Governance

Definition

• Governance is the action or manner of governing. *Oxford Dictionaries*
Governance

Constitutional foundation

• “...districts shall be governmental agencies and bodies politic and corporate with such powers of government and with the authority...as may be conferred by law.” Tex. Const. Art. 16, § 59
Governance

Statutory foundation

• “The governing body of a district is the board of directors.” *Tex. Water Code § 36.051*

• What principles guide the work of governing?
Governance

Principles

• Integrity
• Leadership
• Transparency
• Accountability
• Fairness
Governance

Principles

• Integrity
  – Being honest, fair and independent
  – Honoring the letter and spirit of the law
  – Recognizing, declaring and managing conflicts of interest
  – Doing the right thing
Governance

Principles

• Leadership
  – Establishing policies and strategic goals
  – Providing necessary resources to achieve goals
  – Monitoring and evaluating achievement of goals
  – Supporting staff and holding them to account as a Board
Governance

Principles

• Transparency
  – Conducting the public’s business in public
  – Regular and effective communication with stakeholders
  – Responding to stakeholders’ questions and concerns
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Principles

• Accountability
  – Fair and clear disclosure of success and failure
  – Internal financial controls
  – Audit and financial reporting
  – Risk assessment and management
Governance

Principles

• Fairness
  – Impartial and unbiased treatment of stakeholders
  – Respect for due process of law
Governance

Practices

• Board is a collective entity and functions only as a collective entity
  – *Importance cannot be overstated*
  – Exists to act together, not as individuals
  – Discusses business in public to maximum extent possible
  – Acts only in public through a vote
Governance

Practices

• An effective Board focuses on policy, strategic goals and results
• Governance and management are different
  – Governance is responsibility of Board
  – Management is responsibility of staff
  – Maintaining distinction requires judgment, respect and restraint
Governance

Practices

• Board supervises General Manager
• General Manager supervises staff
• Roles must be respected
  – Board should speak to GM with one agreed voice
  – GM must ensure that Board is fully informed
  – Board should not engage in administration
• Two-way communication essential
Governance

Practices

• Board meetings must be efficient and effective
  – Comfortable and accessible facility
  – Reasonable time
  – Manageable agenda
  – Board members
    • present
    • prepared
    • engaged
Governance

Practices

• Board meetings (cont.)
  – Respectful dialogue
    • between board members
    • between board and staff
  – Opportunity for public comment important, but limitations are essential
    • public can go home
    • board must remain until business is complete
Governance

Practices

• Board meetings (cont.)
  – Understand and utilize common rules of order
  – Opinions will vary
  – All votes need not be unanimous
  – *Decision, once made, should be respected and supported by all*
Governance

Practices

• An effective Board will be educated in its role, legal duties and responsibilities
  – Take full advantage of training and educational opportunities
  – Engage, utilize and respect good legal counsel
    • An ounce of prevention is worth a pound of cure
Governance

Personal accountability

• to the district
• to your conscience
• to voters
• to stakeholders
• to the law
  – civil liability
  – criminal liability