Governance Committee Guide

Community Development Alliance

A Resource for Effective Board Governance

About This Guide

This resource was developed by Chaska Consulting to support CDA's Governance Committee in fulfilling its role as the steward of board health, effectiveness, and culture. It addresses eight foundational questions every governance committee should be equipped to answer.

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8 Questions

This guide answers eight core questions every governance committee should own

Practical Tools

Includes checklists, reflection prompts, and implementation actions

CDA-Specific

Grounded in CDA's collective impact model and the Phase 1 findings

INTRODUCTION

The Governance Committee: Guardian of Board Effectiveness

In any high-functioning nonprofit, the governance committee is not simply one committee among many. It is the committee responsible for the conditions that make all other committee work possible. It tends to the board itself — its composition, its culture, its capacity, and its accountability. When the governance committee is strong, the full board is better positioned to serve the mission. When it is weak or absent, the board drifts.

For the Community Development Alliance, this work carries particular weight. CDA operates as a backbone organization in a collective impact model — bringing together resident leaders, funders, coalition partners, and emerging developers around a shared agenda for affordable housing and racial equity. The board that governs this work must itself embody the principles it champions: diversity, inclusion, accountability, and shared ownership.

This guide is designed to help CDA's Governance Committee understand and act on eight foundational questions, from recruiting the right people to building a board culture where candor and care coexist.

> The governance committee is, in many ways, the conscience of the board — the body responsible for asking whether the board is becoming what the organization needs it to be.

1 Why is the Governance Committee one of the board's most important committees?

The governance committee is the only committee whose primary client is the board itself. While the finance committee oversees financial health and the program committee monitors mission delivery, the governance committee asks: Is this board equipped to govern well?

What makes it uniquely important

- It ensures the board governs rather than manages — maintaining the critical distinction between the board's strategic and fiduciary role and the executive team's operational role.
- It is responsible for the board's own composition, which means it directly shapes whether the organization has the leadership it needs for the work ahead.
- It holds the board accountable to itself, through policies, self-assessment, and ongoing development.
- It is the steward of board culture, which determines whether board members speak honestly, engage fully, and bring their best thinking to the work.

> A board without a strong governance committee often finds itself reactive — filling vacancies in crisis, skipping self-assessment, tolerating disengagement. A board with a strong governance committee is intentional, developing its own capacity as deliberately as it develops the organization.

The committee's core responsibilities

Recruitment & Composition
Identifying and cultivating candidates, and working with the councils and partner organizations that recommend them, so the board elects directors who strengthen its collective capacity

Orientation & Development
Ensuring every board member understands their role and grows in their ability to fulfill it

Self-Assessment
Designing and facilitating processes that allow the board to evaluate its own effectiveness

Leadership Pipeline
Identifying, developing, and recommending future board officers and committee chair candidates

Policy Oversight
Monitoring bylaws, conflict-of-interest policies, and the code of ethics

Culture & Conduct
Promoting a board environment defined by trust, candor, and accountability

2 How does the committee work with the full board, the CAE, and staff?

The governance committee does not work in isolation. Its effectiveness depends on how well it communicates with and coordinates across three key relationships: the full board, the CAE and relevant staff. Each relationship requires a distinct orientation.

With the full board

The governance committee works on behalf of the full board, not above it. Its recommendations, whether on board composition, self-assessment findings, or policy updates, come to the full board for discussion and decision. The committee's role is to do the preparation and analysis; the board's role is to deliberate and act. Under Article V.F of the bylaws, no committee can elect, appoint, or remove a director, officer, or committee member, so these recommendations always come to the full board for decision.

- **Regular reporting:** The committee should report at every board meeting, even briefly noting what it is working on and surfacing issues that require board input or decision.
- **Board input on priorities:** At least annually, the committee should invite the full board to weigh in on governance priorities: What are we doing well? What needs attention? What kind of board members do we need next?
- **Shared ownership of culture:** The committee can design practices and norms, but board culture is built collectively. The committee's role is to create conditions; the full board must live them.

With the CAE:

The relationship between the governance committee and the CAE requires careful calibration. The CAE has a legitimate stake in board composition, engagement, and effectiveness — and brings irreplaceable organizational knowledge. At the same time, the board's independence from the executive on governance matters is essential.

- **Information and input:** The CAE should be a resource to the committee, providing context on organizational needs, upcoming transitions, and the board's engagement patterns. But recruitment, self-assessment, and leadership development decisions rest with the committee and board.
- **CAE evaluation:** The governance committee or a designated subcommittee typically oversees the CAE evaluation process, which is a distinct and important responsibility that the committee should own with clarity and structure. Under the bylaws the Board Chair supervises the CAE, so the board's resolution should say whether the Chair leads the evaluation with the committee's support or delegates oversight of the process to the committee.
- **Clear role boundaries:** The committee should be explicit about when the CAE is invited into committee work and when board-only conversation is appropriate.

With staff

Staff supports the governance committee's administrative work, scheduling, document preparation, and gathering; governance committee work is led by the board. Clarity about who is responsible for what avoids confusion and protects both staff and board members from inappropriate role overlap.

3 How does the committee find the best people for the board?

Effective board recruitment is not reactive, waiting for vacancies and then scrambling to fill them. It is a continuous, strategic process that begins with a clear picture of what the board needs and ends with a thoughtful cultivation of the right candidates.

Start with a board matrix

A board matrix (also called a board profile or skills grid) is a tool that maps current board member assets against the organization's needs. It typically captures:

- **Skills and expertise:** Finance, law, real estate, housing policy, communications, technology, fundraising, government relations
- **Lived experience:** Connection to the communities CDA serves, including residents with direct experience of housing instability
- **Demographic representation:** Race, ethnicity, gender, age, geography, reflecting both the communities served and the diversity of perspective the work requires
- **Constituent connections:** Relationships with funders, policymakers, coalition partners, and the broader philanthropic community
- **Term timing:** When current members' terms expire, and what gaps will emerge

> Review the board skills matrix annually. It is a living tool for asking: given where CDA is heading, what do we need that we do not yet have?

Build a candidate pipeline

How seats are filled: Under Article III.C of the bylaws, every seat has a body that recommends candidates: the Resident Council for Resident Directors, the Revitalizing Our Neighborhoods Coalition or a similar organization for Community-Based Nonprofit Directors, the Policy Council for Policy-Based Nonprofit Directors, Take Root Milwaukee or a similar organization for the Homebuyer Counseling Director, the Developer's Council for the Housing Producer Director, the Funder's Council for Foundation Directors, and the Housing Investor and Lender's Council for Housing Investor or Lender Directors. The committee shares the board's needs profile with these bodies, supports their searches, and brings candidates to the full board for election. It does not nominate or elect directors itself.
The governance committee should:

- Ask every board member annually: Who do you know that we should know?
- Cultivate relationships with candidates before vacancies arise through committee work, event attendance, or advisory roles
- Look within CDA's own ecosystem: Resident Council leaders, long-term partners, and community advocates who understand the work
- Be explicit about what you are looking for; a vague invitation produces vague results

Conduct a genuine recruitment process

- **Candidate conversations:** Before recommending anyone to the board, have a substantive conversation about what board service entails: time commitment, giving expectations, the nature of CDA's work, and what the board is specifically looking for in this candidate
- **Transparency about expectations:** Share the board commitment form, attendance expectations, and any giving parameters. Surprises after election breed disengagement
- **Multiple voices:** Where possible, have more than one board member meet with a candidate before a recommendation goes to the board
- **Welcome and onboarding:** Recruitment does not end at election. How a new member is welcomed and oriented in their first 90 days shapes their long-term engagement

4 How does board diversity affect organizational performance, and what can the committee do about it?

Research consistently finds that diverse boards make better decisions. Organizations whose boards reflect the communities they serve are more likely to design relevant programs, earn community trust, attract diverse funding, and avoid the blind spots that come from homogeneous leadership.

Why diversity matters for CDA specifically

CDA's mission centers on affordable housing and racial equity. A board that does not reflect the communities most affected by housing instability, in race, class, lived experience, and geography, risks governing at a distance from the very people its work is meant to serve. Diversity is not an add-on to CDA's governance; it is central to its legitimacy and effectiveness.

CDA's twelve board seats are allocated by the bylaws across seven categories: Resident Directors, Community-Based Nonprofit Directors, Policy-Based Nonprofit Directors, a Homebuyer Counseling Nonprofit Director, a Housing Producer Director, Foundation Directors, and Housing Investor or Lender Directors. Each brings a different vantage point. The governance committee's work is to ensure that the board's composition honors and integrates all of those perspectives.

What the committee can do

- **Audit the current board:** Use the board matrix to assess current representation across race, gender, age, lived experience, geography, and professional background. Name the gaps honestly.
- **Set explicit representation goals:** Rather than aspirational language, identify specific representation targets for the next 1–2 recruitment cycles and hold the committee accountable to them.
- **Expand the search:** Diverse recruitment requires diverse networks. If the committee is predominantly drawing from a single professional or social community, the candidates will reflect that.
- **Address structural barriers:** For resident leaders and community members, board service can be inaccessible without stipends, childcare, flexible meeting formats, or language support.
- **Foster genuine inclusion:** Recruiting diverse members is only the first step. If the board's culture, norms, and decision-making processes center some voices and sideline others, diverse members will disengage or not return. Inclusion is a culture question, not just a question of composition.

> Diversity without inclusion is a revolving door. The governance committee must address both: recruiting the right people and building the board environment where every member can show up fully.

5 How do we keep board members informed, engaged, and knowledgeable?

Board member engagement is not self-sustaining. Even committed, capable people disengage when they feel uninformed, underutilized, or disconnected from the mission. The governance committee's role is to design and sustain the conditions that make engagement possible, and to intervene when it breaks down.

Onboarding: Laying the foundation

A rigorous onboarding process is the governance committee's first investment in every new board member. Effective onboarding includes:

- Sharing access to the comprehensive board handbook covering bylaws, policies, financials, strategic priorities, and governance norms.
- An orientation session — not just a document transfer that covers CDA's collective impact model, its backbone role, and what that means for board governance
- A conversation with the CAE about organizational history, current priorities, and the board's relationship with staff
- A peer mentor: pairing new members with experienced board members for their first year
- A 90-day check-in: What has surprised you? What do you need to understand better? How are you feeling about your role?

Ongoing development: Sustaining engagement

Orientation is a beginning, not an end. The governance committee should build learning and development into the board's regular rhythm:

- **Education segments at board meetings:** Dedicate 10–15 minutes per meeting to a topic relevant to CDA's work — affordable housing policy, racial equity frameworks, collective impact principles, or relevant case studies
- **Annual governance training:** At least once per year, provide a more focused governance education opportunity, either at a board meeting or retreat, covering topics like fiduciary duty, strategic oversight, and effective board-CAE partnership
- **Board retreat:** A dedicated retreat, even a half-day, creates space for reflection, relationship-building, and strategic conversation that regular meetings rarely allow
- **Individual conversations:** The committee chair or board chair should check in individually with board members at least annually, not just to assess attendance, but to understand their experience and what would make their service more meaningful

Engagement: Keeping members connected

- **Meaningful committee assignments:** Match board members to committees that align with their skills and interests, and make sure committee work is substantive enough to feel worthwhile
- **Mission moments:** Begin board meetings with a brief story, update, or testimony that connects the board to CDA's impact. Governance work can feel abstract; grounding it in real community outcomes matters
- **Acknowledgment:** Recognize contributions, tenure, and milestones. Board service is voluntary. People stay where they feel valued.
- **Address disengagement directly:** When a board member's attendance or participation declines, the governance committee chair or board chair should reach out, not to shame, but to understand and reconnect. Sometimes disengagement signals a problem the committee needs to address

6 What are the benefits of board self-assessment, and how do we go about it?

High-performing boards assess themselves. Board self-assessment is the practice of periodically examining how well the board is fulfilling its responsibilities, individually and collectively, and using those findings to improve.

Why it matters

- **It surfaces what polite conversation hides:** Self-assessment creates a structured, safe channel for honest feedback that might otherwise go unspoken about meeting quality, role clarity, the board-CAE relationship, or individual engagement.
- **It models accountability:** A board that holds itself accountable is better positioned to hold the organization accountable. Self-assessment demonstrates that the board practices what it expects of others.
- **It creates a baseline:** Over time, assessment data shows whether governance is improving, stagnating, or declining and makes it possible to connect governance investments (orientation, development, policy changes) to outcomes.
- **It builds trust:** When board members see that honest feedback leads to real change, they are more willing to engage in future assessments and in candid conversation generally.

How to do it: A practical approach

The governance committee typically designs and facilitates the assessment process. A straightforward annual approach includes:

- **Step 1 — Design the instrument:** Use a survey covering key governance dimensions: mission knowledge, financial oversight, strategic engagement, board-CAE relationship, meeting effectiveness, diversity and inclusion, and individual commitment. Rated scales (1–5) plus open-ended questions work well.
- **Step 2 — Administer confidentially:** Confidentiality increases candor. Use an anonymous survey tool or have an outside party collect and summarize responses.
- **Step 3 — Analyze and synthesize:** The governance committee reviews aggregate results, not individual responses, and identifies themes, strengths, and areas for focus.
- **Step 4 — Report to the full board:** Share findings transparently. The full board should see what emerged, including the uncomfortable parts. This is where trust is built or lost.
- **Step 5 — Develop an action plan:** Self-assessment without follow-through erodes trust. The committee should identify 2–3 specific commitments for the coming year based on what was learned.
- **Step 6 — Close the loop:** At the following year's assessment, check in on the prior year's commitments. Did we do what we said we would do?

Governance Committee Self-Assessment Checklist
☐ Board members understand and can articulate CDA's mission and collective impact model
☐ Board members know their fiduciary responsibilities (duty of care, loyalty, and commitment to mission)
☐ Meeting agendas focus on governance, strategy, and accountability — not operational updates
☐ The board-CAE relationship is characterized by trust, clear roles, and mutual accountability
☐ Board composition reflects the communities CDA serves and the skills the mission requires
☐ New board members receive a comprehensive orientation within 60 days of election
☐ Board members attend at least 75% of meetings and participate in committee work
☐ The board conducts an annual self-assessment and acts on its findings
☐ Board culture supports radical candor, psychological safety, and shared accountability
☐ The board has a clear, fair process for evaluating the CAE

7 How does the committee develop future board leadership?

The governance committee ensures candidates are prepared when the board elects its officers and the Board Chair appoints committee chairs.

Identifying leadership potential

Leadership potential is visible before it is formally recognized. The governance committee should observe:

- **Engagement patterns:** Who shows up consistently, prepared, and eager to contribute?
- **Relationship quality:** Who builds trust across constituencies with the CAE with community voices, with funders?
- **Governance instincts:** Who naturally distinguishes between governance and management? Who asks the right questions?
- **Mission alignment:** Who demonstrates a deep understanding of and commitment to CDA's work, not just at a conceptual level, but in how they show up?

Developing leaders before they lead

- **Strategic committee assignments:** Route high-potential members toward committee chair opportunities early; committee leadership is the best training ground for board leadership
- **Board chair mentorship:** The current board chair should be investing time in the next board chair, not just passing the gavel, but sharing context, relationship knowledge, and lessons learned
- **Explicit conversations:** Do not leave leadership aspirations to guesswork. The governance committee chair should have direct conversations with potential future leaders: Is this something you want? What would help you get ready?
- **Staggered terms:** Thoughtful term staggering ensures that not all experienced members rotate off at the same time, preserving institutional knowledge and mentoring capacity

Planning for transition

- Maintain a list of board members who have expressed interest in leadership roles
- Establish a clear process for recommending an officer slate, one that is merit-based, transparent, and grounded in the board's current needs. The full board elects officers by majority vote at the annual meeting, and the Vice Chair, as Chair-Elect, becomes Chair the following year unless the board decides otherwise
- Plan for officer transitions at least 6–12 months in advance, not weeks before the election
- Document what the current chair knows, relationships, history, pending issues, and create a transition brief for successors

8a How can the committee promote a positive and productive board culture?

Culture is the invisible architecture of board effectiveness. It determines whether meetings feel energizing or exhausting, whether members speak honestly or hold back, whether the board acts as a team or a collection of individuals, and whether people want to stay or quietly disengage. The governance committee cannot manufacture culture, but it can design conditions that make a healthy culture possible.

What a healthy board culture looks like

Psychological Safety Members feel safe raising concerns, disagreeing respectfully, and naming problems without fear of retaliation or social cost	**Shared Purpose** Members are connected to the mission — not just their professional roles — and that connection is regularly renewed
Radical Candor and Trust Honest feedback flows in multiple directions — between board members, between the board and the CAE and within the committee itself	**Accountability** Members hold themselves and each other to the commitments they made — attendance, giving, engagement, preparation

What the governance committee can do:

- **Model it:** The governance committee's own culture sets a tone for the rest of the board by modelling candor, curiosity, and care.
- **Name and codify norms:** Work with the full board to articulate shared norms for how the board operates: how decisions are made, how disagreement is handled, how new members are welcomed. Written norms are easier to return to when things go sideways.
- **Create space for honest conversation:** The committee should periodically facilitate conversations in retreat settings or designated board meeting segments where members can reflect on the board's own functioning, not just organizational outcomes.
- **Address conduct directly:** When individual behavior undermines board culture: chronic absence, dominating discussions, disrespectful communication, the governance committee or board chair needs to address it directly and privately. Silence signals tolerance.
- **Celebrate and connect:** Recognize milestones. Acknowledge contributions. Create opportunities for board members to know one another as people, not just as role-holders. Relationships build trust, and trust enables candor.

> The governance committee should be asking regularly: Is this a board where people feel proud to serve? Would they recruit their most respected colleague to join? If the answer is uncertain, that is the committee's work.

8b What is the committee's role in monitoring bylaws, conflict-of-interest policy, and a code of ethics?

The governance committee is the board's primary steward of the legal and ethical frameworks that govern how the organization operates.

Bylaws

Bylaws are the organization's governing constitution. They establish how the board is structured, how decisions are made, how officers are elected, and how members are removed. The governance committee's responsibility includes:

- **Annual review:** At least once per year, the committee should confirm that the bylaws accurately reflect how the organization is actually operating. When practice and bylaws diverge, that is a governance risk.

- **Amendment process:** When bylaws need updating whether to reflect new board structures, updated officer titles, or governance best practices the committee leads the drafting, consultation, and board adoption process.
- **Accessibility:** Every board member should have easy access to the current bylaws and should actually read them. The committee can ensure this through onboarding and annual distribution.
- **Legal compliance:** Bylaws must comply with state nonprofit law (in CDA's case, Wisconsin Chapter 181 statutes). The committee should flag any questions about legal compliance for legal counsel review.

Conflict of Interest Policy

A robust conflict-of-interest policy protects both the organization and its board members by establishing clear expectations for how potential conflicts are identified, disclosed, and managed. The committee's role includes:

- **Annual disclosure:** Every board member and key staff person should complete a conflict-of-interest disclosure form annually. The committee ensures this happens.
- **Education:** Board members should understand what constitutes a conflict, not just obvious financial interests, but also relationships, board memberships, and personal loyalties that could compromise their ability to act in CDA's best interest.
- **Process when conflicts arise:** When a conflict is identified, the committee ensures the established process is followed: disclosure in the meeting minutes, recusal from the vote, and documentation.
- **Policy review:** The policy itself should be reviewed periodically to ensure it remains current, complete, and consistent with IRS requirements for 501(c)(3) organizations.

Code of Ethics

A code of ethics articulates the values and behavioral standards that guide how the board — and the organization — conducts itself. It is broader than the conflict-of-interest policy and covers how board members treat each other, how they represent CDA in the community, and how they handle confidential information.

- **Adoption and annual reaffirmation:** The code of ethics should be formally adopted by the board and reaffirmed annually, not simply filed. This reaffirmation is both a substantive commitment and a cultural signal.
- **Integration with onboarding:** New board members should review and sign the code of ethics as part of orientation — and the committee should walk through its implications, not just pass along a document.
- **Response to violations:** The committee should know, in advance, what happens when a board member appears to violate the code of ethics. This is not a hypothetical thing, it will arise. Having a process before it is needed prevents improvisation in a moment of stress.

Policy & Compliance Checklist — Annual Governance Committee Review
☐ Bylaws reviewed and confirmed to reflect current board structure and practice
☐ Any recommended bylaw amendments drafted, reviewed by counsel, and brought to the board
☐ Conflict-of-interest disclosure forms completed by all board members and key staff
☐ Any disclosed conflicts documented in meeting minutes with appropriate recusal noted
☐ Code of ethics reviewed, reaffirmed by board vote, and signed by new members

- ☐ Board handbook updated to reflect any policy changes adopted during the year
- ☐ Governance committee has reviewed compliance with Wisconsin Chapter 181 statutes
- ☐ Legal counsel consulted on any governance questions requiring legal interpretation

CLOSING

Putting It Into Practice

The governance committee's work is never finished, because the board itself is always evolving. Members rotate on and off, organizational priorities shift, and the communities CDA serves face changing conditions that demand adaptive, well-equipped leadership.

What this guide asks of CDA's Governance Committee is not perfection, but intentionality. A governance committee that takes its work seriously recruits well, develops its members, assesses honestly, cultivates culture, and maintains the board's legal and ethical frameworks gives CDA's board the foundation it needs to do the same for the organization.

> Strong governance is not a luxury for organizations that have the time and resources to invest in it. For an organization doing the work CDA does — building community power, addressing structural inequality, and holding the table for those most affected by housing instability — strong governance is a moral imperative.