

## BOARD GOVERNANCE

*“The role of trustees provides a great opportunity for those who would serve and lead. And no one step will more quickly raise the quality of the total society than a radical reconstruction of trustee bodies so that they are predominately manned by able, dedicated servant-leaders.”*  
-Robert Greenleaf

### **Appointment and Organization**

Board members are appointed by the Director of the Ohio Department of Mental Health, the Director of the Ohio Department of Alcohol and Drug Addiction Services, and/or the Board of County Commissioners, depending on the type of Board. For CMH Boards, the Director of the Ohio Department of Mental Health (ODMH) appoints six members and the local Board of County Commissioners appoints twelve members. For an ADAS Board, the Director of the Ohio Department of Alcohol and Drug Addiction Services (ODADAS) appoints six members and the local Board of County Commissioners appoints twelve members. In a combined ADAMH Board area, the Directors of ODMH and ODADAS each appoint four members and the local Board of County Commissioners appoints ten members.

Pursuant to ORC Sections 340.02 and 340.021, members must be residents of the district in which they serve and interested in mental health programs and facilities or in alcohol or drug addiction programs.

For ADAMH and CMH Boards, the Director of ODMH must ensure that at least one member of the Board is a psychiatrist, one member is a mental health professional, one member is a person who has received or is receiving mental health services paid for by public funds, and one member is a parent or other relative of such a person.

For ADAMH and ADAS Boards, the Director of ODADAS must ensure that at least one member of the Board is a professional in the field of alcohol or drug addiction services, one member is a person who has received or is receiving services for alcohol or drug addiction, one member is a parent or other relative of such a person who is receiving or has received alcohol or drug addiction services and one member of the board is an advocate for persons receiving treatment for alcohol or drug addiction.

The membership of Boards must, as nearly as possible, reflect the composition of the population of the service district as to race and gender.

### **Governance Structure and Process**

The Ohio Revised Code gives considerable leeway to Boards in developing and documenting a governance structure and process. Section 340.03 (B) directs the Board to “establish such rules, operating procedures, standards, and bylaws, and perform such other duties as may be necessary or proper to carry out the purposes of this chapter”.

As trustees, Board members represent the interests of the residents of the district. The statutory duties of ADAMH, CMH and ADAS Board can be found in Sections 340.03 and 340.033 of the Ohio Revised Code, which can be found in the *Appendices* to this Handbook. In general, the Board of Trustees performs the following duties:

- Strategic planning (including assessing community needs, setting priorities and involving service recipients);
- Appointment of the Executive Director;
- Assessing the performance of the Board and the system (evaluating the quality, effectiveness and efficiency of contracted services, conducting audits, providing an annual report to the County Commissioners and state);
- Taking appropriate action based on the assessment of the Board and the system.

The Board of Trustees' involvement in setting policy will vary from board to board. The governance model being employed, history and culture of the organization and length of tenure of the Executive Director all influence Board structure and process. However, it is advisable for all Boards to have bylaws or governance policies that address the following topics:

- 1) Purpose of the Organization
  - a) Mission Statement
  - b) Vision
  - c) Statement of Principles
- 2) Governance Process
  - a) Governing Style
  - b) Board Job Description
  - c) Committee Principles
  - d) Board Members Code of Conduct
  - e) Officers and Duties- minimum, Chairperson and Secretary
  - f) Board Discipline
  - g) Board Member Orientation and Training
  - h) Board Indemnification
- 3) Board-Executive Director Relationship
  - a) Delegation to the Executive Director
  - b) Executive Director Job Description
  - c) Executive Director Performance Evaluation
- 4) Executive Limitations
  - a) General Executive Constraint
  - b) Personnel
  - c) Financial Planning
  - d) Financial Condition
  - e) Emergency Executive Succession
  - f) Asset Protection
  - g) Compensation and Benefits
  - h) Communication and Counsel to Board

In contrast, the Executive Director is typically empowered to oversee and direct functions that are not specifically reserved for the Board of Trustees, including planning, organizing and overseeing the day-to-day operations of the Board. Ohio Revised Code Section 340.032 states, “The board may delegate to its executive director the authority to act in its behalf in the performance of its administrative duties”. The development of operating policies and procedures may be included in the purview of administrative duties or may be subject to review or approval by the Board of Trustees. (See the Board Employees chapter for more information regarding the duties of the Executive Director.)

## **Committees**

Alcohol, Drug Addiction and Mental Health Services Boards (not CMH or ADAS Boards) are required to establish a standing committee on alcohol and drug addiction services. The members of the committee and its duties are prescribed in Section 340.022 of the Ohio Revised Code. The creation of other committees, either ad hoc (time-limited for a specific task) or standing, is at the discretion of the Board. The Auditor of State recommends establishment of an audit committee to review the findings of the annual state audit and monitor completion of improvements recommended in the audit report. Also, many Boards establish nominating committees in order to identify and recommend prospective Board members to the appointing authorities.

## **Board Process**

Written bylaws or Board governance policies should add clarity to the Board process. It is not recommended for Boards of Trustees to rely on unwritten standards or to simply state, “We follow Robert’s Rules of Order.” Explicit, written policies should document when the Board enacted the policy. Revisions to policies should be tracked carefully and connect back to the Board minutes.

Generally, Board process should prioritize time spent on strategic leadership, not short-term, trivial matters. Boards are accountable to the general public, especially to the residents of the district, taxpayers, consumers and family members, for competent, conscientious and effective accomplishment of their obligations.

Board discipline is an essential ingredient in meeting the obligation of the Board to the community. Some recommended elements of Board discipline policies include:

- Open Meetings Act (Sunshine Law)
- Meeting schedule and process for calling special or emergency meetings
- Quorum defined
- Attendance expectations (consistent with Ohio Revised Code Section 340.03)
- Content of Board agenda and method for preparation
- Parliamentary authority- Robert’s Rules of Order or other accepted method
- Method of voting- roll call required for levy resolutions and executive sessions
- Executive sessions- reasons and method consistent with Open Meetings Act.
- Code of Conduct
  - Conflicts of interest

- Limitations on individual Board members' interference with staff issues
- Prohibition of individual members to act as unauthorized spokesperson on behalf of the Board
- Avoidance of impropriety or appearance of impropriety consistent with Board member status as a public official subject to the Ohio Ethics Law
- Prohibitions on disclosure of confidential information

In general, the Open Meetings Act (Ohio Revised Code Section 121.22) requires the Board to notify the media and others of Board and committee meetings. The Board is also required to prepare and file minutes of the meetings promptly and make them available for public inspection. Executive sessions are permitted for specific purposes covered by the statute and only after a majority of a quorum of Board members authorize the executive session by roll call vote. See the *Legal Considerations Chapter* for more information about the Open Meetings Act.

Generally, the role of the chairperson includes chairing Board meetings with all the commonly accepted power of that position such as making rulings and recognizing members. The chair may also represent the Board to outside parties by relating Board-stated positions or stating chair decisions as permitted in bylaws or governance policies. The chairperson should have no authority to supervise or direct the Executive Director and should have no authority to make decisions beyond policies created by the Board.

The job output of the chairperson is to ensure that the Board acts consistently with its own rules and those legitimately imposed upon it from outside the organization. Meeting discussion content should only be those issues that, according to Board policy, clearly belong to the Board to decide and not the Executive Director. Deliberation should be timely, fair, orderly and thorough, but also efficient, limited in time and kept to the point.

Boards may also create other offices such as Vice-Chairperson or Chairperson-Elect, Treasurer and Secretary. Each officer's scope of responsibility and authority should be clarified in policy and documented in Board minutes or by-laws.

### **Board Orientation and Training**

Board members are required by statute to participate annually in at least one in-service training session provided or approved by the Ohio Department of Mental Health or the Ohio Department of Alcohol and Drug Addiction Services pursuant to Section 340.02 of the Ohio Revised Code. Regularly scheduled meetings of the Board do not count towards this requirement.

New Board members should be oriented to their role through a formal training process. Suggested orientation topics include:

- Purpose Statement (mission, vision, statement of principles)
- Board strategic goals
- Bylaws and governance policies
- Annual calendar of activities
- The meaning of recovery and resiliency

- Organizational structure
- Legislative basis of Ohio Revised Code, Chapter 340
- Method of governance
- Board ethics
- Open Meetings Act
- Officers' roles
- Committee structure
- Planning process
- Revenue sources and trends
- Current budget
- Financial forecast
- System design and provider network
- Service trends
- Contracting
- Quality improvement approach
- Community partnerships
- Inter-Board alliances
- Advocacy
- State and national trade associations
- Acronym glossary
- Board roster

### **Board Member Terms**

Ohio Revised Code Section 340.02 requires Board members to be appointed for a term of four years, starting July 1<sup>st</sup>. The Board is responsible for informing the appointing authority by certified mail of vacancies resulting from expired or unexpired terms. Replacements are to be appointed within 60 days to complete the unexpired term or commence a new four-year term following an expired term. Terms for each Board member position should remain constant in order to maintain staggered terms and avoid more than one-third of the Board members' terms becoming vacant in any given year.

Board members may serve two consecutive four-year terms or three terms if the first term was less than two years. Board members may be re-appointed to the Board after a one-year period following completion of their two, or three terms, as described above.

### **Oath of Office**

Newly appointed Board members must take an oath of office before beginning their service. Ohio Revised Code Section 3.22 requires that "(e)ach person chosen or appointed to an office under the constitution or laws of this state...shall take an oath of office before entering upon the discharge of his duties". Any Ohio judge, a notary public, or any person holding an elected office in Ohio may administer the oath, as long as the Board is within the geographical limits of the elected officer's constituency. Members of the Ohio General Assembly may also administer oaths of office to Board members of any Board in Ohio. The oath must include the individual

swearing or affirming that they will support the Ohio and United States Constitutions and faithfully discharge the duties of their office.

### **Meeting Attendance**

The Board is required to notify the appointing authority when a Board member is absent from four Board meetings (or from two Board meetings without prior notice) in a one-year period. The appointing authority may choose to vacate the appointment and appoint another person to complete that member's term.

### **Reimbursement of Expenses**

Although Board members must serve without compensation, the Board must reimburse them for actual and necessary expenses incurred in the performance of their official duties.

### **Ethics and Conflicts of Interest**

Board members are expected to conduct themselves in an ethical manner. This commitment includes proper use of authority and appropriate decorum in groups and as individuals when acting as Board members.

Pursuant to Section 340.02 of the Ohio Revised Code, a Board member may be removed from office by the appointing authority for neglect of duty, misconduct or malfeasance in office. A Board member must be removed by the appointing authority if the member's spouse, child, parent, brother, sister, stepparent, stepchild, stepbrother, stepsister, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law serves as a County Commissioner in any of the counties in the Board's district or is an employee or member of the Board of an agency with which the Board contracts for the provision of services or facilities.

Board members are also subject to Ohio's Ethics Laws as public officials. Ohio Revised Code Section 102.09(D) requires that all public officials and employees receive a copy of the Ethics Law within fifteen days of hire, election, or appointment, and they must sign a statement acknowledging that they received a copy. More information can be found about Ohio's Ethics Laws in the *Legal Considerations Chapter* of this Handbook. The complete text of Ohio's Ethics laws and corresponding administrative rules can be found on the Ohio Ethics Commission's website - [www.ethics.state.oh.us](http://www.ethics.state.oh.us). The Commission can be contacted at (614)-466-7090.

### **Additional Considerations**

When recruiting new Board members, some characteristics to consider include:

- Previous experience serving on a community governing board
- Interest in community service
- Ability to contribute to group decision-making and consensus
- Leadership and "followership" skills

- Strategic thinking
- Focus on societal need fulfilled by the Board
- Ability to represent diverse racial, gender, age and ethnic perspectives