

Action for Boston Community Development, Inc



ABCD Board of Directors Manual
November 2020

TABLE OF CONTENTS

WELCOME!	4
1. THE PURPOSE OF THIS MANUAL	5
2. INTRODUCTION TO ABCD	6
ABCD’s Mission	6
ABCD’s History	6
ABCD’s Commitment to Racial Equity	6
3. RESPONSIBILITIES OF THE BOARD	7
The Overall Role of the Board	7
Governing Laws and Regulations	7
Directors’ Fiduciary Duties	8
4. STRUCTURE OF THE ABCD BOARD	9
Committees	9
Leadership Positions	11
5. HOW THE ABCD BOARD DOES ITS WORK	12
An Average Meeting	12
Meeting Processes and Procedures	12
Remote Meetings	12
Meeting Schedules and Notifications	12
Materials for Review	13
Transportation and Parking	13
Required Forms	13
Attendance	13
6. THE COMMUNITY SERVICES BLOCK GRANT (CSBG) AND THE BOARD	13
Anti-Poverty Mission	14
Community-Based Governance	14
Tripartite Board	14
Planning and Reporting	15

7. HEAD START AND THE BOARD	16
Head Start Program Management	16
Composition and Structure of the Governing Body	16
Board Program Oversight Responsibilities	17
Board Partnership with Parents	17
Head Start Eligibility	18
8. THE BOARD’S ROLE IN ABCD FINANCES	19
Fiscal Oversight	19
Finance Committee’s role and responsibilities	19
Treasurer’s roles and responsibilities	20
ABCD Accounting Policies and Procedures	20
9. KEY BOARD DOCUMENTS	21
10. RESOURCES FOR DIRECTORS	22

WELCOME!

Thank you for being part of the ABCD Family.

As a member of ABCD's Board of Directors, you are part of an organization with a proud nearly 60-year history of providing economic opportunity and fighting for economic justice. ABCD's Board members have been—and continue to be—leaders in confronting the issues of poverty and inequality, in Boston and beyond.

You have a very important job. Your individual skills and perspectives will help to guide an organization which reaches over 100,000 people in need every year.

We hope that you find being a member of the ABCD community to be a source of pride and fulfillment. We hope, also, that you will enjoy the opportunities for learning, leadership and community that are part of being an ABCD Board member.

We are very glad to have you!

1. THE PURPOSE OF THIS MANUAL

As a member of the ABCD Board of Directors, there is a lot to know—about the organization, the Board, and your responsibilities.

We hope this Manual will be helpful. It outlines some of the most important aspects of your work as a Board member (also referred to in this manual as a Director), and provides some of the historical, legal, and financial context for that work. Key documents, including ABCD’s Bylaws, Articles of Incorporation, and operating policies are provided for your reference.

We ask that you review the Manual and its links carefully.

However, it’s not the whole story. Every Board member will occasionally have questions. Never hesitate to ask. The Executive team and Committee Staff Liaisons are here to provide information and to facilitate your work.

2. INTRODUCTION TO ABCD

As a member of the ABCD Board of Directors, you are part of an organization with a great history—and a mission which remains clear and unchanged.

ABCD's Mission

ABCD's mission is to empower disadvantaged people by providing them with the tools to overcome poverty, live with dignity, and achieve their full potential.

To fulfill this mission, ABCD uses a comprehensive approach that systematically addresses the range of barriers faced by households in poverty – from day-to-day crises to long-term needs for jobs and education.

ABCD's History

Founded in 1962 under a Ford Foundation grant, ABCD was envisioned to bring economic resources to our low-income neighbors throughout the City of Boston. With the passage of the Economic Opportunity Act, which was signed into law in 1964, ABCD became one of the first members of the newly created network of Community Action Agencies (CAA). The Act was a sweeping plan to improve the lives of all Americans, regardless of their circumstances. As a CAA, ABCD has a tripartite board structure consisting of members from the local private sector, public sector, and low-income community who are democratically selected by a local ABCD Advisory Board of their peers. Leaders from each of these groups collaborate on developing responses to local needs for our most underserved and at-risk neighbors. (The tripartite board structure is discussed in greater detail in Section 6, Community Services Block Grant).

Over the last six decades, community action has evolved, but the main goal to empower communities with the resources to best meet their individual needs has not. The current federal legislation overseeing the CAA network is the Community Services Block Grant, usually referred to as CSBG.

ABCD's Commitment to Racial Equity

In response to the urgency of the current climate of racial unrest due to the continued violence towards Black, Indigenous and People of Color, and to stand as an ally and resource to our communities, ABCD's Board of Directors and staff affirm that we are committed to reflecting on, confronting, and eradicating internal and external racism through leadership in education, training, advocacy, community investment, and collaboration with others involved in this work.

For nearly 60 years, ABCD has worked to attack the causes of poverty and to create paths to opportunity for all. Our origins are inextricably linked to the courage of those who fought for Civil Rights. We recognize that racial injustice has helped create and perpetuate poverty over generations. Therefore, our poverty-fighting mission requires us to center the power and voice of oppressed communities.

Today, we rededicate ourselves to challenging the embedded racism and all of the inequities that fuel destructive imbalances in every sphere of life -- within our organization and in the world beyond. We pledge to hold ourselves accountable as we work together to build real and lasting change.

3. RESPONSIBILITIES OF THE BOARD

In many respects, being a member of the ABCD Board is similar to serving on any other nonprofit board. If you have experience on other boards, you will find much that is familiar. However, ABCD is also governed by specific laws and regulations which relate to its status as a Community Action Agency (CAA) and as a Head Start Grantee.

The Overall Role of the Board

A nonprofit board of directors has a defined set of duties. In general terms, the Board provides guidance to the organization's staff leadership on policy and direction, and provides oversight for programs and finances. That means that the Board generally operates at the "40,000 foot" level, and does not get engaged in day-to-day operations.

Governing Laws and Regulations

The work of ABCD's Board is governed by law and regulation, as well as by our own Bylaws and Articles of Organization (both of which are linked in the Key Board Documents Section.) Following are key laws governing the Board's duties and operations:

- Massachusetts nonprofit corporation law: Outlines the Board's general oversight role under Massachusetts nonprofit corporation law and contains requirements for Board operations. This law takes precedence over ABCD's Articles of Organization and Bylaws (*Mass. Gen. Laws ch. 180*).
- Federal CSBG Act (*42 United States Code, section 9910*). Tripartite board must fully participate in development, planning, implementation and evaluation of CAA's programs.
- Federal Head Start Act (*42 United States Code, section 9837(c) and (d)*), and the Head Start Performance Standards. These require an enhanced role of review and approval of fiscal, design, planning and compliance, and partnership with Policy Council (parents).

Directors' Fiduciary Duties

The overwhelming majority, if not all, Directors join ABCD with a passion for helping others, a dedication to improving the lives of our neighbors in poverty, and the goal to support lifting our communities to realize their best, unique possibilities. These instincts are vital to ensuring our mission to alleviate poverty is realized. But the responsibility for Board decisions do not end there. In fact, it goes far beyond to be the ultimate responsibility to ensure the organization is meeting its mission while maintaining a fiscally responsible business practice. In short, ensuring ABCD can continue to legally and financially provide quality services well into the future.

Under Massachusetts nonprofit corporation law, Directors have two duties: the Duty of Care and the Duty of Loyalty.

The Duty of Care is referred to as the “reasonable person standard.” Each Director is expected to act with the care that a reasonably prudent person in a similar situation would use in similar circumstances. Among other things, this means that Directors must: attend and actively engage in Board and committee meetings, trainings and similar activities (including raising questions and seeking clarification); review the materials presented to the Board (and request additional information if needed) before voting; and monitor delegated activities (for example, if relying on a report of committee or staff, reviewing the report).

The Duty of Loyalty requires Directors to act in good faith and in a manner they reasonably believe to be in ABCD's best interests. Most of our Directors have a diverse background and connections and bring much wisdom and experience to any Board decision. This is incredibly valuable to ABCD to have a variety of perspectives informing the actions of the Board. What the Duty of Loyalty is ensuring is that those perspectives are always shared from the position of *ABCD's best interest*.

ABCD has some safeguards to support the Duty of Loyalty to be met by every Director. First, each Director must follow the ABCD Conflict of Interest Policy (a copy is linked in the Key Board Documents section). Under this policy, each Director is required to annually complete an ABCD conflict of interest forms disclosing any actual or potential conflicts of interest (and to disclose any such conflicts that may arise throughout the year) and to refrain from voting on matters in which they may have a conflict. Second, each Director is expected to maintain the confidentiality of non-public information received as a Director and offer corporate opportunities to the ABCD first. Third, all Directors should abide by the Head Start requirement that Directors may not receive compensation from ABCD, have financial conflicts of interest with ABCD or its delegate agencies or have immediate family members who are employees of ABCD or its delegate agencies.

ABCD and the wonderful diversity of its tripartite board brings a great variety of talent and experience - all to the benefit of the communities we serve. As we all work together in service of ABCD's mission, we deeply appreciate all of the Board's work to channel their passions into effective governance and oversight of the organization.

4. STRUCTURE OF THE ABCD BOARD

ABCD's Board structure is influenced both by the size of the organization and by the requirements of CSBG and Head Start.

Committees

ABCD's Board of Directors is large—51 members—and it has oversight responsibility for a large organization. As a result, much of the work of the Board is done through committees, which allow for the efficient distribution of responsibility.

- **Program Committees**

Elder Services: This committee considers and oversees the ABCD programs related to services supporting the needs of the senior community, including the Foster Grandparent Program, health, advocacy, housing, technology and other available resources. Meets at the call of the Committee Chair, usually monthly.

Energy & Fuel Assistance: This committee considers and oversees all programs and policies relating to the conduct of the emergency fuel assistance, weatherization, and energy conservation. Meets at the call of the Committee Chair, usually monthly.

Head Start & Child Care Resources and Education: This committee considers and oversees the ABCD services and programs related to early care and education, including Child Care Choices of Boston, which is the child care resource and referral program for Greater Boston and Head Start and Children's Services, which provides comprehensive services, part-day and full-day, to families and children from 0 to age 5. The committee meets at the call of the Committee Chair, usually monthly.

Health Services: This committee considers and oversees programs and policies relating to the delivery of services in the health area, including reproductive health, HIV/STI Prevention, breast and cervical cancer prevention, professional training and other health promotion initiatives. Meets at the call of the Committee Chair, usually monthly.

Neighborhood Programs/Planning & Evaluation (NPPE): This committee considers programs and policies relating to the programs and services delivered at ABCD's neighborhood sites throughout Boston and the Mystic Valley area. The committee also oversees the ABCD housing programs and services and as well as all Community Services Block Grant (CSBG) related activities. This committee oversees ABCD's strategic planning process and the continuous evaluation of activities. Meets at the call of the Committee Chair, usually monthly.

- **Administrative Committees**

Equal Employment Opportunity (E.E.O.): This committee meets periodically to ensure the effective implementation of the organization’s Affirmative Action Program; it also makes policy recommendations and reviews periodic staffing plan updates.

Executive: This committee is appointed at the Annual meeting in June on the recommendation of the Nominating Committee. This committee is composed of the ABCD Board officers (see list of Leadership Positions below) and has been the past practice to include former board chairs as well. The committee meets as needed to review major governance and organizational matters for discussion and/or recommendations for the full board meeting.

Finance: This committee considers and oversees matters relating to fiscal controls within the organization, including budget, audit and investment oversight. Meets at the call of the Treasurer / Committee Chair. The Finance Committee serves as the Audit Committee and the Investment Committee.

Grievance: This committee considers any challenge made by ten (10) or more Directors regarding the designation, or revocation of designation, of a Director by an APAC or other designating group (Article IV, sec. 1).

Nominating: This committee meets twice annually, at a minimum. The early spring meeting reviews the service of the current designees and their designating groups or public officials (as outlined in Article IV, sec. 1.) This slate is then presented for full Board vote in March. The late spring meeting reviews and recommends the slate of Board officers for the full Board’s consideration at the ABCD Annual meeting in June. New organizations can petition the ABCD Board Chair for consideration for a seat on the board at any time (as described in Article III, sec. 7.)

Personnel Advisory: This committee considers and oversees the personnel policies and practices of the organization, including approval of the Personnel Policies Manual (included in the Key Board Documents Section). The committee has no authority to employ, promote, demote or discharge staff members of the organization. Meets at the call of the Board Chair.

- **Committee Assignments**

Committee Assignments are made in August of each year. Directors are surveyed for preferences and these are taken into consideration, along with the background of directors, needs of the organization and/or the needs of a particular committee. Final assignments are made by the Board Chair.

- **Committee Staff**

There are established Committee Staff Liaisons for each committee. They are in touch with the committee members directly and as needed to conduct committee business and

keep the members up to date on programmatic needs. Though the Executive Team is always available to each and every Director, the Committee Staff Liaisons are usually the go to for specific program inquiries.

Leadership Positions

Leadership positions consist of the Chair, Vice Chairs, Clerk, and Treasurer. From time to time, it is deemed necessary to have a First Vice Chair, Assistant Treasurer and Assistant Clerk. These positions, except the Assistant Clerk, are Board Directors that are recommended for Board appointment by the Nominating Committee in June. Historically, the Board appoints the organization's General Counsel as Assistant Clerk.

5. HOW THE ABCD BOARD DOES ITS WORK

An Average Meeting

The Board meets as a full body approximately seven (7) times a year. The calendar for the Board year is established and communicated in June. (The Board Meeting Dates are included in the Key Documents Section.) The meetings are called by the Board Chair. Each meeting consists of: Approval of the previous board meeting minutes, report of the Chair, Report of the Treasurer, Report of the President/CEO, Committee Reports (only those requiring votes) and Other Business. From time to time, a special guest is invited to present information to the Board. This is notified well in advance of the meeting.

Meeting Processes and Procedures

- **Quorum:** A quorum is one-half of the filled seats on the Board. It is generally observed to be 26 people present at a meeting.
- **Parliamentary Procedure:** Is generally observed using Robert's Rules of Order. The most obvious example of such is the call for a motion. A Director may call for a motion at any time. The motion needs to be "seconded" and then a voice vote is conducted for those in favor, opposed, and abstentions. (An Introduction to Robert's Rules of Order is linked in the Key Board Documents Section.)

Remote Meetings

Currently, remote or virtual meetings (via Zoom) are the norm. This is a great departure from the ABCD history and we are certainly dedicated to gathering again when it is safe to do so. Until then, each Director is emailed or mailed a copy of the login link or telephone codes to participate in each meeting.

Meeting Schedules and Notifications

- **Regular Meetings:** Regular meetings of the Board of Directors are usually held in September, October, December, February, April, May, June. In June, there is also the Annual meeting of the organization. (Please see the Board Meeting Dates in the Key Board Documents Section.)
- **Special Meetings:** Special meetings of the Board of Directors may be held on any day at such time and place when called by the Chair or by the Treasurer or by ten or more directors. (Please refer to the ABCD Bylaws for further information, included in the Key Board Documents Section.)
- **Notifications:** Written notice of and agendas for regular and special meetings are sent at least 7 days before the meeting. Notice is given by regular mail if a director so requests.

Materials for Review

Materials for review, including the meeting minutes and committee reports, are sent the Friday before the Board meeting. Occasionally, committee reports need to be sent later, but still prior to the Board meeting. A President's Report is routinely provided in advance, usually the day prior to the Board meeting.

Transportation and Parking

ABCD reimburses Directors' costs of transportation and parking for attending in-person meetings. Please connect with the administrative assistant for processing of reimbursements.

Required Forms

Annually, Directors are required to fill out four (4) forms: Committee Preference Form, Current Contact Information Form, Conflict of Interest Policy Form, and the Suspension and Debarment Certification Form. The Conflict of Interest Policy and the Suspension and Debarment Certification Forms have been included in the Key Board Documents Section.

Attendance

Attendance at Board and committee meetings by each Director is vital for the success of ABCD. Your insight, advocacy and overall leadership in the organization is crucial to ensuring our work stays on mission and connected to the needs of the communities ABCD serves.

It is hoped that the remote work enables all Directors to participate to their maximum ability. However, in the event of an absence or unavailability, please inform the administrative assistant as soon as possible.

Directors missing three or more consecutive Board meetings without good cause risk being excused from the ABCD Board. In an effort to avoid such a circumstance, communication with a Board member and their designating public official or organization will occur if the Board member misses multiple meetings.

6. THE COMMUNITY SERVICES BLOCK GRANT (CSBG) AND THE BOARD

The Community Services Block Grant (CSBG) is today's federal funding vehicle for Community Action work. The funds are allocated by the US Department of Health and Human Services and block granted, or lump sum funded, to all 50 states and some territories. The states then distribute the money in accordance with the CSBG guidelines to other municipalities or community organizations. In Massachusetts, the Massachusetts Department of Housing and Community Development (DHCD) administers the funds to ABCD and its 21 sister CAAs. CSBG provides a **small proportion** of ABCD's overall funding, but we report on **ALL** ABCD services to our CSBG monitoring agency, DHCD. Services directly funded by CSBG are limited to households **under 125% of the Federal Poverty Level (FPL)** who live in the organization's CAA area – but this has been increased to **200% of the Federal Poverty Level (FPL)** temporarily under the CARES Act. ABCD's CSBG service area is Boston, Malden, Medford and Everett.

Anti-Poverty Mission

CSBG and ABCD by association is missioned to address and provide programming for the reduction of poverty, revitalization of low-income communities, and the empowerment of low-income families and individuals to become self-sufficient.

Community-Based Governance

A core principle of the founding legislation for CSBG is “maximum feasible participation” by low-income community residents.

Tripartite Board

ABCD's board structure is “tripartite” and made up of three different groups, or sectors. This unique design is required by the Federal CSBG Act and has been a requirement for Community Action Agencies since the 1960s. ABCD is proud to have a 51-member board with great representation, advocacy and oversight from the low-income community, and the public and private sectors of Boston and Mystic Valley.

- **The Low-Income Sector**
 - Must be at least one-third of the Board
 - Must be democratically selected to assure that they are representative of low-income people in the neighborhoods served; must reside in that neighborhood.
 - Examples of possible selection methods listed in state CSBG regulations (may be used alone or in combination):
 - Nominations and elections in neighborhoods
 - Selection at well-publicized meeting of low-income persons
 - Selection on a small area basis (such as city block or town) of reps who then select CAA board members
 - CAA recognizes groups or organizations composed primarily of low-income persons, of which membership selects CAA board members

- o Low-income sector representatives should represent current low-income residents, but don't need to be low-income themselves
 - o Best practice: Should have at least some low-income board members who are or were recently low-income themselves
 - o ABCD Bylaws requirements for "Neighborhood Sector"
 - o 22 total from listed neighborhoods
 - o 1 designated by ABCD Head Start Policy Council (Made up primarily of low-income Head Start parents selected by other Head Start parents)
 - o 1 designated by Urban College
- **The Public Official Sector**
 - o Recommended each year by nominating committee, for approval of full Board
 - o Elected public official may either serve himself or herself or appoint a representative to be the ABCD Board member
 - o Must be one-third of the make-up of the Board
 - **The Private Sector**
 - o The remaining Board members must be officials or members of business, industry, labor, religious, welfare, education, law enforcement, or other major groups and interests in the community served
 - o May include both public and private sector groups and interests
 - o Nominating committee annually recommends for full Board approval those organizations that will be asked to designate individuals to ABCD Board

Planning and Reporting

CSBG requires that the Board be involved in community needs assessment, strategic planning, the development of an annual service plan, an annual comprehensive risk assessment, and delivery of a number of reports.

The CARSP—a strategic plan which includes a comprehensive assessment of the needs of low-income residents—is required every three years. An Annual Work Plan, called the Community Action Plan, is required. It sets forth all of the organization's planned activities. The Work Plan is set up using the Results Oriented Management and Accountability (ROMA) system; these are measures of the anticipated outcomes of the services being delivered. Reports on the Work Plan are provided to the state (in our case, the MA DHCD) and the federal Office of Community Services (OCS) on a 6-month and 12-month basis. An annual Information Survey (IS) is also provided to the state and federal offices; this provides detailed information on the characteristics of clients served, the number of service units delivered, and service outcomes. Lastly, CAAs are evaluated annually on a set of national Organizational Standards for good nonprofit management practice.

7. HEAD START AND THE BOARD

ABCD has been operating Head Start programs since the inception of this national program in 1965, as a crucial component of the War on Poverty. Head Start began as an eight-week summer program for three and four year olds in several communities across the country. It is now a full school year program, often blended with full day child care, serving annually more than 1 million children ages birth to five years in every community and state in the country. Head Start and Early Head Start programs serve the most vulnerable children in each community, focusing on those families living at **100% of poverty** and in other extremely at-risk situations.

The federal statute, the **Head Start Act** (42 USC 9801) passed by Congress, and the **Head Start Program Performance Standards** (regulations 45 CFR 1300s) promulgated by the federal Office of Head Start (OHS), provide the foundation, standards and minimum requirements for all Head Start and Early Head Start programs. Program Instructions (PI) and Information Memorandums (IM) are issued by OHS to interpret and communicate information that supports implementation by grantees.

Head Start Program Management

Leadership and governance are the keys to effective management of the Head Start program and consists of three entities: the Governing Body; the Policy Council/parent committees; and management staff. Program governance is shared between the ABCD Board, who is the governing body, and the Head Start parents through the Policy Council (in conjunction with the parent committees). Each entity contributes a complementary perspective in governance, where the Board maintains the legal and financial responsibility to administer and oversee ABCD's Head Start/Early Start programs and the Policy Council provides program direction. The management and staff are responsible for day to day implementation of the program.

The Head Start Act and Performance Standards have set out specific governance requirements related to structure, roles and responsibilities of the designated Head Start grantee to ensure effective oversight and delivery of high-quality programs. A Head Start Program Governance Reference Book, produced in conjunction with the Office of Head Start, that includes more specifics and citations for relevant sections is attached in the Key Board Documents Section for review and reference.

The following is a summary of the critical components of those requirements.

Composition and Structure of the Governing Body

Each grantee governing body must ensure that its membership includes (or has direct access to people with) the expertise in the areas of fiscal management and accounting; early childhood education; legal, business, and that it is reflective of the community to be served including former or current Head Start parents. In addition, in order to serve on a Board in charge of a Head Start agency, members cannot have any conflicts of interest, cannot receive compensation from or be employed by the Head Start agency, nor may their immediate family members be employed by the Head Start agency.

Board Program Oversight Responsibilities

The Board's role working with the staff under the Head Start guidelines is more extensive than most other federally funded programs. As outlined in both statute and regulations, effective oversight requires ABCD Board approval and or review of major policies, activities and critical information in the following areas:

Program Compliance:

- Program Monitoring Review results
- Corrective Action plans
- ACF-issued notices
- Monthly reports

Program Design and Planning

- Delegate agency/service area selection
- Policy Council (PC) Composition
- ERSEA (Enrollment, Recruitment, Selection, Eligibility and Attendance)
- Annual Head Start self-assessment
- Head Start community assessment (at least once every 5 years)
- Establish goals and measurable objectives
- Oversee data use and management

Fiscal Management

- ABCD Budget
- Head Start budget and funding applications
- Selection of auditor
- Financial audit/correction of any findings
- Financial statements
- Major financial expenditures
- Financial management, accounting and reporting policies

Governance Practices

- Personnel policies and procedures
- Standards of conduct
- Conflict of interest policy
- Complaint resolution policy
- Organizational Bylaws
- Impasse policy and procedures (intended to help resolve any issues between the Governing Body and the Policy Council)

Board Partnership with Parents

ABCD must ensure that its Head Start program has a Policy Council that consists of mostly current Head Start parents, as well as Parent Committees that include classroom parents chosen to help provide direction at the local programs. Parents are not only required to be involved in the overall policy of Head Start program, but are also an integral part of the hiring of staff and the program activities.

The ABCD Board works in direct partnership with the parent Policy Council in the following major areas:

- *Governing procedures*: Policy Council Bylaws, policies
- *Parent involvement*: Participation, election and representation
- *Program planning*: ERSEA, Selection of Delegate, Self-Assessment, Community Assessment, establishing goals and measurable objectives
- *Personnel*: Head Start related policies and certain decisions regarding program staff
- *Finances*: Head Start funding application, budgets and expenditures

At ABCD, items that fall under these shared responsibilities are reviewed and/or approved by the Head Start Policy Council prior to being brought to the ABCD Head Start & Child Care Resources and Education Committee for their input, and then ultimately brought to the ABCD Board for its review and/or approval.

Head Start Eligibility

Eligibility, Recruitment, Selection, Enrollment, and Attendance (ERSEA) tasks are some of the most important work performed by Head Start programs. ERSEA governs how programs determine eligibility, enroll children, and track attendance. The Board and Policy Council's role in this area has received increased importance over the years, requiring understanding of the program's ERSEA process and compliance. Please see the Key Board Documents Section for detailed information of eligibility plans and requirements, entitled Head Start Eligibility - 11.2020.

8. THE BOARD'S ROLE IN ABCD FINANCES

Fiscal Oversight

Financial oversight is vital to the health of the organization and is an integral part in the achievement of its mission. The Board of Directors' responsibility for oversight is facilitated by the Finance Committee and the Treasurer and Assistant Treasurer.

Finance Committee's role and responsibilities

- The Finance Committee is responsible for the direction and oversight regarding the overall financial management of ABCD.
- Review internal control structure, including financial management, accounting, and reporting policies, and recommend action to the Board on such policies, including but not limited to the ABCD Accounting Policies and Procedures Manual. (Please see the link in the Key Board Documents Section.)
- Review and recommend action to the Board on major financial expenditures and transactions, including but not limited to loans, mortgages, guaranties, and lines of credit.
- Ensure that accurate, timely, and meaningful financial statements are prepared and presented to the Board on a monthly basis.
- Review and recommend action to the Board on the overall ABCD budget and central administration budget. (The Annual Budget is included in the Key Board Documents Section.)
- Recommend action to the Board on authorizing signatories on bank checks, wire transfers, contracts, and bonds in accordance with the ABCD By-Laws.
- Review and recommend action to the Board on other courses of action necessary to the financial operations of ABCD.
- Shall serve as Ad Hoc Committee to carry out the ABCD Conflict of Interest policy adopted by the Board of Directors and ensure compliance with conflict of interest policy. (Please see the Conflict of Interest Policy in the Key Board Documents Section.)
- Oversee the overall implementation of ABCD's investment policies by executive staff and outside advisors.
- Monitor and evaluate the investment performance of ABCD's Funds and meet periodically with representatives of the investment management firm to review the ABCD investment fund activities and results.
- Report regularly on ABCD investment matters to the Board of Directors and recommend changes in approved policy, guidelines, and objectives as needed.
- Review and recommend action to the full Board on the selection of a qualified investment manager and advisor to ABCD and a qualified custodian of the funds.
- Follow policy procedures for selecting such advisors and conveying to each the scope of their authority, the organization's expectations, and the requirement of full compliance with these policies.
- Review and recommend action to the Board on selection of a qualified independent auditor to conduct the annual audit of ABCD's consolidated financial statements.
- Review the audit plan with the auditor.

- Ensure that the audit is completed in a timely manner and in acceptance with all applicable requirements and standards.
- Review the audit report and audited financial statements directly with the auditors, including meeting without staff present, and recommend action on the audit report to the Board. (Please see the Annual Financial and Uniform Guidance Audits in the Key Board Documents Section.)
- Ensure corrective action is taken when necessary by ABCD staff in connection with the audit report and monitoring reports by funding sources and regulators.
- Review Form 990 (filed with IRS) and Form PC (filed with Massachusetts Attorney General).
- Review ABCD Purchasing Procedures (Included in the Key Board Documents Section.)

Treasurer's roles and responsibilities

- Chairs the Finance Committee and ensures that it meets the responsibilities of the Committee.
- Review contract status report, which is a detailed listing of all of the organization's contracts and grants containing the award amount for each and the expenses and revenues to date at the end of each month.
- Reviews the cash flow report that shows, again, a detailed listing of all of the organization's contracts and grants and what funds are anticipated to come in each week over the next three months. It also projects expenses each week for those 3 months and gives a beginning and ending cash balance. This is to ensure that we have the necessary cash on hand to pay ABCD employees and bills.
- The Treasurer also reviews the monthly financial reports each of you receive in your packet prior to the Board meeting.
- Gives the Treasurer's report at every Board meeting.
- Gives the Finance Committee report to the Board after each of its meetings.

ABCD Accounting Policies and Procedures

The ABCD Board has direct oversight of the ABCD Accounting Policies and Procedures Manual (Included in the Key Board Documents Section). It is intended to provide an overview of the accounting policies and procedures applicable to Action for Boston Community Development, Inc. and its subsidiaries, ABCD Real Estate Corp. and ABCD Low Cost Housing, Inc., referred to as "ABCD" or "the organization" throughout the manual. Documented in the manual are the financial operations of the organization. Its primary purpose is to formalize accounting policies and selected procedures for ABCD staff as well as for the accounting staff. It also serves to document the internal controls.

9. KEY BOARD DOCUMENTS

Please click on the title to be linked to each document.

Organizational Documents

Articles of Organization

ABCD Bylaws as of June 27, 2019

Organization Chart

Board Meeting Dates

ABCD Board of Directors List

Forms Board Members Complete Annually

Conflict of Interest Policy

Suspension and Debarment Certification

ABCD Personnel Policies Manual

Head Start Program Governance Reference Book

Head Start Eligibility - 11.2020

ABCD Accounting Policies and Procedures

Annual Budget

Annual Financial and Uniform Guidance Audits

ABCD Purchasing Procedures

10. RESOURCES FOR DIRECTORS

Please click on the title to be linked to each document.

[Staff Contact List](#)

[10 Tips for Being a Healthy Board of Directors](#)

[10 Tips for Being an Effective Board Member](#)

[Introduction to Robert's Rules of Order](#)