



# Emergency Succession Plan

For

**Organization Name**

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## Procedure for the Appointment of an Acting Executive Director in the Event of an Unplanned Absence of the Executive Director/CEO

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Leadership plays an essential role in the success of a nonprofit organization. This emergency succession plan ensures continuity in the leadership and management of the organization's core functions in operations, internal and external communications, fund development, financial accounting, and human resources during an unplanned or temporary absence of the Executive Director. The plan will allow for implementation of the best practice of planning and it supports the Board and Staff having a shared understanding and knowledge of the delegation of roles and responsibilities.

The Board has reviewed the job description of the Executive Director. The job description is attached. The Board has a clear understanding of the Executive Director's role in organizational leadership, program development, program administration, operations, Board of Directors relationships, financial operations, resource development and community presence.

The Board of Directors recognizes that this is a plan for contingencies due to the disability, death or departure of the Executive Director. If the organization is faced with the unlikely event of an untimely vacancy, the organization has in place the following emergency succession plan to facilitate the transition to both interim and longer-term leadership. By creating this document, our hope is that the Board and Staff are prepared to implement the plan effectively. We also hope to ensure confidence among the community (board, staff, donors, volunteers, partner agencies, broader community, etc.) that the organization remains stable and strong during a transition with a leadership and management structure to support its mission.

*Disclaimer Statement: This document is provided as guidance for a nonprofit organization facing a change in leadership. It should not be regarded as a substitute for legal advice or counsel. The advice of a competent attorney should be sought any time a nonprofit is considering policy changes or activities that may affect the legal status or liability exposure of the organization.*

### **Definitions**



This document covers the following situations:

- Succession Plan in Event of a Temporary, Unplanned Absence: Short Term
- Succession Plan in Event of a Temporary, Unplanned Absence: Long Term
- Permanent Change in Executive Director

An unplanned absence is one that arises unexpectedly in which it is expected that the Executive Director will return to his/her position once the events precipitating the absence are resolved. A temporary absence is less than three months. A long-term absence is expected to last more than three months. A permanent change is one in which it is firmly determined that the Executive Director will not be returning to the position. The Board of Directors is authorized to implement the terms of this emergency plan in the event of the unplanned absence of the Executive Director.

The latter half of this document contains the actual resources, and information and contact inventory for the board and interim leader to use as needed.

### **Procedures and Conditions**

In the event of an unplanned absence of the Executive Director, the staff or Board Member who is first aware of the situation, is to immediately inform the Board Chair (or a member of the Executive Committee if the board chair is not available) of the absence. As soon as it is feasible, the Chair should convene a meeting of the Executive Committee to affirm the procedures prescribed in this plan or to make modifications as the Committee deems appropriate. This should be followed soon after by a full board meeting (conference call is acceptable) so that each member of the board of directors is fully informed and engaged. A majority vote by the full board is needed to affirm the actions of the Executive Committee. It is understood that the Executive Committee has been delegated the authority to immediately begin its responsibilities.

At the time that this plan was approved, the position of Acting Executive Director would be filled by the [Position Title]. Should the standing appointee to the position of Acting Executive Director be unable to serve, the first and second back-up appointees for the position of Acting Executive Director will be the [Position Title]. The Executive Committee may also consider the option of splitting executive duties among the designated appointees.

**Authority and Compensation of the Acting Executive Director:**

The person appointed as Acting Executive Director shall have the full authority for decision-making and independent action as the regular Executive Director.

The Acting Executive Director may be offered a temporary salary increase to the entry-level salary of the Executive Director position [or up to a 10% increase at the discretion of the full Board].

### **Board Oversight:**

The Executive Committee shall be responsible for monitoring and supporting the work of the Acting Executive Director.

In 2013, the individuals comprising the Executive Committee are:

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- [Person X, position]
- [Person Y, position]
- [Person Z, position]

The above named people will be sensitive to the special support needs of the Acting Executive Director in this temporary leadership role. It is expected that the Board Chair will focus on communicating with the full board and convening an emergency board meeting to enact this plan in support of the Executive Committee. [Person Z] and [Person Y] will be responsible for bi-weekly meetings with the Acting ED focusing on supporting that person as well as ensuring that they have what they need from various board members. As appropriate, the [Position Title] may also be asked to join these meetings.

The Executive Committee will give immediate consideration, in consultation with the Acting Executive Director, to temporarily filling the management position left vacant by the Acting Executive Director. This is in recognition of the fact that for a leanly staffed organization, it may not be reasonable to expect the Acting Executive Director to carry the duties of both positions. The position description of a temporary manager would focus on covering the priority areas in which the Acting Executive Director needs assistance.

#### **Communications Plan:**

Immediately upon transferring the responsibilities to the Acting Executive Director, the Board Chair or designee, will notify remaining staff members, and members of the Board of Directors of the delegation of authority.

As soon as possible after the Acting Executive Director has begun covering the unplanned absence, Board Members and the Acting Executive Director shall communicate the temporary leadership structure to

key external supporters as identified in the Key Stakeholder Contacts section of this document. These contacts may include (but not be limited to) government contract officers, foundation program officers, civic leaders, major donors and major contractors.

#### **Completion of Emergency Succession Period:**

The decision about when the absent Executive Director returns after a short-term or long-term absence should be determined by the Executive Director and the Executive Committee. They will decide upon a mutually agreed upon schedule and start date. A reduced schedule for a set period of time can be allowed, by approval of the Executive Committee, with the intention of the Executive Director working their way back up to a full-time commitment.



### **Succession Plan in Event of a Temporary, Unplanned Absence: Short-Term**

A temporary absence is one of less than three months, that arises unexpectedly, in which it is expected that the Executive Director will return to his/her position once the events precipitating the absence are resolved. This is in contrast to a planned leave, such as a vacation or a sabbatical.

### **Succession Plan in Event of a Temporary, Unplanned Absence: Long-Term**

A long-term absence is one that is expected to last more than three months. The procedures and conditions to be followed should be the same as for a short-term absence with one addition:

The Executive Committee will give immediate consideration, in consultation with the Acting Executive Director, to temporarily filling positions in addition to the management position left vacant by the Acting Executive Director. This is in recognition of the fact that for a term of more than three months, it may not be reasonable to expect the Acting Executive Director to carry the duties of both positions. The additional position descriptions would focus on covering the priority areas to which neither the Acting Executive Director nor the temporary manager are able to attend.

### **Succession Plan in Event of a Permanent Change in Executive Director**

A permanent change is one in which it is firmly determined that the Executive Director will not be returning to the position. The procedures and conditions should be the same as for a long-term temporary absence with one addition:

The Board of Directors will appoint a Transition and Search Committee within 30 days to plan and carry out a transition to a new permanent Executive Director. The Board will also consider the need for outside consulting assistance depending on the circumstances of the transition and the Board's capacity to plan and manage the transition and search. The Transition and Search Committee will also determine the need for an Interim Executive Director, and plan for the recruitment and selection of an Interim Executive Director (if the Board chooses not to utilize the Acting Executive Director). Then the Transition and Search Committee will plan for the recruitment and selection of a permanent Executive Director.

### **Checklist for Acceptance of All Types of Emergency Succession Plans**



- Succession plan approval. **This succession plan will be approved by the Executive Committee and forwarded to the full Board of Directors for its vote and approval.** This plan should be reviewed annually.
- Signatories. **The Board Chair, the Executive Director, and the appointees designated in this plan shall sign this plan.**
- Organizational Charts. **Two organizational charts need to be prepared and attached to this plan. Prepare and attach an organizational chart, reflecting current staffing positions and lines of reporting throughout the organization. Prepare and attach a second organizational chart that reflects how that structure will change within the context of an emergency or unplanned absence of the Executive Director.**
- Important Organizational Information. **Complete the attached *Information and Contact Inventory* and attach it to this document. Also attach a current list of the organization's Board of Directors, and job descriptions for the Executive Director and the positions that would be stepping up to different roles, including any positions that need to be hired when a manager becomes the Acting ED.**
- **Copies.** Copies of this Emergency Succession Plan along with the corresponding documentation shall be maintained by the Board Chair, the Executive Director, the Acting Executive Director Appointee, in the personnel files, and with the organization's attorney.



## Approval and Signatures

**Emergency Succession Plan prepared by:** [TSNE Consultant], TSNE consultant, with templates and assistance from CompassPoint and Third Sector New England

**Date Submitted for Review:** [Date]

**Emergency Plan Approved by:**

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

[Name]

Executive Director/Chief Executive Officer

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

[Name]

Chair, Board of Directors

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

[Name]

[Role of 2<sup>nd</sup> Signatory/Board of Directors]

**Witnessed by: Appointees**

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

[Name]

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

[Name]



**Information and Contact Inventory for [Organization Name]**

Knowing the location of key information is critical so that, if an emergency succession should occur, your organization would be able to quickly continue work in the most efficient and effective way.

	Onsite Location	Offsite Location	Online URL
<b>Nonprofit Status</b>			
IRS Determination Letter	<input type="checkbox"/> _____	<input type="checkbox"/> _____	<input type="checkbox"/> _____
IRS Form 1023	<input type="checkbox"/> _____	<input type="checkbox"/> _____	<input type="checkbox"/> _____
Bylaws	<input type="checkbox"/> _____	<input type="checkbox"/> _____	<input type="checkbox"/> _____
Mission Statement	<input type="checkbox"/> _____	<input type="checkbox"/> _____	<input type="checkbox"/> _____
Board Minutes	<input type="checkbox"/> _____	<input type="checkbox"/> _____	<input type="checkbox"/> _____

**Financial Information**

Employer Identification Number (EIN) #: \_\_\_\_\_

Current and previous Form 990s  \_\_\_\_\_  \_\_\_\_\_  \_\_\_\_\_

Current and prev. audited financial statements  \_\_\_\_\_  \_\_\_\_\_  \_\_\_\_\_

Financial Statements (if not part of the computer system and regularly backed-up)  \_\_\_\_\_  \_\_\_\_\_  \_\_\_\_\_

State or District Sales-Tax Exemption Certificate  \_\_\_\_\_  \_\_\_\_\_  \_\_\_\_\_

Blank Checks  \_\_\_\_\_  \_\_\_\_\_  \_\_\_\_\_

Computer passwords  \_\_\_\_\_  \_\_\_\_\_  \_\_\_\_\_

Donor Records  \_\_\_\_\_  \_\_\_\_\_  \_\_\_\_\_

Funding Schedule  \_\_\_\_\_  \_\_\_\_\_  \_\_\_\_\_

Client Records  \_\_\_\_\_  \_\_\_\_\_  \_\_\_\_\_

Vendor Records  \_\_\_\_\_  \_\_\_\_\_  \_\_\_\_\_

Volunteer Records\*  \_\_\_\_\_  \_\_\_\_\_  \_\_\_\_\_

*\*Note: Nonprofits that are heavily volunteer-based may need to know the following information about their volunteers who they are, how to contact them (home/work phone, email, cell, etc.), where they live/work, expertise, special skills, or any information related to their usefulness or willingness to help the agency (for example, volunteer Jane Doe can walk to our satellite office, lift heavy boxes and knows CPR).*



**Auditor**

Name: \_\_\_\_\_

Phone Number/Email: \_\_\_\_\_

**Bank**

Name(s): \_\_\_\_\_

Account Numbers: \_\_\_\_\_

Line of Credit: \_\_\_\_\_

**Investments**

Financial Planner / Broker Company \_\_\_\_\_

Branch Representative: \_\_\_\_\_

Representative Name: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Fax: \_\_\_\_\_

Email: \_\_\_\_\_

Email: \_\_\_\_\_

Who is authorized to make stock transfers? Who is authorized to make wire transfers?

\_\_\_\_\_

Who are the authorized check signers?

\_\_\_\_\_

**Legal Counsel**

**Attorney**

Name: \_\_\_\_\_

Phone Number: \_\_\_\_\_

E-mail: \_\_\_\_\_

**Key Stakeholder Contacts**

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Phone Number: \_\_\_\_\_

E-mail: \_\_\_\_\_

E-mail: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Phone Number: \_\_\_\_\_

E-mail: \_\_\_\_\_

E-mail: \_\_\_\_\_





## Human Resources Information

	Onsite Location	Offsite Location	Online URL
Employee Records/ Personnel Info*	<input type="checkbox"/> _____	<input type="checkbox"/> _____	<input type="checkbox"/> _____
<i>*Names, home addresses, phone numbers, email, emergency contacts, etc.</i>			
I-9s	<input type="checkbox"/> _____	<input type="checkbox"/> _____	<input type="checkbox"/> _____

### *Payroll*

Company Name: \_\_\_\_\_

Account Number: \_\_\_\_\_

Payroll Rep: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Email: \_\_\_\_\_

### Facilities Information

	Onsite Location	Offsite Location
Building Deed (if own)	<input type="checkbox"/> _____	<input type="checkbox"/> _____
Office Lease (if rent)	<input type="checkbox"/> _____	<input type="checkbox"/> _____

### *Building Management*

Company Name: \_\_\_\_\_

Contact Name: \_\_\_\_\_

Phone Number/Email: \_\_\_\_\_

### *Office Security System*

Company Name: \_\_\_\_\_

Account Number: \_\_\_\_\_

Representative Phone Number/Email: \_\_\_\_\_

Broker Phone Number/Email: \_\_\_\_\_

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## Insurance Information

*General Liability / Commercial Umbrella*

Company/Underwriter: \_\_\_\_\_

Policy Number \_\_\_\_\_

Representative Phone/Email: \_\_\_\_\_

Broker Phone /Email: \_\_\_\_\_

*Directors & Officers Liability*

Company/Underwriter: \_\_\_\_\_

Policy Number \_\_\_\_\_

Representative Phone /Email: \_\_\_\_\_

Broker Phone /Email: \_\_\_\_\_

*Workers' Compensation*

Company/Underwriter: \_\_\_\_\_

Policy Number \_\_\_\_\_

Representative Phone /Email: \_\_\_\_\_

Broker Phone /Email: \_\_\_\_\_

*Unemployment Insurance*

Company/Underwriter: \_\_\_\_\_

Policy Number \_\_\_\_\_

Representative Phone /Email: \_\_\_\_\_

Broker Phone/Email: \_\_\_\_\_

*Disability Insurance (long-term)*

Company/Underwriter: \_\_\_\_\_

Policy Number \_\_\_\_\_

Representative Phone /Email: \_\_\_\_\_

Broker Phone /Email: \_\_\_\_\_

*Retirement Plan*

Company/Underwriter: \_\_\_\_\_

Policy Number \_\_\_\_\_

Representative Phone /Email: \_\_\_\_\_

Broker Phone /Email: \_\_\_\_\_

*Health Insurance*

Company/Underwriter: \_\_\_\_\_

Policy Number \_\_\_\_\_

Representative Phone/Email: \_\_\_\_\_

Broker Phone Email: \_\_\_\_\_

*Disability Insurance (short-term)*

Company/Underwriter: \_\_\_\_\_

Policy Number \_\_\_\_\_

Representative Phone /Email: \_\_\_\_\_

Broker Phone /Email: \_\_\_\_\_

*Life Insurance*

Company/Underwriter: \_\_\_\_\_

Policy Number \_\_\_\_\_

Representative Phone /Email: \_\_\_\_\_

Broker Phone /Email: \_\_\_\_\_

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***Dental***

**Company/Underwriter:** \_\_\_\_\_

**Policy Number** \_\_\_\_\_

**Representative Phone Number/Email:** \_

**Broker Phone Number/Email:** \_\_\_\_\_

***Long Term Care***

**Company/Underwriter:** \_\_\_\_\_

**Policy Number** \_\_\_\_\_

**Representative Phone /Email:** \_\_\_\_\_

**Broker Phone /Email:** \_\_\_\_\_