



## **Governance Transition 2020**

Good governance is at the heart of any successful non-profit. It helps us achieve our objectives and drives improvement, while also ensuring that we maintain legal and ethical standing in the eyes of the investors and the wider community.

While ASSP was reviewing and making improvements to its own governance structure, ASSP's legal counsel recommended a revised governance structure to improve the impact and long-term sustainability of its Foundation. Achieving these changes required creating an evolved governance structure to support the Foundation's mission.

### **What is the new structure?**

The ASSP Board of Directors will serve as the governing body for both the Society and its Foundation. The current Foundation Board of Trustees, which operates separately from the ASSP board, will be phased out after July 1, 2023. We will execute a transition plan over the next three years to operate in a blended capacity.

### **What are the benefits of this new structure?**

There are several benefits, but the primary outcomes are unity of purpose between the entities and a closer alignment of strategic direction between the c6 and c3. This structure will also optimize the Foundation's limited resources by, for example, reducing operating expenses. It will also allow us to redirect time spent on nominations and governance activities to Foundation programs, which is our core function.

### **Is it legal to have one board oversee the Society and its charitable arm?**

Yes. This governance structure was reviewed and recommended by ASSP's legal counsel who specializes in non-profit law, specifically as it relates to entity formation, tax issues, strategic development and regulatory compliance. This revised infrastructure will enable us to be more nimble so that the Foundation can respond in a more timely way to a complex and changing marketplace and remain competitive.

### **Why was the Foundation established with a separate board?**

When the Foundation bylaws were established in 1990, our structure met current practice. In 2020, that structure no longer aligns with best practices that call for shared leadership that uses limited resources more effectively and efficiently.

## **Does the Foundation Board of Trustees favor this change?**

Yes. The Foundation Board of Trustees approved this change on April 14, 2020, after reviewing several governance models. They then presented a motion to ASSP's Board of Directors that was approved this past May.

## **When will the new structure be implemented?**

It will be fully implemented by July 1, 2023, following a three-year transition period that began July 1, 2020.

## **Why a three-year transition? How will it work?**

Instead of eliminating the Foundation Board of Trustees immediately, the trustees voted to transition over a period of time to capture the institutional knowledge help by the current group. After each trustee fulfills their term, they will be replaced by an ASSP board member. This process will take three years.

## **What is the overlap between the Board of Trustees and the ASSP Board of Directors during the transition?**

- Effective July 1, 2020 - 8 Foundation trustees + 3 ASSP board members
- Effective July 1, 2021 - 4 Foundation trustees + 7 ASSP board members
- Effective July 1, 2022 - 2 Foundation trustees + 9 ASSP board members
- Effective July 1, 2023 - one board serving both the c6 and c3

## **How does this change affect donors?**

Over time, this strategic alignment will be reflected in Foundation programs that aim to build the pipeline for the safety profession. In addition, by reducing expenses, the Foundation's overhead ratio (an important metric for a charitable foundation) will be reduced as staff time can be reallocated to programs, instead of governance. Donors today expect a 501c3 non-profit organization to operate with the most efficient and effective use of resources, so the majority of donations support the programs delivered instead of operations.

## **Will this change impact the Foundation's programs and volunteer engagement?**

No. All programs will continue to be managed by ASSP professional staff as they are today. In addition, the professional staff will continue to engage volunteer leaders as members of two primary committees: Education and Research Programs and Leadership and Workforce Development Programs. These groups will share recommendations with the Foundation board, as they currently do. In addition, the Foundation will continue to leverage ASSP's Leadership Connect to engage safety professionals in promoting and supporting the Foundation's programs.



## Who is on the Foundation Board of Trustees effective July 1, 2020?

The Foundation's Executive Committee will include Trish Ennis, Board Chair; Deb Roy, Vice Chair and Linda Tapp, Vice President, Finance.

Our trustees are Tracy Cekada, Jan Simon Clark, Brad Giles, Courtney Harmon, Martin Jeppeson, David Natalizia, Julius Rhodes and Eric Sachleben.

*If you have any additional questions, please contact Mary Goranson, ASSP Foundation Director at 847.768.3412; [mgoranson@assp.org](mailto:mgoranson@assp.org).*