



## Dan and Margaret Maddox Fund Executive Director Succession Guidance

### Goals:

- To ensure a smooth transition in the event of an anticipated or unanticipated leadership change.
- To minimize the impact of transition on foundation operations while maximizing the opportunities that transition offers.
- To offer the board a toolbox for an executive search and orientation/onboarding

### Organizational Readiness

- The Fund will maintain an active and engaged board with a clear sense of mission and the diversity of skills needed to lead all aspects of the Fund.
- The Executive Director will ensure that a record is maintained of all passwords and codes.
- The Executive Director will ensure that signature authority is updated with the bank and investment advisor with an adequate number of signatories to ensure continuity of operations while maintaining internal controls.
- The Executive Director will ensure that the Fund's electronic records are backed up regularly into a cloud or off-site server.
- The Executive Director will maintain an annual administrative calendar documenting the major legal obligations of the Fund as well as the major activities of boards and committees.
- The Executive Director's job description will be reviewed annually during evaluation and will be updated as needed.
- The Board should occasionally assess its effectiveness and readiness to respond to an unanticipated transition.

### Anticipated Transition

When possible, the board asks that the Maddox Fund Executive Director give 60 to 90 days' notice for an anticipated transition, such as retirement or job change. Advance notice will contribute to a smooth transition in the leadership of a small organization. The Board will ensure that an anticipated transition is used as an opportunity for reflection and advancement of the Fund's mission.

## **Search Toolbox**

The nature of an executive search is contextual and should remain flexible in order to be practical as well as responsive to opportunity. The search toolbox is intended to offer the Maddox Fund guidance, founded in best practice. It is not a policy nor is it intended to restrict the search process. This is based in the reality that the Maddox Fund board is composed of community leaders, some of which have experience in executive searches.

### Search Committee Formation

The Board of Directors has the responsibility to hire and oversee the Executive Director. In consultation with the Executive Committee, the Board Chair may appoint a search committee of 3-7 persons. The committee should include at least 2 board members and may include former Fund board members and area foundation managers as well as community leaders with executive transition experience. A member of the board should chair the Search Committee.

The Search Committee may choose to engage consultants to assist with the entire search or for elements of the process (placing ads, collecting and reviewing resumes, arranging interviews, checking references, negotiating contracts, scheduling orientation). Resources might include:

- Center for Nonprofit Management
- Rafa (formerly Transition Guides)

The Search Committee may develop its own processes, procedures and timeline with guidance from the elements below.

### Discovery

- The search committee will take time to assess the leadership needs of the organization before the search for a new Executive Director. The assessment will be designed to help assure the selection of a qualified and capable leader who fits well with the organization's mission, vision, values, equity imperative, culture, goals and objectives and who has the necessary skills to lead the organization into its next phase.
- The Search Committee may interview the departing Executive Director to gain their insights
- The Search Committee may survey the current Board of Directors for their concerns and suggestions
- The Search Committee may interview or survey stakeholders to determine the desirable attributes for the new Executive Director of the Fund. Participants may include: area foundation staff, area nonprofit leadership
- The Search Committee will review the job description to update responsibilities and clarify qualifications and qualities needed.

## Search

The Committee may choose to announce the job opening through

- Southeastern Council of Foundations [www.secf.org](http://www.secf.org)
- Association of Black Foundation Executives [www.abfe.org](http://www.abfe.org)
- Grantmakers for Effective Organizations [www.geo.org](http://www.geo.org)
- Grantmakers for Southern Progress [www.nfg.org](http://www.nfg.org)
- Council of Foundations [www.cof.org](http://www.cof.org)
- Center for Nonprofit Management [www.cnm.org](http://www.cnm.org)
- Middle Tennessee Donors Forum
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- Consider reading the [Bush Foundation's Building a Stellar Staff](#) with a focus on race equity
- In order to develop a finalist pool that is reflective of the community, the Search Committee will develop a diverse pool of candidates for the Executive Director position. The position announcement will remain open until the pool includes strong BIPOC candidates.
- By consensus, the Search Committee will develop a recommendation to the Board of Directors. In the event the committee cannot reach a consensus, it will report its process to the full board, including elements of impasse, and the board will chart the next course of action.
- The full board will meet with the final candidate and reach consensus about offering the position and title of Executive Director.
- Executive Committee of the board will negotiate and enter into an employment contract with the candidate.
- As a general guideline, the negotiated salary should be in the range of 75% to 125% of the current Executive Director's salary which was determined annually using the Compensation Policy including comparative salary surveys from the Council on Foundations.
- The employment contract should include a clause requiring advance notice of the Executive Director's intent to leave the organization; the recommended notice period is 60-90 days.

## Orientation/Onboarding

The Search Committee may continue its work to ensure a comprehensive orientation for the new Executive Director. A list of orientation task will be maintained with the succession plan and will include: meetings with individual board members, grantmaking process, investment policy, operation practices,

policies, the online grant management system and introductions to key community and foundation leaders.

When possible, it may be desirable for a defined period of overlap for transition from one Executive Director to the next. After that period of time, the exiting Executive Director may contract for consulting services at the discretion of the board and the new Executive Director.

### **Unanticipated Transition**

An unanticipated transition in a small staff can create confusion but is also an opportunity for evaluation and intentional planning.

When the Executive Director is unable to fulfill his or her duties due to death, illness, disability, personal emergency or sudden resignation, the Chair of the Board should be notified immediately.

In such circumstances, the appointment of an Acting Executive Director may be necessary to ensure the on-going operations of the Fund. The Chair of the Board, with the approval of the Executive Committee, has the authority to appoint an interim operations manager for up to 45 days. After that time, the full board should approve an interim plan to ensure continuity of operations.

### **Acting Executive Director**

To assure the organizations operations are not interrupted while the board assesses the leadership needs and selects a new Executive Director, the board may appoint an Acting Executive Director.

Among the duties of the Acting Executive Director will be to ensure that the organization continues to operate without disruption and that all organizational commitments previously made are appropriately executed, including but not limited to grant and contract obligations, reports, certifications, accounting records, investment actions, IRS requirements and government reporting.

The Acting Executive Director's authority does not extend to changes in grant priorities, cultivation of new partnerships or collaborations with external parties, changes in staff structure, taking public policy positions on behalf of the foundation, opening new financial accounts, execution of new contracts or other financial decision not currently approved by the board in the annual budget.

The Center for Nonprofit Management or Donors Forum may be able to recommend a qualified person to serve as Acting Executive Director during the search process.

### **Communication**

In the event of an anticipated or unanticipated transition the Chair of the Board should be notified first, followed by Executive Committee and the full board.

The Chair of the Board, or their designee, will be the point of contact for all questions about or communications concerning the transition.

While not an exhausted list, the following vendors and partners should be notified of the transition in a timely manner:

Executive Committee and Committee Chairs

Board of Directors

Investment and Bank Contacts

Accountant and Auditors

Middle Tennessee Donors Forum

Nonprofit Community and Partners

Stakeholders and Vendors

Attorney/Court

Payroll

Contract accountant

Center for Nonprofit Management

Office Lease

Insurance

Associations (SECF, GEO, GCIR, GSP)

*The Dan and Margaret Maddox Fund's mission is  
to better our community through partnerships that  
further wildlife conservation, and  
improve the lives of young people.*

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