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The Public Transportation Board Effectiveness Study

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The Public Transportation Board Effectiveness Study

Prepared for:

Transit Cooperative Research Program

TRANSPORTATION RESEARCH BOARD
OF THE NATIONAL ACADEMIES

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A particularly constructive role was played by the panel of experts who selected the board assessment criteria that form the basis of the assessment tool in the Handbook. That panel consisted of the following participants:

  Ms. Mattie P. Carter
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Notwithstanding the generous contributions made by the research participants, errors and omissions remain the responsibility of the principal investigator.

Glossary

AECOM – AECOM Consult

APTA – American Public Transportation Association

CEO – Chief Executive Officer

FOIA – Freedom of Information Act

FTA – Federal Transit Administration

MTI – Mineta Transportation Institute

TCRP – Transit Cooperative Research Program

TRB – Transportation Research Board

UZA – Urbanized Area

Summary of Findings

The objective of this study is to develop a public transportation board self-assessment tool. The assessment measures were successfully developed by the use of expert workshops. The workshop participants included transit chief executives officers (CEOs) and board members representing multiple transit agencies of varying sizes and geographic locations. The workshop yielded three levels of assessment that were then incorporated into a complete Handbook. The Handbook explains the purpose of the self-assessment tool, and includes detailed instructions for its use. Testing of the Handbook identified no major problems or issues with respect to its clarity or appropriateness. This evaluation was conducted by transit board members from a small cross section of American transit agencies; they filled out the questionnaire on a pilot basis.

The field-testing also yielded some valuable comments and suggestions regarding the measurements. The research team incorporated these suggestions in the final Handbook, and the tool is now ready for distribution and use.

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Chapter 1: Introduction and Research Approach

Background

This research builds on TCRP Project H-24, "Public Transit Board Governance Guidebook." The purpose of TCRP Project H-24 was to develop a reference document that provides guidance to public transportation board members, general managers, and appointing bodies with respect to board powers, role, responsibilities, size, structure, organization, and composition. The guidebook includes information on method of selection, compensation, term length, and committee structure of public transportation boards to define their organization and characteristics. The guidebook is a "snapshot" of board organizational characteristics, with broad qualitative indicators of effectiveness, rather than a comprehensive analytical document.

Results of the prior study indicate that the development of an objective self-assessment process—and the tools to measure the effectiveness of a public transportation board—would be useful. Such an assessment process and the accompanying tools would provide information that could be used by boards of directors, appointing organizations and officials, and other entities to objectively assess public transportation board effectiveness.

Research Approach

The team began its work by assembling a wide range of board assessment tools (largely drawn from other industries), and adapting those tools to make them appropriate for transit systems. An expert workshop selected the tools to be used, and the team devoted intense effort and testing to present the tools in a manner that would be easily used by transit boards. The details of each step are discussed below.

The Premise of Confidentiality

Preparation of the Handbook was guided by an acute sensitivity to the surrounding confidentiality issues. This was essential in order to reap the highest level of usefulness. The persistent concerns about disclosure arise from considerations such as the following:

- Public release of negative information may undermine board activities. Because the press and public are hungry for summary and judgmental data, an overall assessment that the board had been ineffective in a significant way could result in ongoing aggressive questioning of the board, and force it into a defensive posture.

- Release of negative information may undermine the objectives of particular individuals. If the assessment reflects on individual board members either directly (as in individual psychometric assessments used in some group dynamics processes) or indirectly, it may conflict with their individual objectives. (For example, if an individual member is associated with an assessed quality such as micromanagement of labor relations, it could reflect indirectly on a board member known for his or her interest in labor relations.) Boards often function in a competitive environment, with members driven by aspirations

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to higher office and to increased influence over government decisions. Few board members would want an assessment process to generate information that resulted in failure to reappoint or advance incumbent board members.

▪ Release of judgmental information concerning the board may shift the balance in a policy debate with other policymakers or within the board. For example, if members of the board are seeking internal and external support for a fare increase, and negative information is released concerning financial controls or the performance of the board's financial responsibilities, it could be used to defeat the fare increase on the grounds that shortfalls were partially the fault of the board.

The confidentiality and disclosure issues surrounding the Handbook are of particular significance. Some boards that have been placed in a defensive position by litigation, management problems, service failures, or policy disputes with more powerful agencies—or that suffer from internal tension among the members—would be reluctant to generate *any* assessment information, regardless of the process.

In areas with sunshine laws, the public has the right to attend meetings and access records because an "open government" policy is embodied in the area's statutes, and occasionally is even guaranteed by the jurisdiction's constitution. Boards that are confident of their own constructive intentions and capacity, that enjoy public support, and that believe in open government may desire the most probative assessment available, knowing that they will be strengthened by the findings. Nonetheless, if the disclosure issues are not clearly and convincingly addressed in the Handbook and in its presentation to the boards, use of the Handbook will be limited. The Handbook was created with these concerns in mind, and a generous flexibility option was deliberately adopted.

Use of Prior Research

The basic development, testing, and improvement of board assessments have been widely accomplished. Ample research has been completed on the assessment and self-assessment of nonprofit and government boards outside the transit industry, and substantial data on the performance characteristics of transit boards is also available. The team compiled this extensive literature and focused largely on selecting the best measures, fine-tuning them for today's transit boards. The team then presented the results to a panel of transit experts to select the Handbook's final performance measures[1].

Expert Workshops

A critical and sensitive aspect of the Handbook, one that affects its acceptance and usefulness, is the appropriateness of the suggested performance measures. The more these measures appeal to board members, the more likely the board members are to support the process. If the measures seem irrelevant, inscrutable, or wrong-headed ("I don't believe in fare-box ratio. I want to know what percentage of the work force we're serving."), board members are not likely to proceed with or make use of the Handbook. As the allegation of wrong-headedness suggests, however, many measures are controversial, and most are debatable. A key aspect of the Handbook's success in addressing this concern is its flexibility; however, there is no substitute for suggesting

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[1] See bibliography in appendix A.

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the most acceptable measures with the most acceptable wording. Because no individual's opinion or analysis could fine-tune the suggested measures to this degree, the team created the expert workshops, convened with extensive preparation so that judgments, adjustments, and changes could be rapidly carried out. The expert workshops created a critical technical product: the initial judgments regarding which assessment processes and which suggested assessment measures to include in the Handbook.

On March 12, 2003, the team convened two transit board performance evaluation expert groups—one composed of a balanced cross section of outstanding current and past transit board members, and another consisting of a balanced cross section of outstanding current and former transit system general managers[2]. Each group had members representing small, medium, and large transportation systems, and each had representative diversity. The groups worked independently and in private sessions to obtain candid and useful advice.

After each group reviewed and selected the basic draft evaluation criteria, the groups met in joint session and developed a consensus final list of assessment criteria and procedures for application. Each expert group selected the criteria for measuring board effectiveness and recommended procedures for applying the assessment tool in a manner that improves a board's effectiveness and ability to set local and regional public transportation policy. After the draft self-assessment tool was developed, the expert groups, acting together, were asked to evaluate the self-assessment tool and advise on the most sensitive way to encourage the use of the tool.

The team consolidated the results of the workshops and presented the results first to the workshop participants, and then to the members of the TCRP H24 Project Panel for review. The project panels provided additional comments and revisions to the performance measures.

Evaluation of the Transportation Board Self-Assessment Tool

Results of the expert workshops were incorporated into a comprehensive Handbook. The Handbook was evaluated to gauge the potential appropriateness and effectiveness of the tool in practice. The team conducted field tests of the assessment tool at seven selected transit properties. The composition of the targeted systems was as follows:

- At least one system each from the Northeast, South/Southeast, Midwest, and West
- One paratransit system without fixed-route service, two systems from rural areas (Section 5317 recipients), two systems from urbanized areas of less than 200,000 population, and two systems from areas with more than 200,000 population
- At least one system with contract management
- At least one system with a directly elected board of directors, at least two systems with appointed governing board members that include elected officials, and at least two systems with appointed governing board members that are not required to be elected officials
- At least one system that delivers substantial services in addition to mass transit

The primary field-test sites were as follows:

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[2] The specific systems targeted for participation in the expert workshops are listed in appendix C.

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- Denver, Colorado
- Dallas, Texas
- Gainesville, Florida
- Pittsburg, Pennsylvania
- St. Louis, Missouri
- Nashville, Tennessee
- Boone, North Carolina

The following backup sites were identified:
- BART or AC Transit
- Philadelphia
- Atlanta MARTA
- Boston
- Iowa City

The Mineta Transportation Institute (MTI) conducted the evaluation (field test). The evaluation consisted primarily of administering the questionnaire to the transit boards from the above cities, and soliciting feedback from the respondents by means of both written comments and telephone interviews[3].

MTI staff contacted the general managers of the targeted transit agencies and solicited their participation in the study. Several agencies elected not to participate, and were replaced with boards from comparable transit systems. The general managers (or assigned staff persons) of participating agencies were sent a set of board survey packets ("tools"), including a cover letter with detailed instructions. The general managers were instructed to distribute the survey packets to the members of their boards, either via mail or at the next convenient board meeting, and to encourage participation among individual board members. Individual board members were to complete the surveys and return them within a week of receipt. The packets included preaddressed envelopes with prepaid priority postage, and were encoded so that MTI staff could monitor the response of individual board members and encourage participation via telephone.

Although survey packets were sent to seven agencies whose boards had agreed to participate in the study, ultimately the members of only six boards elected to complete and return the questionnaires, despite persistent efforts via phone and mail contacts to solicit full participation in the study. The participating boards are listed in the table below.

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[3] Details of the solicitation process are provided in appendix E.

Board Name	Location	Selected Characteristics	Number of members
Regional Transportation District	Denver, CO	Large, urban, multimodal, elected board	15
Dallas Area Rapid Transit	Dallas, TX	Large, urban, appointed board	15
Port Authority of Allegheny	Pittsburgh, PA	Large, urban appointed board	10
Kalamazoo Metro Transit	Kalamazoo, MI	Medium size, appointed board	7
AppalCart	Boone, NC	Small, rural, appointed	8
Metropolitan Transit Authority	Nashville, TN	Medium size, elected officials on board	5

Of the 60 board members from the six participating boards, 27 (45 percent) completed and returned the questionnaires. Although MTI had hoped to receive more completed questionnaires, a response rate of nearly 50 percent for a survey of public officials is actually fairly high. Transit board members tend to wear many hats in addition to their public service roles for transportation agencies.

As responses to the survey were received, respondents from each board were contacted for telephone interviews by MTI staff. The interviews centered on respondent impressions of the tool, including such factors as its understandability, appropriateness, and potential usefulness. The interview data, along with an analysis of the actual responses and the practicality of the tool, formed the basis for evaluating the self-assessment tool.

The field test confirmed that there are a wide variety of board standards and practices. Many of these should be accommodated by a board or administrator's careful review of the assessment tool, with adjustments made, where necessary, to suit the individual board. For example, one respondent noted that the board did not have access to the CEO's contract or compensation data; such exceptions cannot be accommodated without contradicting a basic thrust of the expert panel's formulation of standards for board effectiveness. In general, the research has treated the expert panel proceedings with deference, carefully avoiding modifying the import of the panel's deliberations. There was in the field test a general concern that the standards suggested more activity and broader responsibilities than many boards accepted. As discussed below, two questions in particular elicited concern during the field tests: questions 1 and 9 in Level I. These questions address the boundary areas of debate in the industry concerning the role of the board.

- **Level 1, Question 1:** Board sets policy; the management implements policy. Board members do not become involved in specific management, personnel or service issues.

In a meeting of the APTA Transit Board Members Committee, the concern was raised that some boards consider it proper to become involved in specific personnel issues. In response, it was suggested that "specific" (as used above) be changed to "day-to-day." This goes to the heart of the board/management relationship. It is generally acknowledged that the board, rather than management, should set policy. A policy action, by definition, is a general rather than a specific action. Yet there are boards that must become involved in specific personnel or service issues.

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For example, a board that hears an appeal or grievance is involved in a specific personnel issue. A board that approves a service change is acting on a specific service issue. On the other hand, to use the term "day-to-day," and ask whether the board does not become involved in day-to-day personnel or service issues, may allow for an excessively lenient interpretation. Given the proven tendency of boards to rate their adherence to these criteria highly, as revealed in the field tests, a respondent might feel that any personnel issue that had attracted the board's attention and involvement was not a day-to-day issue, regardless of how many similar situations had been resolved by management without board involvement. An alternative formulation under consideration is this:

- Board sets policy; the management implements policy. Board members do not become involved in specific management, personnel, or service issues except in their oversight role.

A closely related concern relates to the following Level I criterion:

- **Level I, Question 9:** Board develops and implements diversity policies and programs for the agency.

One field-test respondent suggested that board "implementation" of the diversity program would fly in the face of the consensus that management should implement policy. An alternative formulation that is under consideration is this:

- Board develops and oversees diversity policies and programs for the agency.

Chapter 2: Findings

The objective of this study is to develop a self-assessment tool for use by public transportation boards. The final Handbook resulted from two major phases of the study. The first phase was the expert workshop, which yielded performance measures. The second phase was the field-testing of the Handbook, which consisted of the instructions and the actual performance measure tools. The findings of each phase are presented below.

Expert Workshop Findings

The expert workshop participants were carefully chosen to represent a diversified transit market. The workshop successfully formulated the three levels of assessments, which include selected performance measures that were categorized based on the following performance configuration[4].

- Level I Assessment – Entails the most important performance measures when assessing board performance.

- Level II Assessment – Includes the next most important measures, which involve more detail regarding board dynamics, policies and procedures, etc.

- Level III Assessment – Includes additional performance measures that involve advanced or more in-depth board member interactions; typically involves extensive board member participation, discussion, and follow-up.

The outcome of the workshop also generated the following recommendations from the expert participants[5]:

- Collectively the experts supported Dr. Schein's organizational behavior assessment tool, which is an optional section in the Level III assessment. Boards can use this tool to measure their group effectiveness. However, the participants also noted that other similar models exist[6].

- The experts recommended using a professional facilitator to spend an entire day in a retreat with the board, facilitating the process.

- The panel suggested that the assessment process keep minimal written records, which may encourage more participation.

- The experts noted that the more important questions should be listed closer to the beginning of the assessment.

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[4] A complete list of candidate assessment measures and processes is available in appendix B.
[5] A more detailed set of notes from the workshop is available in appendix D.
[6] Work on organizational behavior by Dr. Steven McShane, Chris Argyris, and Mary Ann Von Glinow also provides surveys on organizational performance, with results similar to Dr. Schein's model.

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- The panel suggested rewording several questions to clarify the intent or meaning of the question to the board.

Assessment of the Handbook

The Handbook was field-tested, and no major problems or issues were identified with respect to its clarity or appropriateness. The evaluation was based on a review by transit board members from a small cross section of American transit agencies; they filled out the questionnaires on a pilot basis.

As a whole, respondents who reviewed the questionnaire found it to be easy to understand, and applicable to their boards' work. Some questions are clearly not perceived to be applicable to all boards, although in some cases that perception may prove to be errant. In other words, some boards may be less active in certain areas of agency management than others. In this case, the tool may prove to be an effective springboard for discussion.

Perhaps the most alarming finding from the evaluation effort is the tendency for most board members to rate their boards quite highly along all dimensions covered by the assessment tool. This might not prove to be a problem with all boards, and this pattern might be minimized by an active facilitation of the assessment process by a board leader or a trusted outside facilitator.

This review did not entail an evaluation of how well the assessment tool might function in actually improving board performance, since this issue fell beyond the scope of this project. Speculatively, however, the successful use of the tool will probably depend in part on some discussion of the board's functions and their limits. Several survey participants felt that the tool's design seems to assume a board with a very broad and activist orientation that may not be shared by all boards in practice[7].

The conclusions emerging from the field test are far from a random representative sample of transit systems. However, the research team believes that the results are representative and the conclusions are valid.

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[7] A full description of the Handbook evaluation process and resulting comments appears in appendix E. The Handbook survey questions and mean responses from the field test are presented in appendix F.

Chapter 3: Interpretation, Appraisal, and Applications

The self-assessment tool is most useful when being utilized in a consistent, periodic manner, such as once every six months or once a year. Results from prior year assessments should be compared with this year's assessment to evaluate the degree of success or improvement. Because of the uniqueness of each board, the research team recommends that each board alter the assessment tool to fit its needs. The optional goal-setting process allows boards to set specific goals and use these goals as measures of performance.

The goal-setting mechanism alleviates many confidentiality concerns. To the extent that the board itself sets the criteria by which it will be assessed, it will feel more confident that disclosure will not have undue adverse consequences. For example, if the assessment process consists of the board setting goals for itself and then assessing accomplishment relative to the goals after a specified interval, it may feel confident that the assessment would not be harmful. Unfortunately, as many performance managers have discovered, such a system can result in the setting of goals the achievement of which is a foregone conclusion, and the assessment is therefore of little value. Nevertheless, board review, input into the criteria, and support for establishing measurement criteria in advance will be essential to achieving confidence that the disclosure will be manageable and acceptable.

On July 23, 2003, the research team presented the draft Handbook to the American Public Transportation Association (APTA) Transit Boards Seminar. Comments were made regarding the overall work product, and attendees volunteered to participate in the administration of the self-assessment process for their peers at other transit systems. This kind of enthusiasm about the Handbook is needed at other conferences, such as the annual Transportation Research Board (TRB) conference. The research team recommends that APTA and the National Academy send representatives to all the major conferences to inform industry leaders about this product. APTA presented the Handbook to the Transit Board Members' Committee on February 3, 2004.

Chapter 4: Conclusions and Suggested Research

The Handbook has been tested and is ready for use. Transit boards are the predominant market and audience for this product. However, the National Academy of Sciences could utilize several means to disseminate the Handbook. They can promote the Handbook through funding organizations, metropolitan planning organizations, trade associations, and citizen representative groups.

With the recent financial scandals arising in different sectors of the economy, stakeholders are weary of boards' poor performance and lack of accountability. The Handbook resulting from this study gives the public transit industry a tool for discussion, and it facilitates goal-setting that will allow boards to measure and document their achievements toward self-defined goals.

The Handbook was field-tested on a small sample. The research team believes that there will be future alterations to the Handbook as it is more widely distributed and applied. Substantial flexibility was built into the Handbook in order to attract the broadest possible usage.

This report describes the methods used to formulate the Handbook. The actual Handbook is a stand-alone product; it is not included in this report.

Appendix A

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Appendix B

Complete List of Candidate Assessment Measures and Processes
(As Presented to the Expert Panel Workshop)

AECOM prepared an illustrative list of transportation board performance measures, some of which were adopted for transportation from educational and not-for-profit board assessment strategies. The selected performance measures, presented below were categorized based on their observed assessment level configuration; they include the following:

- Level I Assessment – The most important performance measures when assessing board performance.
- Level II Assessment – The next most important measures, involving more detail regarding board dynamics, policies and procedures, etc.
- Level III Assessment – Additional performance measures that involve advanced or more in-depth board member interactions; typically entail extensive board member participation, discussion, and follow-up.

Additionally, AECOM matched each performance measure with a board effectiveness assessment factor. The factors contained in the attached list were categorized based on the five following board characteristics:

- Agency performance – Measures of overall agency performance
- Board actions – Actions and activities that are largely under the board's direct control
- Board attributes – Characteristics of sitting board members, generally reflecting a board's appointment process
- Board results – Measures that reflect the outcome of board efforts and reflect the board's responsibility (rather than that of agency management, agency operations, or external factors)
- Enabling statute – Enabling legislation that creates the entity and is the source of the board's authority

B-1

Appropriate Transit Board Assessment Level (I, II or III)	Board Effectiveness Subsystem	Illustrative Board Performance Measures	Board-Management Relations	Internal Board Functions and Composition	Public and External Relations	Fiscal and Legal Responsibility	Human Resources	Development (Markets and Services)	Operations
	Enabling Statute	Board has achieved an "appropriate" size that allows it to make efficient, effective decisions .		✓					
		Maintain appropriate term limits to ensure flow of fresh thinking and approaches .		✓					
	Board Actions	Develops job descriptions that clarify board roles and responsibilities .	✓						
		Board not known for misinterpreting the role of stewardship. Employs an effective balance between oversight and intervention .	✓						
		The Board's authority is clearly defined by Agency .	✓						
		Board is approachable and available for management/staff issues .	✓						
		Board clarifies with senior management appropriate degrees of involvement within the organization .	✓						
		Board chair and general manager meet regularly before meetings to think through the most important items .	✓						
		Regularly communicates with management and staff and remains open to comment and feedback .	✓						
		Board sets policy; the administration implements policy. An individual member does not become involved in specific management, personnel, or curricular [service] issues .	✓						
		Maintains an appropriate number of committees so as to promote effectiveness and avoid interference .	✓	✓					
		Strives to effectively serve both political function (representing the interest of the stakeholders) and a managerial function as a top level of management .	✓		✓				
		Board conducts executive evaluations that promote trust and confidence with executive staff .	✓				✓		
		Perform peer comparisons to determine how comparable boards manage relevant issues .		✓					
		Devotes sufficient time to fulfilling their responsibilities .		✓					
		Promotes regular succession planning where existing members try to identify future members and/or leaders .		✓					
		Committee structures are streamlined to facilitate effective decision making .		✓					
		Chairman assumes active responsibility to ensure the maintenance and development of the board .		✓					
		Board members discuss issues openly, and are not afraid to question issues especially with the board chair .		✓					
		Recognize importance of self-assessment, and regularly assess performance to ensure productivity .		✓					
		Work cohesively and support one another to overcome confusions, miscommunication, etc. .		✓					
		More than 1/2 of board's meeting time is devoted to substantive discussions .		✓					
		Members attend meetings well prepared and participate fully in all matters .		✓					
		Members accept and support board decisions and respect board confidentiality .		✓					
		Members guard against conflicts of interest, whether business-related or personal. Members separate school interests from the specific needs of a particular child or constituency .		✓					
		Provides orientation process to educate new members.		✓					

Appropriate Transit Board Assessment Level (I, II or III)	Board Effectiveness Subsystem	Illustrative Board Performance Measures	Board-Management Relations	Internal Board Functions and Composition	Public and External Relations	Fiscal and Legal Responsibility	Human Resources	Development (Markets and Services)	Operations
		Open to public comment and hold public hearings to allow direct communication with the community at large .			✔				
		Board openly expresses and practices the agency's commitment to ethical practices .			✔				
		Acts on behalf of the interests and values of the community, its constituents and appointing sponsors .			✔				
		Board works constructively with outside interest groups, lobbies, local governments and community associations .			✔				
		Board is committed to staying abreast of evolving compliance and other legal requirements.			✔				
		Board takes active role advocating the transit system throughout the community .			✔				
		Work with management and staff to meet public deadlines and satisfy public information requests .			✔				
		Clearly identified the organization's primary stakeholders and understands the Board's accountability .			✔				
		Members actively support and promote the transit system's mission .			✔				
	Board Actions	Board clearly differentiated its internal and external roles and communicates commitment to fiduciary responsibilities .			✔	✔			
		Effectively monitor the financial performance of the agency and regularly require financial updates and reporting documents .				✔			
		Monitor all lines of business within the agency against approved budget and other financial targets .				✔			
		Board utilizes financial performance measures and reviews actual performance versus targets, trends, benchmarks, etc. .				✔			
		Remain abreast of auditing/accounting issues. When available, engage external auditors to understand important business issues .				✔			
		Continual monitoring of compliance with current legislation .				✔			
		Members work in partnership with the general manager and development staff, if any, to raise funds from the community .				✔			
		Each member, as well as the treasurer and finance committee, has fiduciary responsibility to the school for sound financial management .				✔			
		To remain accountable to the public, board assists in developing annual budgets and ensures proper financial controls .				✔			
		Rely on industry standard ratio comparisons to measure resource inputs to quantitative outputs [passengers per mile, miles between roadcalls, etc.] .				✔		✔	✔
		Periodically evaluates management and staff and offers constructive feedback .					✔		
		Board develops a policy and process for carrying out executive evaluation and compensation reviews .					✔		
		Makes effective decisions regarding employee benefit and retirement plan .					✔		
		Board sets measurable objectives which permits monitoring of management, staff and agency performance .					✔		
		Board can serve as court of appeal in personnel matters, such as personnel policies, grievance procedures, and delegates tasks of hiring and managing staff to chief executive .					✔		
		Board maintains adequate policies for the protection of health and welfare of management and staff .					✔		
		Determines which programs are the most consistent with the organization's mission, and monitor their effectiveness .						✔	
		Ensures that programs and services meet expectations and adjusts or make changes where necessary.						✔	
		Practice long-term decision making such as strategic planning and long term risk control .						✔	

Appropriate Transit Board Assessment Level (I, II or III)	Board Effectiveness Subsystem	Illustrative Board Performance Measures	Board-Management Relations	Internal Board Functions and Composition	Public and External Relations	Fiscal and Legal Responsibility	Human Resources	Development (Markets and Services)	Operations
	Board Attributes	Develop and adhere to a distinct board profile that recognizes the required skills, qualities and knowledge .		✓					
		Noted for distinguished representation. Members are well educated and well respected within the community .		✓					
		Comprised of effective individuals who can supplement one another's talents .		✓					
		Possesses the analytical skills necessary to decipher complex problems and to develop appropriate responses .		✓					
		Employ performance-based evaluation standards when considering members for re-election .		✓					
		Reflects the represented community's geographic and demographic diversities .		✓	✓				
		Board's views on transit are congenial with the agency's fundamental goals and purposes .			✓			✓	
		Board members have sufficient expertise in long-range fiscal planning, investment practices, budget review and analysis of auditor reports .				✓			
		Board members have sufficient expertise in non-financial areas such as human resources, physical facilities, customer relations, etc. .					✓		✓
	Board Results	Management does not have sufficient influence to manipulate board meetings and constructive discussions .	✓						
		Board establishes annual operating and capital goals.				✓			
		Board's financial skills help agency approve budgets ahead of time or on-time .				✓			
		Board has a reputation for recruiting and retaining superior management talent .					✓		
	Agency Performance	Transit system successfully implements at least 50% of the Board's annual change/enhancement goals .		✓					
		Did the system achieve the goals and objectives as identified in the strategic plan?		✓					
		System takes note of how the public views the system.			✓				
		Transit system regularly achieves the Board-mandated minority enrollment [board mandated distribution of new buses by neighborhood] goals .				✓		✓	
		Board's financial policies help the school [transit system] operate within approved budget guidelines .				✓			
		Transit system regularly achieves the Board-mandated ridership goals .						✓	
		Has the quality of the service improved? What are the areas of complaints?						✓	✓
		Are the vehicles and facilities safe, well maintained, clean?							✓
		Transit system's annual performance satisfies Board goals to remain above the median of on-time performance.							✓
		Transit system regularly achieves Board's 100% scheduled trips operated goal.							✓
		How did the transit system perform during the year?							✓
	Combination: Actions/Attributes	Flexibility to adjust to changing internal and external business conditions .		✓					
	Combination: Actions/Attributes	Regularly reviews board composition including expertise, skill sets, perspectives and personal attributes, then identifies any gaps .		✓					
	Combination: Attributes/Actions	Board is willing to become well acquainted with confidential matters and not intervene or meddle with daily affairs		✓			✓		
	Combination: Attributes/Actions	Board regularly expresses its knowledge and expertise concerning local business conditions, community concerns, etc. .			✓				
	Combination: Actions/Results	Employ audits not only for financial accounting, but for developing means to assess performance relative to goals and objectives .				✓			
	Combination: Board Actions / Results	Creates a strategic direction, effectively communicates that direction and ensures organizational buy-in .					✓		
	Combination: Board Actions / Agency Perf	Make effective decisions regarding new business proposals and review existing practices in order to discontinue unproductive or costly programs .						✓	

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This blank table is provided to accommodate additional performance measures that are deemed applicable but not reported in the tables above.

Appropriate Transit Board Assessment Level (I, II or III)	Board Effectiveness Subsystem	Illustrative Board Performance Measures	Board-Management Relations	Internal Board Functions and Composition	Public and External Relations	Fiscal and Legal Responsibility	Human Resources	Development (Markets and Services)	Operations

Appendix C

Expert Workshop Participation Targets

The TCRP panel ensured that the expert workshop participants were representative of the industry in several respects. With respect to size, the team sought industry wide statistics to characterize the size of a participant's system. The following data were collected:

Workshop Participant System Name	2001 NTD Data				2002 NTD Data			
	Primary UZA	UZA Population	Service Area Population	Avg. Wkdy. Total Unlinked Passenger Trips	Primary UZA	UZA Population	Service Area Population	Avg. Wkdy. Total Unlinked Passenger Trips
New Jersey Transit Corporation (Consolidated)	1	16,044,012	7,495,000	774,852	1	17,799,861	17,799,861	770,760
City of Detroit Department of Transportation	5	3,697,529	1,065,567	139,592	9	3,903,377	951,270	132,393
San Francisco Bay Area Rapid Transit District	6	3,629,516	741,774	353,397	12	3,228,605	741,774	329,527
San Mateo County Transit District	6	3,629,516	737,100	60,434	12	3,228,605	737,100	57,752
Metropolitan Atlanta Rapid Transit Authority	12	2,157,806	1,354,871	530,450	11	3,499,840	1,354,871	521,804
Metropolitan Transit Commission	13	2,079,676	1,634,773	243,998	16	2,388,593	1,877,916	230,525
Memphis Area Transit Authority	39	825,193	710,827	45,170	40	972,091	972,091	44,975
Greater Peoria Mass Transit District	108	242,353	147,126	6,353	129	247,172	247,172	6,946
Link Transit	N/A	N/A	93,000	186	N/A	N/A	N/A	N/A

The statistics for service area size, although not the most commonly used population statistic, were used for assessing the system size for workshop participants. None of the above figures represent electoral district populations.

UZA is an urbanized area that is defined by the U.S. Census Bureau. It includes one or more incorporated cities, villages, or towns (central surrounding territory [urban fringe]) that together have a minimum of 50,000 persons. The urban fringe generally consists of contiguous territory having a density of at least 1,000 persons per square mile. Urbanized areas do not conform to congressional districts or any other political boundaries.

The table below presents the target categories whose participation was solicited, by region and service area population. As the row/column listings show, the number of participating leaders who were invited, and the number who agreed to participate, actually met or exceeded the number targeted. The table lists only those who actually participated in the workshop. Although the distribution was representative of the targets, the total who participated fell short of the combined target totals.

TCRP H24A: Assessing the Effectiveness of Public Transportation Boards
2 - Workshop Participation Targets
Minimum experts by geographic region and by service area population range, and minimum percentages of combined executive and board panel totals
Key: **Name** (Executive or Board) **System Mode:**(MB = Motor Bus, LR = Light Rail, HR = Heavy Rail, AG = Automated Guideway, CR = Commuter Rail)

	Service Area Population				Board	CEO	Targets
	Less than 250,000	250,000 - 1,000,000	1,000,000 to 2,000,000	More than 2,000,000			
Northeast				F. Castillo (B)(HR)	1		At Least 3 & at least 20%
Midwest	S. McBride (B)(MB)		M. Setzer (E)(LR) C. Gibbons-Allen (E)(MB)		1	2	At Least 2 and at least 15%
South		M. P. Carter (B)(MB)	K. Gregor (B)(HR)		2		At Least 3 and at least 20%
West	R. DeRock (E)(MB)	M. Scanlon (E)(CR) P. Snyder (B)(HR)			1	2	At Least 3 and at least 20%
TOTAL	2	3	3	1	5	4	
Targets	At Least 2 & at least 15%	At Least 3 & at least 25%	At Least 3 & at least 20%	At Least 2 and at least 15%	At Least 6	At Least 6	

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Appendix D

March 12, 2003, Expert Panel Workshop Summary and Proceeding Notes

The project team feels the workshop was a tremendous success. It included a diverse mix of transit chief executive officers and board members from multiple transit agencies representing systems of varying sizes and geographic locations. The matrix (appendix C) denotes whether the participants were CEOs (E) or board members (B), and identifies the primary system modes.

As indicated in the matrix, AECOM Consult ("AECOM" or "The Consultant") met percentage targets for each size range, as well as for the South, Midwest, and West regions. The only percentage target not met was for the Northeast region. Given that there is no evidence of correlation between geographic region and measures of board effectiveness, we feel the results are representative and valid.

The expert panel workshops took place in Washington, D.C., on March 12, 2003. The recommendations and suggestions below emerged from the expert panel workshop. Following the summary comments is the project team's written record of the workshop proceedings (which have been converted into standard prose for ease of reading).

Recommendations and suggestions resulting from the expert panel workshop:

- The expert panel members supported Dr. Schein's behavioral model, but also noted that similar models exist.

- The panel recommended using a professional facilitator to spend an entire day in a retreat with the board.

- The expert panel suggested that a minimal written record should be kept, which may encourage more participation.

- In Survey Assessment Level II, the panel suggested eliminating or rewording question #6, which stated "Board regularly communicates with management and staff and remains open to comment and feedback." The panel observed that "There's a risk of undercutting the CEO in this context."

- In Survey Assessment Level II, they suggested rewording question #14, "Board develops a regular policy for carrying out employee evaluation and compensation reviews," to instead read "Board **approves . . .**" the compensation plan (not develops).

- The panel remarked that question #20 in Level II is important enough to be the very first question.

- The panel suggested rewording question #22 to say "Board regularly receives inputs on how the public views the system."

- In Level III, they noted that in question #8, "The authority that the board retains to itself without delegating to management is clearly defined by the agency," the limits of authority could be higher.

- The panel expressed caution about using question #9 in Level III.

- The panel does not support the inclusion of question #11 in Level III.

- Regarding Level III, question #27, "Board supports a composition that reflects the community's demographics," the panel noted that this may not be within the board's control.

- The panel expressed confusion over the method used to differentiate between assessment Levels II and III.

- The expert panel suggested adding more detail to explain question #11 in Level I. They commented that the phrase "ensure availability" is too vague.

- Concerning Level III, question #12, the panel observed that not all boards have the opportunity to employ performance-based evaluation standards when considering members for endorsement.

Proceedings Notes

Scott Baker – Kicked off the meeting by presenting the project's background. A PowerPoint presentation was used to discuss the product of the study. Two slides showed the product to include the self-assessment guide for transit boards, use of which is voluntary. The guide also addresses topics such as the following.

- Who should administer the assessment?
- How should you configure your assessment process?
- When and where should you administer your assessment process?
- How should you present the results?
- What should you do with the results?

Rod Diridon – Noted that this is a delicate and difficult process. One goal of the study is to motivate the board to be enthusiastic about this product, but it is in danger of embarrassment, etc. Other organizations (APTA) have tried to do this and failed. But AECOM is in a good position to do this.

This comes back to an issue of board member accountability. Not all board members act as the GMs would like. This tool could be very effective in applying peer pressure, or in bringing a public perspective to bear. This is not a device for comparing transit agencies.

Gwen Chisholm-Smith – This is the second of two projects. This was a truly industry-driven project. APTA determined that they really do need a tool.

Scott introduced the team, and noted that the proceedings were part of a "research day"; therefore observers and recorders were present. Scott then turned the group over to the facilitators.

Will Scott – Introduced Bob Prince and Bob Prangley, as well as the other participants:

Flora Castilla – NJ Transit Board
Richard DeRock – GM, Link Transit (formerly GM of the LA paratransit system)
Pete Snyder – President of the BART board
Mike Scanlon – GM, San Mateo County Transit District
Mike Setzer – GM of Metro Transit in Minneapolis
Ken Gregor – Chair of MARTA's board (formerly GM)
Sharon McBride – Peoria Transit District Board
MP Carter – Chair, Memphis Area Transit Authority Board

Ground Rules
- Everyone participates
- One person speaks at a time
- No idea is a bad one
- Be brief in your remarks

The expert panels were broken up into two groups: a CEO group and a board group. Each group selected a spokesperson. Jennifer Binder and Peter Barr from AECOM Consult were responsible for observing each group and keeping written records of each group discussion.

Subgroup Charge
1. Review all measures
2. Select the top 30 measures
3. Top 10 – Level 1
   Second Top 10 – Level II
   Third Top 10 – Level III
4. Report out to full group – 15 minutes each

The notes below contain discussion notes for the top 10 questions concerning the board self-assessment tool.

1. Board sets policy

2. Overall evaluation and financial performance

3. Board takes active role in public advocacy

4. Sufficient time devoted to responsibilities, and members are well prepared (how do you actually evaluate this?)
- BART chair noted that he has no control over this.
- Flora agreed that you can't control the individual (NJ Transit doesn't have it in their bylaws).
- CEOs don't necessarily see this issue being in the top 10, but boards do.
- Rod thinks it has to be in the top 10.
- Richard DeRock says there is a difference between attendance and preparation; he feels attendance is far more important.
- MP says that she feels preparedness is very important.
- Will Scott noted that we should leave this in the top 10 due to board members' views.

5. Work cohesively and support one another (this could fold into the first item on the board side). This is qualitative. The CEO group decided that "supportive and cohesive" aren't necessary. You want a dynamic board, and they could be an effective board anyway.

The questions could be ranked on a scale of 1–5. Mike Scanlon noted that the tool should have an option wherein no written record of the assessment would be kept. Under the current environment, the biggest difficulty that this study will encounter is getting people to buy into the process.

6. Members should establish a code of ethics to guard against conflicts of interests.
- The issue is self-enforcement.
- Having ethical policies doesn't mean the board members will act that way. It's clearly important, but how is it an evaluation criterion? Flora agrees; it is not in the top 10.
- Kevin noted that it's ethics from a top-down approach, and not exclusively for the board. For example, the general manager experiences a lot of scrutiny.
- Ethics is so important, it may not be appropriate in a self-assessment tool.
- Board members tend to defer to each other. In this case, they *can't* defer to each other.
- Maybe it needs to be rephrased this way: "Board members will identify and bring up situations they believe are unethical." Is it enforceable? This is an organizational issue in addition to a board issue.
- It is difficult to communicate the idea of ethics, but it must be part of the top 10.
- Ray noted that the boards must be able to articulate these types of roles and responsibilities, and then perform an assessment if they are implemented. Roles like 1. Ethics 2. Meeting attendance and preparation. (Kevin will try to capture this in the Handbook.)

7. Ensure that orientations will occur. Board members feel it is critical for some orientation to occur. APTA has a board members' orientation handbook. Board members feel this should be in the top 10.
- Bob Prince suggests that it should be just under 10.

- We will leave it in.

CEO teams 1 and 2 could be collapsed. But the CEO team decided they should be separate. We should go back to Ray's idea—using broad categories with sub-points. There need to be goals and accountability.

8. Nothing is more important than setting strategic goals, and holding the board accountable. (We will have a broad heading and then discrete sub-measurements.)
- Vision, mission, accountability, periodic review, etc.
The AECOM team will distribute the Handbook to this workshop for review, and perhaps have a conference call (if necessary).

9. Ongoing meetings and communications are necessary (board chairs must be available).
- Two different statements—the board communicates with management and staff.
- The chair and GM meet.
- The communications the staff provides to the board

10. What about diversity within the organization? Board members need to ensure a diversity policy is in place. Could there be a category for promoting diversity?
- Board side—They may not have any control over who sits on the board. Do they have access to the people who appoint boards?
- Agency side deals with employment, service, resource allocation, and promoting a customer-driven culture.

We are looking at actual performance, not just a policy. The CEOs didn't think that this was a good measure of effective boards. This should be expanded to include a broader category, *i.e.,* "Are we serving our diverse community?"

11. Chairmen takes responsibility for development, and they need to work with the board—there are issues that the CEO can't approach the board on. Should this be a subset? Where does this go? Should this be a part of "board development"?
- Ray responded that the most effective boards have subcommittees. Could we talk about board organization and processes (development, processes, etc.)?
- These are two issues: (1) The CEO won't notice the subtle issues with board members, the chair, etc., and (2) the day-to-day management of the board. Chairmen need to understand this is part of their job.
- Board process and development includes
    - Processes
    - Board development
    - Committee structure

12. There is a performance review process within the evaluation tool. CEO question #8 and board question #9 should be combined into one question.
- Board sets the policy evaluation of the staff.
- Note: Evaluation of staff should be done by the GM.

- Evaluation of the CEO should be done by the boards. However, boards should not evaluate the rest of the organization.

13. The board plays a huge role in recruiting the CEO. Boards determine the following criteria for the CEO: evaluation standards, recruiting criteria, goal-setting, performance evaluation and compensation, etc. The board relationship with the CEO is very important, and should be included in the top 10 questions of the assessment tool.

Ray Ellis's Comments:
Ray Ellis initiated a discussion to consolidate the following topics into different categories:

1.) Board roles and responsibilities
   a. Attendance
   b. Preparedness
   c. Ethics
2.) Strategic plan development and implementation
3.) Diversity program and implementation
4.) CEO recruitment and oversight
5.) Board management processes (esp. effective functioning of committees)
6.) Exercise of fiduciary, statutory, and regulatory responsibilities:
   a. Budgeting
   b. Financials
   c. Processes
   d. Procedures
7.) Advocacy
8.) Development/approval and oversight of policies:
   a. Service standards
   b. HR
   c. Fares
   d. Procurement

Self-Assessment Processes

The group discussed ways in which the assessment would be administered. What delivery mode or personality would be most effective in the assessment process?

1.) Administrative options—What entities could effectively administer these assessments?
   a. APTA Transit Boards Committee: One issue is to think about the strategic way of implementing the assessment. Richard noted that the issue comes down to what type of individual is doing this assessment. An outside person may have a hard time making this evaluation.
   b. We could conduct a training session to establish standards, etc. They would team up with APTA to do this.
   c. Does it have to be an outsider? Can you use someone from the inside? The APTA transit boards may be a good option.

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       d.   Maybe there would be some qualified consultants who would want to facilitate the process.

       e.   Re using staff members or board members—would this work? In most cases, probably not. Should they even be on the list?

The study should include motivating factors for boards that want to assess themselves. One of the best ways to get the word out is through APTA.

The assessment tool will most likely target the effectual boards more; ineffective boards will probably not be as interested. However, the Handbook needs to make a provision for demonstrating why this is worthwhile.

Mike S. noted that an effective board *has* to have an effective relationship with the GM. That relationship is critical.

Sharon asked, "What is the time frame of the assessment?"

Let's evaluate this tool through the APTA Governing Board.

Appendix E

Handbook Evaluation Process and Results by the Mineta Transportation Institute

The approach MTI used to evaluate the instrument focused on evaluating the appropriateness and effectiveness of the proposed board self-assessment instrument (or "tool"). It was not intended to assess the effectiveness of the various boards in the sample selected for the evaluation. By focusing research activities and interest on the individual respondent, MTI sought to ensure an expedited response while preserving respondent confidentiality.

After consultation with AECOM and the TCRP panel for this project, MTI selected seven sites for participation in the evaluation. MTI staff contacted the general manager of each transit agency in the sample and solicited his or her participation in the study. Several agencies elected not to participate; they were replaced with boards from comparable transit systems. The general manager (or assigned staff person) of each participating agency was sent a set of board survey packets ("tools"), including a cover letter with detailed instructions. The general managers were instructed to distribute the survey packets to the members of his or her board, either via mail or at the next feasible board meeting, and to encourage the participation of individual board members. Individual board members were to complete the surveys and return them within a week of receipt. The packets included preaddressed envelopes with prepaid priority postage, and they were encoded so that MTI staff could monitor the response of individual board members and encourage participation via telephone.

Although survey packets were sent to seven agencies whose boards had agreed to participate in the study, ultimately the members of only six boards elected to complete and return the questionnaires, despite persistent efforts via phone and mail contacts to solicit full participation in the study.

Evaluation: Survey Responses. Analysis of the responses to the surveys completed by 27 respondents out of 60 board members suggests that most respondents were able to understand and complete the entire survey. One respondent completed only Level I; another skipped Level I, but completed Levels II and III. Two respondents did not complete Level III. Beyond these omissions, however, there were very few missing answers, suggesting that most respondents could generally understand the survey questions.

The questions with the most omitted answers were in Level I (question #9, "Board develops and implements diversity policies and programs for the agency"), and in Level III (question #4, "There is an orientation process for new board members"; question #16, "Board promotes succession planning"; and question #26, "Board supports a composition that reflects the community's demographics"). These questions were not completed by two respondents (in addition to those who omitted entire levels containing these questions).

Respondents had the option of responding "not applicable" to any question. However, relatively few questions received this response. The following questions had four or more responses of "not applicable":

- Level II, question #14: "Board understands and makes effective decisions regarding employee benefit and retirement plans."

- Level III, question #29: "Board develops a regular policy and process for carrying out evaluations and compensation reviews for CEO and other staff directly reporting to the board."

- Level III, question #27: "Board strives to recruit and maintain superior management and talent."

- Level III, question #25: "Board develops and implements diversity policies and programs for the agency."

- Level III, question #21: "Board understands and makes effective decisions regarding employee benefit and retirement plans."

- Level III, question #20: "Board develops a regular policy for carrying out employee evaluation and compensation reviews."

- Level III, question #10: "Board employs performance-based evaluation standards when considering members for endorsement."

Each of these questions may reasonably be regarded as beyond the scope of the function of at least some boards, or at least beyond the *perceived* scope of some boards. Individual written comments on the returned surveys (see following section) tend to confirm this.

A brief analysis of the survey results suggests that most respondents tended to evaluate their own board quite positively. Most questions averaged a score of over 4 (*i.e.,* between "agree" and "strongly agree"), with little variation. The mean responses to each of the survey questions are listed in the appendix F. Many of the lower ratings were submitted by a single respondent; if those few lower ratings were excluded, nearly every question would average a score of over 4. This pattern may present a challenge with respect to the usefulness of the assessment tool, as boards seem to be quite uniformly satisfied with most areas of their own performance. Board members may need to be encouraged to report more critical views of their boards if the tool is to have a significant impact on board behavior.

The question that sparked the most disagreement was Level II, question #9: "The board creates and communicates the agency's strategic direction; this is achieved by regularly evaluating core values and strategic mission." Responses averaged 3.5, or midway between "fair" and "good." These relatively weaker responses suggest that respondents are indeed able to critique their boards' ability to effect policy.

Although respondents received explicit instructions about the purpose and suggested use of the assessment tool, it is plausible to speculate that more candid (and perhaps more varied and/or self-critical) responses could occur in the context of a process led by the board chair, agency manager, or an outside facilitator.

Evaluation: Survey Written Comments

General Comments. Most respondents had few general comments about the survey instrument as a whole, but those comments received were of a positive nature. For example, one respondent wrote "All questions are relevant to what a board should do and provide areas where the board can discuss its performance." At least one respondent had difficulty discerning that the questions addressed their board, as opposed to transit boards generally. This would probably not be an issue if the tool were used in a "real" context.

One respondent noted, "These assessments assume that all these areas are very important, and should be done in the manner stated. As most boards are volunteer[s], I suggest that the assessment tool have a way to establish priority areas for the board to work on improving." In this vein, this respondent went on to suggest that the response categories be changed to the following:

- Board is functioning well in this area
- Needs improvement—important issue
- Needs improvement, but not very important right now

One respondent noted, "It is generally understood that board members don't get into management issues, but some board members sometimes forget this." To the extent that this approach is commonplace, some board members may find many questions on the survey to be beyond the scope of their board's duties. Another noted, "Perceptions will likely vary if this is viewed from a 'board' public relations (P.R.) perspective versus an 'individual board member' who may be more critical of part or all of the board's operations." Both of these responses suggest that when actually administering the tool, care must be taken to ensure a sense of a uniform purpose is in place for both the board and the survey.

One respondent noted that the response category of "indifference" was awkward. Presumably, the category was intended to be "indifferent." Another noted that the answer categories ought to be repeated on all pages for the convenience of respondents.

One respondent felt that the tool "combines board responsibilities with management responsibilities…The board does not implement policy." As an example, this respondent pointed to item #17 in part 2 of the tool: "Board develops and implements diversity policies and programs for the agency."

Another respondent indicated that item #2a was somewhat difficult to evaluate, given that most board members are active individuals. In that context, "sufficient" time is inherently problematic, at least in the opinion of this respondent.

The same respondent seemed to agree with the previous one that the tool sometimes mixes managerial functions with more traditional board responsibilities. The respondent circled several items in part 2 that included the word "develops" or "creates" (*i.e.,* items 8, 13 and 17) and commented that these functions tend to be at most collaborations with agency management.

At the end of part 3, this respondent further elaborated that the tool is good in terms of content, but that the verbs like "develops" and "creates" tend to overstate the function of a transit board. A final comment sheds additional light on this respondent's perspective:

"[the] Board does/should not take over a management role. If [the] Board is effective and efficient, they have a great CEO as we do. [the] Board becomes the objective, approving body. If the CEO is not running the ship, then unfortunately [the] Board takes more direct roles, but then [the] Board isn't doing its job by having an excellent CEO!"

Comments about Levels of Assessment

Level I. Most respondents indicated general approval for this part of the survey. Most of the comments reflected on the respondents' board performance, and not the survey instrument itself. For example, one respondent wrote: "None of us really understand or put in the time to study and know the budget." Another wrote: "Staff greatly assists the board in many areas to help accomplish these goals."

Level II. Most comments concerning this section were generally positive. One respondent wrote, "This is a more thorough survey and includes questions of some importance. I like the expanded questions of board [effectiveness]. I feel this is the most important area to be measured by the board as it evaluates itself."

Level III. The general response to this level was positive. For example, one respondent wrote "This being the most detailed survey, probably also [it] is the most useful. It covers all areas that the board should be evaluating itself on. For our purposes there are a couple of questions that we do not need but I like this survey best because of its expanded questions." Another wrote: "Level III is more comprehensive. I'm not sure all Board Members will understand these questions." "I like the presentation—good flow. More detailed than I + II," stated another.

Comments about Specific Questions

Comments were received concerning several specific questions:

- Level I, question #7: "What does 'promulgates' mean? I've never heard of that word!! (This word could be replaced with "develops" or "creates.")

- Level I, question #8: "Budgets and personnel issues have to be approved by a City Commission." (This question will not be applicable to all boards.)

- Level II, question #13: "We only evaluate direct reports—not all employees. This is handled by HR." (This question will not be applicable to all boards.)

- Level II, question #20: "CEO now has contract that full board neither sees nor can vote on…" (This question will not be applicable to all boards.)

- Level III, question #6: "[What is meant by] succession planning?" (This could be made clearer.)

- Level III, question #24: "Is [evaluating new business proposals] part of our job?" (This question will not be applicable to all boards.)

- Level III, question #26: "Composition of what? The board?" (Question is supposed to refer to the composition of the board itself, but the question is not clear about that. This commented was repeated by another respondent. We need to insert a clearer phrase.)

- Level III, question #10: "I don't understand this question." ("Performance-based evaluation standards" terminology may be unfamiliar to some board members.)

Other Comments

Evaluation: Telephone Interviews. Brief telephone interviews were conducted with some 10 respondents. However, these interviews did not yield additional useful information. One interviewee (perhaps the same one who submitted the very negative evaluation of his board on many survey questions) was convinced that the tool was merely an "academic exercise" and not likely to be useful. When asked which questions were specifically inappropriate or irrelevant to the process of evaluating a board, the interviewee said, "the whole thing." Clearly, some board members will not choose to participate in the process, or will provide less than fully considered answers. Appropriate facilitation of the assessment process might minimize such outcomes. Each of the other interviewees was generally pleased with the assessment tool and its potential as a practical means of improving board performance.

Appendix F

Handbook Survey Questions and Mean Responses from the Field Test

Level I

Question	Valid Responses*	Mean
I. Board Processes		
1. Board sets policy; the management implements policy. Board members do not become involved in specific management, personnel or service issues.	25	4.68
2. a. Board members devote sufficient time to fulfilling their responsibilities.	26	4.31
b. Board members attend meetings well prepared and participate fully in all matters.	26	4.12
3. Board members work cohesively and cooperatively to try to minimize miscommunication and confusion.	25	4.44
4. There is an orientation process for new board members.	26	4.46
II. Strategic Planning		
5. Board creates and communicates the agency's strategic direction; this is achieved by regularly evaluating core values and strategic mission.	23	3.70
III. Fiduciary and Legal Responsibilities		
6. Board provides effective monitoring, evaluation and oversight of the agency's fiscal concerns, including understanding of the funding mechanisms.	25	4.16
7. Board promulgates a code of conduct and ethical practices; each board member is committed to ethical practices and guards against conflicts of interest.	26	4.23
8. Board approves annual operating and capital goals and budgets.	24	4.75
IV. Diversity Program and Implementation		
9. Board develops and implements diversity policies and programs for the agency.	19	3.89
V. Chief Executive Officer (CEO) Relations		
10. Board strives to recruit and maintain superior management and talent.	23	4.52
11. Board chair and CEO meet regularly, maintain ongoing communication, and ensure availability.	26	4.73
12. Board develops a regular policy and process for carrying evaluations and compensation reviews for CEO and other staff directly reporting to the board.	23	4.13
VI. Public Advocacy		
13. Board assumes an active public and legislative advocacy role. (i.e., by promoting the transit system, and working with community and business leaders, outside interest groups, lobbies, local governments, and community associations.)	25	4.48

*excludes omitted answers and "not applicable" answers

Level II

Question	Valid Responses*	Mean
I. Board Processes		
1. Board sets policy; the management implements policy. Board members do not become involved in specific management, personnel or service issues.	25	4.52
2. a. Board members devote sufficient time to fulfilling their responsibilities.	26	4.19
b. Board members attend meetings well prepared and participate fully in all matters.	25	4.28
3. Board members work cohesively and cooperatively to try to minimize miscommunication and confusion.	26	4.23
4. There is an orientation process for new board members.	26	4.38
5. Board knows the difference between policy and administration and governance and management.	26	4.15
6. Board regularly communicates with management and staff and remains open to comment and feedback.	26	4.23
7. Board committee structures are streamlined for effective decision-making.	25	4.32
II. Strategic Planning		
8. Board creates and communicates the agency's strategic direction; this is achieved by regularly evaluating core values and strategic mission.	25	3.56
9. Board members ensure programs are consistent with organizational mission and ensure programs and services meet expectations.	26	3.92
III. Fiduciary and Legal Responsibilities		
10. Board provides effective monitoring, evaluation and oversight of the agency's fiscal concerns, including understanding of the funding mechanisms.	25	4.12
11. Board promulgates a code of conduct and ethical practices; each board member is committed to ethical practices and guards against conflicts of interest.	26	4.08
12. Board approves annual operating and capital goals and budgets.	23	4.13
13. Board develops a regular policy for carrying out employee evaluation and compensation reviews.	22	3.45
14. Board understands and makes effective decisions regarding employee benefit and retirement plans.	20	3.50
15. Board members do not reveal sensitive and confidential information.	25	4.56
16. Board sets measurable objectives, which permit monitoring of agency performance.	23	3.91
IV. Diversity Program and Implementation		

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17. Board develops and implements diversity policies and programs for the agency.	21	3.71
V. Chief Executive Officer (CEO) Relations		
18. Board strives to recruit and maintain superior management and talent.	21	4.67
19. Board chair and CEO meet regularly, maintain ongoing communication, and ensure availability.	26	4.62
20. Board develops a regular policy and process for carrying evaluations and compensation reviews for CEO and other staff directly reporting to the board.	21	3.86
VI. Public Advocacy		
21. Board assumes an active public and legislative advocacy role. (i.e., by promoting the transit system, and working with community and business leaders, outside interest groups, lobbies, local governments, and community associations.)	24	4.21
22. Board takes note of how the public views the system and responds.	25	4.28

 *excludes omitted answers and "not applicable" answers

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Level III

Question	Valid Responses*	Mean
I. Board Processes		
1. Board sets policy; the management implements policy. Board members do not become involved in specific management, personnel or service issues.	24	4.58
2. a. Board members devote sufficient time to fulfilling their responsibilities.	24	4.17
b. Board members attend meetings well prepared and participate fully in all matters.	24	4.29
3. Board members work cohesively and cooperatively to try to minimize miscommunication and confusion.	24	4.25
4. There is an orientation process for new board members.	23	4.46
5. Board knows the difference between policy and administration and governance and management.	24	4.25
6. Board regularly communicates with management and staff and remains open to comment and feedback.	24	4.25
7. Board committee structures are streamlined for effective decision-making.	23	4.39
8. The authority that the board retains to itself without delegating to management is clearly defined by the agency.	23	3.91
9. Board maintains flexibility to adjust to changing internal and external circumstances.	23	4.39
10. Board employs performance-based evaluation standards when considering members for endorsement.	23	3.50
11. Chairman assumes active responsibility to ensure development and leadership of the board.	24	4.42
12. There is an appropriate level of staff support for the board	23	4.52
II. Strategic Planning		
13. Board creates and communicates the agency's strategic direction; this is achieved by regularly evaluating core values and strategic mission.	22	3.82
14. Board members ensure programs are consistent with organizational mission and ensure programs and services meet expectations.	23	4.13
15. Board identifies and uses the specific talents and skills that board members possess.	25	4.24
16. Board promotes succession planning.	21	3.66
III. Fiduciary and Legal Responsibilities		
17. Board provides effective monitoring, evaluation and oversight of the agency's fiscal concerns, including understanding of the funding mechanisms.	25	4.36
18. Board promulgates a code of conduct and ethical practices; each board member is committed to ethical practices and guards against conflicts of interest.	24	4.23
19. Board approves annual operating and capital goals and budgets.	24	4.67

20. Board develops a regular policy for carrying out employee evaluation and compensation reviews.	19	3.37
21. Board understands and makes effective decisions regarding employee benefit and retirement plans.	17	3.76
22. Board members do not reveal sensitive and confidential information.	24	4.50
23. Board sets measurable objectives, which permit monitoring of agency performance.	22	4.23
24. Board has processes to make effective decisions regarding new business proposals and review existing practices.	24	4.23
IV. Diversity Program and Implementation		
25. Board develops and implements diversity policies and programs for the agency.	20	3.75
26. Board supports a composition that reflects the community's demographics.	22	4.14
V. Chief Executive Officer (CEO) Relations		
27. Board strives to recruit and maintain superior management and talent.	20	4.25
28. Board chair and CEO meet regularly, maintain ongoing communication, and ensure availability.	25	4.60
29. Board develops a regular policy and process for carrying evaluations and compensation reviews for CEO and other staff directly reporting to the board.	20	4.25
VI. Public Advocacy		
30. Board assumes an active public and legislative advocacy role. (i.e., by promoting the transit system, and working with community and business leaders, outside interest groups, lobbies, local governments, and community associations.)	23	4.26
31. Board takes note of how the public views the system and responds.	25	4.25

 *excludes omitted answers and "not applicable" answers