



Strengthening Oklahoma's Safety Net Through CHC Board Development

Board Bulletins Volume 1 • 2003

*Oklahoma Primary Care Association
4300 N. Lincoln Blvd., Ste 203, OKC, OK 73105
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Primary source for the 2003 series of Board Bulletin is the Governing Board Handbook, 2000 developed by U.S. Department of Health and Human Services, Health Resources and Services Administration (HRSA), Bureau of Primary Health Care (BPHC), Bethesda, Maryland. Funded by HRSA/BPHC.



**Strengthening Oklahoma's Safety Net,
One Community At A Time**

Board Bulletin Volume 1 • 2003

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Board Bulletin

Volume 1, Number 1 • January 2003

CHC Board Requirements

To Govern

The health center board provides leadership and guides the center in doing what it was intended to do. Each board member must understand the mission to appropriately develop and preserve programs and services to fulfill that mission. The governing board provides vision - the direction for the organization. Health centers must meet the Community Health Center (CHC) Program Expectations as outlined in the Bureau of Primary Health Care (BPHC) Policy Information Notice (PIN) 98-23, which can be obtained by contacting OPCA at the address below. The end result is a board that governs the present and plans for the future in a way that preserves the mission of the center.

To Link With The Community

The board also serves the dual role in linking the center and the community. The first part of its linkage role is to serve as the voice of the community, representing the community and its needs to the center. The center has been established to meet a specific need - to provide primary care services to the community's medically underserved and vulnerable residents. The board's job is to represent the community in assuring that the center maintains the appropriate management and staff necessary to provide the scope of services needed for that particular community. The second part of the board's linkage role requires the board to promote the center and its mission to the community. This becomes especially important as health centers participate in the *Presidential Initiative to Expand Health Centers* and pursue federal funding available through the 330 grants for Expanded Medical Capacity and New Access Points.

It's Required

Although the center is a nonprofit organization, it is still a business - a public/private partnership between the federal government and the community board. It has been incorporated and granted tax-exempt status by the State and Federal Government to fulfill a need. A nonprofit business has rules regarding how it is managed. One of those rules is that it must establish and maintain a board to make sure that the organization continues to operate and do what it was set up to do.

Please take a few moments and complete the brief attachment and return via fax (405-424-1111) or e-mail jgrant@okpca.org. If you have questions or want further information, please contact OPCA as listed below.

_____ Are you familiar with BPHC PIN 98-23 (CHC Program Expectations)?

_____ Did you find this information to be helpful, either for you or new board members as they join your organization?

_____ How long have you been a board member?

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Board Bulletin

Volume 1, Number 2 • February 2003

The CHC Board and the Outside World

Relationships with Health Center Staff

Successful health center boards have an open, honest working relationship with the center's CEO or Executive Director - the board's one employee. The CEO serves as the primary communication link between the center's board and staff. The board instructs their employee, the CEO, regarding health center policies and the CEO oversees the staff to make sure established board policies are properly implemented. Board members should not discuss health center matters with any staff member except the CEO. If board members individually discuss health center issues with staff members, they are subjecting the entire board to valid lawsuits due to violation of established policy.

Relationships with Health Center Funders

While the board is not expected to know details of all funding arrangements, the board is responsible for knowing: who the funders are; the basic 'rules' established by various funders; potential impact of changes in funding; and how to educate and inform health center funders. Health centers, primarily supported by the Bureau of Primary Health Care (BPHC), should have a strong relationship with their assigned Project Officer, who assists the center in complying with requirements and reporting procedures in order to continue to qualify for BPHC funds. Because grant applications are signed by the board chair, the board is responsible for ensuring that the health center fulfills the grant activities for which they have been funded.

Educating/Informing Public Policymakers

The board serves as the health center's advocate and must have an understanding of how changes in the political and social environment can impact changes in Federal and State funding policies. Educating and informing policymakers involves making visits to state and federal legislators and making phone calls to voice position on legislation. The board, as a group, can write letters to newspaper editors and mobilize community members to advocate on behalf of the health center. A very effective strategy is to invite a legislator or policymaker to visit the center. Note: Boards must understand the distinction between educating/informing and lobbying, an activity for which federal funds cannot be used. OPCA offers Grassroots Advocacy Training and would welcome the opportunity to visit your board on this subject.

Please take a few moments and complete the brief attachment and return via fax (405-424-1111) or e-mail jgrant@okpca.org. If you have questions or want further information, please contact OPCA as listed below.

_____ Would you like more information on Grassroots Advocacy Training?
How long have you been a board member? _____ years

_____ Did you know that the entire board could be sued if one board member speaks individually with CHC staff regarding health center issues?

_____ Did you know the Board, by signing grant applications, is accountable to the federal government (and other funders) to ensure that the health center fulfills funded grants?

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Board Bulletin

Volume 1, Number 3 • March 2003

Board Organization

Board Size & Eligibility

Bylaws - the health center's internal rules - must establish procedures for board size, eligibility, selection, terms, officers, etc. BPHC Program Expectations in Policy Information Notice (PIN) 98-23 specifies that health center boards must be between 9 - 25 members. The board should have at least enough members to: represent all segments of the community, represent all areas of expertise required and complete the work needed without overloading some or all board members. Composition of the board must reflect the community and comply with regulations, such as BPHC rules that require 51% of the health center board to be consumer representatives. Half of the remaining board members (49% or less) cannot earn more than 10 percent of their income from the health care industry. Board members must have expertise in community affairs (i.e., accounting, business, finance, legal affairs, insurance) and reasonably represent individuals served by the health center in terms of ethnicity, race, and sex. Employees of the center and their spouses, children, parents, or brothers or sisters (blood or marriage) cannot be members of the board.

Board Selection

The skills required of health center boards are complex and comprehensive making selection of appropriate board members extremely important. When the board selects new members, all of the factors discussed under the previous section must be considered. Bylaws should specify how to replace board members. Every time a new member is needed, rules regarding board composition continue to apply. Regular attendance and active participation must be required of board members. OPCA has a "Sample Board Composition Evaluation Tool" that can help with the selection process.

Terms

Again, the center's bylaws should specify the length of a board term, and how many terms can be served consecutively. Except in the case of a newly established health center, it would be impractical and potentially chaotic to have a board with all new members at the same time. To prevent this, terms are generally staggered. One way to determine how many board members will be elected each year is to divide the number of board members by the length of a standard term. By using this formula, there is a provision for a balance of new board members and experienced board members.

If you have questions or want further information, please contact OPCA as listed below. Please take a few moments and **complete the brief attachment** and return via **fax (405-424-1111)** or e-mail jgrant@okpca.org.

_____ Would you like more information on OPCA Board Training opportunities?
How long have you been a board member? _____ years

_____ Do you know your organization's bylaws and the established procedures for board organization?
Do the bylaws specify how new board members are selected? Are term limits specified?

_____ Would you like OPCA to send you a "Sample Board Composition Evaluation Tool"?

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Board Bulletin

Volume 1, Number 4 • April 2003

CHC Board Member Job Description

Duties and Responsibilities

While the responsibilities of the individual board member and those of the board as a whole should complement each other, they are fundamentally different. Board members as individuals have no special privileges or authority but they are expected to meet standards of personal conduct that are higher than those usually expected of other types of volunteers. Duties and responsibilities of individual board members include:

- To put the interest of the health center above any personal or other business interest
- To maintain the confidentiality of board information
- To attend board meetings regularly, participate actively and serve on at least one committee
- To review information and data provided to the board and make informed decisions
- To exercise reasonable business judgment in the conduct of board business
- To participate actively in board issues by critiquing reports and providing innovative resolutions to problems
- To assure that the needs and interest of the community are represented in plans and decisions regarding services to be offered by the health center

Required Knowledge and Skills

- Understanding of the concept and operation of a health center
- Ability to read and understand standard financial statements
- Ability to work with others on the board and in a community setting
- Training and/or experience in one or more of the following areas is desirable
- management - financial management - law - personnel management - health care delivery - marketing/
public relations - employee relations - community affairs

Duty of Care, Loyalty and Obedience

The **duty of care** means that the board member is expected to exercise the same level of judgment that any other competent and prudent person would exercise in a similar situation. **Duty of loyalty** is being faithful to the organization -- never use information obtained as a board member for personal gain. Health centers must develop specific written policy regarding how to handle a potential conflict of interest -- a conflict between the private interest and public obligations of a person in an official position. Once the board makes a decision or sets policy, the individual board member must exercise the **duty of obedience** and is not permitted to act in any way inconsistent with that policy or the goals of the center, ensuring that public trust is never compromised.

If you have questions or want further information, please contact OPCA as listed below. Please take a few moments and **complete the brief attachment** and return via **fax (405-424-1111)** or e-mail jgrant@okpca.org.

- _____ Would you like more information on OPCA Board Training opportunities?
How long have you been a board member? _____ years
- _____ Are you familiar with your health center's "Conflict of Interest" policy?
- _____ Would you like education on reading and understanding standard financial statements?

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Board Bulletin

Volume 1, Number 5 • May 2003

CHC Board Officers and Committees

Officers

CHC Board officers play a vital role in guiding board operations, and a position as a board officer involves a significant commitment of time and effort as well as knowledge and leadership ability. Typical officers are as follows:

- **Chairperson** - the team builder, liaison between board and CEO, planner - from large-scale issues to agendas, facilitator, delegator. The chairperson keeps the group organized, prods the group to move ahead, set rules for internal discipline, and tries to help the group make sound decisions.
- **Vice-chairperson** - backup chairperson and logical successor to chair, leads committees and heads up special assignments. The vice-chair must be prepared to take over for chairperson if necessary.
- **Secretary** - responsible for minutes, which are the legal documents of the meeting; they are a record of actions, attendance, and decisions made at the meeting. The secretary doesn't have to physically record the minutes but is responsible for their accuracy and completeness and must review and sign the minutes before they are forwarded to the entire board.
- **Treasurer** - responsible for making sure adequate financial records are kept, that accurate and timely financial reports are delivered to the board, and that the center's finances are audited annually. However, this does not mean that the treasurer is responsible for managing the center's finances - that is the job for salaried staff.

Committees

Much of the board operations work is done by committees. However, a vote by the full board is needed to set policy. Types of committees include:

- **Standing** (or Permanent) - executive, finance, personnel, planning and quality assurance
- The **Executive Committee** - may meet to conduct critical business that cannot wait until the next board meeting; however, all Executive Committee actions must be reviewed and approved by the full board.
- **Ad Hoc** (Temporary) - appointed by the board to study important issues as they arise (e.g., audit, CEO search, CEO evaluation, and grievance). Non-board members may be brought on to assist ad hoc committees.

Committees Can:

- Investigate/research
- Report
- Make recommendations

Committees Cannot:

- Set Policy
- Act on their own
- Interfere with the daily operation of the center

If you have questions or want further information, please contact OPCA as listed below. Please take a few moments and **complete the brief attachment** and return via **fax (405-424-1111)** or e-mail jgrant@okpca.org.

_____ Would you like more information on OPCA Board Training opportunities?

How long have you been a board member? _____ years

_____ Are you familiar with your organization's internal rules for discipline?

_____ Have you reviewed your organization's most recent audit?

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Board Bulletin

Volume 1, Number 6 • June 2003

CHC Board Meetings - Where the Action Is!

Getting Ready

How well board meetings are conducted is a direct reflection of how well the board is operating. While there are no set rules regarding board meeting structure, CHC boards should know the following:

- CHCs receiving federal funds are required to meet at least once a month.
- Maintain minutes - documentation of approval/disapproval of board policies and procedures is required.
- Adhere to Oklahoma law regarding nonprofit organizations and open meetings.
- Courts have ruled that you may violate your responsibility as a board member by failing to attend meetings.

Board meetings work best when an agenda is prepared and distributed in advance. It is helpful to include presenter, time allocations and expected action for each agenda item.

Following the Rules

Traditionally, board meetings follow *Robert's Rules of Order* or some other standard parliamentary procedures. Whether or not your organization's bylaws specify parliamentary conduct, rules should clearly set the tone for businesslike and courteous meetings that allow for participation by all board members without letting a discussion get out of control. Every board member should have the right to discuss an issue and to agree and/or disagree with the discussion. As Plato wisely said, "People are freest when the rules are clear."

Making Motions and Voting

A specific issue is brought before the board when a member makes a "motion" - a formal request or proposal for the board to take action. Although enough time should be allotted to discuss the motion fully, the presiding officer and other board members should try to keep the discussion focused and move it toward a decision -- a vote. The basic process for making a motion is as follows:

- Move (state the motion)
- Second the motion (the support - needed to consider the motion)
- Restate (done by the chairperson for clarification)
- Discuss, clarify, debate
- Vote - either Yes, No, or Abstain (must abstain, not vote, if there is a conflict of interest issue)

The minutes then document motion activity. If you wish to have on record how you voted on a motion, ask that your vote be recorded in the meeting minutes. The record of your vote may be important if someone later attempts to hold you personally liable for the board's actions or inactions.

If you have questions or want further information, please contact OPCA as listed below. Please take a few moments and **complete the brief attachment** and return via **fax (405-424-1111)** or e-mail jgrant@okpca.org.

- _____ Would you like more information on OPCA Board Training opportunities?
_____ How long have you been a board member? _____ years
_____ Are you familiar with your organization's bylaws in regard to parliamentary procedure?
_____ Are you familiar with basic motions? If not, see page 55 of *Governing Board Handbook*.

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Board Bulletin

Volume 1, Number 7 • July 2003

Basic Responsibilities of a CHC Board

Six Basic Responsibilities

How a board goes about governing and ensuring that the organization serves the community involves a variety of activities. The following six elements - basic responsibilities of CHC boards - will be the focus of each *Board Bulletin* from July through December 2003:

- ◆ Define and Preserve the Mission of the Organization
- ◆ Make Policy
- ◆ Safeguard the Assets of the Center
- ◆ Select, Evaluate and Support the CEO
- ◆ Monitor and Evaluate Center and Board Performance
- ◆ Plan for the Long-Range Future of the Center

Mission - The Gold Standard To Measure CHC Effectiveness

The mission statement, the public declaration of the center's guiding principles or values, should:

- Explain why the center was established and whom it serves;
- Depict the services provided;
- Illustrate what makes the center special or different - why clients should use its services;
- Point to a clear direction for future center activities and priorities and form the basis for planning;
- Be 'flexible' - provide for changes in the community and the overall health care marketplace;
- Be widely distributed and/or visible to center board, staff, and clients; and
- Be simply worded, brief and to the point.

It is the board's job to continually clarify the mission of the center - making sure that it is still appropriate and relevant. The board must also understand that all corporate goals and objectives should be based on the mission statement. Because the health care environment is constantly changing, it is the board's job to be attuned to those changes and to ensure that the health center's goals and objectives remain dynamic and sensitive to the marketplace in which it operates. To visualize goals and objectives, try this football analogy. Think of goals as being touchdowns and objectives as being the 'first downs' necessary to score. In summary, it is the board's job to ensure that the mission statement is well crafted and relevant, and that its principles are being fulfilled through realistic goals and objectives.

If you have questions or want further information, please contact OPCA by phone or e-mail jgrant@okpca.org. The questions below are provided to help you measure the effectiveness of your health center's mission.

_____ Are the needs/goals of the community reflected in the mission statement? If not, why?

_____ Do you feel your health center's current and proposed programs and services are helping accomplish the center's mission and purpose?

_____ Is the board accomplishing the mission? If not, why?
Is the CEO accomplishing the mission? If not, why?

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Board Bulletin

Volume 1, Number 8 • August 2003

CHC Policy - Framework for the Future

Formulating Policy

When initiating or changing policy, boards must review the mission statement to see if the proposed change is consistent with the goals and objectives of the health center. Boards must make policies as follows:

◆ **Operations** - CHC boards must establish policy regarding selection, review and dismissal of CEO, provide organizational structure, ensure availability of equipment, facilities and personnel necessary to achieve goals and objectives, determine scope, location(s) and availability of center services, establish client grievance procedures, and ensure compliance with applicable federal, state and local laws and regulations.

◆ **Personnel Management** - The board establishes broad personnel policies to guide the CEO in developing a sound and realistic personnel program that includes selection and dismissal procedures, employee compensation (including wage/salary scales, benefit packages), position descriptions/classification, performance review and evaluation procedures, employee grievance procedures and equal opportunity practices.

◆ **Fiscal Management** - The board should establish the center's financial priorities, institute long-range planning and review and approve CHC's annual budget and annual audit. The board should also ensure the establishment of internal control procedures, purchasing policies and standards, protocols for determining eligibility for services (including partial-payment schedule criteria), and a billing and collection system that establishes charges based on locally prevailing charges and the health center's costs; adjusts or discounts charges based on a person's ability to pay and family size; bills and collects from users of services and third-party payers, such as Medicare and Medicaid, insurance companies, or managed care plans; incorporates procedures for aging accounts receivable; and includes procedures for writing off bad debts.

◆ **Clinical Management and Quality Assurance** - CHC boards are obligated to make sure the CEO and staff make continuing efforts to maintain and improve the center's quality of care. Given that obligation, the board should ensure that the CEO hires a competent, qualified Medical Director who will effectively supervise other clinical staff; generally accepted principles of quality health care are developed and followed; and an internal quality assurance program that provides for the periodic review of the center's performance in meeting the health needs of the community.

Implementing Policy

The board has the job of making policy while the center's CEO and staff have the job of implementing policy. Once policy is made, implementation must be reviewed and approved by the board. It is then the board's job to support the CEO and the staff in their efforts to successfully implement the change.

If you have questions or want further information, please contact OPCA by phone or e-mail jgrant@okpca.org. The questions below are provided to help you evaluate your health center's policy making procedures.

_____ Does your CHC board have a mechanism in place to reassess and reorder its priorities to meet the changing needs of the community, of the health center, and of its funding sources?

_____ Do you review the health center's financial status when making programmatic decisions?

_____ Does your health center have appropriate grievance procedures (client and employee) in place?

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Board Bulletin

Volume 1, Number 9 • September 2003

CHC Stewardship: Safeguarding the Assets

The center's board is placed in a position of trust by the community and funding sources to protect the center's assets, ensure that the center's income is managed properly, and preserve the center's mission.

Rules and Regulations - External and Internal

The board is required to understand and follow all of the external rules and regulations relative to the center 1) being a nonprofit business chartered by the State; 2) being tax exempt and IRS compliant, and 3) receiving multiple funding sources (Federal, State, private), each with specific legal requirements. CHC boards must also abide by the 'internal' rules and regulations found in their organizational and legal documents. The articles of incorporation contain a statement as to why the center was founded, list the center's legal powers and authority, and any limits on that power or authority. Bylaws are detailed rules regarding governance.

Center Finances, Budget and Audit

The board must be clear on its role in the financial management of the center and set policies that clearly define revenue and expenses in the budget. CHC boards must monitor the status of income and expenditures and compare the actual financial condition of the center against policies made by the board. To safeguard finances, CHC boards must understand 1) where the money is coming from, 2) how the money is being spent, and 3) how to plan for needed services and growth. The **Budget** is the CHC's business plan - how it will spend the center's revenues to pay for the services it provides. Boards can only monitor budget performance if they have information that is understandable, accurate and timely. To fulfill their role as fiscal stewards, board members should receive monthly fiscal status reports that include a comparison of budgeted to actual expenditures, balance sheet and a forecast of future income and expenditures. While the annual **Audit** is a legal requirement, it also helps protect against financial mismanagement. The audit must be conducted by an independent CPA or accounting firm to comply with federal requirements. A change of CPA firm every few years or, at a minimum, rebidding the audit, is recommended.

Danger Signs

Income sources -- Federal/State grants or contracts, reimbursement from insurers, collection of patient fees -- must be monitored by the board, whose job includes paying attention to any changes in the law, policies, or fiscal situation that will impact availability or amount of funding. Boards should carefully watch **Expenditures**, particularly staff salaries/benefits and contractual services. Another area to watch for is increases in miscellaneous expense account spending or past due bills. It is the board's responsibility to ask questions if they see expenditures being greater or less than what was budgeted.

If you have questions or want further information, please contact OPCA by phone or e-mail jgrant@okpca.org. The questions below are provided to help evaluate your board's role as trustees of CHC management.

- _____ Are you familiar with rules and regulations for State nonprofits, IRS tax exemption status, and those specific to each of the CHC's funding sources?
- _____ Do you monitor budget performance in regard to board policies? Do you review the audit?
- _____ Do the monthly financial reports provide you with information to fulfill your role as CHC steward?

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Board Bulletin

Volume 1, Number 10 • October 2003

Select, Evaluate and Support the CEO

Health center boards have one employee - the CEO. The role of the CEO is to manage, direct and monitor health center operations and patient care functions in compliance with Federal and State requirements and the policies established by the board. Because the CEO translates board policy into action, the choice of the CEO is one of the board's most important responsibilities.

Selecting the CEO

The CHC Board should establish and conduct a careful search process in order to secure the best CEO for the center's development and effectiveness. Before beginning the process, the board should:

- Make a list of the center's "pluses" and "minuses" - what the center has to offer and its drawbacks
- Decide exactly what the board is looking for in a CEO (e.g., characteristics, skills, credentials) and formulate the interview process so you have a guide against which to measure each candidate
- Prepare a clear and concise position description with defined roles and responsibilities
- Provide a competitive compensation package that will attract well-qualified candidates
- Develop a written list of priorities for the incoming CEO with objectives for the first year of employment

Once the search process begins, the board should consider all qualified candidates to select the best 'fit' from candidates with a diverse range of expertise and perspectives. The *entire* board should review interview information, including references, just as the *entire* board should also select and hire the CEO.

Evaluating the CEO

The board should conduct an annual evaluation (performance review) of the CEO and should treat it with the same importance as the first time the board hired the CEO. Evaluations offer an opportunity to provide the employee with specific guidance on areas for improvement, and to discuss professional growth issues and training needs. The CEO's performance should be tied directly to the position description and overall roles and responsibilities in the areas of community relations, financial management, grants management, personnel administration and program development. Ongoing reports from the CEO to the board are recommended.

Supporting the CEO

It is important that open communication be maintained between the board and the CEO -- an essential element in a positive working relationship between the two parties. While the board should give the CEO clear guidance, the board should refrain from interfering in the daily operations of the health center and should trust the CEO's ability to manage. It is the board's responsibility to work with the CEO to identify other center staff whose skills complement those of the CEO, and identify areas for skill building.

If you have questions or want further information, please contact OPCA by phone or e-mail jgrant@okpca.org. The questions below are provided to help you review your policies/procedures for CEO selection/evaluation.

- _____ Does your board have a process in place for selection and/or evaluation of the CEO?
- _____ Do you receive monthly reports from the CEO at each board meeting?
- _____ Have you provided your CEO with the resources necessary to carry out board policy?

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Primary source for OPCA Board Bulletins is the Governing Board Handbook, 2000 developed by U.S. Department of Health and Human Services, Health Resources and Services Administration (HRSA), Bureau of Primary Health Care (BPHC), Bethesda, Maryland. Funded by HRSA/BPHC.



**Strengthening Oklahoma's Safety Net,
One Community At A Time**

Board Bulletin

Volume 1, Number 11 • November 2003

Monitor and Evaluate Center and Board Performance

Another responsibility of the CHC board is to periodically review both the Center's performance and its own performance to decide if operations are on track or if corrective action is needed.

Evaluating the Center's Performance

The best way to see if the center is succeeding is to see how it measures up against the current mission statement. How well is the mission being achieved? How effective are the programs? What is the quality of the programs and services? Would the needs of the community be better served by revising, replacing, or even discarding some of the programs or services? Health center performance standards are:

- Mission/goals/objectives
- Budget, financial plan, business plan
- HRSA/BPHC Program Expectations for Community and Migrant Health Centers (PIN 98-23)
- Various clinical measures (e.g., decrease in infant mortality rate)
- Past performance
- Patient satisfaction surveys and client focus groups gathered to discuss key issues

These standards all have one objective -- to benefit the users of the health center's services.

Evaluating the Board

The board should have written policy regarding its own evaluation, which should focus on the board's strengths and weaknesses. The tool used by a board to measure its own performance shouldn't be lengthy or complicated but should review the following areas:

- Does the board meet its responsibilities? Do the board's decisions have a positive impact on the community?
- Meeting minutes for the year - clear records of discussions and details on decisions made by the board
- The board's interaction with the CEO - Has it been positive and effective? Have problems been resolved?
- The dynamics of board members' interaction with each other - Do a few members dominate meetings? Does the chairperson keep discussion on track?
- Time set aside for skill building and training - active boards engage in training opportunities
- How well the board sets goals for the upcoming year? Are the goals realistic?

Board goals are not to be confused with organization goals but should deal with how the board operates and functions (internal goals such as meeting attendance, appropriate expertise needed on board). Both OPCA and the National Association of Community Health Centers (NACHC) offer CHC board development .

If you have questions or want further information, please contact OPCA by phone or e-mail jgrant@okpca.org. The questions below are provided to help you evaluate the performance of your center and your board.

_____ Are the health center's programs reaching everyone they were set up to reach?

_____ Does your board meet monthly in accordance with regulations? Is there a quorum at each meeting? Do members understand and follow basic parliamentary procedures?

_____ Does your board formally develop goals and objectives as part of a 3- to 5-year strategic plan?

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Volume 1, Number 12 • December 2003

Strategic Planning: The Roadmap to CHC Success

The center's board operates in an economic, social, and political environment. Through planning, the board can give the center the means to establish and sustain its mission, determine policies and procedures, highlight the need for -- and ways to obtain -- funding, market the center's services, deal with changes in leadership, and make timely responses to legal and political mandates. Health center boards need to engage in both long-term (strategic) planning and short-term planning. The strategic plan is a dynamic process, one that continually guides the board and center management. Planning is a 'change agent' when change is merited. It is a process whereby you determine direction and then develop a roadmap that will take you there. Planning is hard work but provides valuable feedback as to employee performance/satisfaction and productivity of current activities. It is a valid management function and a responsibility of the CHC board that must have the commitment from the board, the center's CEO, and the staff to be successful.

The Planning Process

The strategic planning process consists of six, sequential stages:

- **Stage 1: Mission Formulation** - developing the mission statement is critical because it will chart the center's future direction and establish the basis for decision-making
- **Stage 2: Organizational Assessment** - you must know the critical issues (a difficulty that has significant influence on the way the center functions or its ability to achieve its goals) and must be able to identify and rank the center's strengths, weaknesses, opportunities and threats
- **Stage 3: Developing Objectives** - examine capacity and what is expected from its users of services
- **Stage 4: Developing Action Plans** - identify the ways in which each objective might be met, including cost analysis and strategies that will most likely achieve the objective
- **Stage 5: Implementation** - the staff should be able to use the plan in everyday decision-making
- **Stage 6: Evaluation** - serves to identify successful strategies, as well as strategies that may need to be modified to ensure that all objectives are met

Short-term planning usually occurs on an annual basis and is derived from the 3- to 5-year strategic plan. Planning helps build consensus but be aware that not everyone involved in planning will agree on what should be done. The challenge is not to get bogged down with the planning process but to stay focused on the purpose of planning. To keep things moving forward and to come to closure when there isn't unanimous agreement, you may want to utilize the services of a trained facilitator who will help move the planning process along. Both strategic and short-term plans are meant to serve as a framework for action in creating the health center's future direction.

If you have questions or want further information, please contact OPCA by phone or e-mail jgrant@okpca.org. The questions below are provided to help you with development of sound planning practices.

_____ Does your center have a strategic plan? Is it being implemented and evaluated?

_____ Does your mission statement define the purpose of the center? Does it express the values of the organization -- its 'philosophy of doing business'?

_____ Does your board, with the management team and staff, engage in short-term planning annually?

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