home care
association of washington
REPRESENTING HOME HEALTH, HOSPICE, & HOME CARE AGENCIES

HCAW BOARD ORIENTATION MANUAL

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Mission and Vision Statements

The mission statement --- or statement of purpose --- is the single most important governing document. It is the justification for the IRS issuing tax-exempt status to the organization.

The mission statement guides the board and staff, and informs members, prospects and other organizations as to the reason for your existence. A mission statement is generally reviewed and updated when the strategic plan is developed. The trend is for a short, memorable statement that identifies the organization, the membership it serves, and what it offers.

HCAW Mission Statement

To promote the long-term growth and sustainability of in-home services in Washington State. HCAW provides leadership for consumers by unifying in-home services providers through public outreach, education, legislative advocacy and supporting practice standards.

An inspiring statement answering: "What do we want to be in the long-term if we had unlimited resources?" Think of the vision statement as an image of the organization if it fully carries out its mission and strategic plan.

The best way to remember the difference between a mission and vision is that the mission is what you are doing in the present, whereas the vision is what you want for the future.

Another great way to remember how to define your vision is to think about how your association will help your community. It's easy to assume that your vision statement only needs to describe how your association will be the best. However, try to think about what problem you want to solve and how you can provide support to that cause.

HCAW Vision Statement

We are inspired to position homecare services as a leader in Washington State.

Governing Documents

There are four governing documents that create the framework for a nonprofit organization. All board members are responsible for reading the governing documents.

Mission & Vision Statements

A mission statement describes an organization's fundamental, unique purpose. It communicates the value the nonprofit delivers, and what groups it serves and how. Therefore, the best nonprofit mission statements are a succinct encapsulation of: Why your nonprofit exists. Whom it serves.

A vision statement is a one-sentence statement describing the clear and inspirational long-term desired change resulting from an organization or program's work.

Articles of Incorporation

The articles of incorporation (sometimes referred to as the charter or constitution) are the primary rules governing the management of a corporation and are filed with a state or other regulatory agency. State legislatures may amend the law periodically; thus, staff must monitor changes to state corporate law.

Bylaws

A bylaw is a rule governing the internal management of the organization. Bylaws cannot supersede local, state, or federal laws.

The founding directors draft the initial bylaws under the authority of its articles of incorporation. Bylaws generally cover topics such as membership categories, how directors are elected, how meetings are conducted, standing committees, and descriptions of responsibilities.

The general membership typical must ratify amendments to the bylaws. The IRS requires that amendments to the governing documents be submitted annually (use Form 990.)

Policies & Procedures

A policy interprets the governing documents and is usually maintained in the form of a policies and procedures manual; for example, a policy on investing the organization’s savings. The policy development process includes the identification of recurring issues and the best alternatives selected by the board.

Policies can be adopted or changed by the board without involving the general membership. The authority and rationale for policies are always found in the meeting minutes. Consider policies as the wisdom of the board passed on to future leaders and staff.

What's Public, What's Private

Every association is encouraged to operate transparently. The more information you share, the easier it is for the members and our community to get to know and trust HCAW. While there are many things the association should make public, some documents are considered confidential and should not be shared.

Public Information

There are some documents HCAW is required by law to share with the public or our membership.

- **Form 990** - With some exceptions, every tax-exempt nonprofit must share this form from the last three years with anyone requesting it. Form 990-T indicates in what types of unrelated business activities the organization was involved. Forms 1023 and 1024 are the tax-exemption application forms that also must be readily available. These forms explain the original purpose of the organization and allow those interested to verify that the primary mandate is still being respected.
- **Specific financial documents** – Tax-exempt organizations must make annual returns and exemption applications filed with the IRS available for public inspection and copying upon request. (In addition, the IRS makes these documents available.)
- **Board meetings, meeting notices, and minutes** - Must be open or available to the public.

Private Information

- **Strategic Plan/Planning Documents** – While these are not required to be made public information, it is recommended sharing so as to operate transparently.
- **Confidential material** - Material that would jeopardize the reputation or integrity of an individual must remain undisclosed.
- **Budget** - The financial statements demonstrate how the organization's budgetary plans came to life and they take the role of serving as indicators of the financial activities that took place.
- **Executive session minutes** - These should be distributed only to board members or anyone else present at the meeting.
- **Donors** - Donors have a right to remain anonymous. If a donor makes this request, his/her name should not be disclosed to anyone outside the senior staff and the board. The list of all donors that is attached to Form 990 is not part of public disclosure.
- **Private addresses of board members and staff** - If board members (or key employees) cannot be reached via the organizational address, another address must be disclosed on Schedule O of the Form 990.

Board Member Duties

Any member in a position of leadership in the organization, holding a position on the Board of Directors, or serving on the committees, who feels he or she is unable to support the policies of the association, should tender a resignation as a volunteer leader. To enable maximum efficiency of the Board of Directors, meeting attendance is expected. After two (2) absences within a year, a vacancy may be declared.

A board member must meet certain standards of conduct and attention in carrying out his or her responsibilities to the organization. Several states have statutes adopting some variation of these duties, which would be used in court to determine whether a board member acted improperly. These standards are usually described as the duty of care, the duty of loyalty, and the duty of obedience.

Duty of Care

Requires directors and officers to be diligent and prudent in managing the organization's affairs. The individuals charged with governing must handle the organizational duties with such care as an ordinary prudent person would use under similar circumstances.

Duty of Obedience

Requires the board to act in accordance with the organization's rules and policies, and in furtherance of its goals as stated in the mission statement, articles of incorporation and bylaws.

Duty of Loyalty

Dictates that officers and directors must act in good faith and must not allow their personal interests to prevail over the interests of the organization. In particular, the duty of loyalty requires a director to avoid conflicts of interest that are detrimental to the charity. To that end, the board of directors should adopt and regularly evaluate an effective conflict of interest policy that:

- Requires directors and staff to act solely in the interests of the association without regard for personal interests;
- Includes written procedures for determining whether a relationship, financial interest, or business affiliation results in a conflict of interest; and
- Prescribes a certain course of action in the event a conflict of interest is identified.

Directors and staff should be required to disclose annually in writing any known financial interest that the individual, or a member of the individual's family, has in any business entity that transacts business with the association.

Fiscal Responsibility

As a board member, you must make sure there's adequate income to pay for the association's day-to-day operation, as well as for its long-range goals. You're also a trustee of HCAW's assets, which means that you and your fellow board members are ultimately responsible for the bottom line.

Your role is to be concerned with your association's overall fiscal health, rather than to be obsessed with every penny it spends. To perform your role properly, though, you must monitor your association's finances. Here are four areas for which you have fiduciary responsibility...

Setting Financial Policy

You decide where the money goes, based on HCAW's long-term plan. This requires the ability to discriminate between high and low-priority items.

Developing and Approving a Budget

The budget is the association's annual financial blueprint. Your responsibility is to make sure there are enough resources available to meet goals and objectives for the upcoming year.

Delegating to the Executive Director to Carry Out Financial Policy

It's your executive director's job to spend the money you've budgeted. Once you've approved the
budget, step aside and let him/her spend allocated funds.

Monitoring Financial Outcomes

A big part of the board's responsibility is to monitor the results of the executive director's spending decisions.

Board members are naturally worried over bills. The board member's role, however, is to monitor financial outcomes. To do this, you need to ask your executive director these questions...

- Are we on target with planned expenses and revenues?
- Do budget expense and revenue projections work out?
- Are we financially solvent, and can we pay current expenses?
- Will we have income to meet future expenses?

Association Organizational Chart

This chart outlines the official communication, accountability, and authority between roles. There will be times where we don't follow this chart, but we want to establish these "official" guides. This is to be used to clarify roles and how these roles are related to each other.

Communication

The owners (those receiving service) speak to the board, the board speaks to the executive director, and so forth. Communication also flows in the opposite direction: customers speak to staff, staff to the executive director, etc. By neglecting the chain of communication, there's the opportunity for customers to stop speaking to staff and instead come to the executive director with their concerns. Again, not saying this can't happen every once and a while, but it is the staff's role to field these questions and bring any immediate concerns to the executive director. This way, the staff is also not kept out of the loop as to member concerns and it's easier for everyone in their respective roles to manage their time better.

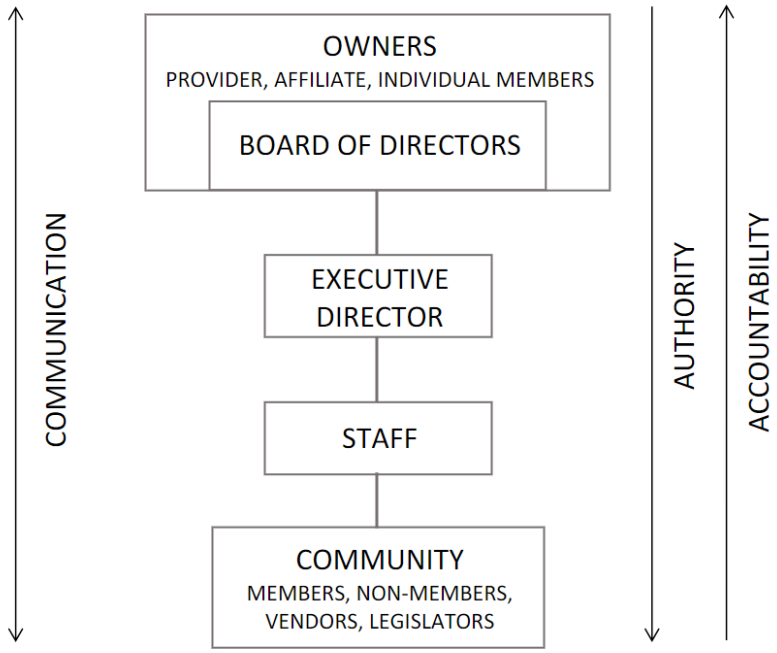
Authority

This chart also serves to show the chain of authority. The owners have authority over the board, the board has authority over the executive director, etc. Authority flows in one direction.

Accountability

Like with authority, accountability flows in one path but the opposite direction. The executive director is accountable to the board, the board is accountable to the owners, etc.

You are all serving two roles, board member and association member, which can be difficult to navigate at times. This chart serves as a reminder that when you go to a board meeting you represent all owners of the association, including your agency.



Minutes to Protect the Organization

The purpose of taking minutes is to protect the organization and the people who participate in the meeting. The minutes are not intended to be a record of discussions or serve as a newsletter for the organization. They serve as the "law" of the association and approved minutes are to be made available to the public upon request.

Guidelines

- Accurate minutes should be kept for all official meetings, including committee and PAC meetings.
- Minutes should be a record of what was considered and accomplished at a meeting, not a record of conversations, reports, and work assignments. They should not include sidebar conversations, if they occur.
- Minutes should indicate the place, date, and time of the meeting and the names of all participants at the meeting, including persons arriving late or leaving early, guests, and staff.
- The ultimate legal importance of meeting minutes can be substantial if antitrust, tax, advocacy, or other legal issues are raised in litigation or some other context. (In several antitrust cases, recollections by those who attended meetings were disregarded in the face of the official minutes.) Include a statement in the minutes about distribution of financial reports and approval or corrections to prior minutes.
- From time to time, minutes may contain self-serving statements to protect the organization, for example, "An antitrust avoidance statement was read and distributed to the board." This is to the advantage of the organization.
- Drafts of minutes, notes, and audio or video recordings should NOT be retained in the organization's files once the minutes are approved. The executive director and staff must be sure they are discarded.
- Distribute minutes within a reasonable time following the meeting to those who attended, those who were supposed to be at the meeting and then safeguard them in the permanent files of the organization. If you distribute minutes electronically, be sure your bylaws and corporate laws permit this.

Strategic Plan

Purpose of a Strategic Plan

A strategic plan serves as a roadmap – especially important in organizations where volunteers frequently transition. A plan guides the board of directors, committees, and staff.

It informs members what they can expect from the organization. Interested organizations and persons gain insights from the plan. It identifies priorities and the allocation of resources.

An organization without a plan is swayed each year by the interests of the current leadership. The plan should frame nearly every discussion, maintaining a keen focus on mission and members.

Principles of Strategic Governance

What form of governance does the board utilize? What elements of Strategic Governance can be applied to our leadership processes?

- ☐ Clear mission, vision, and values statements guide leaders and staff.
- ☐ The strategic plan is the driving force for agendas, board discussions, and the focus of successive leaders.
- ☐ The goals and strategies are translated into a more precise (tactical) business or action plan by staff.
- ☐ Performance measures are the basis for gauging progress.
- ☐ The executive director charges committees with work from the plan. Committees have access to the board through a director or staff liaison if they are chaired by other than board members. The board of directors does not do committee work at the board table.
- ☐ When non-strategic discussions arise, a member of the board or staff is empowered to query the relevance of the discussion.
- ☐ Board members are responsible to each other – taking pride in their follow-through and achievements while serving in the leadership role.

Insurance Coverage

General Liability Coverage

This is typically the "core" coverage for a nonprofit. The most common occurrence covered by the policy is "slip and fall." Depending on the extent of the general liability coverage purchased, commercial general liability insurance may provide coverage for a wide range of negligent acts, which result in bodily injury, personal injury, advertising injury, or property damage to a third party. It does not cover damage to property under your control.

Directors & Officers Liability Coverage

The key distinction with directors and officers liability is that it is intended to cover wrongful acts that are "intentional" as opposed to "negligent." This is because directors and officers insurance is designed to cover actions and decisions of the board of directors. These actions may be in error and wrong, but they are, nonetheless, "intentional" acts. Most other types of insurance do not cover "intentional" acts. Among the items a good directors and officers policy should include is broad coverage for all types of employment related actions, including wrongful termination, harassment, discrimination, failure to hire, etc. It should also pay defense costs as they are incurred, not on a reimbursement basis.

Job Description –President

In addition to the main Board Member responsibilities, the President will:

- Call and chair meetings of the Board of Directors;
- Call and chair meetings, and serve as a member of the Executive Committee;
- Serve on the Finance Committee with other HCAW Officers;
- Nominate a Director to serve as the Policy Committee Chair;
- Appoint committee, task force, or council chairpersons, who, with Board approval, will select a minimum of three (3) other members;
- Appoint members to the Internal Audit Committee to review the Association's financial procedures on a bi-annual basis;
- Serve as approved signer on HCAW's bank accounts and share responsibility of signing monthly management fee checks with the Secretary/Treasurer;
- Serve as approved signer on the HCAW Political Action Committee (PAC) account with the Executive Director and PDAC Chairman;
- Act as chair of the HCAW PAC and report to the HCAW Board of expenditures made by the PAC, and upon request, report on fundraising efforts and the current status of the fund. This will include fund expenditures and expenses as reported to the Public Disclosure Commission on forms C3 and C4;
- Make the annual report to the membership at the annual meeting in the spring of each year;
- Appoint committee chairs and committee members, with input from members and volunteers. Board will give final approval;
- Attend the NAHC Legislative Conference each year;
- Represent the organization, as necessary, at official functions with private and public organizations;
- Fill vacancies in committees and offices with the approval of the Board;
- Additional responsibilities as assigned.

Job Description –President-Elect

In addition to the main Board Member responsibilities, the President-Elect will:

- Serve as member of the Executive Committee;
- Serve on the Finance Committee with other HCAW Officers;
- Attend regular and special meetings of the Board of Directors;
- Represent the Association with local associations as assigned;
- Participate in leadership training;
- Assume the office of President for the remainder of the un-expired term of office in the event of the resignation, death, or removal of the President or due to the failure or inability of the President to perform the duties of his/her office;
- Manage special requests and projects as delegated by the President;
- Additional responsibilities as assigned.

Job Description –Treasurer

In addition to the main Board Member responsibilities, the Treasurer will:

- Serve as member of the Executive Committee;
- Attend regular and special meetings of the Board of Directors;
- Represent the Association with local associations as assigned;
- Be responsible for overseeing the financial records maintenance and financial affairs of the Association;
- Serve as chairperson of the Finance Committee;
- Prepare an annual budget proposal at least 90 days prior to the fiscal year;
- Serve as approved signer on HCAW's bank accounts and share responsibility of signing monthly management fee checks with the President;
- Provide a Financial Report at every regular meeting of the Board of Directors;
- Additional responsibilities as assigned.

Job Description –Secretary

In addition to the main Board Member responsibilities, the Secretary will:

- Serve as recording secretary for executive sessions of the Board;
- Serve as member of the Executive Committee;
- Attend regular and special meetings of the Board of Directors;
- Represent the Association with local associations as assigned;
- Be responsible for overseeing the records maintenance of the Association;
- Preside in the absence of the President and President-Elect;
- Ensuring periodic review/approval of organizational documents such as Bylaws, annual evaluation of the Strategic Plan, Annual Board Member Evaluation, and other directives. If not otherwise noted, all documents must be reviewed every three years.
- Participate on the Nominating Committee.
- Review minutes prior to distribution to the Board and track Board member meeting attendance.
- Additional responsibilities as assigned.

Job Description – Past President

In addition to the main Board Member responsibilities, the Past President will:

- Serve as member of the Executive Committee;
- Attend regular and special meetings of the Board of Directors;
- Represent the Association with local associations as assigned;
- Serve as chair of the Nominating Committee;
- Serve on the Finance Committee with other HCAW Officers;
- Additional responsibilities as assigned.

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CHEAT SHEET

LANGUAGE TIPS FOR MEETING MANAGEMENT

SITUATION	CHAIR CAN SAY
Call to order	*This meeting of the [name of organization] is called to order.*
Unanimous consent	*Without objection... If there is no objection...*
To begin discussion	*It has been moved and seconded that... Is there any discussion?*
If there is no second	*Since there is no second, the motion will not be considered.*
To end discussion	*Is there any further discussion?* or *Are you ready to vote?*
Process Point of Order	1. Member says, *"Point of Order."* 2. Chair says, "*State your point.*" 3. Member explains issue. 4. Chair says, "*The point is well taken,*" or "*The point is not well taken.*"
When someone says "Point of Order" but can't explain what they mean	*What rule has been broken?*
Process Point of Information	1. Member says, "*Point of Information.*" 2. Chair replies, "*State your question.*" 3. Member states question. 4. Chair can respond three ways: ▸ Respond yourself. ▸ Ask someone else to respond. ▸ Say, "*We'll get back to you later.*"
When "Point of Information" is misused to give information	*What information does the member need in order to decide how to vote?*
If someone is dominating the meeting	*No one may speak a second time until everyone who wishes to do so has spoken once. Does anyone else wish to speak on this topic?*
When comments are not germane (relevant)	*Members will kindly keep their remarks strictly to the topic under discussion.*
If people are whispering	*Members will kindly refrain from sidebar conversations.*
Adjourning the meeting	*There being no further business, this meeting is adjourned.*

- Strive to be firm, fair and friendly.
- Use the "third person" to keep things neutral and lessen conflict.
- Give up on the word *but*. Always say *and*.
- Say *kindly*, not *please*, which sounds like pleading.
- Say *very well* and move on.
- Beware of "negativity bias." No frowning, no sarcasm, no eye-rolling.
- Keep an emotional connection with the members by emphasizing what we have in common.

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MOTIONS CHARTS

	Rank	Second?	Debatable?	Amendable?	Vote?
PRIVILEGED MOTIONS					
Fix time to which to adjourn	**13**	Yes	No	Yes	Majority
Adjourn	**12**	Yes	No	No	Majority
Recess	**11**	Yes	No	Yes	Majority
Raise a question of privilege	**10**	No	No	No	Chair decides
Call for orders of the day	**9**	No	No	No	At request of one member
SUBSIDIARY MOTIONS					
Table	**8**	Yes	No	No	Majority
Previous question or call the question*	**7**	Yes	No	No	Two-thirds
Limit or extend limits of debate	**6**	Yes	No	Yes	Two-thirds
Postpone to a certain time	**5**	Yes	Yes	Yes	Majority
Refer to committee	**4**	Yes	Yes	Yes	Majority
Secondary amendment		Yes	Yes	No	Majority
Primary amendment		Yes	Yes	Yes	Majority
Amendment*	**3**	Yes	Yes	Yes	Majority
Postpone indefinitely	**2**	Yes	Yes	No	Majority
MAIN MOTION					
Main motion	**1**	Yes	Yes	Yes	Majority

* Amendment and previous question may be applied to motions higher than themselves.

INCIDENTAL MOTIONS				
	Second?	**Debatable?**	**Amendable?**	**Vote?**
Request for information	No	No	No	Chair responds
Point of order	No	No	No	Chair rules
Appeal	Yes	It depends	No	Negative

BRING-BACK MOTIONS				
	Second?	**Debatable?**	**Amendable?**	**Vote?**
Reconsider	Yes	It depends	No	Majority
Rescind	Yes	Yes	Yes	§
Amend something previously adopted	Yes	Yes	Yes	§
Take from table	Yes	No	No	Majority

§ Majority with previous notice, two-thirds without notice, or majority of entire membership

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