

**CARE Humane Society's Board Analysis**

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## **Section I: The Organization and Background of CARE Humane Society**

CARE Humane Society, formerly known as Lee County Humane Society (LCHS), has served the Auburn-Opelika community since 1974. LCHS was formed by a group of concerned citizens striving to create a solution for the ever-growing local stray population. Year by year, the shelter continued to flourish with unwavering support. In 2023, LCHS decided to rebrand their organization's name to an acronym that represents their animal-centered mission: CARE. The acronym stands for compassion, adoption, rescue, and education. CARE's vision is "a future in which animals are valued, pet overpopulation is eliminated, and every adoptable companion animal has a loving and responsible home" (CARE, 2024).

CARE is classified as a 501(c)(3) organization with a focus on animal protection and welfare. Today, CARE has a total of 20 employees, 627 volunteers, and 17 board members. The board members feature a diverse line of professions: business owners, accountants, media specialists, insurance agents, and veterinarians. The board is also broken up into two subcommittees: Shelters Operation Committee and Outreach & Development Committee. The board members usually meet monthly, and all administrative staff must send reports to each meeting. CARE's Board of Directors is very involved with the "big picture" plans of the society, but there are some decisions staff must make depending on if urgent response is necessary. According to CARE Development Director Jenny Warren, the shelter has 1627 donors as of 2024, averaging around \$639 per donation. Auburn and Opelika governments also contribute to the CARE's services, with Auburn giving \$187,467 and Opelika giving \$129,771. The annual budget, ranging from October 1 until September 30, is \$1,152,238. CARE's stakeholders include local government, animal control, Lee County citizens, Auburn University College of Veterinary Medicine, local businesses, college students, and the stray animal population.

## Section II: "Roles of Board and Executive Staff" Discussion Worksheet

### The Roles of Board and Executive Staff A Discussion Worksheet

For each of the following roles, tasks, and issues, please indicate with the appropriate letter the nature of your board's work today and what this should be as your board proceeds with the next generation of the organization's work.

For each, use the following to report your assessment:

- A. The board initiates and decides this on its own (although chief executive may have input and/or implement).
- B. Chief executive formally recommends and the board decides.
- C. Chief executive decides and/or acts, after consultation with board members (during or outside of normal board or committee meetings).
- D. Chief executive and/or staff act on this on their own (consistent with board policies).

ROLE/TASK/ISSUE	IS TODAY	SHOULD BE
1.a. Determine mission and vision for organization	A	A
1.b. Determine which community needs should be addressed with new programs and, when needed, the nature and scope of the programs	D	D
1.c. Determine general portfolio or mix of programs to be provided	C	C
1.d. Develop strategic or long-range plans for organization	A	B
1.e. Establish formal annual goals and objectives for organization	A	B
2.a. Establish or revise board structure	A	A
2.b. Recruitment & selection of new board members	A	A
2.c. Board meeting agendas	A	A
2.d. Policies regarding board role and activities	A	A
2.e. Hiring and salaries of staff other than chief executive	D	B
2.f. Revisions or changes to bylaws	A	A
2.g. Organizational Policy:		
i. Develop or revise policies regarding staff compensation	B	D
ii. Develop or revise policies regarding personnel	B	D
iii. Develop or revise policies regarding financial operations	C	C
iv. Develop or revise policies regarding fund raising	C	C
v. Develop or revise policies regarding major organizational resource investments (excluding capital or assets investment)	B	B
vi. Develop/revise policies regarding program quality assurance	B	B
vii. Develop or revise policies regarding organization's marketing and external communications	D	D
viii. Develop or revise policies regarding records and data management	D	D
ix. Develop/revise policies on advocacy and legislative practices	D	D
2.h. Redesign agency organizational structure (excluding board structure)	D	D
3.a. Develop fund raising plan	C	C
3.b. Develop long-term capital expenditure plan	C	C
3.c. Agency staffing plan (e.g., how many positions in each program)	C	C
3.d. Staff training and development plan	C	C
3.e. Produce the agency communications and public relations plan	C	C

ROLE/TASK/ISSUE	IS TODAY	SHOULD BE
4.a. Prepare the agency annual budget for income and expense	A	B
4.b. Prepare the agency capital expenditure budget	A	B A
4.c. Choose accounting firm to conduct annual audit	A	B
4.d. Determine funding/financing design (i.e., the revenue mix or model for the agency)	AB	B
4.e. Cash flow projections and progress	AB	B
4.f. Solicit funds & major resources (based on board plans and policies)	C	C
5.a. Decide to adopt new programs or services	D	D
5.b. Determine annual objectives for each program	D	D
5.c. Decide to terminate existing program or service	D	D
5.d. Develop system for monitoring key agency performance indicators (e.g., dashboard or balanced scorecard type of system)	D	D
5.e. Use the key agency performance indicators reported via established system (e.g., dashboard or balanced scorecard)	D	D
6.a. Submit grant proposal to a major donor or funder	C	C
6.b. Promote a staff person to supervisory position	D	D
6.c. Approve staff member attendance at conference in another city at agency expense	D	D
6.d. Oversee production of brochure on the organization	D	D
6.e. Establish a total ban on smoking throughout the agency	D	D
6.f. Decide to share facilities with another organization	B A	B
6.g. Secure agency insurance	D	D
6.h. Lay off group of staff in wake of funding cutbacks	D	D
6.i. Give recognition awards to community members for their outstanding contributions to the organization	C	C
6.j. Hire admin assistant as replacement for retiring staffer	D	D
6.k. Write new guidelines for staff annual performance evaluations	D	D
6.l. Order immediate repair to building infrastructure (e.g., damaged roof)	A C	A C
6.m. Investigate joint-purchasing agreement with three other nonprofits	A	A
6.n. Establish method of evaluating chief executive	A	A
6.o. Select printer to print the annual report	D	D
6.p. Review an employee grievance or formal complaint	D	D
6.q. Prepare communications to the board/ key committees	A	A
6.r. Educate board and committees about board functions and roles	A	A

**Coding Key:**

- A. The board initiates and decides this on its own (although chief executive may have input and/or implement).
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### **Section III: Analyses of CARE's Board Structure and Governance**

Karen Gaston, the board president of CARE Humane Society, generously shared her time to help complete the discussion worksheet above. This ensured that we have a clear understanding of the board and chief executive's current status, helping us pinpoint areas for potential improvement. CARE operates daily to serve the public and local stray population, relying on a highly active staff that collaborates closely with the board. This dynamic is essential when analyzing the roles of the chief executive, staff, and board members. For example, the board is the main initiator when it comes to CARE's mission and vision. At the same time, the chief executive and staff are the ones that determine which community needs should be addressed, ultimately initiating change when it comes to programs and immediate action.

The board has several key responsibilities and holds ultimate authority over CARE. In many instances, the chief executive provides input or receives feedback from the board as they make the final decision. CARE's board is responsible for long-term planning, including setting the mission and vision, establishing annual goals, revising bylaws, and managing advocacy, legislative practices, capital expenditure plans, and budgets. Overall, the board's governance serves as a filter to make sure all programs, expenses, and actions fall within its mission. The board's regulation follows one staple of Dr. Renz's "Core Functions of the Public Service Governing Board," which is leading the organization. The totality and future of a nonprofit needs a board's governance to guide them to its fullest potential.

Additionally, CARE's board members oversee policies, practices, and procedures to ensure the organization operates effectively and meets its fiduciary duties. This involves establishing or revising the board's structure, recruiting suitable new members, educating new members on board functions and responsibilities, evaluating the chief executive and other paid

administrative staff, while also creating efficient meeting agendas. There are certain instances where the board relies heavily on the chief executive's guidance. For example, funding and financing strategies are areas where the director provides formal recommendations to the board due to her managerial role in overseeing the nonprofit's finances. While this happens within the board's governance, Gaston explained there are some instances where she wished CARE's director provided more official input. Gaston said the chief executive lacks in bringing guaranteed reports for the annual budget, fundraising, cashflow projections, and establishing annual goals. It seems as if the board wishes the chief executive would provide more reliable background information, which doesn't always happen. There is a communication rift between the board and director, which can cause unnecessary turmoil between the board and the paid staff. If left unfixed, it could lead to major problems in foundational plans and budget. This shows Renz's core board functions of leading the organization and managing CEO performance.

Board members also serve as consultants for the chief executive. They offer valuable insights on program development, fundraising policies, and public relations, leveraging their experience and network. Their contributions are often related to commitment and connections rather than financial support, making their input vital. This aligns with Dr. Renz's Core Functions by showcasing the board's ability to secure resources, expertise, and constituents needed to accomplish the nonprofit's mission. By giving CARE a community network, board members provide positive, ongoing relationships with key figures throughout Lee County.

The chief executive and staff handle day-to-day responsibilities as the board provides oversight and strategic direction. The successful execution of CARE's programs relies on the consistent, dedicated efforts of its paid leadership and staff. The chief executive ensures quality assurance and oversees the introduction of new programs, while staff members assess and

provide feedback on program performance. Together, they also evaluate and decide on the termination of programs no longer serving the mission. Additionally, the director and staff work together to manage key organizational functions. The director oversees marketing strategies with its digital marketing coordinator and guides the production of brochures and the annual report. Staff handle records and data management, maintain the organizational structure, and monitor performance. Grants are secured, written, and regulated through the help of CARE's grants coordinator and chief executive. This collaborative approach ensures effective communication, accurate information, and alignment with organizational goals. Another duty of CARE's director and managerial staff is the management of human resources. They are responsible for ensuring the development, performance, compensation, and the staff's overall well-being. This can be a difficult job due to a high turnover rate at CARE Humane caused by the emotional toll that comes with working for an organization focusing on preventing animal cruelty.

Given CARE's daily operations managed by staff and supported by the board, it's crucial to assess the board's functionality and identify areas for improvement. Our assessment revealed a few areas where the board maintains control that may need reassessment. For instance, the board primarily handles the organization's annual goals and objectives, but it could be beneficial to involve someone more directly engaged in daily operations, like the chief executive, in making these recommendations. Additionally, the board might gain valuable insights from the chief executive on matters such as the annual budget, selecting an accounting firm for audits, and cash flow projections. Since the chief executive acquires all fiscal reports and staff observations, they are capable of providing informed suggestions on financial matters, including identifying areas that may require increased or decreased expenditure.

## Section IV: Application

After applying Dr. David Renz's "Exploring the Puzzle of Board Design: What's Your Type?" to the nonprofit analysis sheet of CARE Humane Society, we determined the primary dimensions are a less inclusive management board.

The first primary dimension is Strategic Focus. Using the evaluation form, we noticed that most issues regarding policy were dealt with by the chief executive and paid staff alone or by the chief executive after consulting the board. However, the board does not focus on making policies that helped narrow our board type. Since the board had little to no power over policy, we were able to filter out board type A (strategy and policy) and type B (strategy, policy, and management). Next, using the form, there was little evidence that the board was working on the frontline or serving as the actual work force. The roles of our organization's board were to determine a mission and vision, establish goals, revise the board structure, selection of new board members, policies regarding the board, and board meeting agendas. With these responsibilities, it was concluded that our board type was type C, management. According to Dr. David Renz, the management type is "composed of managing the operations of the agency, including planning, organization, directing, supervising and evaluating agency operations." This definition aligns exactly with the responsibilities the CARE Humane Society board embodies and executes.

The second part of CARE Humane Society's dimensions is Stakeholder Influence and Engagement. This part focuses on the extent of which the stakeholders are involved in the decision-making process of the organization. Using the evaluation form, the most common answers are A and D, meaning that decisions are made by either the board while consulting the chief executive, or the chief executive and staff compliant with board policies. However, D is the

most used answer, giving the chief executive and staff more power over decisions involving the organization. This easily shows that decisions are not left up to key stakeholders and beneficiaries, nor are they greatly involved. With this information, we narrowed the second dimension to type D, less inclusive. This term is defined as “most decisions are made by a relatively select group with occasional involvement of select stakeholders in the process of making select decisions of the organizations”. The small group with decision-making power, the chief executive, staff, and the select stakeholders. Board members tend to be stakeholders in a nonprofit organization, and using our evaluation sheet, our board and stakeholders have minor decision-making power, as they are more focused on CARE as an entity.

Once identifying and categorizing CARE into the primary dimensions, the secondary ones were fairly easy to determine. This scale format goes from 4 to 0 to 4, 4 being closest to each end and zero being in the middle. From this scale, we determined where CARE landed on the spectrum based off of the board worksheet.

The first of the secondary dimensions is Board Autonomy, which is classified as “the degree of internal versus external control over the appointment and retention of board members.” The ends of this scale are Self-Perpetuating/Self-Regulating and Externally Appointed/Regulated. Based off of the board worksheet, we noted that our organization is definitely more on the Self-Perpetuating/Self-Regulating side of the scale with a score of a solid 4. From the completed worksheet, the majority of the roles/tasks/issues are completed either by the board or by a combination of the chief executive, staff, and board. The board and chief exec are elected by people within CARE and then take control of the bulk of the tasks and roles, therefore making it predominantly Self-Perpetuating/Self-Regulating.

Next on the secondary dimensions is Mission Accountability, which is defined as “the accountability and focus for the organization’s work derived primarily from.” The ends of this scale are Professional/Practice Content Focus to Community-Market Focus. From our findings, we decided that CARE was closer to the Community-Market Focus, scoring a 3 from us on the scale. Since CARE is one of the main humane societies within Lee County, its accountability is driven by the needs of the stray and abused animals in the community. It stems from the purpose of CARE to find homes and limit the overpopulation of stray animals in the Lee County area, which again proves it is driven by the Community-Market and not just meeting expectations for the nonprofit.

The final secondary dimension is Decision Centrality, which is described as “governance and leadership decision processes are dominated by.” The ends of this scale are CEO/Staff Dominant to Board Dominant. CARE is actually very neutral on this scale. The chief executive (or on the scale CEO) takes charge of a multitude of tasks and roles. Contrary, the board also handles a large number of tasks and roles. After closely examining all of the answers provided on the worksheet, we score CARE a 1 on this going towards the CEO dominant side of the scale. The decision-making power is definitely very split between the chief executive and board, and even a solid mix of both of them working together. This should benefit CARE well as there should be less conflict in the decision-making for the nonprofit. Open, honest communication among board members and paid staff are essential in successfully advancing the mission. Some issues within the humane society call for immediate action, meaning all members of the nonprofit must be well informed and equipped to handle any problem ahead.