



**“Effective Boards For Effective Governance”**  
Program for  
**PACS Partner CSOs in Jharkhand**  
Nov – Dec 2004

A  
Workshop Report

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## **1.0 Executive Summary**

PACS (Poorer Areas Civil Society Program), a DFID funded program managed by the Management Consultants from DA and PriceWaterhouse Coopers (P) Ltd., is operating in more than a hundred poorest districts of six contiguous states. Implementation of program is through a large network of civil society organisations. The concern for organisational capacity building, and their strengthening has prompted PACS management to include the decision making and governing level of the organisations they deal with. 'Governance' issues have been identified as critical to the sustainability of the organisation.

Recognising Boards as one of the most valuable assets that CSOs have in bringing about a difference to the community through their vision, commitment and energy, a program was designed and conducted. Through the development of a peer exchange cum orientation program necessary information and support to selected members of PACS partner organisations was provided to enable them become aware of key components of 'good governance' and facilitate them reactivate and strengthen their capacities.

The first of such peer exchange programs was organised for 'lead' CSOs of Maharashtra. With a few changes arising from the experiences and learnings from such an exercise in Maharashtra, the program was carried forward to Jharkhand. It encompassed special emphasis on the governance challenges particular to non-profit organizations. The objectives of this workshop based on participatory learning through peer experience sharing and consultation were: to provide awareness and develop a better framework of understanding (through contextual and additional anecdotal material) of how governance practices in non profits need to be adopted; to build capacities of the top decision making and governing level for improved NGO governance, through Board development measures; to help participants in identification of key areas for improvement in good governance practices and to suggest appropriate methodology/practices, and finally, to develop a Follow up procedure for tracking and ensuring implementation of good governance practices highlighted during training.

This workshop was the second in a series of capacity building programs for Board members of PACS partner CSO's, and was a continuation of the efforts made by Sampradaan Indian Centre for Philanthropy (SICP) at generating good governance practices among PACS partner CSOs in Maharashtra, conducted earlier during the year.

A Training Needs Assessment exercise was conducted, which obtained responses through a predetermined questionnaire and a focus group discussion with selected members on issues concerning the concept of good governance, role of Boards, information regarding procedures and laws, sustainability of CSO Boards and gender representation. These responses formed the basis of an agenda consisting of relevant issues of concern to participants.

The next step was to conduct the program. Unlike Maharashtra, all CSOs – 'lead' as well as their 'networks', were included in the program. The numbers were large - 15 'Lead' CSOs and more than 60 'network' CSOs. Two Board representatives from each participating CSO took the number of participants to a total of 160. Such a number was not exactly conducive to peer learning situations. Location specific clusters were thus formed. The three regions were Ranchi, Hazaribag and Deoghar. Each cluster had a representation of over 50 participants – still large, but, perhaps, manageable.

## *Promoting Good Governance in Jharkhand*

The coordinating organisations at the three locations were Jan Utthan Samiti (JUS) Ranchi, Jan Vikas Kendra (JVK), Hazaribag, and Lok Jagriti Kendra (LJK), Madhupur (Deoghar) respectively. These organisations coordinated correspondence with participants and were incharge of logistics.

An identical two and a half day program was conducted at each of these locations by SICP, through a team of resource persons who had been identified as some of the best in the area of governance. The issues taken up for discussions were: The importance of good Boards and good governance; understanding legal and financial compliances; creating good Boards; the Board in Action – Vision /Mission Statements and Conducting Effective Meetings; Quest for Credibility and the adoption of minimum norms and lastly the issue of Board appraisal and evaluation. The program commenced with introductions and mapping expectations, and concluded with a wrap up and a consensus on the follow up action plan among participants.

By and large the participants were receptive to the knowledge and information provided. They valued the exposure and expressed satisfaction at the learning opportunity given. However, most felt that this was just a beginning. As a Follow up the emerging suggestions were theme based shorter modules on different aspects of governance like legal/fiscal understanding; credibility norms; board appraisal and instruments of evaluation; management vs. board and conflict resolution. In addition it was suggested that it may be more meaningful to include actual grassroots experience and challenges. Availability of resource material in the local language was another issue raised.

Developing the ideas emerging from participants, SICP makes some recommendations. The most important observation and recommendation by SICP is that if PACS management desires to bring about any difference in the Board processes, it needs to view the governance issue as not just an adhoc program, but make a long term more comprehensive and integrated effort spanning over several years. The important components of such an effort could include development of material and cases from the grassroots and in the local language, translation of existing material on governance, creation of a local resource pool of trainers and conducting a training of trainers activity, and, organisation of shorter modular workshops of special interest to participants. Board evaluation was identified as an area of curiosity and interest, SICP could also contribute towards development and standardisation of instruments of evaluation specific to a range of organisations.

The workshop concluded with participants recommitting themselves to the adoption of good governance practices within their organisations to make them more credible, transparent, accountable and responsible.

**2.0 List of Abbreviations**

<b><u>Abbreviation</u></b>	<b><u>Full Form</u></b>
CAcct	Chartered Accountant
C A	Credibility Alliance
CEO	Chief Executive Officer
CSO	Civil Society organisation
DA	Development Alternatives
DFID	Department for International Development
FCRA	Foreign Contributions Regulations Act
FMSF	Financial Services Management Foundation
ICAI	Institute of Chartered Accountants ( India)
ISO	International Standards Organisation
JUS	Jan Utthan Samiti
JVK	Jan Vikas Kendra
LJK	Lok Jagriti Kendra
NGO	Non Government Organisation
PACS	Poorest Areas Civil Society Program
PwC	Price Waterhouse Coopers
SICP	Sampradaan Indian Centre for Philanthropy

## **Effective Boards for Effective Governance**

### **Workshop Report**

#### **3.0 Introduction**

##### **3.1 Background to program**

Most organizations, whether in government, business or the non-profit sector, have boards of directors. Recent high profile scandals in the private sector, such as Enron or World.com, and the innumerable scams at our national level have focused attention on the role of these boards in providing direction and oversight, and on the need for robust governance practices.

Almost all organisations have Governing Boards – large or small, and even though their commitment is of a high order, there is often a challenge to utilize their skills and experiences wisely. [As the non-profit establishes itself and diversifies its operations and programs, the work of the Board takes on a new meaning. An engaged and deliberate Board can make the difference between an organisation that is merely surviving from day to day and one that approaches the future with vision and determination. It has been observed that despite their position at the 'top' of organizations, in practice, many boards are not very effective. Examples indicate that members of a Board are frequently unclear about their role, and that relations between board members and staff may often become strained. Many Trustees/Presidents are known to have admitted privately that their board has difficulty focusing on strategic issues.

Comment [DAK1]: language

However, for organizations to perform well and maintain their reputation, sound governance is important - sometimes critical. Effective performance by the board - board governance - helps ensure that objectives are realized, resources are well managed, important relationships are nurtured, and the interests of stakeholders are reflected in decisions.

PACS (Poorer Areas Civil Society Program), a DFID funded program managed by the Management Consultants from DA and PriceWaterhouse Coopers (P) Ltd., operating in six states, has a large network of civil society organisations. It was evident from the operation of the program that organisational capacity building measures cannot be limited to training of staff and management but also must include capacity building of the top decision making and governing level. In other words, 'governance' was equally critical to the sustainability of the organisation as program management was. Many would say they are two sides of the same coin. The focus of PACS program, alongside poverty reduction is also to strengthen the capacities of the CSO partners. The objectives have a symbiotic relationship, as one is not possible without the other.

This workshop based on participatory learning through peer experience sharing and consultation was aimed at strengthening governance capacity. It encompassed special emphasis on the governance challenges particular to non-profit organizations.

These workshops in Jharkhand were a continuation of the efforts made by Sampradaan Indian Centre for Philanthropy (SICP) at generating good governance practices among PACS partner CSOs in Maharashtra, conducted earlier during the year.

**Comment [DAK2]:** brief about PACS programme, its objectives and coverage

### **3.2 Why a Workshop on Effective Governance?**

The current workshop “Effective Boards for Effective Governance” has its genesis in the above mentioned thinking. This was an attempt to assess the existing capacities of participating CSOs as well as to enhance capacities in making them more transparent, credible, accountable and taking on leadership roles. The purpose of the workshop was to:

- a. Discuss and share various issues related to effective governance
- b. Share and disseminate ‘best practices’ lessons in governance
- c. Identify key areas of improvement in good governance practices and suggest appropriate methodology and practices
- d. Develop an appropriate Follow up procedure for tracking and ensuring implementation of good governance practices highlighted during the workshop.

This workshop was the second in a series of capacity building programs for Board members of PACS partner CSO’s. The first one was in Maharashtra – with ‘Lead’ CSOs and the current one was carried out for the Boards of all CSO partners in Jharkhand. (Lead and network). As the number of participants was large – nearly 150 – the workshop was conducted in three clusters at three locations – Ranchi, Hazaribag and Deoghar (Madhupur).

The coordinating organisations at the three locations were Jan Utthan Samiti (JUS) Ranchi, Jan Vikas Kendra (JVK), Hazaribag, and Lok Jagriti Kendra (LJK), Madhupur respectively.

**Comment [P3]:**  
The purpose of the workshop is to  
➤ Discuss and share various issues related to effective governance.  
➤ Sharing and dissemination of ‘best practice’ lessons in governance  
➤ Identification of key areas for improvement in good governance practices and suggest appropriate methodology/practices.  
➤ Develop a Follow up procedure for tracking and ensuring implementation of good governance practices highlighted during the workshop

This report presents the proceedings, the learnings and recommendations from the three workshops held at Ranchi, Hazaribag and Madhupur between 17 -19 Nov, 20 –22 Nov and 9 –11 Dec 2004.

### **3.3 Brief Profile of Sampradaan Indian Centre for Philanthropy**

Sampradaan- Indian Centre for Philanthropy (SICP) is a New Delhi based NGO, registered in 1996, under the Societies Registration Act. SICP’s vision is a social order where private resources (time, money, skills, and assets) are shared willingly and deployed effectively to create a developed and equitable society. It represents an effort to facilitate the practice of philanthropy and to increase its social impact. Its objectives are to undertake and co-ordinate research that can influence the policy environment and design of programmes and institutions within civil society in India; to act as a resource center for philanthropy in India; to advocate a public policy supportive of philanthropy through dissemination of the results of research, and other relevant information to the government, the media, civil society organizations, and the public, and, finally to build capacities of donor organizations and civil society organisations to further social development by providing them relevant information, technical advice and training. In pursuit of its objectives SICP plays three interlinked sub roles, viz.:

- A Resource Center role (research, documentation, dissemination),
- An Advocacy role, and

- An Intermediary advisory and convening role for capacity building of both grantees and donors.

SICP is a unique clearinghouse of information on national and international philanthropy and it also acts as a catalyst for promotion of new ideas and concepts.

#### **4.0 Background Work**

##### **4.1 Training Needs Assessment (T N A)**

A revisit to the Report on the earlier workshop in Maharashtra will indicate that the agenda formulation depended largely on the findings of a TNA Report conducted by PACS SSRO in that state. However, to obtain a greater feel and to ground the program in the existing realities it was decided that the TNA be conducted by SICP. The third Peer Learning Workshop organised for all partners in Jharkhand was identified as the ideal platform and an appropriate opportunity to introduce the idea of 'good governance' as well as to assess participant needs through a focused group discussion with selected members present on that occasion.

The objectives of this exercise were as follows:

- a. To be informed about the specific training needs and areas of concern relating to 'governance' among the PACS partner CSO Boards.
- b. To enable the designers to frame an appropriate curriculum with identified areas of concern in the agenda.
- c. To provide an adequate profile of participating Boards facilitating an understanding of the background of target audience, their diversity in experience and expertise, the nature of their programs etc among resource persons.
- d. To help create a local resource pool through identification of appropriate resource persons who may be involved directly or those who may be trained to take on future follow up work.

##### **4.1.1 Methodology:**

Structured questionnaires (in English and Hindi) listing possible issues of concern were developed by SICP. These were distributed to some Board members present at the Peer Learning Workshop in Ranchi on 9<sup>th</sup> September 2004. However, and it was felt that the scope of responses obtained on a pre formulated structured questionnaire was limited as they did not capture the essence/richness of the experiences of senior and vastly experienced individuals. This necessitated a focused group discussion. With the structured questionnaire serving as a guideline, study areas were crystallised and sharpened. Members interviewed were co operative and open and shared freely their experiences, views, difficulties experienced in running an organisation under difficult and challenging circumstances.

A complete Report on the findings and recommendations is available separately. To recapture what has been stated in the TNA Report, the salient points emphasised were:

#### 4.1.2 Concept of Good Governance

- What is concept of good governance
- Checklist of characteristics for good governance
- Ways and means to achieve good governance
- Skills required for good governance
- Discussion on cases of NGOs having good governance
- How to use new technology in promoting good governance
- Problems faced by CSOs and ways to overcome them.

#### Role of Governing Board

- Effective contribution of trustees in development of organisation
- Selection of trustees
- Developing understanding and vision of governing Board
- Developing good working relationships in general and CEO in particular
- Roles and responsibilities of trustees
- Accountability towards work, people, donors and resources
- Mechanisms for internal evaluation
- Value orientation relating to obtaining financial benefits

#### Information Related with Procedures and Rules

- Information on Acts like Bombay Public Trusts Act, FCRA, Income Tax Act
- Updating and submitting administrative, financial, and legal records
- Changes required in these Acts
- Different legal procedures involved

#### Sustainability of NGOs

- Information on resource organisations supporting NGOs
- Self-existing mechanisms for NGOs and role of donor agencies.

#### Gender sensitivity among NGO heads and its functioning.

This was an exhaustive list of identified issues. Surely, a two-day workshop would not suffice. The issues were prioritised and a draft agenda circulated to some of the participants as well as PACS State Coordinator. Once they were in agreement with the issues being covered under the program, the agenda was finalised.

*(See Annex 1 for the final agenda).*

#### **4.2 Preparation of Distribution Material**

Folders for distribution to participants were prepared by SICP with appropriate background reading material. Material was arranged session wise and each section contained the session plan, the presentation by the resource person, and some related background reading.

A list of Resource persons with their brief profiles, and a list of resource organisations was also included. Each session carried an evaluation form. There was an evaluation form for the overall evaluation of the workshop also.

#### 4.2.1 Case Studies and other material

While each session was intended to be participatory in its material and methodology, four caselets were developed particularly for the session on 'Creating Good Boards'. These were translated into Hindi for the last workshop in Madhupur.

In addition an existing caselet on prioritisation of agenda for a proposed Board meeting was also translated into Hindi.

SICP with the assistance of an external consultant and a Chartered Accountant also developed three booklets on 'Laws and Governance'. The three booklets relate to The Societies Registration Act 1860, The Companies Act 1956 and The Bombay Public Trusts Act 1950 and what they envisage so far as governance issues are concerned.

#### 4.2.2 Resource persons

SICP's experience in Maharashtra facilitated the formation of a Core Group of Advisors and resource persons. Most resource persons identified were part of the team for all the three workshops in Jharkhand. These Core team members are likely to continue with the capacity building process when the program moves on to other states. This will be with an aim to facilitate a greater sense of continuity and stability to the program. Also this way experiences of one state will automatically enrich the next workshop.

*(See Annex 2 for details of resource persons)*

### **5.0 Structure and Methodology**

As indicated earlier, Board members of almost 79 CSOs were being covered by this program. It therefore became imperative to conduct the workshop in three clusters. Even so each cluster had close to 50 participants.

The workshop was structured in six sessions. Please see annex 1 – Agenda for details of sessions. Each session discussed a separate issue and was facilitated by a different resource person.

The methodology was participatory for most sessions. There were cases and sub group exercises. Some sessions, however, like Quest for Credibility, did not have much scope for participatory exercises, as they were more in the nature of information giving. Also time limitations did not permit much exchange of experiences between participants. These issues are discussed towards the end of this Report.

The practice of including selected participants as Chair for each session as well as to represent views of the participating group by another member of the group was continued in Jharkhand in much the same way as it was done in Maharashtra. This way six CSO participants were given the opportunity to Chair the six sessions and an additional five were provided an occasion to speak of existing ground realities pertaining to the session

in question. This way they had a direct voice in the proceedings and also facilitated the discussion and consolidation.

An Open Forum was also planned to discuss challenges confronting organisations with reference to governance matters. However, due to insufficient time, this practice could be adopted only for the first workshop at Ranchi.

The workshop was planned as a two-day exercise with an additional evening for registrations, introductions and mapping of expectations. The thinking behind this planning was to complete the distribution of material, and go through the introductions. The unstructured and informal nature of this exercise was intentional. It was believed that this would provide the opportunity to meet the participants and know about their organisations. Also such a process would save time the following morning when the workshop could go directly into the structured sessions.

The format was to a large extent participatory. Some amount of 'structuring' was however necessary to keep the proceedings on track. At times "ideal" situations had to be pointed out – but these were more to make a point rather than indicate that organisations needed to conform to them. The format was thus a mix of formal presentations interspersed and followed by discussions.

Session wise evaluations were carried out at the end of each session. An overall evaluation of the entire workshop is available and the findings are presented as Annex 3

## **6.0 Objectives of the Workshop**

1. To provide awareness and develop a better framework of understanding (through contextual and additional anecdotal material) of how governance practices in non profits need to be adopted.
2. To build capacities of the top decision making and governing level for improved NGO governance, through Board development measures.
3. To help participants in identification of key areas for improvement in good governance practices and to suggest appropriate methodology/practices.
4. To develop a Follow up procedure for tracking and ensuring implementation of good governance practices highlighted during training.

### **Additional**

To share, disseminate and develop a foundation of knowledge on which to build additional tools and resources to assist CSOs in creating effective governance or 'best practices' in governance.

## **7.0 Profile of Participating CSO's**

A total of 76 partner organisations of PACS program in Jharkhand participated. As stated earlier they were divided into three location clusters. While Ranchi and Hazaribag were represented by five 'Lead' CSOs each, Deoghar (Madhupur) cluster had six 'lead' CSOs. The number of network CSOs was 21, 25 and 30 respectively. The Table below provides the exact numbers.

**CSO Representation in Three Clusters**

S No	Cluster	Lead CSOs	Network CSOs	Total
1	Ranchi	<b>1. Jan Utthan Samiti</b> 2. Society for Participatory Action and Reflection 3. Karra Society for Rural Action 4. Pragati Luyadih 5. Sampurna Gram Vikas Kendra	1. Four 2. Five 3. Three 4. Nil 5. Four	21
2	Hazaribag	<b>6. Jan Vikas Kendra</b> 7. Nav Bharat Jagriti Kendra 8. Jan Sewa Parishad 9. Prayas 10. Prerana Niketan	6. Two 7. Nine 8. Five 9. Two 10. Two	25
3	Deoghar( Madhupur)	<b>11. Lok Jagriti Kendra</b> 12. NEEDS 13. Chetna Vikas 14. Judav 15. Badlao Foundation 16. Pragatisheel Yuva Kendra	11. Ten 12. Six 13. Four 14. Four 15. Nil 16. Nil	30

*Note: For details of the profile of participating CSOs please see Training Needs Assessment Report.*

Two Board members represented each organisation. While most CSOs were represented by the Secretary and Treasurer, in some instances the President and members were also present. Also some CSOs had only one Board member, while others had three members attending the program. The entire program covered 149 Board members. The break up is as follows: 39 participants in Ranchi, 51 participants in Hazaribag and 59 participants in Deoghar (Madhupur).

*Annex 4 is a matrix showing the important parameters of the participating organisations, and a brief analysis of their significant features.*

In addition to the CSO participants, there were six resource persons (including two from SICP) and the State Coordinator for PACS for Jharkhand.

## **8.0 Session wise proceedings**

The program – its content, structure and sequence - for the three clusters (Ranchi, Hazaribag and Deoghar) was identical. There were, however, some changes in the names of resource persons. Much though SICIP attempted to keep the same team for all the three locations, there were some who could not make it to all three.

A brief description of concepts covered and discussions at all the three locations is presented below.

*For Details of session wise proceedings please see Annex 5.*

### **Session 1**

#### **8.1 Importance of Good Boards and Good Governance**

*“ Good boards like gardens must be tended and grown. -----Few boards take up their work in full bloom”*

##### **8.1.1 Concepts**

In the Indian context the concern with accountability, transparency, better self-regulation, better image and fund raising were important compulsions. There was also a global concern due to various scams in the voluntary sector as well as the commercial world. In this context the importance of improving nonprofit governance was pointed out. In this context key words from a definition of good governance were explained.

Characteristics and functioning of four types of Boards – Family, Invisible, Staff and Professional were indicated.

Basic areas of responsibility outlined were setting organisational direction, oversight, resources and outreach. Characteristics of a good board in terms of its composition size, skills and expectations concluded the session

##### **8.1.2 Discussions**

1. Discussion focused on how individual boards were constituted. What was advantageous, what was lacking and how could that be overcome.
2. Most CSO Boards could not exactly fit into any of the distinct categories indicated. They were generally a mix of all kinds. Perhaps, there needs to be a fifth category.
3. Sustaining the interest levels and commitment of members was a challenge faced by many. Some even proposed that, perhaps there needs to be a separate workshop on this issue alone.
4. Another genuine concern was ensuring attendance and participation as most members had limited time.
5. This led to a discussion on the trade off between keeping illustrious, well known persons on the board vs. keeping those easily accessible but not so famous.

## Session 2

### 8.2 Facilitating Board Understanding of Legal Compliances

*“ Effective governing bodies exercise legal and fiduciary responsibility to obtain and appropriately use the resources required to carry out the organisation’s mission and sustain it.”*

#### 8.2.1 Concepts

Discussions were divided into explanation of legal compliances and financial understanding.

Legal: NGOs have a separate identity for themselves distinct from their governing body, general body and the executive members. Accordingly as a separate legal entity they are required to adhere to various legal statutes and ensure compliances on an ongoing basis. The identification of legal identity under The Societies Registration Act 1860, The Companies Act 1956, or, Trust Acts like Charitable and Religious Trusts Act 1920, Religious Endowment Act 1863, or the Bombay Public Trusts Act 1950 was explained. Evidence of Registration and Approvals and Permission under the FCRA, Income Tax were discussed. Issues highlighted were Audit, Service Tax., Employees Provident Fund and Miscellaneous Provisions Act 1972. In this connection Filing of Returns and mandatory Accounting Standards by ICAI were pointed out.

Financial: Explanation of What does the Financial Statement provide? Key Financial Statements, Budgeting and Financial planning as a critical factor in the planning process. Some of the commonly used tools and forget me nots were outlined while explaining the distinction between Capital Budget, Operating Budget and Cash Budget.

#### 8.2.2 Discussions

1. Session was interactive and participatory. Questions relating to individual problems were taken during the presentation, rather than participants sharing of experiences at the end of the presentation. This facilitated tackling problems in a more meaningful way.
2. General consensus was that the concerned accountant in each organisation needs to be part of this training as a large chunk of this work was being performed by him/her
3. More time required to discuss actual problems of organisations at the ground level.
4. A two-day advance program and focusing on detailed understanding of such issues was required.

## Session 3

### 8.3 Creating Good Boards

*“Creating good boards is hard work, requires consistent investment in time and effort but in the long run will pay rich dividends to the organization in terms of building credibility, reputation and enhancing the effectiveness of the organization.”*

#### 8.3.1 Concepts

To have a “working board”, organizations must have strategies of getting right and good people on Board. The Composition, size of Board, diversity were important factors in accomplishing the organisations mission. In addition, based on an understanding of the needs of an organisation, balancing the board is an important criterion.

Once the Board is constituted sufficient thought needs to be given to ways and processes of inducting and training of its members. Engaging the Board and managing conflict of interest were other issues touched upon in the presentation.

The above issues were actually identified by participants themselves (and later consolidated in the presentation), through the use of two participatory exercises.

Exercise 1 : a simple questionnaire given out in pairs with brief illustrations to gauge what is the groups understanding of a good board. E.g. The Board meets once every month and discusses critical issues facing the problem, is involved in jointly goal-setting and direction of the organization. The participants judged whether such a situation was indicative of a good board or not and provided their reasons. A total of 15 such situations were presented.

Exercise 2 Caselets depicting four typical situations in organizations were handed out to four subgroups. This initiated discussions on creation and functioning of good boards.

Annex 6 a and b are the exercises used and 5 c some of the participant responses

### **8.3.2 Discussions**

1. Group exercises facilitated interest and participation in highlighting the issues for the creation of a ‘good board’. This included critical points such as Composition, Size, Balancing, Involving Women, and Conflict of Interest etc.
2. What is an ‘expert’ and who is the ‘expert’ one needs to include on the Board was a question asked by some. Issues are organisation specific and the meaning of ‘expert’ changes from organisation to organisation.
3. What are the basic qualifications of members for inclusion in the Board? Again, no standards available. Organisations develop their own criteria, which may vary with the vision/mission as also over the years. However, once job descriptions get framed, they need to be passionate about maintaining the mission.
4. Conflict of Interest. Do the bylaws lay down any rules for managing conflict of interest?
5. How does one get the board involved in fund raising and other policy related issues with the same level of commitment as expressed by the member when he/she first became associated with the organisation.

### **Session 4**

### **8.4 The Board in Action: Vision and Mission Statements + Conducting Effective Meetings**

*“It is the idea (vision) that unites people in the common effort, not the charisma of the leader”.*

#### **8.4.1 Concepts**

CSOs exist because people value compassion, equal opportunity, social justice, gratitude, repaying debt to society and social progress. These values need to be communicated to staff, board members and outsiders, through memorandum of association, as also vision and mission statements. What are vision and mission statements, the difference between the two, how to create, review and revise them against a check list were some concepts. The importance of consensus and shared understanding in developing them was important.

Some examples of participant responses are given as Annex 7

Basic guide to conducting meetings, ideas to generate participation in meetings was discussed. A group exercise on agenda formulation and prioritisation of agenda was conducted. Annex 8 ( A and B) for group exercise

#### **8.4.2 Discussions**

Group presentations made on how the chosen vision /mission statement measured against the checklist presented. Group exercise on certain Board meeting situations presented. Discussions brought out salient features to be considered in the preparation and conduct of a meeting.

Exercise on agenda item selection and prioritisation highlighted participant understanding of the role of management board , information giving items, decision making on policy issues, consent agenda, and items which could be dealt with in another meeting at a later time.

### **Session 5**

#### **8.5 Quest for Credibility**

*“ After all NGOs are human organisations too – with all the scope for laziness, inefficiency, and even corruption that any group of people risks falling into if it lacks either self discipline, or, external scrutiny. Hence the need for an evaluation framework for the sector.”*

#### **8.5.1 Concepts**

Credibility alliance is a collective of voluntary organisations, committed towards enhancing accountability and transparency in the voluntary sector through governance. Presentation included appraising the participants of the process involved in drafting the norms, the need for enhancing credibility, norms of good governance in NGOs, good practices, and the setting up of Credibility Alliance for developing accreditation systems and reporting formats adhering to minimum norms.

#### **8.5.2 Discussions**

1. Participants were curious and interested as for some this was a new concept. Most members exhibited willingness to be a part of the process, and desired further dialogue, with PACS partners and other NGOs at the state level

2. However, they were apprehensive about how credible was Credibility Alliance in providing the norms?
3. Information sought on whether there were any other organisations like CA doing similar work of accreditation?
4. Once the organisations agree to conform what was the process of adopting the norms spelt out by Credibility Alliance?
5. Since a number of agencies like ISO, CRISIL, PwC, Credibility Alliance proposed differing set of norms, participants were in a dilemma as to which set of norms to adopt.
6. Grassroots realities indicate the existence of various pressure groups – politicians / local bigwigs etc., who may not express a willingness or may even work against the adoption of such norms. How does the NGO counter such a situation?
7. There are innumerable questions to be answered prior to adoption of norms. NGOs face enormous constraints in answering these queries.
8. Why analyse and judge only governance processes? Program related activities are equally important and these get reflected in the governance procedures. Judging only on the basis of Board activities would present an unbalanced view.
9. Adoption of such norms and accreditation involved an inherent expense. Irrespective of the amount of costs involved in such a process, NGOs expressed reservations as to who would fund such an exercise.
10. It was indicated by some that Credibility Alliance would need to increase its resource base. Small NGOs would ultimately need to be supported by CA to adopt and conform to norms.
11. Is it right to thrust words like Accountability, Transparency, Credibility, and adoption of minimum norms of functioning on NGOs alone? Should not other stakeholders be also a part of this process?

## **Session 6**

### **8.6 Board Appraisal and Evaluation**

*“ Properly conducted and followed up with action, evaluation can ultimately transform us from a traditional show-and-tell to a much more do-and-take board. ”*

#### **8.6.1 Concepts**

Board Appraisal and evaluation on a regular basis was essential for improving organisations work, meeting requirements of funding agencies, providing feedback to staff and volunteers. This objective outlined various Steps for Board Evaluation and Appraisal. CEO Evaluation mirrored the Boards expectations. Mention was made about the effective evaluation process, which involved adoption of certain processes and instruments.

#### **8.6.2 Discussions**

1. For most participants this was a *new and appealing* concept.
2. They were of the view that Board evaluation is a *critical part of ensuring outcomes* as the fish rots from the head.
3. The concept sounded simple, but participants were desirous of knowing *how performance goals as well as indicators for their measurement would be set.*

4. Much discussion followed on the *instruments* that may be adopted for evaluation. A simple technique pointed out was the *self-evaluation process*, which a Board can proactively use to look at its performance so that they can keep their eye on the ultimate goal. Discussion on other instruments revealed the importance of each organisation developing its own.

## **9.0 Open Forum**

An open Forum to enable participants express their constraints, challenges was conducted. Unfortunately, this practice was adopted only for the Ranchi cluster. Time constraints did not permit such an exercise at other locations.

### **9.1 Ranchi Cluster**

Some of the issues raised by participants were as follows:

1. Any legal provision that improves the participation and involvement of few inactive members?
2. Legal process for adding new Trustees.
3. Filling in FC 8 Form for intimation of Change of office address to Home Ministry
4. Content of legal/financial information varies from source to source. How does one ensure reliability of the information?
5. Can one have another FCRA account?
6. Where does one get additional information on FCRA?
7. Is it a good practice to invite auditors to General Body meetings? How many organisations do this?
8. Additional case material could be developed for discussions on 'good boards'. There was enough experience and material available within the group.
9. Was Credibility Alliance looking at only large organisations?
10. How would CA rate an organisation that had excellent legal/financial systems in place, but had not much to talk about at the field program level?
11. What are the instruments for evaluating Board performance and how does one choose the appropriate one?

### **9.2 Response to Questions**

Wherever, necessary, participants volunteered to share their experiences. However, responses and reactions to the above queries from resource persons were:

1. The Managing Trustee has some additional powers that may be exercised. Need to check by-laws in the trust deed
2. Amend the Trust Deed & bring in new Trustees
3. The FC8 forms need to be refilled. New number required only if registered office address changes. Option was to keep the registered office address unchanged. Change only functional address.
4. Cross check with other organisations.
5. It is illegal to have two FCRA accounts. Opening a new FCRA account takes enormous time. In this connection it was suggested that since PACS was working in six states with a network of CSOs, they could approach the Home Ministry and clarify the status. It was likely that they would be given a letter for atleast their partners. There was need for further dialogue on this said the PACS representative.

6. Account Aid was involved with some work on FCRA regulations. There was also an FCRA website hosted by FMSF (Noida). The contact details of these organisations were available in the list of resource organisations included in the participant folders. There was a suggestion that Account Aid could be invited to do an orientation on FCRA rules and regulations for Development Alternatives.
7. Participants came out with suggestions for development of case material based on actual cases with adequate information on governance issues. Suggestions included an organisation where there were only professionals and no family members, SPAR (where board members and auditors are invited to the field to directly see field level activities, JUS , which adopts a practice of holding an account day every six months. Also Agragati — board and auditor visit the field, there is interaction with beneficiaries and field staff. The auditor does this voluntarily. Organisation, however, covers cost of transport and stay.
8. C A would deal with any organisation that is a registered entity - as a trust, society or section 25 company. However, when the process of accreditation commences, the size, fund base, etc. of the organisation would also be studied.
9. Such a scenario will be discussed and decided by the Members of the Credibility Alliance.
10. Instruments of evaluation need to be developed specific to the organisation. There were a number of instruments available and one could begin the exercise on that basis.

## **10.0 Highlights**

A wrap up session was conducted at each of the three locations. To avoid repetitions and also to provide a larger picture of responses/views from one state rather than one region, they have been summarised below.

### **10.1 Program Coverage:**

The program covered 149 participants (39 Ranchi, 51 Hazaribag, and 59 Deoghar). In all Board members of 76 CSOs participated. These included 16 ‘Lead CSOs and 60 Network CSOs. *A complete detail of the participating NGOs and participants is provided in Annex 9*

From any standards this was perhaps the largest program on ‘Governance in NGOs’ in terms of both interest exhibited by CSOs to learn about good governance’, as also the concern expressed by a single donor towards incorporation of good governance practices.

### **10.2 Participant Views**

1. There was universal appreciation for the kind of information provided regarding good practice/best practice. At times, the participants mentioned that the ground realities were, in many cases different. For overcoming such challenges, it was observed that they would need to reflect and find solutions keeping their situations in mind.
2. Concept of good governance was perceived initially as threatening by some participants. There was curiosity and apprehension among participants. Participants had not given serious thought to such issues earlier. This workshop provided a learning opportunity and the exposure to relevant issues in the present day context.

- Experience and knowledge sharing were very useful. There was also a suggestion that such workshops should be held on a regular basis.
3. Participants came with many expectations, and evaluations reveal that the program had covered most of them. However, some expectations like not having enough opportunity and time to share their experiences and learn from others were expressed as not having been met adequately.
  4. Board evaluation and appraisal were new and interesting concepts, perhaps extremely appropriate in the changing scenario of the development sector. General response was that the participating members would revert to the other members of their boards with the information obtained at the workshop. Further dialogue and additional information was essential on the process and instruments of evaluation.
  5. In terms of the structure of the workshop participant views were:
    - a. Eliminate Pre conference evening. Reasoning behind this was this was an exercise in participant and program introductions and nothing serious was to be discussed. One could miss attending this.
    - b. Begin with sharing of organizational practices to understand exactly how governance issues were approached.
    - c. Participants who attended should send the challenges and problems they faced in their organizations in advance to SICP so that they could be addressed in other workshops either in the same state or elsewhere.
    - d. Formal set up for the workshop was important – but at the same time made it impersonal. An informal, residential setting would certainly be more conducive to rapport building and learning /sharing among participants.
  6. Some were of the view that governance was of utmost importance, because most times it was the systems rather than the charismatic leader, which made the organisation work better. Continuing the thought – a good organisational management system independent of the individual put in place would be extremely beneficial.
  7. Referring to credibility norms, participants expressed a view that grading will adversely affect the NGOs. Donors may be guided by these norms. This would halt the process of giving on an impulse. Donors should be free to give to whomsoever they feel like.
  8. There was a certain amount of importance attached to self-evaluation. The process of giving should shift its importance from setting norms to building in education and corrective action by an organisation.
  9. Good governance is a composite. While a major contribution towards this comes from instituting good practices within the systems, other aspects like organisational performance at the field level and human resources (for instance staff turnover) also play an influencing role.
  10. More Indian cases and experiences need to be documented. There was enough experience at the grassroots level, it may be worthwhile to develop these challenges and problems into a literature base for discussions.
  11. All Board members should participate in such workshops. In addition, the Accountants in each organisation should also attend such workshops, as they are the ones who deal directly with legal and financial problems.

### 10.3 Our Observations

1. By and large the workshop met participant expectations. Participants came with certain reservations and apprehensions. The information provided through structured presentations and the interactive nature of the exchange of experiences transformed it into a non-threatening learning experience. Knowledge about what exactly is meant by 'good governance' and what goes into making the practices 'good governance practices' were new concepts to many. There was agreement that the information provided was indeed valuable and useful.
2. A lot of information was passed on to the participants. Some of the reasons for them not having adequate time for sharing their experiences could be:
  - a. Time Constraints (Program was planned to impart a lot of information in just two days).
  - b. Governance was a new subject and there were hardly any local case studies to which the participants could relate better.
3. The language for communication was everyday Hindi. However, the presentations were all in English. A large number of participants expressed their inability to communicate in English. This limited the expressions and communications to some extent.

**Comment [DAK4]:** It may be – participants were more convenient in Marathi rather than English and Hindi

In addition, hand out reading material was also in English. While some attempt had been made to translate the cases and exercises in Hindi for the Deoghar cluster, they were limited and the Ranchi and Hazaribag clusters did not have this advantage. Smaller NGOs in particular found them difficult to follow.

4. Not much work on governance issues has been done within the country. Most presentations also relied on material published outside the country, interspersed with the resource person's own experiences. As such they dealt with not only 'ideal' situations but also alien. While it was necessary to indicate the ideal and give a direction, the discussions only touched upon the ground realities. Some of these experiences came from the resource person, and some from the participants themselves. This sharing remained within the group and the methodology of systematically transferring it to another group in another situation was non-existent.
5. The number of participants for each cluster was large and was therefore not completely conducive to a peer exchange situation. Though the design and structure of the sessions did provide time for discussions, it was not possible to include thoughts from every participating organisation. Moreover, the dynamics of 'lead' and 'network' CSOs, as also the size of the organisation, stature and understanding levels of the organisation representatives limited the participation, particularly those of smaller CSO members. While there is truth in the belief that there may not be much to learn in a homogenous group situation, the reverse that heterogeneity is intimidating was also true to some extent given the present situation.
6. The workshop was designed to include a Pre Conference evening to facilitate

registrations, introductions, mapping expectations, and also to create an informal atmosphere conducive for participation. However, the experience indicates that the “Pre conference evening” was not viewed seriously by most participants and the general belief was that the workshop was to formally begin only the following morning. There was thus thin attendance for the pre conference evening. Introductions form an important part of any gathering, and even though the organisers intended to carry on the process next day for those not present on the first day, there was little opportunity to do so in a proper manner. The latecomers did not have adequate opportunity to talk about themselves and be acquainted with other members of the group. This may have been one reason for some participants feeling isolated and expressing a feeling that there was not enough participation.

### **11.0 Follow Up as Proposed by each cluster**

#### **11.1 Ranchi**

More detailed workshops desired on the following:

1. Workshop on FCRA – Legal and Financial Compliance which would also discuss draft ICAI standards.
2. More information/interaction on credibility norms and the process of their adoption.
3. Workshop on Governing Board Vs Management – Managing Relationships
4. Information on the Process and Instruments of Board Appraisal and evaluation.
5. Detailed information on Programme /project planning and management.

These one/two day workshops could be organised sometimes in May 2005.

#### **11.2 Hazaribag**

1. Additional short duration workshops on financial and legal compliances, including ICAI standards. The Accountant of the organisation also to be a part as this will provide the relevant focus, and be of use in solving genuine grassroots issues.
2. Sustainability of Board and fund raising as issues strengthening the board processes to be also included in the governance workshop.
3. Reading and Training Material to be made available in Hindi
4. Local Resource Pool was a good idea and should be pursued

#### **11.2 Deoghar**

1. Detailed 2 day workshop on Legal and Financial Understanding where solutions to actual problems of organisations is carried out. Accountants to be included in this training.
2. A regional meeting of NGOs, including NGOs not part of PACS program to be organised to gauge the response. Additional information on the credibility norms and the process of adoption.
3. Additional information on Evaluation of Board members required on processes and instruments.

## **12. Recommendations and Action Plan proposed by Sampradaan**

1. First round of experience indicates that the concept of good governance and its many aspects is very necessary. In spite of the time constraints participants need to be introduced and exposed to important issues in governance. There has also been a favourable response from participants in terms of the learning opportunities it provided. All this has been achieved by holding preliminary workshops framed around basic issues in two states. However, some of the issues, like legal and financial understanding, credibility, Board evaluations require full time and independent attention in the form of separate workshops. Besides a strategy for follow up and integration of some good governance practices within the Board systems also needs to be incorporated. Now that there are two state level learnings behind PACS (and us) it is proposed that the PACS management looks at the governance program not as an adhoc (from state to state and program to program) but as a comprehensive and integrated effort spanning over say a 5 year period which includes the following:
  - a. Translation and development of new material for teaching/training in the local language. This may be seen as a continuing exercise. As indicated earlier there is a complete lack of material in Hindi. Translation is an expensive and time consuming and may be done in house only in a very limited manner. Preparation of presentations and other background material in Hindi for requires professional expertise. Also learnings from the workshop are extremely meaningful, but they would acquire a sense of purpose if they are documented (in Hindi) and are carried over to the next event. Since PACS program operates largely in the Hindi speaking states, the management may consider it worthwhile to invest both intellectually and financially in the development of material in the local language.
  - b. Development of case material. The relevance of these as effective teaching material cannot be overemphasised. Immense experience exists among participants who have served on boards of their own or other organizations. Conferences or workshops are good opportunities for sharing and learning from these experiences. However, these are deigned and conducted as one-time customised events. Experiences tend to get lost once the event is over. The board may need to learn and reflect on some of the discussions after the event. For this more systematic development of material in the form of cases, where boards discuss different approaches to governance and reflect on the governance architecture that may be appropriate for their own organisation, is required. Consolidating ideas or concepts based on localised practical problems, to help an organization see its challenges in relation to other similar kinds of organizations would be a real contribution. PACS needs to make a real investment here to set up an umbrella organisation responsible for generating this material as an ongoing process if they wish to make a real impact in the governance area.
  - c. Local Pool of Trainers. In every state we should find someone from the ground level who can become a trainer. It may not be feasible for SICP to provide information on important issues and discuss key areas of difficulty on a long-term basis with each and every partner. The creation of a local resource pool of trainers may be a possible answer. SICP could be instrumental in training the trainers and provide time to time support and advice. This would be one more step in the capacity building process of

partner CSOs Some apprehensions were expressed by PACS State coordinator that people from their own state might not view these trainers seriously. A way out, perhaps, is to use the selected trainer in another state. The nuances of language and expressions and the richness of experiences would find a place this way.

- d. More intensive and specialised workshops on different aspects of governance. Some of these have already been spelt out by a large number of participants – legal and financial understanding, credibility norms and Board evaluation. Others like management vs governance, conflict resolution, keeping the Board engaged, have also been voiced by some.
2. Board Manual Development: Experience in dealing with CSOs in two states (Maharashtra and Jharkhand) indicates that organisations experience difficulty in assessing their current approach to governance. There is a willingness to move forward, but how and in which direction? Based on the feedback from the training sessions SICP does not propose a "model" of governance. Our belief is that each organization needs to define its own approach to governance within the framework of general principles of good governance. This could state the way in which we work with organizations seeking to improve their governance. Board Manual Development, where each organisation outlines its own parameters for good governance would indeed take this task forward. Interactive sessions could be designed to help boards do a self assessment, understand their governance role with a focus on developing strategies to meet their organizational needs, and outline practical 'dos and don'ts'. Here SICP's role would not be limited to only conducting training for board members, but in addition providing consulting advice on strengthening governance practices.
  3. Identification and adaptation of self-evaluation instruments. Board evaluation and appraisal has emerged as a new area of interest. Through a collective reflection exercise on strategic identification encompassing the strengths, weaknesses, and general health of an organisation, a pilot may be done with a few organisations. This process may lead to the development and standardisation of a distinct set of instruments for different levels of organisations (grassroots, upcoming, and sophisticated and well-developed ones). This may be of particular interest to PACS (besides ofcourse the participating CSOs), for the kind of longitudinal data that this may generate, especially from the point of view of governance.
  4. Other Issues :
    - a. Redesign Agenda : two and a half days with a difference. Instead of a Pre conference evening, extend the program to the first half of third day.
    - b. Target group: 'Lead ' CSOs only or all partners? Each has its own merits/demerits. While taking the lead CSOs would limit the exercise, including all CSO partners entails a massive exercise in logistics. Again, region/location specific formation of groups has its own dynamics. The challenge would be to constitute a group situation where each participant feels comfortable and willing to articulate and share his/her problems. When the program shifts to the next state, a deeper understanding of the Board and organisation (by SICP) would be required in grouping the clusters.

- c. Inclusion of accountants. Technical aspects of accounting procedures could be organised by PACS separately. An accounts training is different to accounts capacity building. Financial Understanding as an aspect of governance does not require the presence of accountants.

Annex 1

**Peer Learning Workshop on  
“Effective Boards for Effective Governance”  
for PACS Partner CSOs in Jharkhand  
P R O G R A M**

**Thurs Dec 9 :**

- 4 – 6 pm**                      **Pre Conference Evening**
- Registration
  - Introductions and Mapping Expectations

**Fri Dec 10**

- 9 – 10.30am**                      **Session 1**  
**Importance of Good Boards and Good Governance**
- Types of Boards
  - Characteristics, Competencies
  - Understanding of what is required of the Board
  - What does the organisation want the Board to do?
  - Listing of Roles and Responsibilities of Boards
- Facilitator: Noshir Dadrawala**

- 10.45 – 1 pm**                      **Session 2**
- A: Facilitating Boards Understanding of Legal Compliances  
(Societies Act, Trusts Act, Companies Act)**  
**Facilitator: Joselyn Martins**
- B: Financial Oversight  
(Understanding organisations financial health, reading  
Budgets, balance sheets, investments)**  
**Facilitator: Joselyn Martins**

- 2 – 5.30 pm**                      **Session 3**  
**Creating Good Boards**
- Getting Right People on Board : Composition, balancing getting people, involving women
  - Managing expectations
  - Engaging the Board
  - Conflict of Interest
  - Orienting/Inducting Board member
- Facilitator: Vishal Talreja**



**Annex 2 ( A )**

**List of Resource Persons**

**Ranchi**

- |                       |  |
|-----------------------|--|
| 1. V Nagarajan        | V Nagarajan & Co, Chartered Accountants, New Delhi   |
| 2. Vishal Talreja     | CEO – Dream a Dream, Bangalore   |
| 3. Ranjan Rao Yerdoor | Executive Director, Credibility Alliance, New Delhi  |
| 4. V. Satyamurthy     | Executive Director, AIAMED ( All India Association of Micro Enterprise Development), New Delhi |
| 5. Pushpa Sundar      | Executive Director, SICP(Sampradaan Indian Centre for Philanthropy), New Delhi                 |
| 6. Rajni Patni        | Sr. Program Officer, SICP, New Delhi   |

**Hazaribag**

- |                       |   |
|-----------------------|---|
| 1. Joselyn Martins    | J A Martins and Co, Chartered Accountants, New Delhi                                |
| 2. Vishal Talreja     | CEO – Dream a Dream, Bangalore  |
| 3. Ranjan Rao Yerdoor | Executive Director, Credibility Alliance, New Delhi                                 |
| 4. Sanjay Patra       | Executive Director, FMSF ( Financial and Management Services Foundation), New Delhi |
| 5. Pushpa Sundar      | Executive Director, SICP (Sampradaan Indian Centre for Philanthropy), New Delhi     |
| 6. Rajni Patni        | Sr. Program Officer, SICP, New Delhi  |

**Deoghar**

- |                       |  |
|-----------------------|--|
| 1. Joselyn Martins    | J A Martins and Co, Chartered Accountants, New Delhi |
| 2. Vishal Talreja     | CEO – Dream a Dream, Bangalore                       |
| 3. Ranjan Rao Yerdoor | Executive Director, Credibility Alliance, New Delhi  |
| 4. Manoj Fogla        | DM Associates, Chartered Accountants, Cuttack-Orissa |
| 5. Rajni Patni        | Sr. Program Officer, SICP, New Delhi                 |

**Annex 2 ( B )**

**Brief Profile of Resource Persons**

**Sanjay Patra**

After obtaining masters degree in Commerce, Sanjay Patra has been through an MDP program at IIM Calcutta on “Management of Non Profit and Non Government Organisations”. He is also a Fellow of the Institute of Chartered accountants of India.

Sanjay Patra has been with the NGO world for the last 15 years and has been the Executive Director of FMSF for last 5 years.. He has been a Resource person and a trainer in Financial Management, legal compliance and governance in NGOs and has facilitated more than 30 workshops in India and abroad. He is the Editor of a magazine “Interface” which provides information on financial, legal and governance issues. He has published two books “ Legal and Finance Handbook for Voluntary organisations”, and, “ Manual of Financial Management and Legal Regulations” and also co authored a book on “ Audit of Charitable Trusts” published by Chartered Accountants of India. He is widely traveled in India and abroad and has a wide experience of NGO governance and has been associated with evaluations of many development projects.

**Pushpa Sundar**

Pushpa Sundar is the Founder-Director of the Sampradaan Indian Centre for Philanthropy, and was a Senior Fellow under the International Fellows in Philanthropy program of the Johns Hopkins University in 1995. She is on the board of several nonprofit organizations such as Winrock International India, Indian Institute of Health Management Research, Sanskriti Foundation, and South Asia Fund Raising Group.

After resigning from the IAS in 1966 she worked for FICCI, Gujarat Government, and Ford Foundation, and consulted for the World Bank among others. She is the author of two books: “Patrons and Philistines: Arts and the State in British India”, 1995, Oxford University Press. This is a historical analysis of government attitudes and policies towards the Indian arts during British colonial rule.

The second book is titled “Beyond Business: From Merchant Charity to Corporate Citizenship”, Tata McGraw Hill, 1999. It is a history of Indian business philanthropy and traces its development, especially in terms of changes in attitudes and practice, in the context of socio economic developments in India from mid 19<sup>th</sup> century to the present.

In addition she has contributed several papers to other books and professional journals, and articles to leading newspapers.

**Vishal Talreja**

Vishal is the Managing Trustee of Dream a Dream. As Managing Trustee, he is involved in the day-to-day management of Dream A Dream. He handles multiple tasks such as financial management, fundraising, strategy and long-term target execution. He couples this with project management involving program design, resource mobilization, program execution, monitoring and review. Vishal was earlier Vice-president at Technology Holdings, an Investment Banking firm based out of Mumbai and US. Prior to this, he was

a research analyst with Xerox, handling research and sales for their high-end systems division. Vishal also did a consulting assignment for a global non-profit organization, called AIESEC, in Finland, which involved restructuring a local branch and developing relationships between Finland and India in the corporate and NGO sector. Vishal aims to set benchmarks for professionalism, transparency and accountability in Dream a Dream.

### **V Satyamurthy**

Mr V Satyamurthy after doing a Masters in Economics from Madras University obtained a Master of Science in International Community Economic Development (ICED), from Southern New Hampshire University, USA.

He has been engaged in Action research studies and organisational development issues. His work with PRIA involved conducting programs for South Asia and publishing a Journal on Institutional Development. He has also had associations with SA – DHAN where he has worked on issues related to micro credit and micro finance. He has been a consultant to USAID, and World Bank Development Fund. He is currently working as the Chief Executive Officer in All India Association for Micro Enterprise Development (AIAMED), a Support and Network organisation. He is widely traveled and has conducted programs in USA, Korea, Japan, Canada, Taiwan, Poland, Thailand, Philippines, Indonesia, SAARC countries, UK, Egypt and Europe. His key skills are development Management, Knowledge management, organizational Development, Institutional development, Governance, HRD, Program, Designing, Monitoring, Appraisal and Evaluation, Development finance, Community Organization, and Training.

### **Ranjan Rao Yerdoor**

Was born and educated in Kolkata. In 1971, while still in college he had to go and live in a farm in coastal Karnataka to look after a farm. His father a retired company executive was critically ill and he had to take care of the farm. This was a major milestone in his life and he decided to settle down in that rural area. In due time he became associated with a number of farmer related organisations, and in 1972 was invited to become a member of the newly formed Rotary Club. He has been involved with voluntary work for the last 32 years. In 1976, he became one of the founders and the first president of Nagarika Seva Trust (NST), which has today become one of the well-known organisations, operating in the two coastal districts of Dakshina Kannada and Udupi in Karnataka. He was associated with one of the oldest state level federations of 150 members network of voluntary organisations, the Federation of Voluntary Organisation for Rural development in Karnataka (FEVORD-K), and Samaj Parivartan Samudaya an organisation working on environmental issues in Karnataka. As president of the organisation, he had the privilege of receiving the highest award given for environment by the Government of India, the Indira Gandhi Paryavaran Purashkar.

Presently he is the Executive Director of Credibility Alliance. Credibility Alliance is a recent initiative of a collective of voluntary organisations formed to enhance the credibility of the voluntary sector through greater accountability, transparency and good governance within the sector.

**V Nagarajan**

Mr V Nagarajan graduated in Business Administration from Madurai University 1975-77, and qualified as Chartered Accountant in 1978. He was in charge of audits of several public limited and private limited companies, statutory corporations like Reserve Bank of India, New India Assurance Company Ltd, Oriental Insurance Company Ltd, Punjab National Bank, Several other bank branches and audits of other public limited companies. He has been in charge of 40 articled assistants, 2 qualified Chartered Accountants and 5 semi qualified Accountants.

In 1984 he started his Independent practice as a Chartered Accountant and consultant. Presently, he operates all over India as well as outside India. He has three offices in India,. His areas of professional expertise in NGOs /Micro Finance Institutions are:

- Accounting, Auditing, Company law, Income tax, Foreign exchange laws including FERA, FCRA,
- Accounting system design, software development, installation and initialization in computerized environment from micro organizations to mega institutions at multi divisional, multi funding, multi project and multi location institutions.
- Structuring and institutionalization of Indian and Foreign Investments in the desired field of activities within the Indian constraints and advantages, creation of gateway institutions in India and abroad for aiding such commercial and non commercial institutions
- Advise and support on legal, structural and tax related issues of micro finance and micro banking institutions in India and on developmental organizations and initiatives
- Corporate structuring and re structuring through mergers, amalgamations, dissolution for small and medium enterprises, through financial re engineering and legal structuring, for community based financial institutions with a view develop a micro finance institution which can deal with mainstream institutions
- Advise and assistance in drafting of Joint ventures, foreign collaboration and technical know-how transfer arrangements, liaison office and branch office opening, tax planning and tax management for collaborators

He has also been a Consultant to several commercial organizations in private sector, Swiss embassy and Swiss agency for Development and Cooperation, Ford Foundation, Care India, World Bank, CGAP, Small Industrial Development Bank of India, and several premier national and international NGOs.

**Joselyn Martins**

**Joselyn Martins** is a Chartered Accountant and a Company Secretary and has set up M/s J. A. Martins & Co., Chartered Accountants. He is a Fellow Member of the Institute of Chartered Accountants of India and of the Institute of Company Secretaries of India, with over 20 years experience. He is a key resource person at various seminars & conferences including those of the Institute of Chartered Accountants of India.

He is the author of the book ‘ Legal & Accounting Framework for NGOs’ published by Media House.

### *Promoting Good Governance in Jharkhand*

His professional inputs facilitate the work of Christian Aid, U.K., E.E.D, Germany, Concern Worldwide Ireland, in the spheres of financial accompaniment, project evaluations, development of financial systems, and audit. He is Governance Consultant to the Department for International Development, U.K.

M/s J. A. Martins & Co. Chartered Accountants has specialised in rendering services to Developmental Agencies and other similar institutions in spheres of Audit, Taxation, Capacity Building, Financial Management, and Strengthening of Local Institutions through financial accompaniment services and systems design and implementation.

Joselyn has another side to his personality. He is an expert commentator on hockey and football on Doordarshan.

#### **Manoj Fogla**

Manoj Fogla is a Chartered Accountant based in Cuttack, Orissa. He is a trainer and has conducted and served as resource person in several workshops. His style of training is unique and he very quickly relaxes his audience with his amazing stock of jokes, which are most apt to the session in question. His professional expertise is in the area of NGO legal, financial and governance areas. He also has a number of published works to his credit.

#### **Rajni Patni**

Is a social sciences professional and educator with more than 20 years experience. Has a Ph D in Psychology and before joining the development sector has been a Faculty member in the Psychology department of Allahabad, Udaipur and Delhi Universities. Having worked in several capacities with NGOs and funders she has had wide exposure to varied issues in the NGO world including project selection, management, monitoring, and evaluation. In the area of training she has been involved in designing and executing training programs, preparation of training/teaching material from grassroots to governance, and process documentation, particularly in the area of women and microenterprise management. Among many publications is the Manual developed for IGNOU on entrepreneurship training for women at the grassroots level.

### **Annex 3**

#### **Workshop Evaluations**

##### Session wise Evaluation

The methodology included participant evaluation at the end of each session. The parameters for evaluation on a four-point scale were content, presentation, ability to communicate, and information materials used. In addition participants expressed their opinion (again on a four-point scale) on issues like session was interactive, session met my expectations, usefulness of contents, relevance of coverage, duration of session and methodology used.

Session wise evaluations have been analysed and the comments made by participants have been communicated to the concerned resource persons.

Feedback from the participants regarding the content of session and good governance practices mentioned therein.

The overall evaluation of the workshop has also been analysed. The form asked participants to evaluate the workshop on six parameters on a three-point scale (by indicating whether the workshop met expectations, met some expectations and did not meet my expectations). A total of 20 participants filled out this form.

The results (mean average) are as follows:

(3 = met my expectations, 2 = met some of my expectations, and, 1 = did not meet my expectations).

Indicators	Mean Averages
1. To provide effective practical learning opportunities	2.6
2. To provide formal and informal networking opportunities	2.3
3. To provide opportunities for exchange of information and resources	2.9
4. To create a sense of belonging and partnership within the network	2.7
5. To gain sufficient knowledge regarding work done on governance	2.7
6. To be able to identify gaps and be aware of good governance practices.	2.5

1. In addition there were some open-ended questions also. Participants found the sessions on Legal and Financial Understanding, Credibility Norms, and Board Evaluation as very informative. The background material given to them was very useful. There was enough opportunity to learn and solve problems. However, there was not enough time to be aware of other participants work and problems. Further clarity was required on some of the issues. The practice of one participant chairing the session and another speaking about ground realities was viewed as a novel and interesting idea. More time for preparation of ground realities may have made the presentation meaningful.

2. On the question as to how they anticipate making use of information obtained in the workshop, various views emerged. They ranged from sharing experiences with other members on their Board, to exchanging information with other organisations, incorporating some of the practices discussed, understanding further.

3. Some suggestions for improvement of the workshop include: greater participation in terms of additional exercises and group discussions; additional time for some sessions like legal and financial understanding, vision/mission statements; training materials and background reading material to be made available in Hindi, and presentations by resource persons also to be in Hindi.

#### 4. Difficulties Expressed by Participants

- b. Board members do not maintain the same level of commitment
- c. Board members do not have adequate time
- d. Organisation would want Board members to take up the task of fund raising
- e. How does one keep interest levels of Board members sustained?

#### 5. Additional Information

- f. More such programs need to be organised on a regular basis.
- g. Legal and Financial Understanding should be taken up as a separate issue , where real/grassroots problems are discussed and solved
- h. More time to be allotted for discussions and exchange of experiences
- i. Board evaluation session was a tip of the iceberg. More information required
- j. Credibility issues need additional debate and discussion at the state level.
- k. Contact addresses of all participants need to be exchanged.

**Annex 3 (B)**  
**Effective Boards for Effective Governance**  
**Training Workshop**  
**EVALUATION FORM (SAMPLE)**

The Sampradaan Indian Centre for Philanthropy appreciates your participation in this event. To assist us in monitoring our performance and plan for the future, please complete this form.

**Thursday Dec 9, 2004**

**Session 2: Legal and Financial Understanding**

*Please mark using this scale:*

Excellent = 4          Good = 3          Average = 2          Poor = 1

FACULTY (S)	CONTENT	PRESENTATION	
		Ability to Communicate	Info Materials Used

Joselyn A Martins	<input type="text"/>	<input type="text"/>	<input type="text"/>
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**Please mark using this scale of the followings:**

Excellent = 4          Good = 3          Average = 2          Poor = 1

RATING (in average)

- The session was interactive .....
- The session met my expectations.....
- Usefulness of the contents .....
- Relevance of the coverage .....
- Duration of the session .....
- Methodology used .....

**What did you find most useful in this session?.**

**How could the session be improved?**

**Annex 3 (C)**

**TRAINING WORKSHOP**

**OVERALL EVALUATION FORM**

**Sample**

The Sampradaan Indian Centre for Philanthropy appreciates your participation in this event. To assist us in monitoring our performance and plan for the future, please complete this form.

PLEASE COMMENT ON HOW SUCCESSFULLY GOALS OF THE WORKSHOP WERE MET

Please in the appropriate box.

	<b>Did not meet My Expectts</b>	<b>Met some of my expectats</b>	<b>Met my expectts</b>
To provide effective, practical learning opportunities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
To provide formal and informal networking opportunities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
To provide opportunities for the exchange of information and resources	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
To create a sense of belonging and partnership within the national network in the sector of philanthropy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please take a few minutes to answer the following questions and share any additional comments you may have regarding this Training Workshop.

1. What aspects of the conference did you find most valuable?
2. How do you anticipate making use of the information obtained during this workshop?
3. Are there any other issues that you would have liked to explore further?

Was this the first time you have been to a conference organised by SICP?  
Yes No

5. How can SICP work with your organisation in future?

6. Suggested topics for future workshops.

7. Would you recommend this programme to others?

8. Please share any additional information that would help SICP prepare for future workshops.

Name: .....  
(Optional)

Organisation : .....  
(Optional)

Thank you for completing this questionnaire. Please return it to the organizers before you leave.

**Sampradaan Indian Centre for Philanthropy**  
Sector – C, Pocket - 8 / 8704, Vasant Kunj, New Delhi – 110 070

**Annex 4 Matrix Showing Important Parameters of Participating Organisations**

**4 A – Ranchi Cluster**

Sno.	Name of organisation	Founder	No of years in existence	Project Location	Focus Area	Target group
1	Jan Utthan Samiti (JUS)  <b>Network Partners = 3</b>	Group of graduates from Ranchi based XISS	1984 – 20 years Off: Ranchi	Khunti, Karra, Akki	Promoting indigenous women's movements, increasing people participation, capacity building of other NGOs, gender sensitisation and action research.	Poor and deprived masses, Women
	Society for Participatory Action & Reflection (SPAR)  <b>Network Partners = 5</b>		1991 – 13 years Off: Kolkata	Lohardagga, W. Singhbhum, Ranchi, Palamu, Gumla, Hazaribag, Simeega	Orgn and capacity building of people, poverty elimination thru self reliance, edu, health, local governance	Tribals Women
	Karra Society for Rural Action (KASRA) <b>Network Partners = 3</b>		1985 – 19 years Off: Ranchi	Ranchi	Innovative social action, , strengthen need based rural/urban development programs , assist govt agencies to promote development	Downtrodden communities in both rural and urban areas, tribals and women
	Pragati Luyadih (PL)  <b>Network Partners = 0</b>		1985 – 19 years Off: Singhbhum	W. Singhbhum	Organisation/Mobilisation of people, use of local resources, awareness building, improved local governance, facilitate networking among members for experience sharing.	Below poverty line women and children from SC/ST families.
	Sampurna Gram Vikas (SGV)  <b>Network Partners = 4</b>	Origin in JP movement	1974 – 30 years Off: Palamu	Gumla, Ranchi, Lohardagga, W.Singhbum, Gumla, Hazaribag	Combat under development . Approach : people centred development, Eradication of problems towards poverty, illiteracy, dev of agro based industries, trng for entrepreneurship	Dalits and other backward classes, women

**4 B – Hazaribag Cluster**

Sno.	Name of organisation	Founder	No of years in existence	Project Location	Focus Area	Target group
1.	Jan Vikas Kendra (JVK)  <b>Network Partners = 2</b>	Social service center of the Catholic Diocese of Hazaribag	1994 – 10 years Off: Hazaribag	Hazaribag	Womens empowerment, IGP, Health, Edu, Water and Sanitation Capacity building and skill development, community mobilisation,	SC, ST, women below poverty line

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					strengthening local governance	
2.	Nav Bharat Jagriti Kendra (NBJK)  <b>Network Partners = 9</b>	4 graduate engineers of BITS, Sindri, inspired by JP	1971 –33 years Off: Hazaribag	Ranchi, Pukur, Hazaribag, Koderma	Rural entrepreneurship and livelihood, watershed mgmt, Micro credit, Health, Edu, Integrated tribal development, policy advocacy, NRM,	Tribals and backward classes
3.	Jan Seva Pratishthan (JSP)  <b>Network Partners = 5</b>		1974 30 years Off: Hazaribag	Hazaribag	Inspired by JP Narayan, works towards elimination of exploitation of natural resources – drinking water, deforestation and soil infertility. Public advocacy and participation of locals in decision making process	28 panchayats
4.	Program for Rural Action & Youth Assocation (PRAYAS)  <b>Network Partners = 2</b>	Sujanti Dwiwedi – a teacher in a missionary school	1995 – 9 years Off: Hazaribag	Hazaribag	Women’s empowerment, education, conservation and NRM, local governance	Weak deprived sections of society, Women
5.	Prerana Niketan (PN)  <b>Network Partners = 2</b>		1992 – 12 years Off: Hazaribag	Hazaribag	Empowerment of poor and marginalised, IGP, health, gender sensitisation, and skill development, edu, micro credit and advocacy	Women and children below poverty line

**4 C – Deoghar Cluster**

Sno.	Name of organisation	Founder	No of years in existence	Project Location	Focus Area	Target group
1.	Lok Jagriti Kendra (LJK)  <b>Network Partners = 10</b>	Emerged out of JPs call for total Revolution	Around 1974 – 30 years Off: Madhupur	Deoghar, Dumka, Godda, Giridih	Env, poverty elimination, policy advocacy, Health, credit, IGP, Edu,	SC, ST, backward classes, dalits, women, landless farmers, mine workers.
2.	Network for Enterprise Enhancement Development and Support (NEEDS)  <b>Network Partners = 6</b>	Professionally managed	1997 – 7 years Off: Deoghar	Santhal Pargana	NRM and watershed, agriculture, Integrated health, women’s empowerment, livelihood enhancement, local governance, policy advocacy, disaster planning and rehab.	Poor disadvantaged, Santhal women
3.	Chetna Vikas	Merged to	1986 – 18	Deoghar,	Poverty alleviation,	Scheduled

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	(CV) <b>Network Partners = 4</b>	implement JPs Total Revolution  Member of All India network of GPC, and a local network of 11 collaborating NGOs	years Off: Deoghar	Dumka	Women's empowerment, Policy advocacy, Awareness generation, Health, Edu, Antyodaya, sarvodaya, and local self-govt (gram swarajya). Creating networks	tribes and backward classes, women and children
4.	Pragatisheel Yuva Kendra (PYK) <b>Network Partners = 0</b>	A group of engineers, academicians and social activists	1986 – 18 years Off: Giridih	Giridih	Poverty alleviation, advocacy, awareness, credit, IGP, NRM, edu. and women's empowerment. Works with a network of 27 NGOs at the district level	Dalits Tribals Women
5.	Badlao Foundation (BF) <b>Network Partners = 0</b>		1982 – 22 years Off : Jamtara	Goddh, Sahibganj Pakur	Enhance income levels thru tasar spinning, group formation, Training, participation in local governance	Displaced Sauria Paharia Tribe, and other Tribals, Womens groups, children
6.	Judav <b>Network Partners = 4</b>					

**Annex 5**  
**Details of Session Proceedings**

**Session 1**  
**Importance of Good Boards and Good Governance**

**Concepts**

**Importance Of Improving Nonprofit Governance**

In the Indian context the concern with accountability, transparency, better self-regulation, better image and fund raising were important compulsions. There was also a global concern due to various scams in the voluntary sector as well as the commercial world.

**Types of Boards**

Four types of boards were indicated: Family Boards, Invisible Boards, Staff Boards and Professional Boards. The effect on performance of each was differing. While family Board were high energy, but expressed central functioning, were not democratic, the structure and function of the professional board was formalised. The latter possessed the different skills and viewpoints. However, this required intense effort to maintain and sustain the interest levels of its members.

**Voluntary Boards some Issues**

Most are voluntary, though instances of managing trustees and some others being paid remuneration, especially in family boards exist. Members' expectations are of some return in kind – use of office facilities, secretarial help, use of office vehicles etc

**Good Governance – Definition**

“ Good governance is a transparent decision making process in which leadership of a nonprofit organization directs resources and exercises effective power in an effective and accountable way, and on the basis of shared values for the benefit of all stakeholders”  
The key words were ‘decision making’- ‘transparent leadership’ ‘resources’ ‘exercise of power’ ‘effective and accountable’ ‘shared values’ ‘stakeholders’ were explained.

**Understanding of what is required of the Board: Key Responsibilities**

Four basic areas of responsibility outlined:

- Setting Organizational Direction,
- Oversight,
- Resources, and
- Outreach.

Discussions on why should one join a Board, what should one ask if one is invited to join, shared values, belief in mission followed. The importance of explicit mission statements, how arrived at was also indicated to be a Board role.

In addition, establishing and overseeing strategic direction, selecting the chief executive, and delegating the authority for organisational management were important responsibilities.

### Ensuring Transparency

Providing a collective memory of the organization by ensuring that appropriate minutes and documents are kept, court of appeal - responding appropriately to requests for information and help from staff, distinguish between governance and management, maintain a critical distance from management, indicated as effective situations which Boards must create.

### Characteristics of a Good Board

Composition of the Board was a major characteristic. The diversity – regional, caste community, different skills, balanced in terms of gender, age, active participation and eminence.

Size was also important - not too large, not too small

Composition of boards reflect not only the needs of their organization but also the composition of their constituency

Members must understand socio-economic political cultural contest of organization, be well informed and analytical.

### What does the organisation want the Board to do?

Members must show up regularly at meetings, play the game – be engaged, and committed

Most of all they need not be yes men, and must step down when necessary

## **Session 2**

### **Facilitating Board Understanding of Legal Compliances**

#### **Concepts**

#### Legal Environment for Charitable Institutions

NGOs have a separate identity for themselves distinct from their governing body, general body and the executive members. Accordingly as a separate legal entity they are required to adhere to various legal statutes and ensure compliances on an ongoing basis.

#### Identification of Legal Identity

Options available with NGOs are: The Societies Registration Act 1860, The Companies Act 1956, or, Trust Acts like Charitable and Religious Trusts Act 1920, Religious Endowment Act 1863, or the Bombay Public Trusts Act 1950

Developing the Legal identity involves formulating Memorandum of Association for Society, Memorandum of Association, and Articles of Association for Company and Trust Deed for Trust.

#### Evidence of Registration

Society: Certificate of Registration issued by the Registrar of Societies, certified true copy of the Memorandum of Association

Company: License u/s 25 of the Companies Act.

Trust: Original Trust Deed.

#### Approvals and Permission

1. Income Tax Act 1961
2. Foreign Contribution (Regulation) Act 1976

3. Renewal of Permissions/Consents.

Operations

FCRA: Maintain separate account, Prior permission required from the Ministry of Home affairs for any change in Bank account. Maintain separate Books of Accounts, maintain separate records in FC –6 or FC – 7.

Income Tax Act: Incur expenditure exclusively as prescribed by the Objects clause of MOA. Expenditure should be within the ambit of Sec 2(15) of the Income Tax Act, ensure that the liquid funds are at all times exclusively deposited or invested, apply 85% of income earned towards charitable purposes. Do not give any donation/contribution to another charitable institution out of income accumulated.

Income Tax Amendments 2004 – 2005

Sec 12 AA (3)

Sec 40 (a) (ia) – To ensure TDS Compliance

TDS rates for FY 2004 – 2005

Audit

1. Rules and regulations / Articles of Association
2. Societies Registration Act 1860
3. FCRA 1976
4. Income Tax Act 1961
5. Companies Act 1956

Service Tax:

Applies to a number of services that may relate to NGOs too, such as management and consultancy services, Health and fitness services, Franchise services, Maintenance and Repair Services, Technical Testing and Technical Certification.

Registration under service Tax is required within 30 days of service / notification of service.

Employees Provident Fund and Miscellaneous Provisions Act 1972

Applicable to those establishments which employ 20 or more persons. Provident Fund and Pension Scheme and Payment of Gratuity Act 1972 were also discussed.

Filing of Returns

Separate procedures which need to be adopted for Societies, Companies and Trusts were explained. Annual Return of FCRA and Income Tax were also discussed.

Accounting Standards

The Institute of Chartered Accountants has recently issued a technical guide on accounting and auditing in not for profit organisations. The institute has stated that NGOs carrying on even a small proportion of commercial, industrial or business activities are concerned, accounting standards issued by the Chartered Accountants of India are mandatory.

Financial Oversight (Understanding organisations financial health, reading Budgets, balance sheets, investments)

Financial statements are systematic linkages of

1. Program Activities
2. Resources Raised
3. Application of Resources

What does the Financial Statement provide?

1. Details of program Activities undertaken
2. Details of Resources/Funds raised for various programs
3. Details of application of Funds
4. Details of assets purchased, created, sold or discarded
5. Details of administrative expenses
6. Details of funds held in trust
7. Details of reserves and Funds
8. Quantum of Surplus / deficit for the period
9. Details of assets held
10. Details of liabilities

Key Financial Statements

1. Income and Expenditure Account
2. Balance Sheet
3. Receipt and Payment Account

Budgeting

Financial planning is a critical factor in the planning process. Some of the commonly used tools are:

1. Capital Budget
2. Operating Budget
3. Cash Budget
4. Program Budget
5. Program Support Cost or Administration Budget
6. Long term Budget
7. Short term Budget

Distinction between Capital Budget, Operating Budget and Cash Budget

Capital budget contains capital expenses. Operating budget contains recurring expenses, cash budget represents the projected cash inflow and outflow.

Forget me Nots

Several cautious statements pointed out, particularly when one is making budgets. One needs to be aware of the ground realities and the inflation. Important among them were the terminology used, the salaries, transportation, legal and professional fees, basis of calculation, how much one can grow, and the distinction between cost control and raising of Revenue

**Session 3**

**Creating Good Boards**

**Concepts**

Getting right people on Board

To have a “working board”, organizations must strongly recruit those whose incentives are to serve on the board “because of the kind of work the organization does or because they feel they have something significant to contribute”.

#### Getting Good People on Board

Easy methods are to look in the immediate community, do a background check on the potential board member, and get their profile and references. Board Members can come from diverse backgrounds – beneficiaries, government, companies, or just individuals from the community. Ideally take them on as Mentors/Advisors for six months before inviting them to the Board

#### Composition of Board – Size

The organization's structure and needs are among the factors that determine board size. Every board needs a sufficient range of expertise to accomplish the organization's mission. If a board is too small, its members may be overworked and unproductive. If a board is too large, every member may not have the opportunity to participate actively.

#### Balancing the Board

Understand needs and create a board to meet those needs. Having a board with “Functional expertise” such as in Finance, Planning and Management, NGO/Corporate/Government experience among other things will bring that knowledge and expertise into the organization. Involving people from the community – beneficiaries, volunteers, well wishers, donors creates a well-rounded board. Involving women is always a sign of a proactive board.

#### Diversity in the Board

Diversity brings in new ideas and perspectives and helps the board to get out of its comfort zone. A heterogeneous board has a better chance of making better decisions

#### Induction of the Board

Methods like creating a system where every new board member spends time with one senior board member to understand the policies and work of the organization, helping the member understand his/her roles and responsibilities, sharing policy documents, history, past annual reports, helping them understand the organization structure and programs, preparing a handout / orientation manual that can be given to every new board member may prove useful.

#### Training of the Board

The foundation of a committed, knowledgeable, and effective board is orientation and education. One needs to create training programs for the Board to build their overall capacity to effectively serve the organization.

#### Engage the Board

Create a communication system where all information is made available to the Board at all times. An effective board information system should focus decision making, stimulate participation, and support an appropriate balance of responsibility between board and staff. Various methods to achieve this were discussed.

#### Managing Conflict of Interest

Keep open lines of communication with the Board at all times and making efforts to create an atmosphere of complete trust and cooperation among the board members are some ways to manage conflict.

The above issues were identified through two exercises:

Exercise 1 was a simple questionnaire given to the group in pairs with brief illustrations to gauge what is the groups understanding of a good board. E.g. The Board meets once every month and discuss critical issues facing the problem, is involved in jointly goal-setting and direction of the organization. The participants judged whether such a situation was indicative of a good board or not and provided their reasons. A total of 15 such situations were presented.

Discussions assisted in the consolidation of certain facts, which put together what the participants thought, constituted a good board. This included critical points such as Composition, Size, Balancing, Involving Women, and Conflict of Interest etc.

However, it was not enough to just know what constitutes a good board but the more critical issue was to understand how a good board could be created and sustained. For this Exercise 2, depicting some four typical situations in organizations were developed in the form of caselets and used as an opportunity to discuss on what makes a good board.

#### **Session 4**

#### **The Board in Action: Vision and Mission Statements**

#### **Concepts**

Difference between Government Agency, Commercial organisation and a philanthropic organisation

Difference lies in the different value systems, goals and objectives as also different operating principles.

CSOs exist because people value compassion, equal opportunity, social justice, gratitude, repaying debt to society and social progress.

Values need to be communicated to staff, board members and outsiders, through memorandum of association, as also vision and mission statements. This is because such statements not only tell the world what the organisation stands for, but also provides a framework for policies and guides behaviour within the organisation.

#### What is Vision

“ A vision is a guiding image of success in terms of a situation you want to see, in terms of a contribution to society”

#### What is Mission

“ Why you do what you do. The organisations reason for being, its purpose. It says what in the end you want to be remembered for”

#### Difference between Vision and Mission

Vision should not have the word ‘to’ – that becomes mission.

Mission should not talk of ‘how to do it’. That is strategy.

#### Importance of shared understanding

Vision mission statements are not mere words. They need to arrived at with consensus, shared understanding. Discussion on policies, strategies, changing direction will be meaningful if all members understand and have contributed to them. These statements bring energy to performance.

### Creating, Reviewing and Revising the Statements

These are important steps to be adopted by organisations on a continual basis. Expert help can be sought for these tasks.

### Check list for Vision/Mission

Whether the statements convey what the organisation intends to do, does it reflect the beliefs, values, is it practical and achievable are some of the questions one needs to ask and assess when framing a statement. A checklist of such questions was handed out and in a sub group situation participants analysed their own vision and mission statements.

### Basic guide to conducting meetings

1. Preparation for meetings
2. Developing Agenda
3. Opening Meetings
4. Establishing Ground Rules for meetings
5. Time Management
6. Evaluation of Meeting Process
7. Closing Meetings

### Ideas to generate participation in Meetings

Ensuring adequate orientation that describes the organisations goal, understanding by the committee chair the role of members, strong attendance and participation, conducting yearly committee evaluations, assigning individual assignments, rotating new members, generating minutes are some methods.

## **Session 5**

### **Quest for Credibility**

#### **Concepts**

#### What is Credibility Alliance?

Credibility alliance is a collective of voluntary organisations, committed towards enhancing accountability and transparency in the voluntary sector through governance.

#### Need For Enhancing Credibility

With substantial increase in numbers of NGOs and the money, there have been doubts about certain organisations. Corporate sector derives legitimacy from well defined corporate laws, government is accountable to people through democratic purposes.

#### Norms of Good Governance in NGOs

Currently kept at a minimal level. Later more comprehensive norms for a variety of organisations will be developed.

Minimum Norms: These are very basic

Desirable Norms and Good Practices: Are ideal norms which an organisation can strive towards.

#### Minimum Norms

Minimum norms have been classified into five main issues:

1. Identity,

2. Vision/aim/objectives/achievements,
3. Governance,
4. Operations,
5. Accountability and Transparency.

#### Desirable Norms

These touch on all the five areas and are at a slightly higher level.

#### Good Practices

This comprises guidelines in support of the norms with respect to:

- Annual Reports
- Personnel Policies
- Accounting Procedures

#### Process of Drafting Norms

Phase 1: Dec 2001 – July 2002

Genesis: Norms Drafting Process: Jan 2002 – July 2002

Phase 2 : Consensus Building Process : July 2003 – Nov 2003

#### Phase 3

CA now registered as a Society. Memberships open to organisations adhering to minimum norms.

CA shall develop an accreditation system based on its norms and certify accrediting agencies

CA shall certify capacity building agencies to enable voluntary organisations to meet the norms.

CA is developing a reporting format to highlight the levels of transparency in the organisation.

### **Session 6**

#### **Board Appraisal and Evaluation**

#### **Concepts**

##### Need for Board Evaluation

Important for Board to have an evaluation on a regular basis and not wait for the signal from funding agencies. The need for regular evaluation arises:

1. for improving organisation's work
2. to meet requirements of funding agencies
3. to ensure programs meet objectives and expectations
4. to provide feedback to staff and volunteers doing the work.

##### Steps for Board Evaluation and Appraisal

1. Purpose of the evaluation and Appraisal
2. How to set up an Evaluation Structure
3. Evaluation Process
4. How to gather information for the evaluation
5. Analysis of information
6. Action and implementation.

CEO Evaluation

A CEO evaluation can ensure organisational goals are being met, allow the Board to understand each others expectations about performance issues, highlight areas where the Board is insufficiently informed, ensure continued development of the CEO, mirror the Boards expectations that the CEO will ensure evaluation of other staff.

Effective Evaluation Process

Expectations should be written in the beginning based on job descriptions, strategic plan performance criteria etc.

Both Board and CEO should have open communication

The board and CEO should develop the process together

Process should begin with the CEO submitting a self evaluation to the Committee.

Take into account the CEOs personal goals and needs regarding future leadership.

The final step is to evaluate the process.

**Annex 6 (a)**

**Exercise 1 : Creating Good Boards**

**EXERCISE 1**

Sl. No.	Case Study	Is it a Good Board (YES/NO)	Reason
1	The Board meets once every month and discusses critical issues facing the organization, is involved in jointly setting goals and direction of the organization		
2	People serve on the board “because of the kind of work the organization does or because they feel they have something significant to contribute”		
3	The Board has 6 members, 3 women and 3 men. However, the board rarely engages the women in the critical discussions and policy making decisions		
4	The Board is involved in day-to-day management and decision making in the organization such as clearing bills, hiring people, implementing programmes, etc.		
5	The Board has 21 Board Members and they meet once every 4 months. However, the attendance at these board meetings is usually only about half the board Members		
6	The Board constitutes 4 members all of whom are family members		
7	The Board meets once every two months and discusses day-to-day matters affecting the organization		
8	The Board has 7 members, 4 women and 3 men		
9	The Board receives no information about the functioning of the organization till one-week before a board meeting which is held every 3 months		

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10	The organization has prominent members of the society as part of the Board. They provide their name to the organization and have no time to get actively involved in policy making, direction setting for the organization		
11	The Board has been part of the organization for 5 years and has no or little information about the work done by the organization		
12	The Board has full-attendance at Board Meetings. However, rarely comes prepared for the meeting and goes ahead with whatever is recommended by the Executive Director		
13	People serve on the board because of the recognition and credibility that comes with being associated with non-profit work		
14	The Executive Director takes her own decisions such as expansion to a new area of work and then informs the Board		
15	The Board consists of 6 members, 5 members are from the community that the organization serves. The 5 community members have no training or information about the roles and responsibilities of a Board Member		

**Annex 6 (b)**

**Exercise 2 : Creating Good Boards**

**Exercise 2**

**CASE STUDY 1**

Vivek Gupta was one of the founding members of “Catalyst”, an organization working towards empowering children from marginalized communities. Started by a group of 10 people 12 years back, Catalyst was run by the founder members and volunteers for 5 years. After 5 years, it was felt that a full-time person is required and for the benefit of the organization, it has to be one of the founder members. Vivek who was contemplating shifting careers left his secure government job and decided to join Catalyst on a fulltime basis.

The Board that consisted of founder members was initially pleased and let Vivek run the organization. The organization steadily grew from servicing 60 children to over 200 children in 2 years. Vivek was able to raise funds, get more volunteers and also conduct many new programmes for the children. In the meanwhile, the board members who were all young and pursuing their own professional careers decided to take a back seat and let Vivek run the organization. They also did not have the time to engage in anything at Catalyst or make commitments. However, all governance and management level decisions were still taken by the board.

Vivek on his part has made sincere attempts to send all information to the Board members, engage them in meetings and programmes at the organization, invite them for activities, meetings, fundraising events, etc. However, except for 1-2 board members, most of the board members have always been busy. Vivek has always had a tough time taking quick decisions regarding fundraising or programmes since the Board takes its own time to make those decisions.

Catalyst also had no policies in place clearly defining decision-making processes, roles and responsibilities and delineation of roles from board to management.

After 2 years, the Board realized that the organization has moved far ahead of them and Vivek has been getting credit for his work from all quarters. They feel that all the power has slipped from their hands.

They were not happy that they were not part of this growth process and felt the Vivek had taken away the organization they started. They also felt that Vivek had moved from the original mission of the organization.

Vivek on the other hand felt that the Board is being unfair to him because he worked really hard for the organization, made sincere attempts to involve them in all spheres of the organization and he is not getting the due acknowledgement and appreciation from the board. Infact, he is been questioned about the work done. He is very disillusioned with

statements from the board such as, “You have taken all the credit for yourself” and “You have taken the organization away from the vision that we had for it.”

Vivek feels that at this crucial juncture, it is important that the organization has a proactive, dynamic, mature and experienced board. Hence, he tells the board that either the organization brings in a new board that is experienced, mature and committed or he will have to leave the organization.

Respond to the following

What are the challenges that you see the organization facing?

Is Vivek justified in his stance to ask the board to leave and get a new board in place?

Has there been a gap in expectations here? What were the expectations from the board?

What could have Vivek done to Motivate and Engage the Board in the activities of the organization?

How could the Board and Director together have solved this problem?

## **CASE STUDY 2**

“Sanghamithra,” an Organization that designs and executes awareness and empowerment programs for women involved in prostitution in and around Bangalore, has been registered as a Trust.

The Board consists of a total of four people, three of whom are Founder members. As the organization grew, the Board decided to bring in new members into the Board and as a proactive, inclusive policy decided to take on 1 member from the beneficiary community. Hence, they invited Vidya, a partly literate woman who was involved in prostitution and had been rehabilitated to be part of the Board. This was greatly welcomed by the community as they felt that their voice would be heard now.

Vidya, who is one of the new Board members was elated and overjoyed at this. She for the first time felt responsible and she had great ideas to improve the plight of women in prostitution. However, after one-year with the organization she feels disillusioned and wishes to leave the organization.

Vidya had no information about her roles and responsibilities as a Board Member. The original Board Members felt that since Vidya is not well-educated and may not be able to actively involve herself in discussions, they sidelined her at Board Meetings. Decisions were taken assuming her consent. When she expressed her disappointment, the other Board members did not take it seriously, since the majority were in agreement that she will not understand Board Matters and she should just keep quiet and learn the ropes first. Initially, she kept quiet since she was not aware of the Board Policies and didn't know what to do.

Many a time when Vidya tried to voice her opinions at Board Meetings, she was disregarded as saying “What would you know about such things?”

This frustrated Vidya, who felt that this whole policy to include a beneficiary in the Board was a farce and done primarily to gain credibility and international funding. She was up against a majority in her own Board.

Respond to the Following:

Is it important to include members from the beneficiary community in the Board? If yes, Why?

What could the Board have done to help Vidya learn the roles and responsibilities of a Board Member, become a proactive, contributing member of the Board?

What policies can one create to safeguard the interests of Board Members who are weak and vulnerable?

### **CASE STUDY 3**

Poornima Menon was one of the 4 founders on Jaagruti, an NGO working in the area of rural population upliftment through micro-credit mechanisms and income generation training programmes. Since she has a background and qualifications for the work at hand, she had also joined the organization as Executive Director. The other 3 board members didn't have the requisite qualifications but very highly passionate and committed to the cause.

Problems arose at Board meetings when Poornima would propose new programmes, strategies and ideas and if the Board rejected some of these ideas. The basis for the rejection of new ideas was rarely accompanied with a logical or adequate explanation- it was largely due to a 'conservative thinking' Board. Many a time, Poornima went ahead with new programmes even after been rejected at Board Meetings because she felt that the board is non-qualified and does not understand.

The Board was mature, experienced and willing to listen to Poornima but everytime they asked for clarifications on certain projects, Poornima would get defensive and would never offer an explanation.

The Board was in a dilemma because Poornima was an excellent person, highly qualified and most of her ideas were great. However, they felt they had no role on the Board because Poornima would never engage them in making strategic plans, programme plans and policies. Poornima would also not give them sufficient information about projects or reports. There was also no clear differentiation in roles since Poornima was the Executive Director and also a Board Member.

While the Board believed the organization was doing an excellent service to the rural community, they felt that they had no role to play since Poornima just did what she wanted to do. This irked the board and they decided to leave and let Poornima run the organization by herself. However, the Board was one of the major fund contributors and fundraisers for the organization and once they leave, the organization could face severe funding challenges.

Respond to the following:

How can the Board improve Director-Board Interaction?

What can they do to help Poornima understand to importance of engaging the Board?

What proactive policies can be put in place to ensure information transfer and accountability from the Management?

Is it a good idea to have the Director as a Board Member? How can roles be clearly demarcated?

#### **CASE STUDY 4**

Jag Jagran was a charity started by 4 friends in 1985 with the primary aim to uplift the rural poor and empower them. Over the years, their activities were spread across 600 villages and included a seed bank, food bank, micro-credit, and employment opportunities for the rural youth, hygiene and cleanliness, women's literacy and empowerment among other things. Since 1985, their board had also grown to include 7 women, 10 panchayat heads, a local IAS officer, the Director of a large company that funded the programmes and the district corporator. A total of 24 Board Members.

Managing such a huge Board was always a challenge but then the Founder Board Members felt that each Board Member was brought on to play their role and there was no need for them to work collectively. Many Board Members had not even met any of the other Board Members. Board Meetings had just a handful of attendance and if there were more than 8 members at a meeting, there would be long-drawn discussions and little decision-making.

The Board policy was to bring in new Board Members if we needed them to fulfill a requirement. Bring in women to help us get easy access to international funding; the local corporator would help us get land and sanctions for our work, the IAS officer will provide us credibility and entry into government departments, the panchayat heads will help us reach out to more people in the villages, etc.

However, problems started creeping up when everyone who came forward to offer their help wanted to join the board in return. Conflicts increased among board members and it became difficult to take quick, timely decisions. The founder board was spending more time handling board issues than actually achieving their objectives.

Respond to the following:

What is an ideal size for a Board?

What could the Founder Board do now to rectify the situation and ensure this does not happen again?

What should be the criteria for selection of a person on to a Board?

What other ways can interested people be engaged in the organization other than inviting them to the Board?

**Annex 6 c Group Responses on “ What Makes A Good Board”**

1. Decision-making. Change in decisions not so frequent
2. Members motivated towards organisation work
3. Storehouse of shared knowledge.
4. Involvement of women in decision making process and not just show piece.
5. Consensus irrespective of gender
6. Governance not management
7. Number of Board members to be limited to avoid absence and speed up decision making
8. Participation and regular attendance
9. Democratic functioning
10. External perception of Board to also be considered.
11. Board members also need training
12. Good idea to involve community members, but one should be aware that their capacities are limited.
13. Vision/Mission to be clear
14. Joint participation by Board and management. However, segregation of decisions to be taken by Board and those taken by CEO.
15. Limited scope for family Boards
16. Board meeting to be held only once in three months
17. Illustrious/famous members on Board facilitate fund raising. However, internal governance practices likely to be affected by such practices.
18. Such prestigious – but busy members could be accommodated in Advisory Committees
19. Transparency in processes essential
20. Members need high level of commitment
21. No self interest by members
22. Board to be involved in Policy decision making
23. Awareness regarding individual member roles and responsibilities

**Annex 6 d Group Responses**

**Exercise 2**

**Case Studies – Ranchi**

Group 1

1. Ego problem ; Misunderstanding; Less Participation
2. No – avoid mistakes
3. Yes. One man organisation – thinks he is know all
4. Nothing
5. They didn't solve the problem.

Group 2

1. Yes. Community representative, stakeholder, more contribution in decision making process/problem analysis, confidence level will increase among beneficiary groups, fully democratic, increased transparency
2. Vidya should have given understanding reg. Board and its function. Vidya's advice should be heard by the Board members, she should have been involved in decision making process. Conceptual and technical training should have been provided to Vidya
- 3 Board should given special training on development issues
- 4 Members, who are weak and vulnerable, their advice should be heard and respected by the Boards members.

Group 3

1. External consultant should be appointed to give/develop the training on Roles and responsibilities and improvement of communication
2. Balanced view has to be taken for new / innovative ideas which fits goal of organisation. Also considering the involvement of the Board member for resource mobilisation
3. To set up formal systems. It should be discussed and brought forward by the external bodies. Collective decisions should be taken by the organisation
4. It can be a good idea – because it communicates the decision taken to the management. The role of individual must vary according to the capacity of the individual at that moment. There must be awareness of difference between Board and governance and the E D as management

Group 4

1. Ideal Size is 7 – 9 members
  - 2.& 3 Assessment of the Board members on the basis of fixed criteria like meaningful contribution, attendance, gender equity, knowledge and information level of the members, community, caste and religion etc
- By setting up a separate informal body to engage the interested persons like advisory board, fund raising board, liasioning team etc.

**Case Studies – Hazaribag**

**Group 1**

1. Vivek is committed but does not enjoy faith of Board. Yes Vivek is justified in his stance to ask the Board to leave and get a new Board in place.
2. Vivek should go to mass general body as he has attempted to reorganize but cannot
3. As a Director Vivek has done a good job but as a member he has not reflected emotionally
4. The Board and Director should develop a conflict resolution committee and should meet regularly for solving problems

**Group 2**

1. Yes it is imp to include the beneficiary in the Board. , because he she may represent to his / her best for their needs and problems.
2. Vidya could have been given an opportunity to learn about the organisation, its mission and vision, so that she could properly participate in the function of the organisation
3. To safeguard the interests of the weak and the vulnerable Board members, one should give priority to them in order to empower them to share their views with other members of the Board. Members need to discuss with representative of the beneficiary group.

**Group 3**

1. Board member training/orientation/capacity building
  - a. Board to comprise of mixed expertise
  - b. Team spirit
  - c. To work together in trust
  - d. Clarity in understanding vision/mission
  - e. Common thinking
2. Arrive at consensus through discussion: Creation of Advisory Committee
3. Advisory Committee to do information sharing, transparency, collective decision
4. YES. Role Sharing/Declaration in Board Meeting

**Group 4**

1. An ideal Board should ideally have 9 –11 members , where 50% are women
2. For effective functioning of the Board it is necessary for members to have clear goals, direction. Roles and responsibilities need to be outlined clearly and members need to evaluate themselves on their performance.
3. Members ought to have healthy contribution towards the thinking in the organisation, and less on the thinking associated with their profession.
4. Board members need to join Board with commitment and common understanding.

**Case Studies - Deoghar**

**Group 1**

1. Paying attention to rules and procedures
2. Making the Board more effective
3. To become more active according to a strategy
4. Committed members
5. Determining participation levels of individual members  
Take help of advisors/counselors .

**Group 2**

1. Its appropriate because:
  - a. It is in line with the vision and mission statement of the organisation, where a member of the beneficiary group is to be a part of the Board
  - b. Is beneficial and advantageous, as there would be first hand information available on problems and their possible solutions.
3. Board can assist Vidya by ( 1 ) granting respect, ( 2 ) By motivating her, ( 3 ) Provide opportunity ( 4 ) By providing training and exposure
4. Adopting participatory methods in allocating responsibilities through careful consideration of her interests and needs .

**Group 3**

1. a. Interpersonal trust
    - a. Board members to establish tradition of respectful and ideal behaviour
    - b. Transparency in financial matters
  2. a. Teaching how to be respectful towards other members
    - b. By providing advice on how to distribute responsibilities
  - 3 Regular meetings  
Progress Reports and Discussions
- Yes. A. Through training, (B) Distribution of responsibilities through discussions

**Group 4**

1. A good Board is one which has 11 members
  2. Attention by capable individuals to problem solving situations of the organisation
  3. Include members whose attendance is easy
    - c. Committed towards goal of organisation
    - d. Gender balance
- Include members as advisors/counselors

**Annex 7 ( a )**

**Check list For Vision/Mission Statement**

**VISION**

**Does it convey why we do what we do; why the organization exists?**

**does it reflect our beliefs, our values?**

**Does it describe what outcome you expect in the future – the middle or long term?**

**How do you want your community to be different from what it is today?**

**What will success look like?**

**What role do you want your organization to play in your community?**

**Is it practical and achievable?**

**Is it unique to your organization or could it apply to any one of a dozen organizations.**

**Is it short and sharply focused?**

**Is it clear and easily understood**

**Does it describe “how “? It should not.**

**Is it sufficiently broad?**

**Does it provide direction for doing the right things?**

**Does it match our competence or is it overambitious?**

**Is it inspiring for those inside the organization as well as those outside?**

**Is it free of jargon?**

**MISSION**

**Does it reflect your beliefs?**

**Is it future oriented? Does it describe where you want your organization to be in future?**

**Does it show what role you want your organization to play in your community?**

**Does it focus on a common purpose?**

**Is it specific to your organization alone?**

**Is it short and sweet?**

**Annex 7 ( B )**

**Participant Responses to Vision/Mission Checklist**

Vision Mission : Group Exercise

Group 1

Vision

Why We Do What We Do, and Why The Organisation Exists?

To see a poverty free world

Build capacities to help people assert their rights

To realise the vision

Does It Reflect Our Beliefs Our Values

Equity and Justice

Respect for others

Humanity

Courage and Morality

Solidarity

Our Concerns

Poverty free world

Success looks like: Self-reliance, self-governance, dutiful, dignified, Informed, society

What Role? – Participatory activities, facilities. It is a shared vision

Group 2

Vision

The organisation vision is for the creation of balance, gender justice and independence

Values are: equity, balance, human pride, justice, self reliant

Social values : social justice and self reliance

Social situation if not balanced , then no justice

Society free from exploitation and self reliant

Focussed

Over ambitious

Direction for working is clear

Group 3

Vision

Creation of a society free from fear, exploitation and based on democratic principles.

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**Mission**

Using local resources and skills create and organise a society where everyone leads a respectful life.

Group 4

Vision:

Stated vision is: Development of community on the basis of Gandhian Philosophy, - Truth, Non violence, love, kindness/sympathy), where, there is no discrimination regarding gender, religion, caste, class. Participatory development based on local resources.

**Mission**

Integration and organisation of community

Creating awareness

Recognition of local needs

Recognition of local resources

Participatory methodology of work

**Annex 8**

**Agenda Prioritisation**

**Board Meeting Madness**

**An exercise for prioritisation of agenda items**

The seven-member board of the Smythe Foundations meets every two months. The following items were proposed for the agenda of the November board meeting. As the board chair, you must decide which items will be included. Remember that you have promised the other board members that the meeting will last only two hours.

Indicate which of the items below go into the meeting agenda and whether they are for decisions or for information only. Consider using a consent agenda if appropriate. Be aware that you don't have to include all the items below on this month's agenda. If there is a more effective way to handle certain items than at the meeting, indicate what your recommendation would be. If an item should be addressed at aboard meeting but there will not be time this month, indicate which items you would defer to a future meeting.

When you report back to the group, be prepared to present the full meeting agenda along with plans for handling item that you decide not to include.

Proposed budget for next financial year  
Monthly financial statement  
Report from Chief Executive about progress in negotiating new lease for office  
Renewal of Chief Executive's contract  
Negative newspaper article about the organisation  
Minutes of last month's meeting  
Programme Officers report about last week's workshop  
Decorations for next week's reception at the Office  
Account of repair of burst pipes in Office  
Changing funding scenario in the country  
Report from fund raising committee  
Selection of the auditor  
Proposal for new Programme for the organisation  
Thank you letter to Mayor from board chair for letter of support  
Note of excuse from absent members  
Report from Chief Executive regarding options for new accounting software  
Proposed slate of candidates for vacancies on board  
Schedule for board retreat  
Maternity leave of staff members

**Annex 8 (a)**

**Participant Responses : Prioritisation of items on Agenda**

1. Minutes of last meeting
2. Note of excuse from absent members
3. Selection of the Auditor
4. Proposed budget for next financial year
5. Renewal of Chief Executive Contract
6. Proposed Slate of candidates for vacancies on Board
7. Changing funding scenario in the country
8. Report from Chief Executive about progress in negotiating new lease for office

For Information Only: Schedule for Board retreat and rest of the points on the agenda.

**8 b.**

1. Minutes of the last meeting
2. Proposed Budget
3. Negative newspaper article about the organisation
4. Account of repair of pipe
5. Maternity leave of staff members
6. Report from CEO regarding new options for accounting software
7. Renewal of CEO contract
8. Proposal for new program
9. Report from CEO about new lease for office.
10. Changing funding scenario in the country

**Annex 8 ( c )**  
**Board Meeting Evaluation**

#	Indicator	OK	Needs Improvement	Suggestions for Improvement
1	The agenda was clear, supported by the necessary documents, and circulated prior to the meeting			
2	All Board members were prepared to discuss materials sent in advance			
3	Reports were clear and contained needed information			
4	We avoided getting into administrative management detail			
5	A diversity of opinions was expressed and issues were dealt with in a respectful manner			
6	The chair guided the meeting effectively and members participated responsibly			
7	Next steps were identified and responsibility assigned			
8	All Board members were present			
9	The meeting began and ended on time			
10	The meeting room was conducive to work			
11	We enjoyed being together			

**Annex 9**  
**List of Participants**

**“ Effective Boards for Effective Governance”**  
**Peer Learning Workshop for PACS Partner CSOs in Jharkhand**  
**Ranchi Cluster**  
**Nov 19 -21, 2004**

**List of Participants**

<b>S NO</b>	<b>Name of Participant</b>	<b>Name of Organisation</b>
1	Dr Rakesh Kumar Pandey	Jan Uthaan Samiti, Ranchi
2	Dr Ashok Kumar Parira	Jan Uthaan Samiti, Ranchi
3	Shiv nandan Vishwakarma	Trust for Community Development and research
4	Harish Chandra Mahato	Trust for Community Development and research
5	Rajen Kumar	Sindoar Tola Gramodaya Vidyalaya
6	Ms Nirmala Lakra	Sindoar Tola Gramodaya Vidyalaya
7	Razi Alam	Vikas Foundation
8	M Nasir	Vikas Foundation
9	S A Ahmed	Karra Society for Rural Action
10	S L Quaner	Karra Society for Rural Action
11	Ohal Pravin	HOPE and Animal Trust
12	Pankaj Kumar	HOPE and Animal Trust
13	Sr C Braganza	Torpa Rural Dev Society for Women
14	A Y Khan	A A A Trust
15	Bhagat Bhushan	A A A Trust
16	Arvind Kumar Lal	A A A Trust
17	A K Singh	Society for Participatory Action and Reflection
18	Basudeb	Society for Participatory Action and Reflection
19	B Chowdhury	Chotanagpur Craft Dev Society
20	S Prasad	Chotanagpur Craft Dev Society
21	Kiran Shankar Dutt	Aragati
22	Abir Rana	Aragati
23	Shrawan Kumar Mandal	Research and Action Institute for Social Empowerment
24	Jagit Mirdha	Research and Action Institute for Social Empowerment
25	L N Sinha	Vihar Samaj Kalyan Sansthan
26	Pushpa Martin	Integrated Dev Society for Solidarity
27	Shelley Kerkatta	Integrated Dev Society for Solidarity
28	Amar Kumar Sinha	Integrated Dev Society for Solidarity
29	Vinod Kumar	Sampoorna Gram Vikas Kendra
30	Rajen Kumar	Sampoorna Gram Vikas Kendra

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31	Shyam Bihari	Sampoorna Gram Vikas Kendra
32	Sachi Kumari	Chota Nagpur Sanskritik Sangh
33	Amarendra Narayan Singh	Chota Nagpur Sanskritik Sangh
34	KC Marandi	Paryaya Chetna Kendra
35	CP Yadav	Lohardagga Gram Swarajya Sansthan
36	S K Yasin	Lohardagga Gram Swarajya Sansthan
37	S P Sahu	Chota Nagpur Durgam Kshetra Krishi Vikas Kendra
38	Shailesh Mazumdar	MEAL Coordinator
39	Amarendra Kumar Pandey	PRAXIS

**List of Resource Persons**

S No	Name of Person	Organisation
1	Vishal Talreja	Dream a Dream, Bangalore
2	V Nagarajan	V Nagarajan and Co. , Gurgaon
3	Ranjan Rao Yerdoor	Credibility Alliance, New Delhi
4	V Satyamurthy	AIAMED, New Delhi
5	Pushpa Sundar	Sampradaan, New Delhi
6	Rajni Patni	Sampradaan, New Delhi
7	Sharad Tewari	State Coordinator, PACS, Jharkhand

**“ Effective Boards for Effective Governance”**  
**Peer Learning Workshop for PACS Partner CSOs in Jharkhand**  
**Hazaribag Cluster**  
**Nov 20 -22, 2004**

**List of Participants**

<b>S. No</b>	<b>Name of Participant</b>	<b>Name of organisation</b>
1	Murali Shyam	PRAYAS, Hazaribag
2	Ram Sundar	PRAYAS, Hazaribag
3	Sujanti Dwivedi	PRAYAS, Hazaribag
4	Gregori Miraj	Centre for Development , Hazaribag
5	Dipak Prasad	Centre for Development , Hazaribag
6	Ravi Kumar	SHARC, Hazaribag
7	Binni	SHARC, Hazaribag
8	Dr. B.N. Ohdar	SHADE, Hazaribag
9	Moti Lal	SHADE, Hazaribag
10	Theophil Runda	Jan Vikas Kendra, Hazaribag
11	Fr George Chittady	Jan Vikas Kendra, Hazaribag
12	Chhatradhri Prasad	Jan Jagriti Nirmaan, Hazaribag
13	Busudav Prasad	Jan Jagriti Manch, Hazaribag
14	Reshma Devi	Jaago Mahila Jagrati Kendra, Hazaribag
15	Santo	Jaago Mahila Jagrati Kendra, Hazaribag
16	Ranjith Kund Vargval	Jaago Mahila Jagrati Kendra, Hazaribag
17	Mausami Bakhla	Lok Prerana Kendra, Simaria
18	Philman	Lok Prerana Kendra , Simaria
19	Birbal Prasad	Manav Vikas, Hazaribag
20	Bhagirath Sahu	Manav Vikas , Hazaribag
21	Ramlal Prasad	Jan Sewa Parishad, Hazaribag
22	Dhulu Sahu	Jan Sewa Parishad, Hazaribag
23	Md.Hashmat Rabbani	Gramin Samaj Kalyan Vikas Manch, Palamu
24	Anita Devi	Gramin Samaj Kalyan Vikas Manch, Palamu
25	Maskur Alam	Social Action Foundation, Hazaribag
26	Risween Ahmed	Social Action Foundation, Hazaribag
27	Bhaghwan Tiwari	Prakash Jan Seva Sanstha, Hazaribag
28	Ashok Shukla	Prakash Jan Seva Sanstha, Hazaribag
29	Arabinda	Gramoday Chetna Kendra, Chatra
30	Dr. Badri Verma	Gramoday Chetna Kendra, Chatra
31	Sachchidanand	Maharshi Menhi Kalyan Kendra, Ranchi
32	Satisha Giriya	Nav Bharat Jagriti Kendra, Hazaribag
33	Vishambhar Bhatt	Nav Bharat Jagriti Kendra ,

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		Hazaribag
34	Girija Satish	Nav Bharat Jagriti Kendra, Hazaribag
35	Bhagwat Bihari	Vikas Bharati Foundation, Dumka
36	Baby Rani	Vikas Bharati Foundation, Dumka
37	R.R. Pandey	Prerana Niketan, Hazaribag
38	Devanti Devi	Prerana Niketan, Hazaribag
39	Monica Ray	Prerana Niketan, Hazaribag
40	Mausami Bakhla	Lok Prerana Kendra, Hazaribag
41	Maruti Kumar Gupta	Lok Prerana Kendra, Hazaribag
42	Arif Alam	Social Action Foundation, Hazaribag
43	Rajni Kiran	DARPAN, Hazaribag
44	Chandra Kumar	DARPAN, Hazaribag
45	Tarun Kumar Gosh	Community Development Centre, B. Deoghar
46	Dr A K Mishra	Community Development Centre, B. Deoghar
47	Swami Tapanand	Sri. Ramakrishna Sarada Math & Mission, Hazaribag
48	Rakesh Narayan	Sri. Sri. Ramakrishna Sarada Math & Mission, Hazaribag
49	Sambhalal Anand	Vikas Kendra, Giridih
50	Sumada Devi	Gramin Navodaya Kendra , Gumla
51	Tara Pado Nayak	Lok Hit Sanstha, Seraikella

**List of Resource Persons**

S No	Name of Person	Organisation
1	Vishal Talreja	Dream A Dream, Bangalore
2	Joselyn A Martins	C A, New Delhi
3	Ranjan Rao Yerdoor	Credibility Alliance, New Delhi
4	Sanjay Patra	FMSF, New Delhi
5	Pushpa Sundar	Sampradaan, New Delhi
6	Rajni Patni	Sampradaan, New Delhi
7	Sharad Tewari	State Coordinator, PACS, Jharkhand
8	Bishop Charles Sorens	Bishops House, Hazaribag

**“ Effective Boards for Effective Governance”**

**Peer Learning Workshop for PACS Partner CSOs in Jharkhand**

**Deoghar Cluster**

**Dec 9 – 11, 2004**

**List of Participants**

<b>S No</b>	<b>Name of Participant</b>	<b>Name of Organisation</b>
1	A N Pandey	Gramika Vikas, Rajdhanwar
2	Dilip Kumar	PRAVAH, Deosangh
3	Tulsi Prasad Verma	Jago Foundation , Giridih
	Sarjit Kumat	Jago Foundation, Giridih
4	Bhimplal Das	Jago Foundation, Giridih
5	Ravi Prakash	YAM India , Deoghar
6	Mamta Kulkarni	Manas Parivartan, Godda
7	Jai Krishna Jha	Manas Parivartan
8	Khelo Singh	Jan Sanskriti, Giridih
9	Rameshwar Kumar	Jan Sanskriti, Giridih
10	Charan Kumar	Adivasi Kalyan Parishad, Dumka
11	Shreepati Mandal	Gram Sabha Seva Sansthan, Dumka
12	Murlidhar Mandal	Gram Sabha Seva Sansthan, Dumka
13	Sukh Sagar Chowdhury	Gram Vikas Foundation
14	Vijay Narayan Bhagat	Gram Vikas Foundation
15	Kapil Dev Kumar	Adivasi Shikshan, Dumka
16	Ramphal Layak	Adivasi Shikshan, Dumka
17	Krishna Kamal Mandal	Judav, Madhupur
18	Ghanshyam Bhagat	JUDAV, Madhupur
19	Sanjib Kumar Singh	Judav, Madhupur
20	Sunita Devi	Jai Basundhara, Deoghar
21	Lal Dev Yadav	Jai Basundhara, Deoghar
22	Niranjan Prasad Gorav	Dalit Uthaan Samiti, Deoghar
23	Gopal Das	Dalit Uthaan Samiti, Deoghar
24	Babulal Kapri	Chetna, Deoghara
25	Dilip Kumar	Ashray, Madhupur
26	Indradeo Kumar Yadav	Ashray, Madhupur
27	Dilip Kumar	RISTA, Dumka
28	Hopna Marandi	RISTA, Dumka
29	Munni Hansda	Adivasi Kalyan Parishad, Dumka
30	Girish Chand Kisku	Adivasi Nav Kiran Seva Sansthan, Giridih
31	Arjun Bhai	Lok Deep, Madhupur
32	Pradeep Kumar Singh	Lok Deep, Madhupur
33	Birendra Kumar Jha	Maulana Azad Samajik, Gram Shaishshanik Parishad, Deoghar
34	Sanjay Kumar Upadhyaya	Maulana Azad Samajik, Gram Shaishshanik Parishad, Deoghar

*Promoting Good Governance in Jharkhand*

35	Santlal Yadav	Lok Vikas Bharati, Jasidih
36	Mohd Rauf Ansari	Lok Vikas Bharati, Jasidih
37	Asha Rathore	Badlao Foundation, Jamtara
38	Bitia Murmu	Badlao Foundation, Jamtara
39	Niranjn Prasad Yadav	Chetna Vikas, Deoghar
40	Kumar Ranjan	Chetna Vikas, Deoghar
41	Tanay Chakravarty	NEEDS, Deoghar
42	Dhananjay Kumar Mandal	Gram Sabha Seva Sansthan
43	Pushpa Tirki	IRMA, Giridih
44	K Santosh	IRMA, Giridih
45	Ravi Bhushan Sinha	IRMA, Giridih
46	Manilaala Murmu	Adivasi, Nav Kiran Seva Sansthan, Giridih
47	Binod Kumar Parmanik	Jan Lok Kalyan Parishad
48	Pramod Kumar Singh	Vidyasagar Samajik Suraksha Seva Evam Shodh Sansthan , Jamtara
49	Prahlad Kumar	Vidyasagar Samajik Suraksha Seva Evam Shodh Sansthan , Jamtara
50	Binod Kumar Roy	VIKALP, Deoghar
51	Anand Prasad Yadav	VIKALP, Deoghar
52	Mohammad Manjur	Pragatisheel Yuva Kendra, Giridih
53	R N Mishra	Pragatisheel Yuva Kendra, Giridih
54	Ramesh Chandra	SATHEE, Godda
55	Kamlini Hembram	Jan Lok Kalyan Parishad, Pakur
56	Arbind Kumar	Lok Jagriti Kendra, Madhupur
57	Bhawani ji	Lok Jagriti Kendra, Madhupur
58	Pankaj Kumar	Lok Jagriti Kendra, Madhupur
59	Pradeep Kumar	Lok Jagriti Kendra, Madhupur

**Names of Resource Persons**

S No	Name of Person	Name of Organisation
1	Vishal Talreja	Dream a Dream, Bangalore
2	Joselyn A Martins	C A , New Delhi
3	Ranjan Rao Yerdoor	Credibility Alliance, New Delhi
4	Manoj Fogla	C A Cuttack