Welcome to the Commons

Considerations for Governance

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Intentional community with targeted, shared impacts.

Open door to a refuge for anyone and anyone doing social good.

Most fiscal sponsors operate in the middle.
Patterns of Practice: Sharing Power

Shared power and intentional/relational: Whole-systems support, trauma-informed, co-management with co-governance

Consolidated power and transactional: arm’s-length focus on tactical, and technical supports based on project needs (not impact)

More fiscal sponsors are operating in the middle.
How would you describe your board culture and its involvement in your fiscal sponsorship work?

**GENERAL CULTURE**
- Formal
- Semi-formal
- Informal
- Advisory
- Management
- Fiduciary

**FISCAL SPONSORSHIP WORK**
- Unaware
- Aware but not very involved
- Deeply involved in setting policy
- Deeply involved in deciding project intake
- Other?
Balancing of Power

There is a dynamic balance of power in decision making between Board, Management, and Projects for sponsors. The question for each organization is about balance or intentional imbalance.

Where do you fall in these examples?

- Balanced between all three groups
- Projects lead collectively
- Senior management leads
- Board leads
The Governance & Management Divide

how are decisions made?
- Bylaws and decision structures
- Reporting, evaluation, and accountability
- New program and project creation/intake
- Equity considerations (pricing, process)
- Scale and financial model (right size)
- Operating and financial policies/practices
  - Risk appetite and management
  - Others…
## Working with a Decision Rights Matrix

For example…

<table>
<thead>
<tr>
<th>Decision Matter</th>
<th>Input</th>
<th>Ratify</th>
<th>Make</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost allocation/pricing</td>
<td>Management (G)</td>
<td>Board (G)</td>
<td>Management (P) CFO</td>
</tr>
<tr>
<td>Conflict of interest policy</td>
<td>–</td>
<td>Management (G)</td>
<td>Board (G)</td>
</tr>
<tr>
<td>Compensation policy</td>
<td>Management (G)</td>
<td>Management (P)</td>
<td>Board &amp; Management (G)</td>
</tr>
<tr>
<td>Financial mgmt policies</td>
<td>Management (P) CFO</td>
<td>Board (G) Exec Comm.</td>
<td>Management (G)</td>
</tr>
</tbody>
</table>

G = As a group (various consensus approaches)
P = As an individual position
Most fiscal sponsors operate in the middle with larger fiscal sponsors tending to be more conservative in their risk management efforts.
Patterns of Practice: Risk Management

- Reputation
- Financial
- Legal/Challenge to Operate
- Systems (Technology & Management)
- Cybersecurity
- Regulatory/Tax
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