

Madison Water Utility Board

Governance System Review

by

Growth Management Consulting

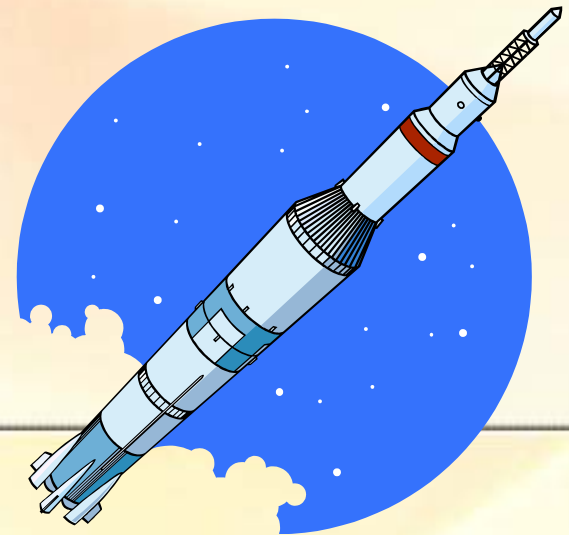
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Methods of Assessment

- Survey of Board members
- Review of Policy Manual with principles based best practices standards
- Review of random Monitoring Reports
- Review of minutes
- Viewing videographed meetings

Context – all on a journey

- Every Board using a governance system based on these principles is on a path of evolution
- The goal is to continue to evolve
- The reason for doing it is that by designing a strategic decision system you can ratchet up results



Basis for the System (Page 2-3)

- Board can increase both empowerment and accountability.
- Board holds ultimate authority, delegates appropriately based on values.
- Board creates a set of constraints within which management must act.
- Board goes to the level of detail it needs to so that any further decision fits its values.

Survey (Page 1-2)



- Board's meetings are effective and efficient.
- Lots of time spent on “getting” the process.
- Different way for a Board to direct operations.
- Linking with Ownership and process for adding new values to the system are less understood than other elements.

Board's Policy Book (Page 3-4)

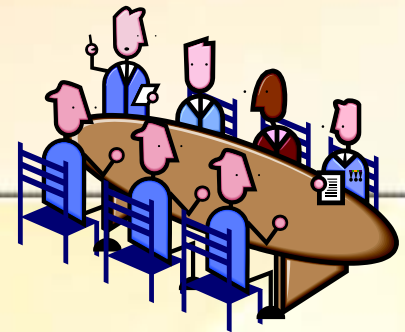
- Setting constraints should result in proscriptive expectations, not must do's.
- Outcomes are good but the “at what value” concept could be more organizationally focused.
- Suggesting how something gets done rather than naming the criteria for what should be done can reduce accountability.

Board's Policy Book

- Structure is important for clarity of role and for accountability. Lower levels further define upper levels.
- Language is important to ensure directions are clear and accountability high.
- Overall the Policy Book is complete and effective, small tweaks would correct the issues above.
- Copy of Policy Book with comments to illustrate these points and possible solutions will be provided

Board's Process (Page 4-6)

- Monitoring is an evaluative act and the minutes should reflect that.
- Questions are best be used to help understand the issues and to determine if expectations have been met.
- Any conclusion should lead to “what is the policy implication” because that is how your policies say you will direct the organization.



Board's Process

- Streamlining administrative and educational activities can open up room for strategic dialog and thought.
- Actively seek out representative values of the community as needed.
- There are tools, processes and structures which can help accomplish the above.



Monitoring Reports

(Page 6-7)

- Reports are generally very good, providing concise interpretation and data.
- Each report acts as a “mini” evaluation based on one specific set of expectations.
- Board has options for monitoring. It can alter method (internal, external, direct) and frequency. While often on a schedule, they can change the schedule or add something in addition to it.

Monitoring Reports

- Internal reports are best when there is an operationally defined interpretation, a system for measuring and the actual data.
- Lists of activities or efforts is the lowest standard of evidence.
- Board is the final arbiter of reasonableness so providing a rationale for why it is a reasonable interpretation is useful.

Targets for Evolution (Page 7-8)

- Technical details of process and format.
- Monitoring reports and assessment.
- Board agenda and content.
- Extend the ownership linkage to target issues before the Board and to ensure input that is representative of the entire ownership.

Questions?

