



Governance: Building the Foundation for Success

Self-Help

Durham, North Carolina

Who is Self-Help?

- Non-profit CDFI founded in 1980
- Mission: Creating and protecting ownership and economic opportunity for people of color, women, rural residents and low-wealth families
- Lent over \$90 million in financing charter schools nationwide since 1997



What is the Board's Role?

Development Stage	Operation Phase	Board Type	Board Functions
Emerging	Pre-charter application; design of the charter school	Informal group of founders and community volunteers	Works directly with staff that carries out the daily work of operating the school
Growth/Consolidation	Charter granted; school opens	More formal advisory board or small board of directors	Oversees development of school's mission, policies, and operations
Sustainable/Mature	Ongoing operation; charter contract compliance; renewal of contract	More formal board of directors with established subcommittees	Shapes mission and policies, raises money, and oversees the school's financial and educational performance

Source: *Creating an Effective Governing Board Guidebook*

Evaluating your school

- How strong is your organizational capacity?
- How strong is your financial management and capacity?
- How strong is your academic program and performance?



Keys to Board Effectiveness . . .



- Board Composition
- Board Structure
- Ongoing Professional Development
- Succession Planning

Board Composition



- Diversity
- Skill sets
 - Attorney, Accountant, Education Leader, Contractor, Realtor
- Training and formal experience

**Beware of conflict of interests
and nepotism**

Board Structure . . .

- Clearly defined roles and responsibilities :
Authorizer↔Board↔Management
- Adheres to state laws
- Orderly documents, plans, and controls
 - 501(c)3 letter, charter, by-laws, audits, policies, etc.
- Focused on development of vision and plan for school improvement



Board Structure . . .

- Structure should reflect your mission/goals
- Streamline organization
 - Avoid multiple levels of bureaucracy
- Clear delineation of roles between board and school leadership
 - Avoid temptation to micromanage



Succession Planning . . .



- Make sure you have a **PLAN!!!**
 - Proactive plan to counter “founder’s syndrome”
- Strategic selection of new board members
- Orientation for new board members
- Plan for removing ineffective members

Assessing the Strength of Your Board . . .



- Set goals and vision:
 - Board composition
 - Board structure
 - Curriculum
 - Academic performance
- Annual board self-evaluation
 - Examine results
 - Determine goals/objectives for improvement
 - Put them into action!

Red Flags . . .

- High staff/board turnover
- Lawsuits, charter violations, etc.
- “Founder-itis”
- Negative press
- Low enrollment
- Poor academic and/or financial performance
- Low staff morale
- No relationship with the community
- Nepotism/conflicts of interest



Indicators of a Successful Board . . .



- Strong financial performance
- Flexibility of staff/child ratios
- Successful fundraising efforts
- Streamlined leadership structure
- Excellent academic design and performance
- Active use of strategic plan to meet mission/goals
- Effective board transitions

Strategies for Strengthening Your Board . . .

- Participate in board training opportunities
- Reach out to boards at successful charter schools to learn best practices
- Recruit new members that have skill sets your Board lacks
- Make sure your board is complying with state laws
- Conduct an annual self-evaluation
- Hold a retreat
- Compare practice to policy

Case Study: Facility Development and Financing

- Establish facilities work group
- Professional skills sets
- Fundraising efforts
- Realistic planning and budgets (including contingencies, expectations, and timelines)



Resources . . .

- *Creating an Effective Charter School Governing Board*
 - <http://www.uscharterschools.org/gb/governance/>
- US Charter Schools – Governance Resources
 - http://www.uscharterschools.org/pub/uscs_docs/r/assistance.htm
- Charter Schools Development Center
 - <http://www.cacharterschools.org/>
- Board Source – Building Effective Nonprofit Boards
 - <http://www.boardsource.org/>
- National School Boards Association
 - <http://www.nsba.org/>
- *Charter School Board University – An introductory course to effective charter school board governance*
 - By Brian L. Carpenter
 - http://www.nationalcharterschools.org/resource_listing_detail.php?id=128
- South Carolina Association of Nonprofit Organizations
<http://www.scapo.org>

How do I contact Self-Help?



Building on 25 years
of community
economic development

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