



**FAMILY RUN EXECUTIVE DIRECTOR LEADERSHIP ASSOCIATION**

## **Standards of Excellence for Family-Run Organizations**

### **INTRODUCTION**

Family-run organizations are unique organizations established by parents caring for children or youth with mental/behavioral health needs. The board and employees share passion for the mission and work because of their personal “lived experience.” Family-run organizations are also non-profit businesses that must adhere to sound business practices and act with integrity. Balancing passion with business practices may appear to be in conflict with one another, but the concepts are, in fact, complementary and strengthen all aspects of a family-run organization.

### **ABOUT THE STANDARDS**

The Family-Run Executive Director Leadership Association (FREDLA) has developed Standards of Excellence for Family-Run Organizations to set a high bar for family-run organizations as a means of promoting professional and sustainable organizations that positively impact the lives of children, youth and families. The Standards include the legal requirements for all non-profit organizations and incorporate areas that are specific to family-run organizations. FREDLA believes that the Standards will strengthen both individual organizations and our community of family-run organizations.

The standards are divided into twelve general categories and within each category there are recommended steps to meet the Standards of Excellence. The Standards recognize that organizations are at varying stages of growth and development and may be much further along in one category than in others. The Standards are intended to be a tool for family-run organizations to identify specific steps to achieve a higher level of accountability and effectiveness in all categories

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## MISSION AND VALUES OF FAMILY-RUN ORGANIZATIONS

Family-run organizations have strong values of family-driven, youth-guided, community-based, and culturally respectful responsive care. The Standards are intended to exist within an overall framework of the organization that is mission-driven and aligned with the organizational values.

## TERMINOLOGY

Throughout the document “family” is defined as “a parent or primary caregiver who has or is currently caring for a child with emotional, behavioral, developmental, substance use or mental health needs.” “Youth” is defined as a young person living with emotional, behavioral, developmental, substance use or mental health needs. “Lived experience” refers to the personal experiences of families or youth navigating child-serving systems, such as child welfare, school, or juvenile justice.

## STANDARDS

### Mission

The family-run organization has a clear statement of its mission focused on parent-to-parent and family support and advocacy for the behavioral and mental health needs of children and youth.

### Governance

The board of directors for a family-run organization is an elected group of volunteers who have a passion for the mission and are able to view the needs of all children. The board is legally responsible for the operation of the organization and ensuring that it is in compliance with all local, state and federal laws and contractual requirements.

### Board Composition and Operating Procedures

- The board is composed of 51% or majority family members who are representative of the community served.
- Board members are not related to the executive director or other employees of the organization.
- Each board member makes a commitment of time and financial or in-kind resources to the organization. Board members do not receive compensation for their work, but may be reimbursed for documented business expenses related to their board service.
- The organization has clear job descriptions for board members and officers.



- The board provides an orientation for all board members with particular consideration for family members who may not have previous experience serving on a board of directors.
- The board has a set schedule of meetings with an agenda and minutes are taken for each meeting.
- The board maintains transparency and accountability by regularly and openly conveying information to the public about their mission, activities, finances, and accomplishments.
- The board works in partnership with the executive director and maintains its role in establishing policy without becoming involved in daily operations of the organization.

### **Board Responsibilities**

- The board determines and supports the organization's mission and purpose.
- The board establishes a mechanism to ensure that the organization's activities are consistent with its mission, and periodically reviews and updates the organization's bylaws.
- The board recruits and hires the executive director through a fair and thorough selection process.
- The board supports the functions of the executive director, granting sufficient authority and helping to ensure his or her success in managing the organization.
- The board initiates a review of the executive director's performance and compensation on a regular basis.
- The board acts as in a fiduciary capacity by providing oversight of the organization's finances through establishing financial policies, approving annual budgets, and reviewing financial reports to ensure that the organization has the resources required to carry out its mission and that it remains accountable to its funders and the public.
- The board actively participates in organizational planning and policy-setting and makes sound, informed decisions by attending meetings, reading minutes and asking questions.
- The board ensures that the organization complies with all applicable federal, state, and local laws and regulations, and reviews the independent audit and IRS Form 990 each year.
- The board has an approved Whistleblower Policy.
- The board establishes policies to ensure that the organization is well managed, is fiscally sound, operates ethically, and is on the path toward a sustainable future.
- In all dealings with acquaintances, professional colleagues, the media, the public, funders, policymakers, constituents or other stakeholders, the board acts in a manner that informs and enhances feelings of goodwill toward the organization.



- The board periodically assesses its own performance and establishes procedures to hold each other accountable.

### Financial Oversight and Risk Management

- A shared role of the board and leadership of family-run organizations is ensuring that the organization manages funds appropriately and within generally accepted accounting principles and has adequate funds to carry out its mission.
- The executive director prepares, and the board approves, the organization's annual budget.
- The board receives quarterly financial reports showing revenue and expenses for each program.
- The organization has a financial procedures manual.
- The board has written policies that prohibit financial loans to board members, the executive director or other employees or volunteers.
- The executive director and board ensure that an annual independent audit of the organization's finances is conducted and reviewed by the board upon completion.
- The executive director and board ensure that the organization has adequate insurance coverage that may include Director's and Officer's, employment practices liability insurance, general liability, professional liability, workers' compensation and other types that may be needed based on specific programs or circumstances.
- The executive director and board ensure that the organization complies with all financial regulations, such as withholding and payment of federal, state and Social Security taxes.
- The board develops and approves a policy and the executive director establishes a procedure for recording and managing donated funds or goods according to their restrictions.

### Conflict of Interest

- In making decisions for the organization, board members put the interests of the organization ahead of any personal or professional interests they may have. In addition, the board, staff and volunteers of family-run organizations avoid any real or perceived conflicts of interest.
- The organization has a conflict of interest policy and procedure that addresses any potential or perceived conflict of interest pertaining to financial gain, preferential treatment or other conflict of interest for board members, employees or volunteers.
- The board, staff and volunteers annually sign a conflict of interest disclosure form and are required to disclose potential conflicts of interest on an ongoing basis.



## Fundraising

- Family-run organizations act as responsible stewards of donated funds and goods.
- The organization conducts fundraising according to the highest ethical standards with regard to honest and truthful solicitation of funds or goods, acceptance of funds or goods, recording, reporting and use of funds.
- Funds are used for the purpose for which they were solicited and/or given.
- The organization appropriately acknowledges and recognizes donors' gifts in accordance with each donor's wishes.
- The organization has clear policies for fundraising activities to ensure responsible use of funds and open, transparent communication with contributors and protection of donors' privacy, if requested.
- The organization complies with all federal, state and local laws concerning fundraising practices and documentation. This includes annual registration and reporting with their state's office that regulates charities.
- The organization does not pay a fundraising professional a commission based on a percentage of the money raised.
- Family-run organizations accurately and appropriately track all fundraising expenses and are transparent in the reporting of such expenses.

## Strategic Partnerships

- Family-run organizations are key stakeholders in systems of care for children and youth with mental or behavioral health needs and therefore should establish strategic partnerships with policymakers, governmental agencies, the business community and other advocacy organizations or coalitions.
- The organization promotes a culture of working in partnership with other organizations and agencies to achieve common goals.
- The organization coordinates and communicates with partners and acts with integrity.
- The organization seeks to resolve philosophical differences with other partners in a respectful, fair and honest manner.
- The organization takes appropriate steps to address unethical conduct of colleagues.



## Program Development and Management

- Family-run organizations should ensure that all programs are aligned with the organization's overall mission and strategic goals. It is essential that the organization has adequate resources required for each program including personnel costs (salaries and wages, fringe benefits, consultants), training, space, equipment, travel, telephone/internet, and general office supplies to sustain programs.
- The organization has a written policies and procedures manual, and all staff are trained on organizational policies/procedures.
- The organization maintains complete, timely and accurate documentation of all services provided to reflect the scope of care and services provided to families, children and youth.
- Accurate documentation on services and accompanying expenditures are used for billing purposes and for reporting to funders.
- The organization has policies for the retention and disposal of records and the retention and disposal of electronic documents.
- The organization complies with all HIPAA requirements and staff members are trained on HIPAA policies and procedures.
- The organization trains all staff on policies and procedures for mandated abuse or neglect reporting, when applicable, and how to identify safety risks and the steps to take to report such risks.
- The organization has a process for families receiving services to provide input into program planning, implementation, satisfaction and evaluation.
- The organization has a policy and procedure for families receiving services to formally file a grievance.

## Public Policy

- Family-run organizations should facilitate opportunities for youth and families to share their experiences to educate policymakers about the services families need, and the policies and procedures governing those services and systems. Public policy may include a variety of activities, such as public awareness/media campaigns, events that bring families together to meet with policy makers or legislators, educational activities, such as publishing reports or disseminating information, participation in public policy work on committees, and lobbying to advocate for legislation or budgets.
- The organization understands the federal rules governing non-profit organizations and state regulations for participating in policymaking activities and/or lobbying.



- The organization separately tracks the amount of time, expenses, and staffing spent on reportable policymaking and/or lobbying efforts.

### **Evaluation**

- Family run organizations should have a commitment to continuous quality improvement and mechanisms in place to objectively assess their work. Information learned through evaluation activities should be continuously utilized, through an established process, to better inform the activities and staff skills, and gauge organizational capacity of the organization.
- The organization has an evaluation process that is realistic for the size and scope of the organization.
- Evaluation activities are built into all programming and organizational budgets.
- Evaluation methods are family-driven, youth-guided and culturally responsive to those supported by the organization.
- Stakeholders and constituents have access to the information learned through evaluation efforts via routine communication methods such as annual reports, social media, and newsletters.
- All aspects of the organization are evaluated, including operations, employees, board of directors, programming, policies and procedures, and finances.
- Evaluation activities include qualitative as well as quantitative information.
- Personal information obtained through evaluation efforts is protected by confidentiality unless individuals provide written consent for it to be shared.

### **Human Resources**

- Employees and volunteers are the most valuable assets family-run organizations have. Personnel policies and procedures should be developed that reflect the unique needs of employees and volunteers who are caring for a child or youth with mental health needs while also ensuring compliance with local, state, and federal employee regulations.

### **Personnel Policies**

- The organization has written personnel policies and procedures that govern employment, hiring practices, disciplinary and termination protocols, and benefits afforded to employees.
- In hiring for positions that involve direct service, family-run organizations prioritize hiring families or youth, with lived experience.



- The organization has policies and/or practices that accommodate the needs of employees who are caring for a child or family member with a behavioral health crisis.
- The organization has policies to address multiple family members employed within the organization and creates separation of duties, including supervision practices that prohibit relatives from supervising one another.
- The organization has written job descriptions for each position within the organization and an organizational chart outlining the staffing structure of the organization.
- The organization has a process for timely discussion with employees about their performance and development.
- The organization provides ongoing training, learning opportunities, support and adequate supervision specific to each position.
- The organization has a supervision model that outlines how supervision is provided, and has policies and procedures outlining how supervision is documented.
- The organization requires background checks and review of driving records, if applicable, of all potential new employees and annually thereafter.
- The organization has an orientation process for all newly hired employees.
- The organization encourages and promotes hiring employees that are representative of the population of families served.
- Open communication with employees is practiced, and feedback from employees is solicited and incorporated into the organization's assessment activities.

### **Volunteer Management (if applicable)**

- Volunteers can be an asset for a family-run organization. For volunteers to find their service satisfying and successful there should be intentional planning of how the family-run organization will utilize volunteers, how they will be compensated for expenses, and who will be responsible for training, supporting and supervising them.
- The organization is aware of local, state and/or federal rules and regulations governing volunteers, and this is reflected in its volunteer policies and procedures.
- The organization understands and provides the fiscal and personnel resources required to manage a volunteer program.
- The organization ensures necessary risk management is in place including liability insurance policies.
- The organization has a recordkeeping process to track volunteer time and expenses.





- The organization has written descriptions for volunteer positions.
- The organization has written procedures for recruiting, screening and matching volunteers.
- The organization has written policies around compensation for expense reimbursement for volunteers, such as mileage.
- The organization provides volunteers with the training, support and oversight necessary for them to effectively support the organization's mission.
- The organization engages volunteers with lived experience and connects them with opportunities that best fit their interest and skill areas.
- The organization recognizes volunteer contributions.

## Planning

- Planning is a means of providing guidance and objectives for the organization going forward. Intentional planning of activities, funding and resource development are critical to the sustainability of a family-run organization. The development of a business model is necessary to ensure the organization is able to meet its mission, understand what resources are needed, and how to stay current with the issues relevant to children with emotional, behavioral, substance use or mental health needs and the children's mental health community.

## Strategic Planning

- The board and staff conduct a regular review of the organization's mission, vision and values to ensure activities, funding and operations are aligned
- The board and staff engage in strategic planning, including a review of organizational goals, programs, infrastructure, funding and human resources.
- The planning process provides a mechanism for input into the plan from stakeholders, including other family organizations, funders, agency partners, staff and families receiving services.
- The planning process concludes with development of a written plan with goals, objectives, and timelines for completion and updating the plan.

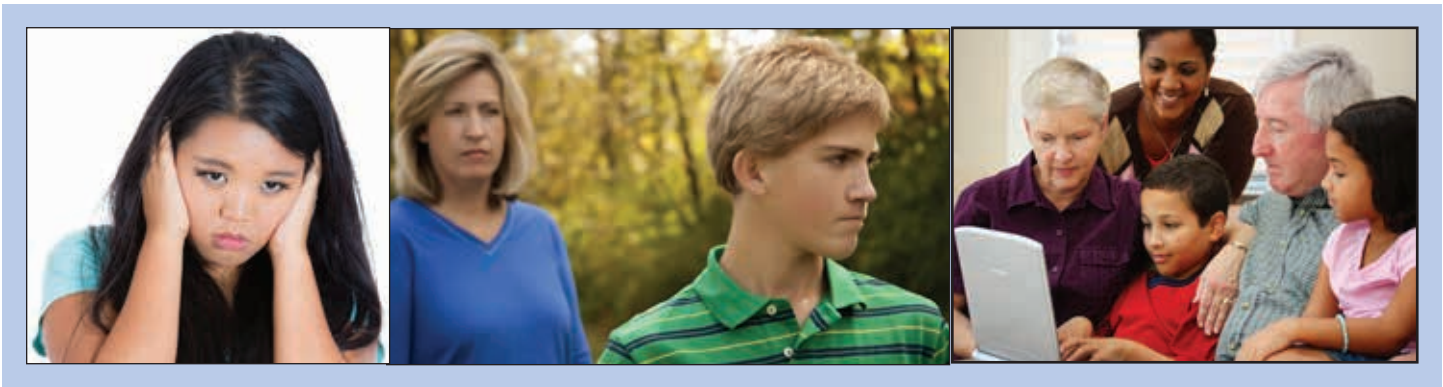


## Critical Incident Planning and Management

- A “critical incident” is any unexpected event (such as the death of a staff member or family member being served, natural disaster, burglary, assault, and legal, contractual or confidentiality violation) which causes disruption to an organization, or creates a situation where staff feel unsafe, vulnerable and/or under stress and have the potential to interfere with the ability of employees to cope or function, either at the time of the incident or later.
- The organization has a plan for responding to a critical incident that includes:
- Steps for providing support and obtaining necessary services, including trauma support when necessary.
- Identification of a spokesperson and outlines how funders and stakeholders, including those who are supported by the organization, are notified.
- Steps to continue or resume operations during or following a critical incident.

## Succession Planning

- Planning for succession should be embedded in the ongoing work of the organization. Leadership and development of managerial skills should be continuously fostered through training opportunities and increased responsibilities and promotions within the organization. Leadership transitions are a time of vulnerability for family-run organizations, particularly if the transition is from the founding executive director or one who has served in that capacity for a number of years and is strongly identified with the organization.
- The organization has a budget for ongoing staff development and leadership training.
- The board takes responsibility for addressing a transition in leadership, as a result of a short term leave of absence, a planned departure, or a sudden departure of the executive director and develops a plan to carry out critical leadership and management functions during the transition.
- Key staff members in the organization are knowledgeable about written policies and procedures, are familiar with funding sources and reporting requirements, and can assume those responsibilities in the event of an unplanned departure of the executive director.
- The board conducts a fair and thorough process for advertising, recruiting and hiring an executive director.
- Stakeholders are informed of the transition plan in a timely manner, as appropriate.



## Operations Management

- Operations management refers to the activities, decisions and responsibilities of managing resources which are dedicated to the delivery of services and daily management of the organization.

## Financial Management

- The organization has total equity on the balance sheet equal to a minimum of three to six months of operating expenses.
- The organization monitors and regularly reviews accounts receivable and takes appropriate action to collect overdue accounts.
- The organization practices appropriate cash flow management to ensure financial resources are sufficient to maintain operations and cover its liabilities.
- The organization conducts a monthly bank reconciliation and takes corrective action if needed.
- The organization periodically analyzes financial responsibilities and segregates duties where possible to minimize opportunities for fraudulent activity.
- The organization accurately accounts for all grant revenue and expenditures and complies with all conditions associated with grant awards.

## Information Technology

- The use of information technology is important to all aspects of an organization, including data collection, communication with stakeholders, funders, and employees, and a tool for engaging and involving families and youth.
- The organization invests in technology that enhances its ability to achieve its mission, including budgeting for necessary upgrades and updated equipment.
- The organization provides training to ensure employees are equipped to utilize technology that is necessary to perform their jobs.
- The organization takes necessary steps to ensure that all electronic information is securely protected in accordance with HIPAA guidelines.
- The organization has policies and procedures that outline the use of technology, including social media.



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## About FREDLA

The Family-Run Executive Director Leadership Association (FREDLA) is dedicated to: building leadership and organizational capacity of state and local family-run organizations focused on the wellbeing of children and youth with mental health, emotional or behavioral challenges and their families.

FREDLA was incorporated in 2013 and received its non-profit status in 2014. FREDLA is a partner in the Technical Assistance Network (TA Network) at the University of Maryland School of Social Work to provide training and consultation to family-run organizations attached to Children's Mental Health Initiative (CMHI) Systems of Care funded communities and states. FREDLA currently has a membership of 36 state or local family organizations and has an active 18-member Board of Directors composed of family leaders.

FREDLA has accomplished a great deal since it began and has quickly evolved from an idea into a national voice for family-run organizations. Since hiring staff in February 2014, FREDLA has worked to fulfill its mission through:

- Receiving a grant award from the Patient-Centered Outcomes Research Institute (PCORI) to begin developing a study measuring the impact of family peer support provider services
- Providing 59 technical assistance contacts to 15 states
- Facilitating calls with 10 SAMHSA Regional Administrators and 39 family organizations
- Developing a Family Leadership Camp that was held in conjunction with the Georgetown Training Institutes and attended by 70 family leaders.
- Publishing a report summarizing a survey of 31 statewide family organizations that was nationally disseminated to highlight the array of services provided by family-run organizations and the number of families and youth served.
- Establishing a Diverse Family Leaders Scholarship Program
- Hosting an annual membership meeting in Washington D.C.