

# Board-Related Roles and Responsibilities - *DRAFT*



	Legislative Committee	Board Members	Board Committee Members	CEO/ED	Management
<b>Purpose</b>	<ul style="list-style-type: none"> <li>The primary role of the Legislative Committee is to guide Colorado's Exchange to ensure the interest of Coloradans are protected and furthered as per Senate Bill 11-200</li> </ul>	<ul style="list-style-type: none"> <li>The primary role of the board is to provide <i>Governance</i> to Connect for Health Colorado in fulfilling its mission of increased access, affordability and choice for individuals and small employers purchasing health insurance in CO as per Senate Bill 11-200</li> </ul>	<ul style="list-style-type: none"> <li>Board Committees are small working groups consisting of board members and/or non-board members, for the purpose of supporting the board's work</li> </ul>	<ul style="list-style-type: none"> <li>The CEO is responsible for providing leadership and direction to Connect for Health Colorado in fulfilling its mission</li> </ul>	<ul style="list-style-type: none"> <li>The primary role of the management is to <i>Execute the Strategy</i>, policies, mission and budget set forth by the board</li> </ul>
<b>Decision Authority*</b>	<ul style="list-style-type: none"> <li>Approve</li> </ul>	<ul style="list-style-type: none"> <li>Review, Approve</li> </ul>	<ul style="list-style-type: none"> <li>Review, Recommend</li> </ul>	<ul style="list-style-type: none"> <li>Advise, Recommend</li> </ul>	<ul style="list-style-type: none"> <li>Advise</li> </ul>
<b>Governance</b>	<ul style="list-style-type: none"> <li>Responsibility for:                             <ul style="list-style-type: none"> <li>approving the appointment of the CEO/ED</li> <li>reviewing financial and operational plans</li> <li>making recommendations to the general assembly</li> <li>review grants applied for by the board</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>The board has ultimate responsibility for oversight, compliance, transparency and accountability for C4HCO delivering on its mission</li> <li>Board members have fiduciary duties of care, loyalty and obedience to the law</li> <li>Responsibility for appointing a CEO/ED</li> <li>Board members are <i>not</i> responsible for day-to-day operations</li> </ul>	<ul style="list-style-type: none"> <li>Committees have the <i>Authority of the Board</i> and operate subject to the direction of the Board</li> <li>Committees oversee and monitor all aspects outlined in the Committee Charter and ensure risk management and mitigation plans are in place, as needed</li> <li>A Committee Chair leads the committee; Committee Chairs present report and/or recommendations to the board for approval/action</li> </ul>	<ul style="list-style-type: none"> <li>CEO, in partnership with the Chairman of the Board, establishes the tone, cadence and relationship between the board and management</li> <li>CEO is the primary interface between management/staff and board</li> <li>CEO is the only staff member directly accountable to the board</li> </ul>	<ul style="list-style-type: none"> <li>Management provides proposed strategies, recommendations, analysis and/or actions to the board</li> <li>Management provides their expertise and knowledge of internal and external factors to assist the board in understanding information required to effectively advise and board decisions</li> </ul>
<b>Strategy</b>		<ul style="list-style-type: none"> <li>Provide long-term strategic direction and guidance to the CEO/Staff</li> <li>Collaborate with the CEO/Staff to develop the organization's strategy</li> </ul>	<ul style="list-style-type: none"> <li>Partner with management to create and refine strategic plans for the organization</li> </ul>	<ul style="list-style-type: none"> <li>Develop strategic options, competitive landscape, risks and implications of various strategic paths for the board to consider</li> <li>Collaborate with the board to develop the organization's strategy</li> </ul>	<ul style="list-style-type: none"> <li>Under the CEO's leadership, management partners with the Board to support the development the organization's strategy</li> </ul>
<b>Operations / Execution</b>		<p>Including but not limited to:</p> <ul style="list-style-type: none"> <li>Considering operational and organizational structure/model</li> <li>Receiving and reviewing key financial and operating information and plans</li> <li>Providing annual reporting to government representatives</li> <li>Assessing affordability and the cost of health insurance in relation to quality of care and access for all Coloradans</li> <li>Creating and working with advisory groups</li> </ul>	<ul style="list-style-type: none"> <li>Review and deliberate on key risks, issues and strategic options in support of the full board's agenda</li> <li>The Committee Chair is responsible for connecting with the full board to ensure the committee is achieving the board's purpose</li> </ul>	<ul style="list-style-type: none"> <li>Ultimately responsible for the operations and management of the organization</li> <li>Sets annual budgets, strategic priorities and financial and operating targets</li> <li>Communicates openly, proactively and transparently to the board; proactively seeks board input</li> <li>Work with the Board and the legislative bodies to advance the mission of C4HCO</li> </ul>	<ul style="list-style-type: none"> <li>Makes decisions necessary for effective day-to-day operations</li> <li>Develops plans, strategies and tactics necessary to deliver on the strategy</li> </ul>

\*typical decision authority role (see page 2 for example)

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### Example of a Decision Framework (to be developed)

Key Decisions	Owner	Frequency	Decision Authority			Recommended Activity	Timing
			Board	Committee	Staff		
<b>Strategy</b>	CEO / Board Chairman	Annually	Approve	Recommend	Advise	Conduct a “working session” with the full board to agree on significant strategic opportunities, questions, concerns to guide the strategic planning effort	Q4
<b>Annual Budget</b>	CEO	Annually	Approve	Recommend	Advise	Review budget scenarios with Finance Committee in advance for guidance	Q3
<b>CEO Selection</b>	Board Chairman	As required	Approve	Recommend	---	Final approval belongs to the Legislative Committee	
<b>Operations Strategy</b>	CEO	Annually	Approve	Recommend	Advise	Review operations scenarios with Ops Committee in advance for guidance	Q3
<b>Technology Strategy</b>	CEO	Annually	Approve	Recommend	Advise	Review operations scenarios with Ops Committee in advance for guidance	Q3
<b>etc...</b>							

**Decision authorities:**

Review – Review items/actions provided by management

Recommend – Make recommendations to full Board for approval

Approve – Make final decision

Advise – Propose strategy or action; compile and present information

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## Example of Finance Committee Charter

### Committee Purpose:

The committee is responsible for recommending financial policies, goals, and budgets that support the mission, values, and strategic goals of the organization. The committee also reviews the organization’s financial performance against its goals and proposes major cost-related initiatives to the board.

The finance committee’s specific accountabilities include:

- Recommending policies that maintain and improve the financial health and integrity of the organization.
- Reviewing and recommending a long-range financial plan for the organization.
- Reviewing and recommending an annual operating budget and annual capital budget consistent with the long-range financial plan and financial policies.
- Reviewing and recommending capital expenditures and unbudgeted operating expenditures that exceed management’s spending authority.
- Reviewing the financial aspects of major proposed transactions, new programs and services, as well as proposals to discontinue programs or services, and making action recommendations to the board.
- Monitoring the financial performance of the organization against approved budgets, long-term trends, and industry benchmarks.
- Requiring and monitoring corrective actions to bring the organization into compliance with its budget and other financial targets.

### Key Roles and Responsibilities:

Board	Committee Chairman	Committee Members	Staff
<ul style="list-style-type: none"> <li>▪ <b>Governance and Compliance:</b> Ensure fiscal sustainability; finances managed effectively and prudently</li> <li>▪ <b>Committee Oversight:</b> Review and approve charter and composition</li> <li>▪ <b>Budget:</b> Review and approve annual budget</li> <li>▪ <b>Performance:</b> Review financial KPIs and advise on strategies to improve financial performance</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Committee Leadership:</b> Coordinate and communicate with full board to ensure fulfillment of the board’s agenda</li> <li>▪ <b>Report to the Board:</b> Provide report and/or recommendations to the board for approval</li> <li>▪ <b>Committee Effectiveness:</b> Ensure the committee charter, plans, agendas and goals are established and executed</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Governance and Compliance:</b> Monitor and evaluate fiscal sustainability</li> <li>▪ <b>Risk Management:</b> Ensure key controls, metrics and systems in place to manage and monitor financial risk</li> <li>▪ <b>Budget:</b> Review and recommend annual budget to the board for approval</li> <li>▪ <b>Business Performance Management:</b> Monitor and evaluate financial KPIs</li> <li>▪ <b>Guidance / Advisor:</b> Use expertise to guide and support management actions</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Planning:</b> Develop short- and long-term strategic plans for committee review and input</li> <li>▪ <b>Business Performance Management:</b> Measures, analyzes and reports on financial performance</li> <li>▪ <b>Budget:</b> Provides budget options for committee review</li> <li>▪ <b>Material Development:</b> Develops key material and reports required for executing the committee agenda</li> <li>▪ <b>Research / Analytics / Insights:</b> Provides research, analytics and benchmarking needed to support committee goals</li> </ul>

### Meetings:

The committee meets at least four times a year, or when necessary at the call of the committee chairperson. Meeting dates and times will be specified a year in advance.

### Reports:

The committee will receive and review the following reports:

- Monthly, quarterly, and annual financial statements
- Key financial KPIs
- Key operating benchmarks

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