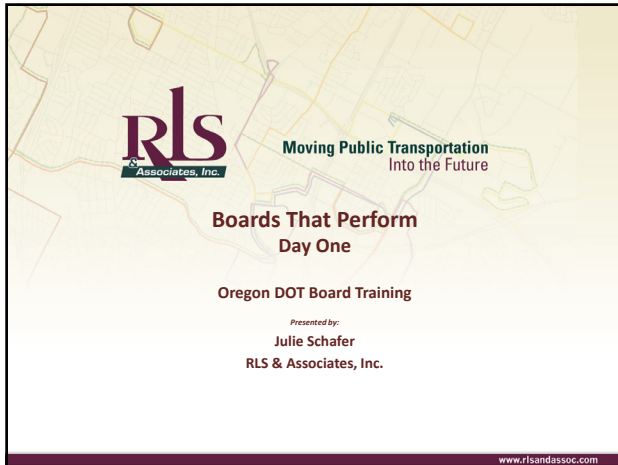
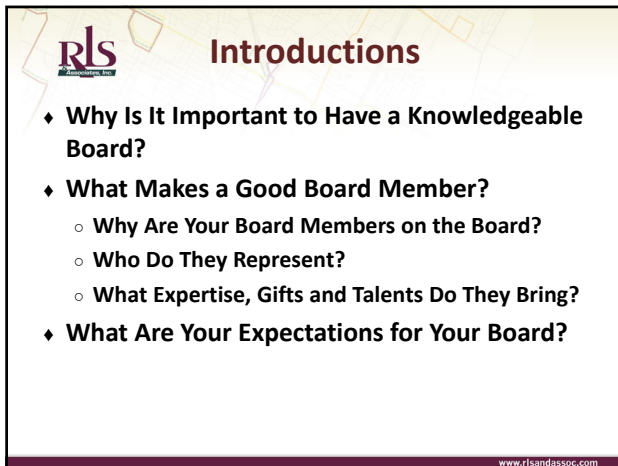
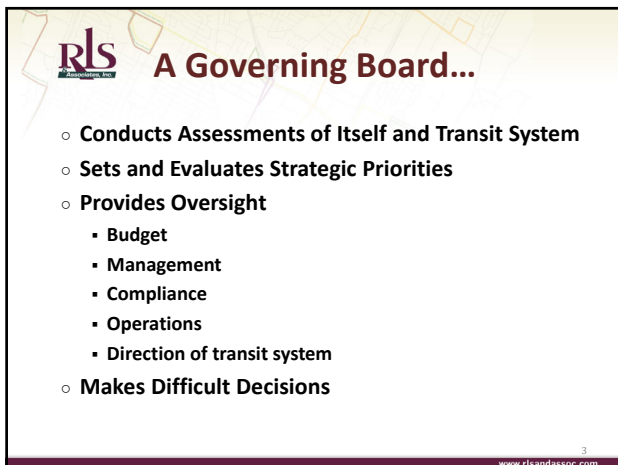




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2



3

Executive Director's Assessment of Board Knowledge
PLEASE RATE YOUR LEVEL OF AGREEMENT WITH EACH OF THE FOLLOWING STATEMENTS

	Strongly Disagree	1	2	3	4	5	6	7	8	9	Strongly Agree
1. Your Board members understand and can convey the organization's mission, vision and purpose.											
2. Your Board members are confident that the organization is in compliance with federal, state and local regulations.											
3. Your Board members understand their legal responsibilities and accountability as related to system finance, safety, policies, etc.											
4. Your Board members believe a strategic plan is needed or necessary for the organization.											
5. Your Board members understand and can discuss with others the organization's programs and services.											
6. Your Board members are confident in the process and understand how the board members and evaluate the performance of the Executive Director on an ongoing basis and formally on a yearly basis.											
7. Your Board members provide proper and effective financial oversight for the organization, including approving a realistic budget.											
8. Your Board members understand their role in the provision of public transit services in your service area, how the board's decisions impact regional planning, and the way in which they can be most effective in advocating for the organization within regional processes.											
9. Your Board members understand the board policies and procedures as they are written.											
10. Your Board members understand their role in securing local funding and advocating for it.											
11. Your Board members understand their role as an advocate to the community on behalf of the organization and its clients/patrons/riders.											
12. Your Board members understand the respective roles and responsibilities of the board and staff.											
13. Your Board contains an appropriate range of expertise and diversity and represents the community makeup.											
14. All of your Board members are effectively involved in board activities and responsibilities.											
15. Your Board effectively and periodically assess their own performance.											
16. Your Board understands the role of a committee structure for the board and how it can be used effectively?											
17. Your Board members are committed to providing excellent service to the community.											

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RLS
“Transit Must Operate with the Heart of a Charity and the Mind of a Business”

♦ Does Your Board Understand What This Statement Means? Do They Agree?

- Why?
- Why Not?

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RLS
Board Foundation

♦ What Does Your System Do Well?

♦ Where Does Your System Struggle?

♦ What Are Your System’s Biggest Challenges?

♦ What Opportunities Lie Ahead?

Focused Exercise: Four Questions to Focus your Board on the Mission

1. What does our agency do?
2. How do we do it?
3. Why do we do it?
4. What happens if we don’t do it?

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Board Foundation

- ◆ Purpose
 - What is Your Mission?
 - What is Your Vision?
- ◆ Does Your Board Embrace Your Mission/Vision?
- ◆ How Do They Demonstrate That Knowledge?



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Board Composition

- ◆ Selection/Appointment Process
 - Identify gaps
- ◆ Representation
 - Geographic
 - Diversity, equity and inclusion
 - Title VI
 - Stakeholders, advocates, riders
 - Subject matter expertise—legal, financial
 - Elected officials/community leaders

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Board and Transit Leadership

The Relationship Between Transit Leadership and Governing Boards Must be Balanced to Achieve System Success.



- Passive
- Lacking Influence
- Rubberstamp



- Unchecked
- All Decisions Non-Transparent



- Micro-Manage
- Restricts Leadership
- Compliance Avoidance



- Hamstrung
- Vision Restriction
- Job Shopping

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Board and Transit Leadership (cont'd)

- ◆ **Board**
 - Sets policy
 - Minimizes role in day-to-day operations
- ◆ **Staff**
 - Implements policy
 - Manages day-to-day operations
- ◆ **Advisory Boards**

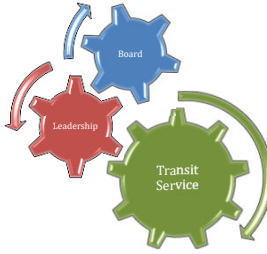
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Board and Transit Leadership (cont'd)

A Balanced Relationship With Shared Mission, Values And Vision Can Function To Accomplish Mutually Agreed Upon Goals And Objectives In An Effort To Provide Quality Transportation Service In The Community.



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On-Boarding/Refresher Board Training

- ◆ Mission, Values and Goals
- ◆ Legal Structure, Committees and Bylaws
- ◆ Rules of Order
 - Voting, discussion
- ◆ Open Meeting Rules
- ◆ Responsibility/Roles
- ◆ Meetings and Board Packet Content

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On-Boarding/Refresher Board Training (cont'd)

- ♦ **Organizational Structure**
 - Management/staffing
- ♦ **Service Structure**
- ♦ **Public Sector**
- ♦ **Funding/Grants Programs**
- ♦ **Ethics**

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On-Boarding/Refresher Board Training (cont'd)

- ♦ **Clear Guidance on Expectations**
 - Time commitment
 - Participation
 - Compensation
 - Leadership roles
 - Challenges

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HOW DO YOU ON-BOARD YOUR BOARD?

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Fiduciary Responsibility

- ♦ **Fiduciary responsibility is a legal and/or ethical relationship of confidence or trust regarding the management of financial and other resources**

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Fiduciary Responsibility (cont'd)

- ♦ **Transit Managers Must Ensure the Board Has the Opportunity to**
 - Conduct financial strategic planning
 - Conduct annual budgeting of operating and capital expenses and revenues
 - Conduct monthly reviews of financial reports and variances
 - Keep a close eye on the fiscal health of the system
 - Review grants and grants management
 - Certifications and Assurances

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Fiduciary Responsibilities (cont'd)

- ♦ **Transit Managers Must Ensure the Board Has the Opportunity to**
 - Monitor available cash amounts
 - Act on fares and contract rates
 - Ensure Satisfactory Reserves are on Hand
 - Ensure the propriety of expenditures
 - Insist on and monitor internal controls
 - Actively review annual financial audits
 - Review investments

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Fiduciary Responsibilities (cont'd)

- ◆ **Transit Managers Must Ensure the Board Has the Opportunity to**
 - **Ensure that all Federal, state, and local laws and requirements are followed**
 - Financial Management
 - Technical Capacity
 - Satisfactory and Continuing Control
 - Procurement
 - Civil Rights
 - Certifications and Assurances
 - Other

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Forensic Auditor Quote

“It is the responsibility of the board to be aware of XXXXX’s financial status and to ensure compliance with policies and procedures. . . . While the board is not involved in the day-to-day operations of XXXXX, it is their responsibility to review financial reports, ask questions, and to get clear and satisfactory answers from management when budgets are set, changed or have significant variances from expectations.”

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Financial Report Best Practices

- ◆ **Format of Financial Reports**
- ◆ **Level of Detail—Strike Balance**
- ◆ **Brief Narrative**
 - Items to be highlighted
 - Variance detail
- ◆ **Key Financial Factors**
- ◆ **Committee Responsibilities**

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Financial Report Best Practices

- ◆ Receive Financial Statements at Least 7 Days Before Board Meeting
- ◆ Follow Format Requested—Detail
- ◆ Include Performance Measures, Variances, Comparisons
- ◆ Provide Tables, Charts to Ease Understanding

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Culture of Accountability

- ◆ Board Members Must Establish a “Culture of Accountability”
- ◆ What Is a Culture of Accountability?
 - The Governing Board and Transit Manager Working Together Under the Watchful Eyes of the Public and Media to ensure
 - *Business is conducted according to law and with the highest standard of public expectations of honesty, good stewardship and for the public good*

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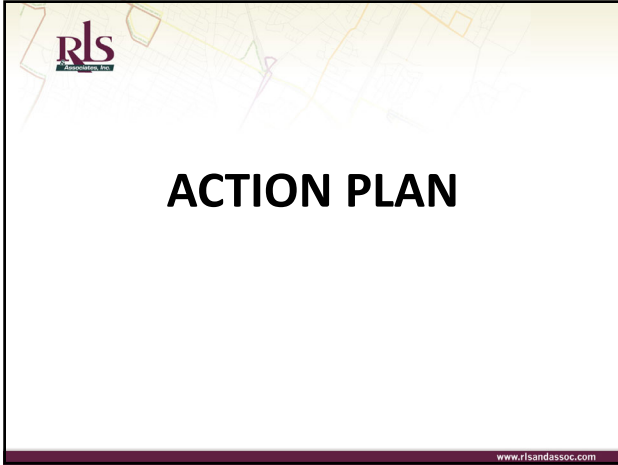


Ethics

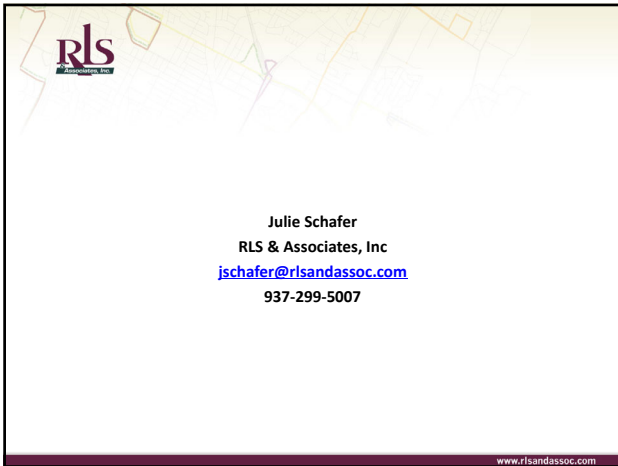
- ◆ Board Members Are Covered Under Ethics Regulations And Must Avoid Conflicts of Interest
 - Hiring
 - Procurement/contract awards
 - Gifts
- ◆ Familiarize Board Members With Your Agency’s Ethics And Procurement Policies

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