

## Central Louisiana Human Services District

Annual Board Retreat

Rapides Foundation

1101 4<sup>th</sup> Street, 2<sup>nd</sup> floor, Classroom C

Alexandria, LA 71301

March 13, 2014

9:00 am – 4:00 pm

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### **I. Welcome, opening remarks: Nancy Perret**

All board members were present. Nancy welcomed everyone to the retreat.

Egan handed out a document showing where CLHSD is in the DHH Budget Summary and how CLHSD compares to other Authority's and Districts in the state.

### **II. Connections to the CLHSD mission – and to each other**

### **III. Act 373 and its implications**

### **IV. What does it mean to be a “political subdivision”?**

Nancy reviewed her handout of RS 18:1282 Political Subdivision Defined.

Greg indicated that the definition provided was not appropriate for CLHSD and indicated further that there is a definition in the Louisiana constitution that he would research and provide later to the Board. Key concepts of a political subdivision include local governing authority and the ability to seek funding through local millages, etc.

### **V. General board and board member responsibilities**

Nancy reviewed her handout of Legal Duties of Nonprofit Board Members, discussing the fact that, which the District's Board is clearly NOT a nonprofit board, the concepts still are appropriate for board members to consider in their work. Discussion included how these concepts apply – or don't – to the CLHSD board.

Responsibilities of Non-Profit Boards:

- \* Fiscal and Legal Compliance
- \* Set policy and direction
  - Nonprofit boards are responsible for setting policy and establishing the strategic direction of the organization through the creation and maintenance of a strategic plan. Detailed implementation of the plan, for the most part, falls to the staff.
  - These responsibilities are similar to those of the CLHSD board. Policy governance defines which policies is the responsibility of the board and which are delegated to staff.
  - Creation of a strategic plan and providing the Executive Director with strategic priorities and annual performance goals is the responsibility of the board, with significant input from the Executive Director, and, by extension, the staff that reports to the Executive Director.
- \* Manage Executive Director
  - Like CLHSD, nonprofit boards have a single employee to “manage”, which includes hiring, annual performance assessments linked to annual goals, and firing, if necessary. The performance evaluation process for CLHSD is well defined.
- \* Adequately fund the Mission
  - Nonprofit boards have an obligation to ensure that there is adequate funding to accomplish the defined mission and annual goals.

- This responsibility lies primarily with the CLHSD staff. However, there may be a role for the board, and individual board members, to play in the future.
- \* Governance
  - Regardless of the governance model selected for nonprofits, the board has an obligation to govern itself – ensuring well-run board meetings, assignment of committees or work groups to perform the detail work of the board between board meetings and ensuring that all board members clearly understand their responsibilities and are performing those duties.
  - This is not different for CLHSD’s board.
- \* Legal obligations of nonprofit boards:
  - **Duty of Care:** The duty of care describes the level of competence that is expected of a board member, and is commonly expressed as the duty of "care that an ordinarily prudent person would exercise in a like position and under similar circumstances." This means that a board member owes the duty to exercise reasonable care when he or she makes a decision as a steward of the organization.
  - **Duty of Loyalty:** The duty of loyalty is a standard of faithfulness; a board member must give undivided allegiance when making decisions affecting the organization. This means that a board member can never use information obtained as a member for personal gain, but must act in the best interests of the organization.
  - **Duty of Obedience:** The duty of obedience requires board members to be faithful to the organization's mission. They are not permitted to act in a way that is inconsistent with the central goals of the organization. A basis for this rule lies in the public's trust that the organization will manage donated funds to fulfill the organization's mission.
  - **NOTE:** While these are specific legal obligations for nonprofit board members and not outlined as specific legal obligations for the CLHSD board, these duties are certainly worth the consideration of this board. Making decisions with this frame of reference will help the board make better decisions that are clearly in the interest of the District and its future.

## VI. Roles for board members

- \* Egan addressed the board, speaking about the importance of the community connections that each board member has, the value of the meetings that have taken place over the past year with each board member, and the continuing importance of these connections as the District moves forward.

## VII. Highlights of Policy Governance: David Britt, United Way

Not everything belongs on the Agenda. Two types of information does belong on the agenda:

1. **Decision information** – helps board decide
2. **Monitoring information** – requires criteria to be established up front by the board.
3. Incidental information – anything else

### Typical Meeting Agenda:

1. Call to Order
2. Attendance
3. Minutes
4. Monitoring Reports: 15-20 minutes
5. Decision Information: Main feature of the meeting
6. Consent Agenda – vote without discussion (financial report should not be here)
7. Self-Evaluation
8. Adjourn

Reading suggestion by David Britt; Corporate Boards that Create Value, by John Carver and Caroline Oliver.

Some questions presented by David Britt and the board members:

Are all policies ENDS policies?

What is the “vulnerability” of the Carver Model?

Are we giving too much energy to ENDS?

Are we spending too much time in Compliance?

The board can agree with Executive Limit as presented, but can also request that an Indicator be added or changed.

#### **VIII. Bylaws review**

In question: Article II, 2<sup>nd</sup> line.

#### **IX. Review of Global Ends and Strategic Priorities**

#### **X. Quick review of presentations from November/December**

Becky handed out and reviewed a detailed report of contracts and the services they provide. This report reflected who had the contract, description of services, contract amount, amount of contract, etc. Substantial discussion took place about this report, providing board members with needed understanding about sources of funds, staffing levels for various programs, key subcontractors who provide services for the District, and future considerations related to each source of funds.

Karin handed out and reviewed cost of services by clinic/department. Again, substantial discussion ensued, with Karin explaining that she continues to work to refine the reports for the District, creating budget line items that are not currently used by DHH to help both staff and board to better understand how funds are allocated and expended. This remains a challenging “work in progress”.

- Board members requested further breakdown of operating and medical expenses in future reports, Karin indicated that she is currently looking at the State of Louisiana Chart of Accounts to identify accounts in which information can be appropriately broken down for future reports.

#### **XI. WORKING LUNCH**

#### **XII. Review of Executive Limits Policies and Monitoring Methods/Reports\***

- Becky stated there are policies in place for the treatment of consumers. Roseada asked other board members if they wanted to see evidence of monitors in form of report. Nancy recommended to board members “yes”.

Major grievance from client’s topic was discussed. Any such grievances will be included in the monthly ED report as well as critical incidents.

Another option is to move a particular policy/executive limit on the calendar closer to when the quarterly or annual report is reported.

Critical Incident Committee minutes are to be shared with the board.

#### **XIII. Summary of Community Engagement Meetings**

\* (Board Member interviews/Local Priorities)

Nancy encouraged board members to set appointments for Parish meetings with the Executive Director. And then share information from that meeting.

Bart shared his District development with different organizations and companies to expand their services into the District. He also shared that the District is in the beginning stages of applying for grants.

**XIV. Highlights of Resulting Initiatives**

**XV. Reflections, Next steps, and Closing remarks**

Clarence asked what the grievance process by a client is. Becky responded.

**XVI. Regular Monthly Board meeting (separate minutes)**

**XVII. 4:00 Adjourn**