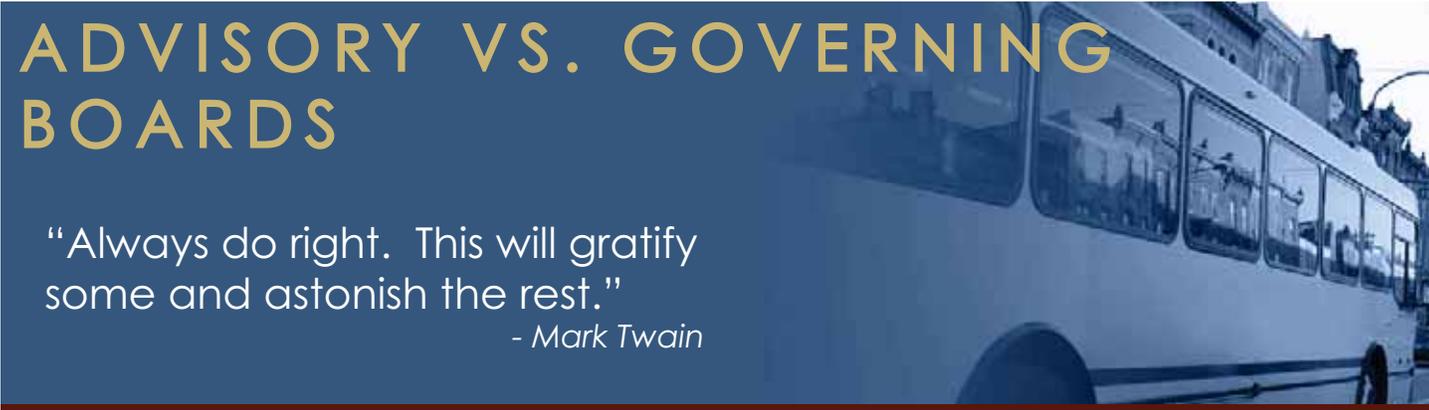
ASSESS ITS OWN LEADERSHIP PERFORMANCE

The board size and committee structure should be based, to some degree, on the size and scope of the organization. Board meetings should be well attended, and the board should work together with respectful discussion on priority policy issues and performance assessment. Board meetings should have a set agenda, follow a recognized, fair operating procedure based on the *Roberts Rules of Order* (www.robertsrules.org), and uphold the highest standard of ethics. The board should focus on the “big picture” and allow the executive director to handle day-to-day operations.

Having a system in place to assess board performance on these issues is essential to the long-term success of the organization, the board, and the community.

In order to fulfill the ten areas of responsibilities for community transit boards, there must be productive relationships between the Board, management, and staff. The following section of [Boards That Perform](#) will discuss how to structure a transit organization for success.

ADVISORY VS. GOVERNING BOARDS



“Always do right. This will gratify some and astonish the rest.”

- Mark Twain

The governing body – that is who has legal authority over transit – varies from one community to the next. In some cases it is a private nonprofit board, in others it is a quasi-governmental entity, the city council, county commissioners, or other governmental body.

Many governing boards utilize advisory boards to help ensure that policy decisions are meeting the needs of the public they are intended to serve. This is particularly common when transit is part of a larger organization (e.g. public works or a community action agency).

While both advisory and governing boards provide valuable and meaningful service to their organizations, the distinction between their respective roles must be understood.

ADVISORY BOARD

Advisory boards are typically made up of stakeholders who care about the service provided by the organization. The make-up of an advisory board is usually a cross-section of ages, interests, and backgrounds to provide input on service quality and design. An advisory board seldom has legal or fiduciary responsibility for the organization, but provides input to the governing body on policies that will enhance service and/or boost efficiency.

GOVERNING BOARDS

A governing board is charged with creating organizational policy, approving the budget, monitoring operational and fiscal performance, and overseeing legal contracts. Members are usually elected or appointed to specific terms (2-5 years). A governing board is normally the final authority on all business conducted by the organization.

In general, advisory boards have significant roles in representing the consumer. By contrast, governing boards ensure that policy, finance, and service performance are delivered in a business-like method that ensures long-term stability. Advisory boards can make their wishes known to the legal entity (governing board) and can be the public watchdog, but generally cannot enact policy.

When these two types of boards work together in supportive roles, the organization matures and improves both in its quality and quantity of service. When these two types of boards see themselves as competing entities, the organization suffers.

RESPONSIBILITIES OF ADVISORY VS. GOVERNING BOARDS		
TOP 10 BOARD RESPONSIBILITIES	ADVISORY	GOVERNING
Formulates the organization's mission / purpose	✓	✓
Selects the executive director		✓
Supports and reviews the executive director's performance		✓
Ensures organizational planning	✓	✓
Ensures adequate resources		✓
Oversees and monitors use of resources	✓	✓
Determines and maintains the organization's programs and services		✓
Enhances the organization through advocacy	✓	✓
Serves as a court of appeals where appropriate		✓
Assesses its own performance	✓	✓

BOARD COMMITTEE STRUCTURE

“I have never been especially impressed by the heroics of people convinced they are about to change the world. I am more awed by those who struggle to make one small difference after another.”

– Ellen Goodman



Committees formed to address specific issues are essential to guiding the decisions of a transit board. The board chair typically establishes committees in coordination with the executive director and board members. Committees

are typically used to address issues such as capital construction, operations, and customer service.

For financial committees, the board chair should establish a committee to review and report on the results of the board's financial decisions. If a quorum (more than 50% of the board) exists within the committee, meetings should be open to the public and held in accordance with state sunshine laws.

Committees gather information, discuss options, and make recommendations to the full board. In turn, the full governing board may accept, reject, or modify these recommendations using established, formal procedures.

Following are some of the committees frequently employed by transit agencies:

■ FINANCE

Addresses issues related to grants, purchasing, budgeting, cash flow, and fare structure policies.

■ PERSONNEL

Addresses labor issues, wages and benefits, pension trust, and employee incentive programs.

■ MARKETING AND PLANNING

Addresses dissemination of public information and service development planning.

■ OPERATIONS

Addresses operational concerns such as service area, accessibility, fare collection systems, and service performance by route as well as service sector.

■ MAINTENANCE

Addresses facility maintenance and improvement, fleet selection, fleet maintenance and storage, parts inventory management, and other material supply concerns.

■ SAFETY/SECURITY

Addresses accident performance, changing hazard and threat conditions, emergency preparedness activities, and interagency coordination.

Committees may be combined, added or eliminated at the board's discretion.

HOLDING EFFECTIVE BOARD MEETINGS

“People who enjoy meetings should not be in charge of anything.”
- Thomas Sowell



An effective meeting does not just happen. It requires planning, preparation, and leadership by the executive director, the board chair and each of the board members.

Well in advance of the meeting, the executive director should work with the board chair to prepare an agenda. Once all agenda items have been identified, the executive director and board chair should determine what supplemental information will be needed by board members to enable them to discuss or act on the agenda items. Items on the agenda should clearly state the required action (e.g., decision, discussion).

Agency staff should package the agenda along with supplemental materials into a “board packet” to be distributed to board members in advance of the board meeting. Reports placed in board packets should be limited to executive summaries containing:

1. Statement of the problem
2. List of possible solutions
3. Recommendations for action

Board packet distribution should be early enough to allow board members to “do their homework” before the meeting.

Procedures for decision-making, what and how issues are assigned to committees, and how committees report back to the board should also be agreed upon and clearly understood by all board members and executive staff.

Decisions should not be made until appropriate time is given for study and discussion. All board members who wish to speak on a given issue should be encouraged to present their view, and all views should be seriously considered before action is taken.

Meetings should be conducted under the assumption that board members have received and read their background materials. Oral reports should focus on background/

contextual issues that add to their understanding of the situation. This encourages board members to take their homework seriously.

Meetings should follow the agenda closely, as this keeps discussions focused and helps meetings end on time.

All decisions should be clearly recorded in the official minutes and distributed to board members for review and approval.



CODE OF ETHICS

“It is curious that physical courage should be so common in the world, and moral courage so rare.”

- Mark Twain



The board should adopt a code of ethics that describes what is, and what is not appropriate. This sets clear expectations for all and helps ensure that the best interests of the organization are upheld.

Transit organizations must adhere to the “private inurement” doctrine which prohibits individuals from using “insider” information to profit from undue compensation or personal benefit (inflated contracts, gifts, nepotism, excessive travel reimbursement, etc.).

While there can be legal consequences for violating conflict of interest statutes, even perceived conflicts of interest can be damaging to the credibility of the organization and the board, and demoralizing for staff.

THE BOARD, THE STAFF, & EXECUTIVE DIRECTOR

“Assumptions are the termites of relationships.”

- Henry Winkler

The board and staff have different but complementary functions. The board establishes the policies and direction of the transit organization. The executive director delegates staff implementation of those policies.

An open, trusting and cooperative relationship is most easily maintained when board members and staff operate within their own areas of responsibility – staff, in day-to-day operations and board, in policy management.

An executive director should expect the board will:

- Consult with the executive director on all matters the board is considering.
- Counsel and advise the executive director based on their individual expertise and familiarity with the community.
- Delegate authority for all executive functions, including management of all staff, to the executive director.
- Provide support to the executive director and staff in carrying out their professional duties.
- Support the executive director in all decisions and actions consistent with the policies of the board and the standards of the organization.
- Hold the executive director accountable for the supervision of the organization and evaluate his/her performance.

A board should expect its executive director will:

- Serve as the Chief Operations Executive of the organization.
- Serve as a professional advisor to the board.
- Interpret program needs and present professional recommendations on all problems and issues to be considered by the board.
- Develop a budget (in conjunction with the Finance Committee) and keep the board up-to-date on budget problems.

- Recommend appropriate policies for consideration.
- Implement effectively all policies adopted by the board.
- Recruit, develop and supervise the staff.
- Devote time to staff improvement.
- Assist the board in educating the community about its program.
- Inform the board fully and accurately regarding program activity.

CONCLUSION

“A leader is someone who helps improve the lives of other people or improve the system they live under.”

- Sam Ervin



The accessibility of safe, affordable, desirable, and dependable public transportation is a vital factor in the quality of life for many citizens. Transit board members must be mindful of the impact their decisions have not only within the agency, but also on the community as a whole. In addition to guiding policy decisions that ensure secure and reliable operations, transit board members must assume accountability for the agency’s financial resources, exhibit knowledge of and adherence to the agency’s legal obligations, pledge to conduct sound business operations and decision-making in a public forum, and promote a positive agency image by preserving community relations.

The board’s diverse responsibilities are vital to the success of the transit system. Perhaps its most important role is defining the organization’s strategic vision and providing capable leadership through which that vision is realized. By engaging with citizens and becoming

active participants in the transit system, board members are best able to serve in their roles by being well informed of changes or issues within the community that might affect transit policy. In short, the board’s role and responsibilities encompass three general functions: to govern by giving direction; to manage by taking action; and to operate by monitoring the activities, services, or programs of the organization.

The board’s responsibilities encompass three general functions: to govern by giving direction; to manage by taking action; and to operate by monitoring the activities, services, or programs of the organization.

While the structure of governing bodies may vary from community to community, the complementary but distinct roles of advisory boards, governing boards, committees, staff, and the executive director must be understood in order to ensure efficient leadership. For transit board members, that leadership should encourage informed, effective decision-making.

Developing an effective board will ultimately generate greater customer confidence in the transit system. This, in turn, will provide you as a board member the satisfaction of knowing that *you* have delivered a most essential and valued benefit to your community: *mobility* for the men, women, and children who depend on public transportation to support their quality of life and their connection to the community.

ADDITIONAL RESOURCES

Your state Department of Transportation and state RTAP may have services to assist with policy development and staff training. Sample policies can also be found online at National RTAP and with our partner agencies:

NATIONAL RURAL TRANSIT ASSISTANCE PROGRAM
www.nationalrtap.org

COMMUNITY TRANSPORTATION ASSOCIATION OF AMERICA
www.ctaa.org

NATIONAL TRANSIT INSTITUTE
www.ntionline.com

TRANSPORTATION SAFETY INSTITUTE
www.tsi.dot.gov

FEDERAL TRANSIT ADMINISTRATION
www.fta.dot.gov

STATE DOTs **American Public Transportation Association (APTA)**: www.apta.com/links/state_local

American Association of State Highway and Transportation Officials (AASHTO):
www.transportation.org

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<http://www.lib.niu.edu/ipo/1991/ip910406.html>

APTA Transit Board Members Seminar –

Simpson Speech http://www.fta.dot.gov/news/speeches/news_events_7036.html

Carver's Policy Governance

<http://www.carvergovernance.com/pg-np.htm>

Centre for Voluntary Sector Research and Development

- Board Governance - Canada http://www.cvsrd.org/eng/board_governance/index.html

Checklist to Evaluate a Nonprofit Board of Directors

http://www.managementhelp.org/org_eval/uw_brd.htm

Corporate Perspective of Serving on a Non-Profit Board

<http://www.energizeinc.com/art/vvboard.html>

First Person: Non-Profit Board Members Must Know Their

Financial P's and Q's http://seattlepi.nwsourc.com/opinion/127594_firstperson23.html

Free Complete Toolkit for Boards

<http://www.managementhelp.org/boards/boards.htm>

FNC – The Boardroom <http://www.foundati>

onnews.org/CME/article.cfm?id=2459

How to Write Non-Profit Bylaws [http://non-profit-](http://non-profit-governance.suite101.com/article.cfm/how_to_write_bylaws_for_nonprofits)

[governance.suite101.com/article.cfm/how_to_write_bylaws_for_nonprofits](http://non-profit-governance.suite101.com/article.cfm/how_to_write_bylaws_for_nonprofits)

Idea – An Organization's Board of Directors –
Leadership Conflict

<http://www.idea.org/board.html>

National Council of Nonprofit Associations
<http://www.ncna.org/>

Non-Profit Board Responsibilities http://non-profit-governance.suite101.com/article.cfm/nonprofit_board_responsibilities

Partners in Philanthropy
<http://develop-net.com/articles/april1999.html>

TRB Public Transit Board Governance Guidebook
http://www.trb.org/news/blurb_detail.asp?id=1639

TRB Public Transit System Policy Boards: Organization and Characteristics <http://pubsindex.trb.org/document/view/default.asp?lbid=728032>

TRB Public Transportation Board Effectiveness: A Self-Assessment Handbook http://www.trb.org/news/blurb_detail.asp?id=4153

The View From the For-Profit Side <http://www.allbusiness.com/business-planning-structures/business-structures/738356-1.html>



RTAP

Rural Transit
Assistance Program



A program of the Federal Transit Administration
administered by the Neponset Valley Transportation Management Association