

I'm on the Fair Board!



Now what's my job?

Common Phrases from Fair Boards

“Why are we spending so much time talking about this?”

“What are we doing?”

“I thought this was something we pay our staff to do?”

“Why are we delegating this decision to staff— isn’t it our job to do?”

“I didn’t realize I was also expected to _____ (fill in here).”

Common Phrases from CEO's

"Why isn't my board more engaged?"

"Am I meeting the expectations of the board?"

"I'm getting conflicting directives from board members...Who do I listen to?"

"Why won't they _____(fill in here)?"

"I didn't realize I was also expected to _____(fill in here)."

Developing Effective Board's & Board Members



What is your role?

How do you impact the fairgrounds?

Dave Dillabo,

California Department of Food & Agriculture - Fairs & Expositions Branch

Providing
SUCCESSFUL
Direction



CLARITY



Common Characteristics of an Effective Board

- Understand their Role & Duties
- Develop & Promote an inspiring culture
- Are actively engaged in work of Governance
- Accept Accountability for their individual performance and the performance of the organization

Common Characteristics of an Effective Board

- **The Board displays Leadership, Integrity & Good Judgement & uses these three attributes to ensure more effective decision making.**
- **The Board ensures the fairgrounds demonstrates transparency, accountability and responsibility.**
- **The Board speaks with “One Voice” and consistently displays Board Solidarity.**

Providing Successful Direction



TOP TEN HELPFUL TIPS

1. **Clarity of Roles & Responsibilities**
2. **Effective CEO/Board Relationship**
3. **Clear Direction**
4. **Policy Development**
5. **Fiscal Management**
6. **Getting Business Done**
7. **One Voice**
8. **Develop the Board**
9. **Board Engagement**
10. **Avoid the Not To Do list**

Providing Successful Direction

1



Clarity of Roles & Responsibilities

**Clear and well defined understanding
of the Board, Board Members & CEO
Roles & Responsibilities**

Clarity of Roles & Responsibilities of the Fair Board, Board Members & CEO

“More than ever, today’s boards of directors must be clear about their role, collectively and individually.”



Clarity of Roles & Responsibilities of the Fair Board, Board Members & CEO

The Board's Role...

The board's job is not to run the fair organization, but rather to ensure that it is well run.

Clarity of Roles & Responsibilities of the Fair Board, Board Members & CEO

The Fair Board's Role "Governance"



The Fair Board works together with the CEO to focus on policy objectives; the **operational, financial and administrative functions of the fairgrounds; strategic planning, the budget, and the long term welfare of the fair organization.**

Clarity of Roles & Responsibilities of the Fair Board, Board Members & CEO

The Fair Board's Role

The Board's focus should be setting **broad policies and goals**, giving the CEO the support and full authority to implement them in the **day-to-day management** of the fairgrounds.



Clarity of Roles & Responsibilities of the Fair Board, Board Members & CEO

The Fair Board's Responsibilities

Maintain focus on the best interests of the fair

- **Monitor finances** to ensure the fairgrounds remains a viable entity
- **Establish Policy**
- **Hire the CEO**
- Prepare an **annual performance evaluation** for the CEO
- Provide guidance on the fair organizations' **long term goals and expectations**
- Develop the fairgrounds **strategic plan**



Clarity of Roles & Responsibilities of the Fair Board, Board Members & CEO

The Fair Board's Responsibilities

- Ensure the fairgrounds implements **"best business" practices**
- Adopt a **balanced operating budget**
- Strive towards consensus on the Board when establishing **annual goals and objectives**
- Adopt **key operating policies and procedures**
- Develop, support, and encourage **positive community and business relations**



Clarity of Roles & Responsibilities of the Fair Board, Board Members & CEO

Understanding your role as an **INDIVIDUAL BOARD MEMBER**



Clarity of Roles & Responsibilities of the Fair Board, Board Members & CEO

INDIVIDUAL BOARD MEMBER'S ROLE

- Actively **support all fairground's activities**, including interim activities and fair sponsored events
- **Attend all Board meetings** well prepared and well informed and ready to vote on action items
- **Actively participate** in fair meetings and conferences sponsored by its business partners (i.e. F&E, WFA, CFSA)
- Actively **pursue training opportunities** to remain educated about board members' roles and responsibilities (e.g., open meeting laws, ethics training.)

Clarity of Roles & Responsibilities of the Fair Board, Board Members & CEO

INDIVIDUAL BOARD MEMBER'S ROLE

- Consider other points of view, make constructive suggestions and help the Board make decisions that benefit the fairgrounds and the community it serves
- Serve and rotate on committees
- **Represent the fairgrounds** to individuals, the public, and other fairs and associations
- **Assume Board leadership roles** when requested
- **Avoid a conflict of Interest.** To place the good of the Association before that of personal or professional gain.

Clarity of Roles & Responsibilities of the Fair Board, Board Members & CEO

INDIVIDUAL BOARD MEMBER'S ROLE

- Individual board members have **no authority to act independently from the board of directors.**
- To abide by the majority decision of the Board and speak with a unified message. Once the board has made a decision, all board members must respect it – even if they did not agree with the decision because **the board speaks with ONE VOICE.**
- **Individual board members cannot speak for the board**, unless they have been authorized by the board or designated the public spokesman for the Association.

Clarity of Roles & Responsibilities of the Fair Board, Board Members & CEO

AREA OF RESPONSIBILITY	CEO	BOARD OF DIRECTORS
Day to Day Operations	Makes all decisions regarding daily operations	No Role
Board Meeting Information	Create and Post Board Meeting Agenda Notices, Meeting Agendas and Meeting Minutes	Provides input to the CEO for items to be listed on the Meeting Agenda.
Short-term goals (less than one year)	Establishes and carries out	Monitors performance of CEO in accomplishing the short-term goals set
Long-term goals (more than one year)	Recommends and provides information	Approves Long-term goals
Budget	Develops & recommends annual budget	Approves Annual Budget
Fees and charges	Develops & recommends fee schedule	Approves fee schedule
Personnel policies	Recommends & administers	Approves recommended policies
Staffing	Makes <u>ALL</u> hiring decisions	Authorized to select only the CEO
Staff Salaries	Approves salaries, based on state/county guidelines, union contracts, and recommendations from supervisors	Approves line item for salaries in the annual budget

Clarity of Roles & Responsibilities of the Fair Board, Board Members & CEO

AREA OF RESPONSIBILITY	CEO	BOARD OF DIRECTORS
Staff Assignments	Makes all decisions regarding deployment of staff	No Role
Staff Grievances	CEO hears ALL grievances, manages process for addressing them	No Role
Staff Evaluation	Evaluates overall staff performance, with input from supervisors	Evaluates performance of CEO only
Staff Terminations	Makes final decisions with input from supervisors	Authorized to terminate only the CEO
Capital Purchases	Prepares Requests	Approves requests as line item in annual budget
Decisions on building, renovation, leasing, & expansion	Recommends, signs contracts with board approval	Makes decisions, assumes financial responsibility
Emergency Repairs	Notifies board chairperson and act's with chair's concurrence	Works with CEO to respond to emergencies
Major Repairs	Obtains estimates and prepares recommendation for board	Approves Recommendation

Clarity of Roles & Responsibilities of the Fair Board, Board Members & CEO

AREA OF RESPONSIBILITY	CEO	BOARD OF DIRECTORS
Minor Repairs	Authorizes repairs up to amounts pre approved by the board	Establishes policy which specifies amounts CEO may spend without prior board approval
Cleaning & Maintenance	Establishes & monitors schedule	NO Role
Contracts	Negotiates and signs contracts within parameters set by board and state/county to secure services for purposes in keeping with the fair's plan and budget	Establishes policy which specifies amounts CEO may spend without prior board approval
Supply Purchases	Purchases supplies according to board and state/county policy and maintains audit trail	Establishes purchasing policies and annual budget for supplies
Capital Purchases	Prepares Requests	Approves requests as line item in annual budget
Billing, Credit & Collections	Proposes & implements policy	Approves policy
Appeals of CEO Decisions (From Community, Participants, etc.)	Places issue(s) on Board Agenda and briefs the board	Listens to appeal and makes decisions that are within the board's authority

Providing Successful Direction

#2



EFFECTIVE CEO/BOARD RELATIONSHIP

**Developing & Maintaining a Healthy, Effective,
Working Relationship with fellow board
members and the CEO**

Developing & Maintaining a Healthy, Effective, Working Relationship

The foundation of an Effective, Healthy, Working Relationship includes;

- Understanding Roles & Responsibilities
- Understanding Diversity
- Clarity of Expectations & Goals
- Trust & Transparency
- Teamwork, Unity & Support
- Proper Communication Lines
- Respect of other's ideas & opinions



Developing & Maintaining a Healthy, Effective, Working Relationship

Relationship With Fellow Board Members

- Role of each board member is clearly understood
 - Board Chair, Committee Chair, Committee Member, Board Member.
- Be respectful of each person's idea and opinion.
- Support the Board's majority decision.
- Communicate through the proper channels of communication.
- Utilize the Board member's diversity and expertise.

Developing & Maintaining a Healthy, Effective, Working Relationship

Board & CEO Relationship

- Have a clear and concise job description in place for the CEO.
- Are there clear policies in place that give direction to the CEO?
- Are the CEO's annual goals & expectations clearly expressed by the Board?
- Are there clear policies of how Board feedback is delivered to the CEO? Is there a "proper" line of communication?
- Allow the CEO to do the job that you hired them to do and make decisions that are within the clear boundaries (policies) that you have set as a board.
- Avoid Micro-Management in the day to day operations and management of the fairgrounds.

Relationship Responsibilities of Directors

- ✓ **Effectively advises the CEO:** Directors provide thoughtful, actionable guidance on how to effectively translate strategy into action.
- ✓ **Asks tough questions:** Directors ask probing, penetrating questions on the logic of strategic decisions and the dynamics of organizational performance. Directors consistently demonstrate the courage to ask tough questions.
- ✓ **Act when necessary:** The board does not hesitate to act when the standards of governance and fiduciary responsibility require intervention.
- ✓ **Demonstrates full commitment and engagement:** Directors maintain a strong commitment to the performance of the organization, and this is reflected in their level of engagement on issues of critical importance to the performance of the fair.
- ✓ **Promote an Inspiring & Positive Culture:** Directors bring a spirit of energetic teamwork to all interactions with the CEO.

Developing & Maintaining a Healthy, Effective, Working Relationship

Annual Performance Appraisal of the CEO

Is there a process in place to **ANNUALLY** evaluate the performance of the CEO?

- Is there an outlined process in the policy manual?
 - The evaluation should be completed in an **proactive, objective, consistent** and **constructive manner**.
- Components to include in the Evaluation Process Policy:
 - Evaluation Committee? Or the full board?
 - Provide the CEO a self-evaluation form to complete and return to the committee chair. An oral evaluation should take place after the committee has met, discussed and reviewed the self-evaluation form. The full Board should review the committee's evaluation and be present at the concluding CEO Evaluation meeting.

Developing & Maintaining a Healthy, Effective, Working Relationship

Annual Performance Appraisal of the CEO

- ▶ The CEO must be notified by the board chair 24 hours in advance of the agenda notice being posted and provided the option to choose for open or closed session evaluation review.
- ▶ During the performance evaluation, the board may choose to provide the CEO a raise.
- ▶ CEO Salary must be within the set salary range established by the state.

Developing & Maintaining a Healthy, Effective, Working Relationship

Granting the CEO a pay raise

- The Board of Directors has the flexibility and discretion to grant the CEO a raise ranging from **0 percent to 5 percent**.
- The increase **must not exceed** the maximum salary range established for the fair class size.
- The pay raise must be approved by the Board of Directors, reflected in the board meeting minutes and sent to CDFA HR for proper recording of the new salary level.

Providing Successful Direction

3



- **CLEAR DIRECTION** -

**Determine the
Fair Organization's Direction thru
Strategic Planning**

DETERMINE THE FAIR ORGANIZATION'S DIRECTION

Engage in Strategic Planning



- Does the board actively engage in the process of strategic planning?
- Does the board undertake strategic planning, or at least review and update the organization's strategic plan yearly?
- Does the board have a satisfactory process in place for the reporting of the organization's progress?
- Recommend to utilize an "outside" facilitator for the Strategic Planning. (CFSA offers this facilitating service)

DETERMINE THE FAIR ORGANIZATION'S DIRECTION

Fairground's Mission Statement, Vision, & Purpose



- ❖ Establish, review or modify, and reconnect with the mission and purpose
- ❖ The Mission Statement describes HOW you will get to where you want to be. Defines purpose and objectives. Board members and staff should have a clear understanding of the mission statement.
- ❖ Is the mission aligned with the organization's programs and services?
- ❖ Establish a clear vision of what the organization wants to be
 - ❖ Is the fair's vision compelling, clear, and concise?
 - ❖ Does it have easily defined metrics to track progress?

Providing Successful Direction

4



POLICY DEVELOPMENT

**Effective & Empowering
Policy Development**

Providing Successful Direction

Effective & Empowering Policy Development



Operational
Policy

Administrative
Policy

Financial
Policy

The Fair Board is responsible for ensuring that the fair remains a “*viable entity*” through the development of **Operational, Financial & Administrative** policies which ensure the effective management of the fairgrounds.

KEY POINTS OF POLICY DEVELOPMENT

- Policy Development may either be proactive or reactive.
- Policies should be reviewed & evaluated annually to determine their effectiveness.
- Policies should develop & promote transparency throughout the entire organization.

Management → Fair Board
Fair Board → Community



KEY POINTS OF POLICY DEVELOPMENT

Policies should “*empower*” management to make choices, but within clear parameters.

- ✓ Policies that include, “Don’t let this occur,” delegates authority to the management to act & make decisions. Provides a “virtual corral” for the CEO within which decisions are pre-approved.
- ✓ The CEO knows that decisions outside of those parameters are outside his/her authority and should be referred to the board.
- ✓ Productivity and Accountability are greatly enhanced by *empowering* the CEO to use good judgement and the expertise for which they were hired, but being clear as to the limits on that authority.



KEY POINTS OF POLICY DEVELOPMENT

Interpretation & Clarity of Policy

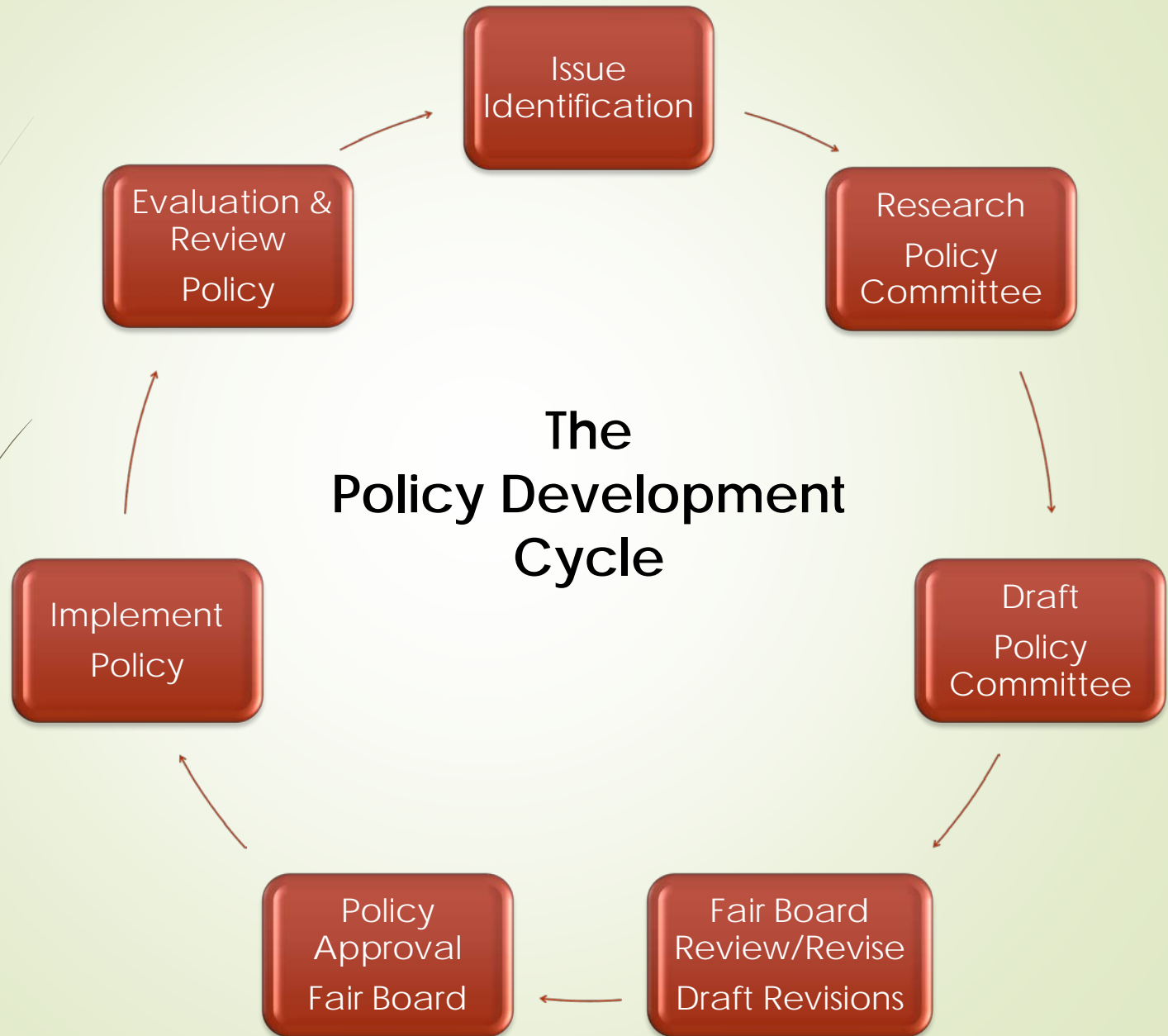
Boards should develop policies starting at the broadest level, adding more specifics as needed to the point that the majority of the board would accept any reasonable interpretation of the policy directive.

KEY POINTS OF POLICY DEVELOPMENT

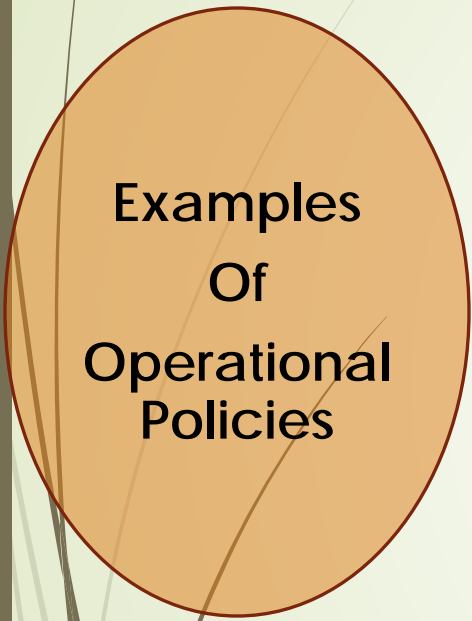

Interpretation & Clarity of Policy

“When a board’s policy expectations are clearly expressed and the CEO’s reporting conveys how the policies are being interpreted, both parties can be confident that they are on the same page as to issues of both organizational process as well as the intended results.”

The Development of Policies & Procedures



The Development of Policies & Procedures



Examples Of Operational Policies

- By-Laws
- Job Description Policies
 - Board of Directors, Board Chair, CEO
- Director's Responsibilities
- Fair Board Committee Policies
 - Roles & Authority of Committees
 - List of the Standing Committees
 - Examples of Standing Committees: Executive, Entertainment, Finance, Livestock, Fair Court, Friends of the Fair
 - Outline the purpose and function of each committee
 - # of board members on the committee
 - Selection of the chairman of each committee
 - Ad-Hoc Committees – Function
- New Board Member Orientation

The Development of Policies & Procedures



Examples Of Operational Policies

- Meeting Procedures Policies
 - Notification of Meetings
 - Quorum Requirement: **5 Board Members**
 - Consent Agenda Items to be included: 1 Motion
 - Meeting Minutes to be approved
 - List/Description/Amount of the current month's bills
 - List/Description/Amount of executed contracts
 - Rental Contracts
 - Standard Agreement Contracts
 - Vendor Contracts
 - Judges Contracts
 - Sponsorship Contracts
 - # of days in advance to a board meeting that the agenda packet is to be made available to the board
 - Procedure for requesting discussion items to be listed on the fair board meeting agenda

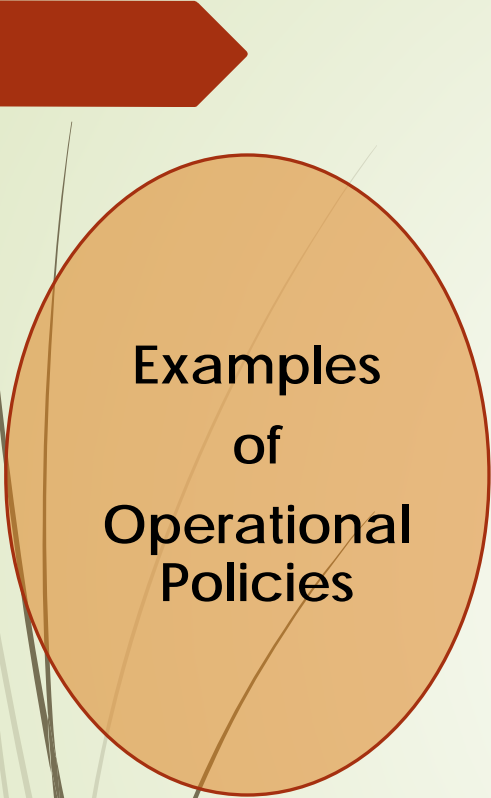
The Development of Policies & Procedures



Examples Of Operational Policies

- Delegation of Authority Annual Policy
- Worker's Compensation Annual Policy
- Fair Dates, Theme, Fair-time Hours
- Admission & Parking Policy
- Cash Receiving/Handling Policy
- Interim Use of Facility Policy
- Non-Profit Organization Rental Fee Policy
- Multi-Year Contracts Policy
- Sponsorship Policy
- Public Statement Policy
- Annual Events Policy
- Refund Policy
- Exhibitor Policies
 - Food Concessionaire
 - Commercial Vendor
 - Livestock Exhibitor

The Development of Policies & Procedures



Examples of Operational Policies

General Policies:

- Code of Ethics
- Smoking Policy
- Alcohol Policy
- Golf Cart Policy
- Safety Policy
- Drone Policy

State Employee Rights Policies:

- EEO Non-Discrimination Policy*
- Heat-Illness Prevention Policy*
- Pregnancy Discrimination Policy*
- Violence in the Workplace Policy*
- Reasonable Accommodation Policy*
- Sexual Harassment Prevention Policy*

*Policy templates are available from CDFA

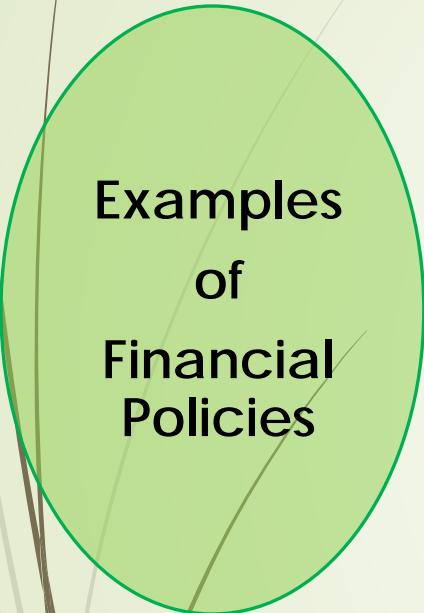
The Development of Policies & Procedures



Examples
of
Administrative
Policies

- Personnel Policy
 - All personnel hiring done by the CEO
 - CEO is responsible for the management of all employees
- Board & CEO Interaction/Feedback
 - How is feedback provided to the CEO by Board Members?
- Outline the CEO Responsibilities
- CEO Monthly Timesheet Approval Process
- CEO Evaluation
 - Purpose & Process
 - Goals & Objectives
- CEO Merit Salary Adjustment
 - Outline the process of providing the CEO a raise
- CEO Hiring Process

The Development of Policies & Procedures

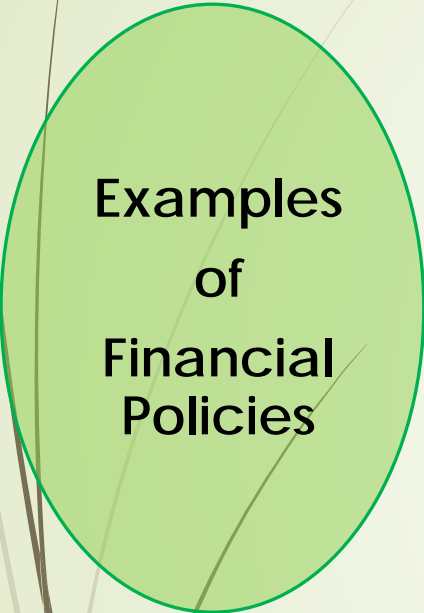



Examples of Financial Policies

- Annual Budget Policy
 - Prepared by CEO, Reviewed by Finance Committee, Approved by the board at the regular board meeting in_____.
- Statement of Operations Report Policy
- Financial Audit/Review Policy
- Check Signing Policy
 - Include a Policy for authorized signature(s) for:
 - Policy for Checks up to \$ _____
 - Policy for Checks above \$ _____
- Fairgrounds Rates
 - Rental Rates
 - Fair-time Vendor Booth Rates
 - Food Vendor Commission Rates
- Sponsorship Policy



The Development of Policies & Procedures



Examples of Financial Policies

- Develop a policy that allows ALL board members to effectively evaluate the fairground's financial standing.
- Monthly Financial Packet may include:
 - **Current Month Budget Analysis Report**
 - Compares current account status with the annual budget per account on a percentage & numerical basis.
 - **Previous Year(s) Comparison Reports**
 - Compares current account status with previous years on a percentage and numerical basis
 - **Trial Balance Report**
 - **Cash Flow Analysis**
 - **Balance Sheet**
 - **Current Leave Liability Balance**



Providing Successful Direction

5

Helpful
Tips

- **FISCAL MANAGEMENT** -

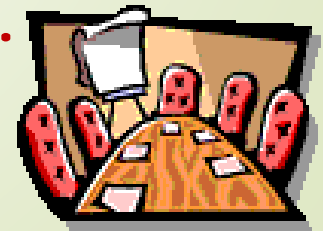
**Ensure Responsible
Fiscal Management**



Providing Successful Direction

Board's Fiscal Responsibilities

- Ensuring that the fairgrounds has **adequate resources** to carry out its mission and programs.
- **Protecting the fairground's accumulated assets** and ensure that **the current income is properly managed.**
- The board's financial stewardship obligations must be exercised in **conformance with all applicable policies, laws and regulations.**



Providing Successful Direction

Board's Fiscal Responsibilities

When setting Board fiscal policies, the following should be considered:

- Develop policies that allows **ALL board members** to understand & effectively evaluate the fairground's financial standing.
- Do all directors have the knowledge and/or the experience to understand your organizations financial reports? (Training, Request different reports.)
- Strategic plan should include **"financial roadmap"** for the fairgrounds.

Providing Successful Direction

Board's Fiscal Responsibilities

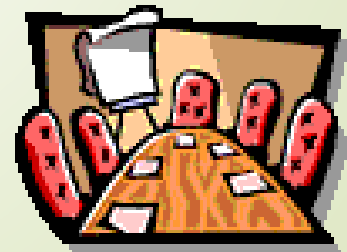
When setting Board fiscal policies, the following should be considered:

- **Cash management strategy** for the fairgrounds.
- Process for **budget augmentations** during the year.
- Desired **operating reserve level**.
- Do the financial policies reflect transparency?
- Does the board ensure that management delivers accurate financial reports to the full board on a monthly basis?

Providing Successful Direction

Bottom-Line

Scrutinize the financial condition of your fairgrounds as you would with your own business.



Providing Successful Direction

Understanding Management's Financial Responsibility to the Board

The financial statements are the responsibility of the fair's' management.



Providing Successful Direction

Management's Fiscal Responsibilities



The Fair CEO should:

- **Understand the fiscal condition** of the fair organization.
- **Ensure controls are in place** to safeguard fairground's funds and other assets.
- **Ensure financial data is readily available** to the Board of Directors
- **Ensure financial board packets are complete, accurate and contain relevant information.**
- **Provide assurance to the Board that all operations conform to applicable policies, laws & regulations.**

Providing Successful Direction

The Board's Financial Management Tools

- Finance Committee
- Strategic Plan
- Annual Operating Budget
- Monthly Board Financial Package



Providing Successful Direction

Finance Committee

Take advantage of the skills you have on the Board and don't accept a low standard of financial reporting.



Providing Successful Direction

Strategic Plan

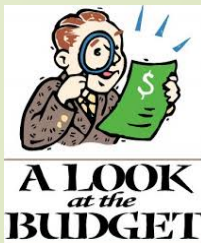
Strategic plan should include a long-term **“financial roadmap”** for the fairgrounds.



Annual Operating Budget

The budget is a vital management tool that should be utilized to:

- Plan and progress towards the **goals and objectives** of the fair organization.
- **Facilitate communication** between management and the Board of Directors regarding the fiscal direction of the fairgrounds.
- **Control activities.**
- **Measure and evaluate the financial performance** of the fair organization.



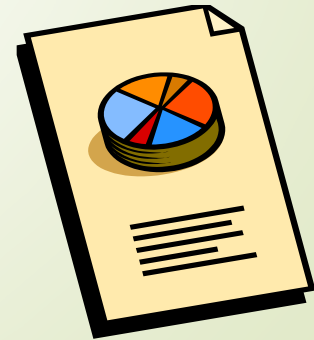
Providing Successful Direction

Budget Philosophy

- Budgets should be **realistic, achievable, and consistent with strategic plan.**
- Budgets should project a **net profit** or at worst **"break even"** before depreciation expense.
- Significant **variances** between actual vs. budgeted should have **reasonable explanations.**

Providing Successful Direction

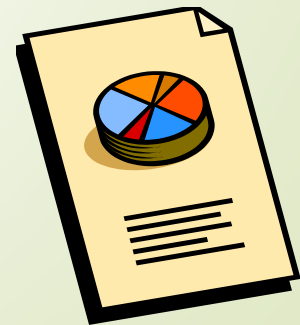
Monthly Board Financial Packet



Providing Successful Direction

Monthly Board Financial Packet

Expect no less than a complete, accurate, and relevant board packet. Board packets should have adequate information, but not too much data or detail.



Providing Successful Direction

Monthly Board Financial Packet

- Profit & Loss Statement
- Balance Sheet
- Trial Balance Report
- Cash Flow Analysis
- Budget Analysis Reports



Providing Successful Direction

**Know What
Questions to Ask**



Providing Successful Direction

Know What Questions to Ask

- How is the fair organization's **cash-flow**?
- Are we **paying the bills in a timely fashion** and taking advantage of available discounts?
- Are we projecting to stay within our **approved budget**?
- Is the proposed operating budget realistic?
- What **data** does management have to support next year's proposed operating budget?



Providing Successful Direction

Know What Questions to Ask

- Are we taking advantage of **available state and local resources**?
- Please explain the **significant revenue and expense variances** from our budget and prior year actual trends.
- Are we actively pursuing **collections of our outstanding receivables**?
- What is the fairground's current **employee leave liability**?



Providing Successful Direction

#6



- GETTING BUSINESS DONE -

**Understanding & Operating within the
Working Structure of the Board**

Providing Successful Direction

UNDERSTANDING & OPERATING WITHIN THE WORKING STRUCTURE OF THE BOARD

Getting Business Done!

- **Meeting Agenda Development**
 - Each Board Member should be involved in the development of the meeting agenda
 - Share draft agenda: Ask for topics to be discussed or added to the agenda
 - Each Board Meeting agenda should include an opportunity for board members to have items listed on the next/future board meeting agenda
- **Effective time management of meetings – Board Chair**
- **Best Use of Board Committees**

Providing Successful Direction

UNDERSTANDING & OPERATING WITHIN THE WORKING STRUCTURE OF THE BOARD

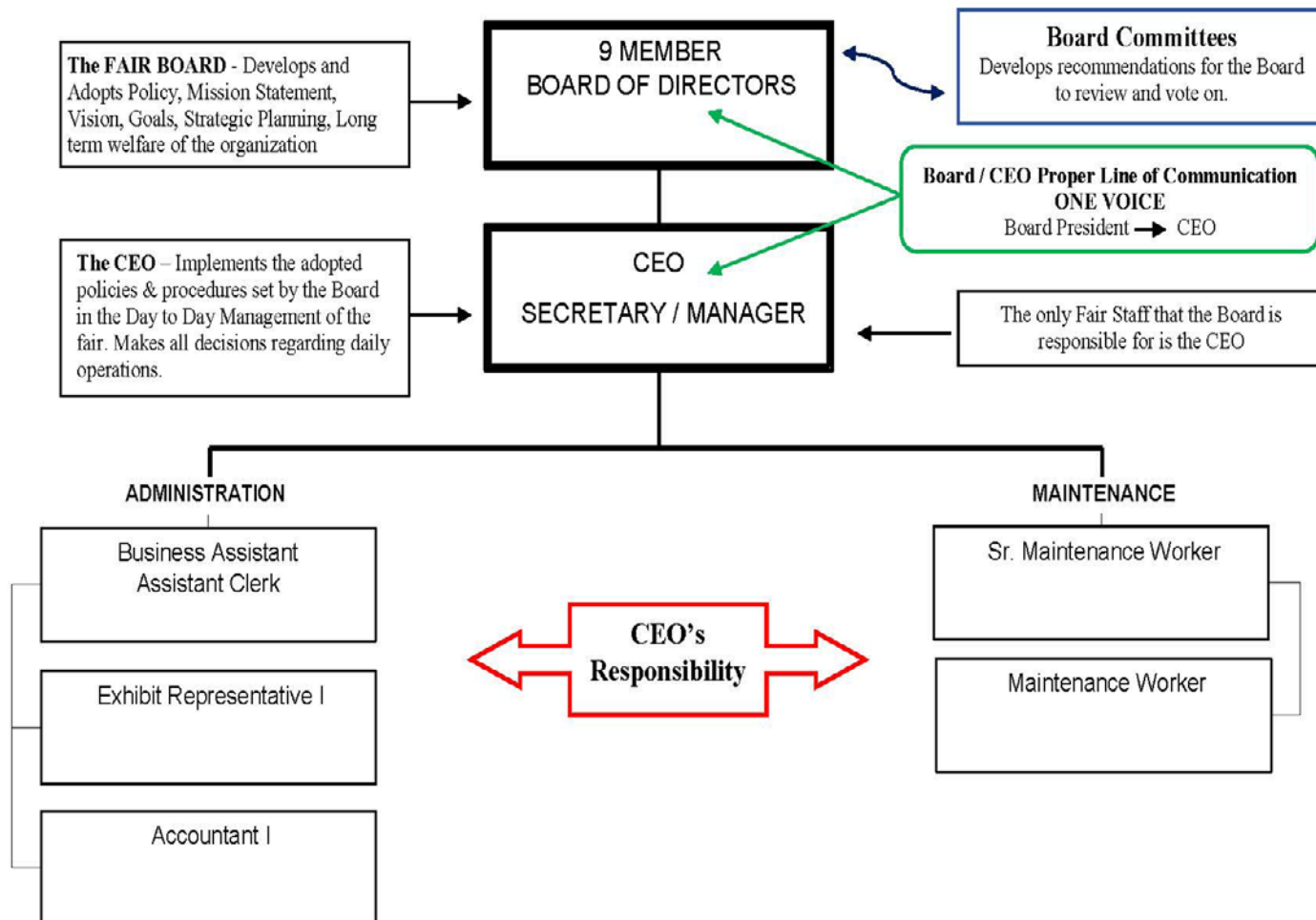
Board Officers

- ✓ Board Chair (President), Vice Chair (Vice President) and a Secretary/Treasurer (CEO – Not a Member of the Board).

Board Chair

- ✓ Serve as the board's chief governance officer.
- ✓ Ensures the board fulfills its duties in a manner consistent with governing policies.
- ✓ Responsible to preside and facilitate board meetings, ensure meetings run smoothly, efficiently & on subject and select committee chairs & members.
- ✓ Ensures compliance of applicable Open Meeting Laws and appropriate Parliamentary Procedure.
- ✓ Conveys requests and feedback to the CEO from board members.

Understanding the Board's Structure



Providing Successful Direction

UNDERSTANDING & OPERATING WITHIN THE WORKING STRUCTURE OF THE BOARD

The Development & Effective Use of Committees





Providing Successful Direction

Let the Committees do the Work!

- ❖ Each Committee should form its own mission statement that flows from the organization's overall mission. Survey other fairgrounds for recommendations on types of committees they maintain.
- ❖ Establish strong committee chairs & an itemized agenda for each committee meeting. Come prepared.
- ❖ Refine and do the "heavy lifting" through your committees.
- ❖ Help the board to resist the temptation to "re-do" the work of the committee at the board of directors meeting.



Providing Successful Direction

Let the Committees do the work!

- ❖ The board may approve or vote down the committee recommendation(s) or refer it back for additional work.
- ❖ Work with the Board President to have items referred to the appropriate committee and a timeline for the committee to return back to the board with report or recommendation.
- ❖ Prepare action minutes and recommendations to be brought before the board of directors for discussion and vote.



Providing Successful Direction

Understanding the Types & Functions of Committees

Standing Committees

Ad Hoc Committees

Advisory Committees

Ask Yourself?



Does your fairgrounds have and develop relevant board committees that match the fair's organizational needs?



Providing Successful Direction

Standing Committees

Permanent Committees that meet on an ongoing basis and are established in the fair organization's by-laws.

- ❖ The Board Chair appoints members to Standing Committees and appoints the committee chair. Typically, each committee shall consist of 2 to 4 board members; **Less than the quorum of the board.**
- ❖ Typically, the Standing Board Committees recommend actions to the full Board for discussion and vote.
- ❖ *Examples of Standing Committees include; **Executive, Governance, Policy, Finance, Facilities, Fair Operations, Ag Education, Livestock, Fundraising, Entertainment, Fair Court, Capital Improvements, etc.***



Providing Successful Direction

Executive Committee

ONLY Board Authorized Standing Committee

Purpose - Discuss Personnel, Potential Litigation, Preview Important Agenda Items, Review items suggested/adopted for addition to the fair organization's Policy Manual & By-Laws, **Handle emergency situations when full board cannot be gathered in time due to notice requirements.**

- ❖ Generally composed of the current board officers (Board President & Vice President) CEO and when possible the most immediate Past President. If past president is not available the chair shall appoint the senior Director to fill the position.
- ❖ *Authorized in the fair organization's by-laws to act on the board's behalf when time is of the essence, however full Board approval of important decisions is always preferred.*
- ❖ All other standing committees lack authority to make decisions, unless this authority was expressly delegated to them by binding action taken by the board in a noticed public meeting.



Providing Successful Direction

Governance Committee

Purpose is to ensure that the board fulfills its legal, ethical and functional responsibilities through adequate:

- ❖ Governance Policy Development
- ❖ New Board Member Recruitment Strategies
- ❖ Evaluation of the Board's Performance
- ❖ Ensure Completion of Training Requirements & the annual completion of the Form 700



Providing Successful Direction

Governance Committee

Duties may Include:

- Lead board recruitment, orientation, and education efforts
- Encourage ongoing board development
- Help clarify board roles and responsibilities
- Assess board effectiveness
- Ensure board leadership



Providing Successful Direction

Ad-Hoc Committees

A temporary committee developed to fulfill special, time limited functions on a specific issue.

- ❖ Most by-laws include a provision for the Board Chair to be authorized at any time to appoint an ad-hoc committee to study a specific issue or implement a particular project.
- ❖ Most Ad-Hoc Committees consist of 2 board members.
- ❖ After the Ad-Hoc Committee has provided the final report or finished the project, the committee automatically disbands.
- ❖ Example of Ad Hoc Committee Projects include: New Livestock Arena Feasibility Project, Long-term lease Feasibility Study, etc.



Providing Successful Direction

Advisory Committees

Purpose - The Board may develop an Advisory Committee as a means of gathering information and support related to the fair organization's program.

- ❖ Members of an Advisory Committee are not authorized to act as decision makers.
- ❖ Advisory Committees ensures that the fairgrounds benefits from expertise provided by local professionals and business people.
- ❖ Most bylaws authorize the Board Chair, upon the direction of the Board, to appoint an advisory committee for a purpose named and described by the board.

Providing Successful Direction

#7



- ONE VOICE -

**Enhance the Fairground's
Communication &
the Public Image
by speaking with
"One Voice"**

Providing Successful Direction

SPEAKING WITH ONE UNIFIED VOICE

From within and outside of the fair organization

- ✓ Speak with a Unified Voice from the Board to the CEO
- ✓ Speak with a Unified Voice from the Board to the Public
- ✓ Speak with a Unified Voice from the Fairgrounds Spokesperson to the Public

Providing Successful Direction

SPEAKING WITH A UNIFIED VOICE

- One voice builds the board's integrity and it's ability to hold itself, it's members and it's staff accountable.
- Speaking with a unified voice and message strengthens the fairgrounds public image and communication within the organization.
- Dissent that is brought forth productively in the boardroom is very healthy. That which is expressed in the parking lot after the meeting is not. Support the full Board's decision.
- **Spokesperson:** Adopt a policy that designates the CEO and/or the Board Chair as the official media spokesperson(s) on behalf of the fairgrounds. All media calls to other Board members are to be directed to the CEO or Board President.
- Adopt such a policy when times are good – not in times of crisis!

Providing Successful Direction

#8



- DEVELOP THE BOARD -

Develop the Board thru New Board Member Recruitment, Orientation & Board Self Assessment

Providing Successful Direction

New Board Member Recruitment

Who Recruits?, What Qualities?, Criteria?

?? ASK YOURSELF ??

Do you have a Governance Committee? Does the governance committee have a policy mandate from the board to recruit potential directors to apply?

- Do potential directors fit strategically with other board members?
- Are potential board members familiar with the organization and its vision?
- Does the potential director have a proven track record of working collaboratively in similar settings?
- Will the candidate offer intellectual or specialized industry experience to the organization?

Providing Successful Direction

New Board Member Recruitment

- **Describe why a prospective board member is wanted and needed**
- **Explain the expectations and responsibilities and don't minimize requirements**
- **Invite questions, elicit their interest and find out if they would be prepared to serve**
- **Recruit a diverse board**



Providing Successful Direction

New Board Member Orientation

When a new board member is appointed, it is important that the board have a policy in place to orient the new board member with the fair organization.

Key Components to a New Board Member Orientation Policy

1. Assign the new board member a mentor/"buddy" from the board
2. Provide a Board Orientation Book
3. Involve them in a Committee



Providing Successful Direction

New Board Member Orientation

1. Assign a Mentor/Board "Buddy"

Provide a mentor from the board. By the end of the orientation the new board member should feel as a part of the organization and understand the following:

- The fair's organizational structure
- The fairground's mission statement, vision and goals
- The fair organization's By-Laws and Policies
- The board's & board member's roles & responsibilities
- Review of the fair organization's history
- Board Communication Structure
- Scheduled Board Meeting Dates
- Available Committees to serve on
- Training Requirements (Ethics/Conflict of Interest)



Providing Successful Direction

New Board Member Orientation

2. **Provide a Board Orientation Book** – Include the following:
 - Fair Organization's Operational Structure
 - Organization Chart
 - Mission Statement, Vision, Goals
 - Policy Manual
 - Responsibilities of the Board and Individual Board Members
 - Board/CEO Communication Structure
 - Current Year Budget, Previous Year STOP
 - Current Financial Statements
 - Copy of the previous year board meeting minutes
 - List of all board members with telephone numbers
 - Calendar of meetings/events for the year

Providing Successful Direction

Evaluate the Board's Performance

1. Boards should evaluate their own conduct and effectiveness.
2. Ensure that there is a clear and consistent process in the policy manual for board assessment.
3. The evaluation should be completed by the Governance Committee and report back to the board with an assessment report.

Providing Successful Direction

Evaluate the Board's Performance

Criteria to Evaluate & Ask:

- ✓ Examine how the Board and CEO work as a team
- ✓ Evaluate the effectiveness of the "Board Process" and the Board/Management Delegation Policies.
- ✓ Do the board's policies align with the organization's mission statement, vision and goals?
- ✓ Is the board Micro-Managing or is there a need for additional policy development?
- ✓ Does the board comply with the applicable Open Meeting Laws?
- ✓ Does the Board develop policy and procedures that empower management?

Providing Successful Direction

#9



- BOARD ENGAGEMENT -

**The Benefits & Promotion
of Board Engagement**

Providing Successful Direction

Benefits of an Engaged Board

- ✓ An engaged board is an **effective board**
- ✓ An engaged board is a **high performing board**
- ✓ Engaged Board Members **Monitor, Question, Evaluate** and ALWAYS act in the best interest of the fair organization.
- ✓ Engaged Board Members are actively engaged in the work of Governance.
- ✓ An Engaged Board has an open culture of **Cooperation, Transparency** and **Accountability**.

Providing Successful Direction

Promoting Board Member Engagement

Creating an Open & Positive Culture
promotes
Board Engagement

- ✓ Be respectful of each board member's idea/opinion
- ✓ Change up the seating arrangement at meetings
- ✓ Provide opportunities for change and development -
Board Officers/Committees

Providing Successful Direction

Promoting Board Member Engagement

Managed Meetings promote Board Member Engagement

A managed meeting includes a thoughtfully prepared agenda that was developed with all the board member input and provides opportunity for vigorous board discussion, debate and questioning.

Providing Successful Direction

Promoting Board Member Engagement

Providing Educational & Social Opportunities promotes Board Engagement

- ✓ Hold board member retreats – Strategic Planning Event Retreat, Visit another fair as a group, etc.
- ✓ Promote board member attendance at fair conventions, board of director seminars and workshops.

Providing Successful Direction

Promoting Board Member Engagement

Rotation & Evaluation promotes Board Engagement

- ✓ Establish & Enforce Term Limits of Officers
- ✓ Rotate Committee Member Assignments
- ✓ Encourage Individual Self-Assessment of Board Members

Providing Successful Direction

Promoting Board Member Engagement

Celebrate the Positives promotes Board Engagement

- ✓ Recognize victories and progress – Even small ones!
 - ✓ Celebrate Accomplishments
- ✓ Appreciate Individual Contributions – to the board, the organization and the community
 - ✓ Make room for humor and a good laugh

Providing Successful Direction

#10



Helpful
Tips

- NOT TO DO LIST -

**Avoid/Minimize the items on the
Not to Do List**

Providing Successful Direction

TO DO LIST

- Lack of Strategic Planning
- Veering off from the organization's mission, vision
- Multiple Voices: Speak with ONE, UNIFIED Voice
- Allows for a Toxic Culture to permeate
- Failure to adhere to Open Meeting Laws
- Micro-Management of the CEO
- Failure to Communicate Properly
- Misguided Motivations/Conflict of Interest
- Lack of Transparency
- No Self-Assessment



**On behalf of the
CDFA Fairs & Expositions Branch**

Thank You