

Governance Assessment 2007

October 2007

City Auditor's Office

City of Kansas City, Missouri

October 31, 2007

Honorable Mayor and Members of the City Council:

We conducted this assessment of boards and commissions governance practices under the authority of Article II, Section 216 of the city charter, which establishes the Office of the City Auditor and outlines the city auditor's primary duties. Code Section 2-722 requires the city auditor to administer a governance assessment checklist to boards and commissions annually and to report the results on or before November 1st. This audit intends to aid the mayor and City Council in understanding and evaluating the city's boards and commissions' governance practices.

Some boards and commissions expend a significant amount of public money and make decisions affecting the lives of citizens. In 2006, these boards and commissions spent over \$350 million in public money for services such as policing, parks and recreation, and ambulance services. Although board and commissions members are, in most cases, appointed by the mayor and City Council, they are not directly accountable to the voters for the decisions they make.

In conducting the assessment we examine boards and commissions' governance practices in six core functions:

- Leading the organization and setting goals
- Setting policies delineating board and management responsibilities
- Ensuring management compliance with board directives
- Ensuring accountability for achieving organizational goals
- Ensuring a high level of board performance and effectiveness
- Representing the public interest

The annual checklist survey is a tool for boards and commissions to assess their governance practices. It is also a tool for the City Council, providing a framework for their questioning of boards and commissions on governance practices. Because boards and commissions are not directly accountable to the public for their actions, the City Council should provide oversight by questioning those they have appointed to boards and commissions.

We appreciate the courtesy and cooperation extended to us by the boards and commissions that participated in the assessment. The audit team for this project was Joyce Patton and Mary Jo Emanuele.

Gary White
City Auditor

Governance Assessment Fiscal Year 2007

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Introduction

Objectives

We conducted this audit of governance practices of boards and commissions under the authority of Article II, Section 216 of the city charter, which establishes the Office of the City Auditor and outlines the city auditor's primary duties. Section 2-722 of the Code of Ordinances requires the city auditor to administer a governance assessment checklist annually to boards and commissions and to report the results by November 1st. The report should help the City Council understand and evaluate the governance practices of boards and commissions.

A performance audit systematically examines evidence to independently assess the performance and management of a program against objective criteria. Performance audits provide information to improve program operations and facilitate decision-making.¹

This report is designed to answer the following question:

- What governance practices are the city's boards and commissions following?

Scope and Methodology

Our review focuses on Kansas City boards and commissions with control over major city resources and programs; namely, city component units² and the Board of Parks and Recreation Commissioners. We identified 13 boards and commissions to include in this year's review.

¹ Comptroller General of the United States, *Government Auditing Standards* (Washington, DC: U.S. Government Printing Office 2003), p. 21.

² According to Governmental Accounting Standards Board (GASB) Statement No. 14, a component unit of a primary government is an organization that is legally separate from the government but for which the primary government is financially accountable because the government officials appoint a voting majority of the organization's governing body and either the government is able to impose its will on that organization or there is a potential for the organization to provide specific benefits to, or to impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

In April and May 2007, we sent assessments to the Board of Parks and Recreation Commissioners, EDC Loan Corporation, and all of the component units identified in the city's 2006 Comprehensive Annual Financial Report. We also invited the Board of Police Commissioners to participate. All 13 boards and commissions responded and this report reflects their self-reported information. We did not independently verify their responses.

The audit was conducted in accordance with generally accepted government auditing standards. No information was omitted from this report because it was deemed privileged or confidential.

Background

Kansas City Boards and Commissions

Appointed boards and commissions oversee many functions and activities in Kansas City—maintenance of parks and recreation activities, the delivery of police and ambulance services, the use of development incentives, and other governmental services.

Like elected officials, boards are responsible for allocating public resources and overseeing the provision of services. In 2006, the selected boards and commissions we surveyed spent over \$353 million in public funds. (See Exhibit 1.) Unlike elected officials, boards and commissions are not directly accountable to the voters for their actions. It is important that boards and commissions follow good governance practices.

Exhibit 1. Boards' and Commissions' Expenditures for Fiscal Year 2006

Organization	Expenditures
Board of Police Commissioners of Kansas City	\$162,637,717
Tax Increment Financing Commission of Kansas City, Missouri	82,143,157
Board of Parks and Recreation Commissioners	59,533,585
Metropolitan Ambulance Services Trust	29,364,098
Land Clearance for Redevelopment Authority	8,812,142
Economic Development Corporation of Kansas City, Missouri	4,122,286
Port Authority of Kansas City, Missouri	3,022,193
American Jazz Museum, Inc.	2,111,736
Kansas City International Airport Community Improvement District	639,612
EDC Loan Corporation	625,478
EDC Charitable Fund	39,766
Downtown Economic Stimulus Authority	22,235
Kansas City Maintenance Reserve Corporation	16,222
Total	\$353,090,227

Source: Boards' and Commissions' audited financial statements ending April 30, 2006 or May 31, 2006, and Adopted Budget 2008.

What Is Good Governance?

Governance is the exercise of authority, direction and control by a governing board. Governance deals with *what* an organization is to do and is focused on planning, setting goals and objectives, and developing policies to guide the organization and monitor its progress toward implementation of its plans. The primary focus of governance should be on the long-term – the organization's mission, values, policies, goals, objectives, and accountability.³

A key to good governance is asking good questions. Governing bodies should hold staff accountable for providing accurate answers to their questions. Governing board members should require staff to provide the right information and to perform as directed. Board members should question management—and one another—to exercise authority and to provide direction and control.

Adhering to good governance practices can improve the effectiveness of board activities and result in boards that are accountable to the public and elected officials. The core good governance practices are as follows:

³ Guy LeClerc, W. David Moynagh, Jean-Pierre Boisclair, and Hugh R. Hanson, *Accountability, Performance Reporting, Comprehensive Audit—An Integrated Perspective*, (Ottawa, CCAF-FCVI, Inc.)

- **Leading the organization.** Boards and commissions should develop a mission statement and communicate the mission statement to management and the public. Boards and commissions should define the overall goals designed to fulfill the organization's mission.
- **Setting policies delineating management responsibilities.** Boards and commissions should adopt policies that clearly define board and management roles and responsibilities. Boards should set policies and goals, set the organizational structure, and ensure that adequate resources are available to implement their goals.
- **Ensuring management compliance with board directives.** Boards and commissions should require regular reporting by the chief executive officer (CEO) to ensure management's compliance with board policies, laws, goals, and ethical standards. Boards should adopt policies defining what progress the CEO must report on and when. The board should provide performance criteria to compare with the CEO's reports.

The board should establish an audit committee and an independent internal audit function. The internal auditor should report to the CEO, be independent of the accounting and finance functions, and have direct access to the board's audit committee. In addition, boards should provide for regular external audits of the organization's financial statements.

- **Ensuring accountability for achieving organizational goals.** Boards should continually monitor progress towards accomplishing its mission and evaluate whether goals are relevant. Boards should hold the CEO responsible for progress toward achieving goals and should assess the CEO's performance in terms of goal achievement. Boards should also seek information on goal achievement from sources independent of management's reports, such as surveys, focus groups, outside experts, the public, and constituents.
- **Ensuring a high level of board performance and effectiveness.** Boards should define board activities and prescribe how business is conducted. Boards should regulate their behavior through by-laws, job descriptions, and a code of ethics. Boards should conduct orientation for new members, and implement ongoing board training. Boards should enforce attendance/absenteeism policies and regularly self-evaluate their

performance. Boards should set the agenda and lead rather than react.

- **Representing the public.** City boards and commissions are to represent the people of Kansas City. Boards are to make decisions that will manifest the best interests of the public. While boards work with many interest groups, the board as a whole must act based on the need to promote the general welfare. Boards should seek to enhance the credibility of their organizations and communicate and cooperate with other organizations in the government to understand how their organization fits within the big picture. Boards should gather evidence of the public's concerns and should have direct contact with citizens and their representatives.

Findings

Summary

All boards and commissions surveyed complied with code requirements and submitted a governance assessment checklist. Overall, the respondents indicated they believed the boards are setting goals, ensuring accountability for achieving goals, and delineating board and staff responsibilities. Most respondents reported they have financial planning policies and have their financial statements externally reviewed.

Responses also suggest areas which governance could be strengthened. Governance functions are important and failure to establish them may indicate potential weaknesses, which could lead to misspending public money, poor delivery of public services, and betrayal of public trust. We drew conclusions based on the number of organizations responding “no”, “don’t know”, or “not applicable” to questions about core functions.

Assessment responses showed the following areas where governance could be improved: management compliance with board objectives; measuring the board effectiveness; and representing the people of Kansas City. Areas that indicated the most room for improvement were adopting job descriptions for board members; boards performing a self-evaluation; and boards developing a board profile to guide the mayor in selecting prospective members.

Boards and Commissions Complied with Code Requirement

City code requires certain boards and commissions to annually complete and submit checklists about their governance practices. All the boards and commissions surveyed completed and returned the checklist. We did not verify the information provided. The following boards submitted information:

- American Jazz Museum, Inc.
- Downtown Economic Stimulus Authority
- Economic Development Corporation of Kansas City, Missouri
- EDC Charitable Fund
- EDC Loan Corporation
- Kansas City International Airport Community Improvement District

- Kansas City Maintenance Reserve Corporation
- Land Clearance for Redevelopment Authority
- Metropolitan Ambulance Services Trust
- Board of Parks and Recreation Commissioners
- Board of Police Commissioners of Kansas City
- Port Authority of Kansas City, Missouri
- Tax Increment Financing Commission of Kansas City, Missouri

See Appendix A for a summary of the responses to the governance checklist.

Surveys Suggest Potential Strengths and Weaknesses

Board self-assessment surveys identified some strengths and weaknesses in core governance functions. The self-assessment surveys indicate that respondents believe the boards are setting overall goals, ensuring accountability for achieving goals, and delineating board and staff responsibilities. The self-assessment surveys show potential weakness in the core functions of ensuring management compliance with board directives, ensuring a high level of board performance and effectiveness, ensuring management compliance with board directives, and representing the public interest. We drew this conclusion based on the number of organizations responding “no”, “don’t know”, or “not applicable” to questions about core functions. See Appendix B for a summary of the checklist responses by organization.

Boards generally set goals. Responses from the checklists indicate boards generally set overall organizational goals; prepare mission statements, communicate goals to management and engage in strategic planning. (See Exhibit 2.)

Exhibit 2. Responses to Questions on Setting Goals

Question	Yes	No	Don't Know	N/A
Has the board set overall goals for the organization?	11	2	0	0
Has the board prepared a mission statement?	10	3	0	0
Do the goals describe the end result of the organization's activities?	10	2	0	1
Has the board communicated organizational goals to management?	11	1	0	1
Has the board engaged in strategic planning?	9	3	0	1

Source: Governance Assessment Checklist Responses.

Boards hold organizations accountable for achieving goals.

According to the respondents, most of the organizations monitor progress toward accomplishing their mission; hold the CEO responsible for the organization's performance; assess the CEO's performance; review and update the organization's policies, mission statement, and goals; and obtain information on whether the organization is achieving its goals from independent sources. (See Exhibit 3.)

Exhibit 3. Responses to Questions on Organizational Performance

Question	Yes	No	Don't Know	N/A
Has the board monitored the organization's progress toward accomplishing its mission?	12	1	0	0
Does the board hold the CEO responsible for the organization's performance as it relates to the achievement of overall organizational goals?	10	0	0	3
Has the board assessed the CEO's performance?	9	0	0	4
Has the board reviewed and updated the policies, mission statement, and goals?	12	0	0	1
Has the board sought information on whether the organization is achieving its goals from source independent of management?	10	1	0	2

Source: Governance Assessment Checklist Responses.

Boards set policies for CEO and management. Respondents for 11 of the 13 organizations reported that their board adopted policies that delineate the CEO's power; prohibit unethical or unacceptable management actions; and outline the relationship between the board and the CEO. In addition, management-related policies are addressed to the CEO. All but one respondent report adopting financial planning, revenue, and/or expenditure policies. (See Exhibit 4.)

Exhibit 4. Responses to Questions Regarding Policy Setting

Question	Yes	No	Don't Know	N/A
Has the board adopted policies that delineate the power of the CEO?	11	0	0	2
Has the board adopted policies that prohibit management actions that are unethical or unacceptable?	11	0	0	2
Has the board adopted policies that prescribe board-CEO relationship?	11	0	0	2
Are management-related policies addressed to the CEO?	11	0	0	2
Has the board adopted any financial planning, revenue, and expenditure policies?	12	1	0	0

Source: Governance Assessment Checklist Responses.

Management compliance with board objectives could be strengthened. While all of the organizations reported providing for external review of their financial statements and most specified when the CEO must report to management and what he/she is to report on, there is room for improving management compliance. Only 7 of the 13 respondents indicate that the board has organized an internal audit committee. Five organizations have an internal audit function independent from the accounting and finance functions. Of these organizations, four give the internal auditor access to the audit committee. (See Exhibit 5.)

Exhibit 5. Responses to Questions Regarding Management Compliance

Question	Yes	No	Don't Know	N/A
Has the board specified what the CEO must report on and when?	10	2	0	1
Has the board defined the criteria against which the CEO reports will be compared?	6	2	1	4
Has the board organized an audit committee?	7	5	0	1
Has the board provided for an internal audit function?	5	7	0	1
Is the internal auditor independent from the accounting and finance function?	4	1	0	8
Does the internal auditor have access to the audit committee?	4	0	0	9
Has the board provided for external review of the organization's financial statements?	13	0	0	0

Source: Governance Assessment Checklist Responses.

Measuring the effectiveness of boards could be improved. While most organizations reportedly have by-laws, codes or policies to help guide them, their performance could be improved with job descriptions, ongoing training, and a collective self-evaluation. (See Exhibit 6.)

Exhibit 6. Responses to Questions Regarding Ensuring a High Level of Board Performance and Effectiveness

Question	Yes	No	Don't Know	N/A
Has the board adopted policies that prescribe board activities and the manner in which board meetings are conducted, the committees are structured, and decisions are communicated?	12	1	0	0
Has the board adopted a board manual or by-laws?	11	1	0	1
Has the board adopted a code of ethical conduct?	10	2	0	1
Has the board adopted a conflict of interest policy?	10	2	0	1
Has the board developed job descriptions for board members?	3	9	0	1
Has the board had an orientation for new members?	9	4	0	0
Has the board had ongoing training for the board members?	6	7	0	0
Has the board adopted and enforced an attendance/absenteeism policy?	3	9	0	1
Has the board had a collective self-evaluation?	2	10	0	1
Has the board set and controlled the agenda?	12	0	0	1

Source: Governance Assessment Checklist Responses.

Organizations should develop a profile for prospective members.

While the organizations' boards have met with the mayor, assessed the city's needs, and complied with Missouri's Sunshine Law, only one organization has developed a board profile. Board profiles that include the desired characteristics for prospective board members can assist the mayor in appointing board members. (See Exhibit 7.)

Exhibit 7. Responses to Questions Regarding Representing the People of Kansas City

Question	Yes	No	Don't Know	N/A
Has the board had meetings with the mayor and City Council?	9	4	0	0
Has the board assessed the needs, concerns, and demands of the people of Kansas City regarding the organization's activities?	9	1	0	3
Has the board conducted business in accordance with the Missouri Sunshine law?	13	0	0	0
Has the board communicated with other city boards and organizations to see how its activities fit within the city's "big picture"?	11	2	0	0
Has the board developed a "board profile" to help the mayor in choosing candidates for appointments to the board?	1	5	0	7
Does the board profile describe the desired knowledge, skills, abilities, and other characteristics for prospective board members?	3	2	0	8
Has the board developed job descriptions for candidates for appointment?	2	6	0	5

Source: Governance Assessment Checklist Responses.

Appendix A

Summary of Governance Checklist 2007 Responses

Summary of Governance Checklist

	American Jazz Museum, Inc.	Downtown Economic Stimulus Authority	Economic Development Corp.	EDC Charitable Fund	EDC Loan Corporation	Kansas City International Airport Community Improvement District	Kansas City Maintenance Reserve Corporation	Land Clearance for Redevelopment Authority	Metropolitan Ambulance Services Trust	Board of Parks & Recreation Commissioners	Board of Police Commissioners	Port Authority of Kansas City, Missouri	Tax Increment Financing Commission
N/A = Not Applicable													
1. Has the board established overall goals for the organization?													
1a. Has the board set overall goals for the organization?	Yes	No	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes
1b. Has the board prepared a mission statement?	Yes	No	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes
1c. Do the goals describe the end result of the organization's activities?	Yes	No	Yes	Yes	Yes	Yes	No	N/A	Yes	Yes	Yes	Yes	Yes
1d. Has the board communicated organizational goals to management?	Yes	No	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes
1e. Has the board engaged in strategic planning?	Yes	No	Yes	No	No	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2. Has the board adopted policies that delineate board and staff responsibilities?													
2a. Has the board adopted policies that delineate the power of the CEO?	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes
2b. Has the board adopted policies that prohibit management actions that are unethical or unacceptable?	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes
2c. Has the board adopted policies that prescribe the board-CEO relationship?	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes

	American Jazz Museum, Inc.	Downtown Economic Stimulus Authority	Economic Development Corp.	EDC Charitable Fund	EDC Loan Corporation	Kansas City International Airport Community Improvement District	Kansas City Maintenance Reserve Corporation	Land Clearance for Redevelopment Authority	Metropolitan Ambulance Services Trust	Board of Parks & Recreation Commissioners	Board of Police Commissioners	Port Authority of Kansas City, Missouri	Tax Increment Financing Commission
N/A = Not Applicable													
2d. Are management-related policies addressed to the CEO?	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes
2e. Has the board adopted any financial planning, revenue, and expenditure policies?	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Has the board ensured management compliance with board directives?													
3a. Has the board specified what the CEO must report on and when?	Yes	No	Yes	Yes	No	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes
3b. Has the board defined the criteria against which the CEO reports will be compared?	Yes	No	Yes	N/A	No	N/A	N/A	Yes	Yes	Don't know	Yes	N/A	Yes
3c. Has the board organized an audit committee?	Yes	No	Yes	Yes	No	No	No	N/A	Yes	No	Yes	Yes	Yes
3d. Has the board provided for an internal audit function?	No	No	Yes	No	No	N/A	No	No	Yes	Yes	Yes	No	Yes
3e. Is the internal auditor independent from the accounting and finance functions?	N/A	N/A	No	N/A	N/A	N/A	N/A	N/A	Yes	Yes	Yes	N/A	Yes
3f. Does the internal auditor have access to the audit committee?	N/A	N/A	Yes	N/A	N/A	N/A	N/A	N/A	Yes	N/A	Yes	N/A	Yes
3g. Has the board provided for external review of the organization's financial statements?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

	American Jazz Museum, Inc.	Downtown Economic Stimulus Authority	Economic Development Corp.	EDC Charitable Fund	EDC Loan Corporation	Kansas City International Airport Community Improvement District	Kansas City Maintenance Reserve Corporation	Land Clearance for Redevelopment Authority	Metropolitan Ambulance Services Trust	Board of Parks & Recreation Commissioners	Board of Police Commissioners	Port Authority of Kansas City, Missouri	Tax Increment Financing Commission
N/A = Not Applicable													
4. Has the board ensured accountability for achieving the organization's goals?													
4a. Has the board monitored the organization's progress toward accomplishing its mission?	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4b. Does the board hold the CEO responsible for the organization's performance as it relates to the achievement of overall organizational goals?	Yes	N/A	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes
4c. Has the board assessed the CEO's performance?	Yes	Yes	Yes	N/A	Yes	N/A	N/A	Yes	Yes	Yes	Yes	N/A	Yes
4d. Has the board reviewed and updated the policies, mission statement, and goals?	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4e. Has the board sought information on whether the organization is achieving its goals from sources independent of management?	Yes	N/A	Yes	Yes	Yes	Yes	Yes	No	Yes	N/A	Yes	Yes	Yes
5. Has the board ensured a high level of board performance and effectiveness?													
5a. Has the board adopted policies that prescribe board activities and the manner in which board meetings are conducted, the committees are structured, and decisions are communicated?	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes

	American Jazz Museum, Inc.	Downtown Economic Stimulus Authority	Economic Development Corp.	EDC Charitable Fund	EDC Loan Corporation	Kansas City International Airport Community Improvement District	Kansas City Maintenance Reserve Corporation	Land Clearance for Redevelopment Authority	Metropolitan Ambulance Services Trust	Board of Parks & Recreation Commissioners	Board of Police Commissioners	Port Authority of Kansas City, Missouri	Tax Increment Financing Commission	
N/A = Not Applicable														
5b. Has the board adopted a board manual or by-laws?	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	N/A	
5c. Has the board adopted a code of ethical conduct?	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	N/A	Yes	Yes	Yes	
5d. Has the board adopted a conflict of interest policy?	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	N/A	Yes	Yes	Yes	
5e. Has the board developed job descriptions for board members?	Yes	No	No	No	No	No	No	No	Yes	No	No	Yes	N/A	
5f. Has the board had an orientation for new members?	Yes	Yes	Yes	No	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	
5g. Has the board had ongoing training for board members?	Yes	No	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes	
5h. Has the board adopted and enforced an attendance/absenteeism policy?	Yes	No	No	Yes	No	No	No	No	No	No	No	Yes	N/A	
5i. Has the board had a collective self-evaluation?	No	No	No	No	No	No	No	No	No	No	Yes	Yes	N/A	
5j. Has the board set and controlled the agenda?	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
6. Has the board represented the people of Kansas City?														
6a. Has the board had meetings with the mayor and the City Council?	Yes	Yes	Yes	No	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	
6b. Has the board assessed the needs, concerns, and demands of the people of Kansas City regarding the organization's activities?	Yes	Yes	Yes	N/A	N/A	Yes	No	Yes	Yes	Yes	Yes	Yes	N/A	

	American Jazz Museum, Inc.	Downtown Economic Stimulus Authority	Economic Development Corp.	EDC Charitable Fund	EDC Loan Corporation	Kansas City International Airport Community Improvement District	Kansas City Maintenance Reserve Corporation	Land Clearance for Redevelopment Authority	Metropolitan Ambulance Services Trust	Board of Parks & Recreation Commissioners	Board of Police Commissioners	Port Authority of Kansas City, Missouri	Tax Increment Financing Commission
N/A = Not Applicable													
6c. Has the board conducted business in accordance with the Missouri Sunshine Law?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
6d. Has the board communicated with other city boards and organizations to see how its activities fit within the city's "big picture"?	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
6e. Has the board developed a "board profile" to help the mayor in choosing candidates for appointment to the board?	N/A	No	N/A	N/A	N/A	No	N/A	No	No	No	N/A	Yes	N/A
6f. Does the board profile describe the desired knowledge, skills, abilities, and other characteristics for prospective board members?	N/A	N/A	N/A	N/A	Yes	Yes	No	N/A	No	N/A	N/A	Yes	N/A
6g. Has the board developed job descriptions for candidates for appointment?	N/A	No	Yes	N/A	N/A	No	No	No	No	No	N/A	Yes	N/A

Appendix B

Checklist Responses by Organization

American Jazz Museum, Inc.

2006 Expenditures - \$2,111,736

Core Governance Functions	Yes	No	Don't Know	N/A	Total by Category
Leading the organization	5	0	0	0	5
Setting policies delineating responsibilities	5	0	0	0	5
Ensuring compliance with board directives	4	1	0	2	7
Ensuring accountability for achieving goals	5	0	0	0	5
Ensuring high board performance and effectiveness	9	1	0	0	10
Representing the public interest	4	0	0	3	7

The respondent answered “No” to the following questions:

- Has the board provided for an internal audit function?
- Has the board had a collective self-evaluation?

The respondent answered “N/A” (Not Applicable) to the following questions:

- Is the internal auditor independent from the accounting and finance function?
- Does the internal auditor have access to the audit committee?
- Has the board developed a “board profile” to help the mayor in choosing candidates for appointments to the board?
- Does the board profile describe the desired knowledge, skills, abilities, and other characteristics for prospective board members?
- Has the board developed job descriptions for candidates for appointment?

Downtown Economic Stimulus Authority

2006 Expenditures - \$22,235

Core Governance Functions	Yes	No	Don't Know	N/A	Total by Category
Leading the organization	0	5	0	0	5
Setting policies delineating responsibilities	5	0	0	0	5
Ensuring compliance with board directives	1	4	0	2	7
Ensuring accountability for achieving goals	1	1	0	3	5
Ensuring high board performance and effectiveness	6	4	0	0	10
Representing the public interest	4	2	0	1	7

The respondent answered “No” to the following questions:

- Has the board set overall goals for the organization?
- Has the board prepared a mission statement?
- Do the goals describe the end result of the organization’s activities?
- Has the board communicated organizational goals to management?
- Has the board engaged in strategic planning?
- Has the board specified what the CEO must report on and when?
- Has the board defined the criteria against which the CEO reports will be compared?
- Has the board organized an audit committee?
- Has the board provided for an internal audit function?
- Has the board monitored the organization’s progress toward accomplishing its mission?
- Has the board developed job descriptions for board members?
- Has the board had ongoing training for the board members?
- Has the board adopted and enforced an attendance/absenteeism policy?
- Has the board had collective self-evaluation?
- Has the board developed a “board profile” to help the mayor in choosing candidates for appointment to the board?
- Has the board developed job descriptions for candidates for appointments to the board?

The respondent answered “N/A” (not applicable) to the following questions:

- Is the internal auditor independent from the accounting and finance function?
- Does the internal auditor have access to the audit committee?
- Does the board hold the CEO responsible for the organization’s performance as it relates to the achievement of overall organizational goals?

- Has the board reviewed and updated the policies, mission statement, and goals?
- Has the board sought information on whether the organization is achieving its goals from sources independent of management?
- Does the board profile describe the desired knowledge, skills, abilities, and other characteristics for prospective board members?

Economic Development Corporation of Kansas City, Missouri

2006 Expenditures - \$4,122,286

Core Governance Functions	Yes	No	Don't Know	N/A	Total by Category
Leading the organization	5	0	0	0	5
Setting policies delineating responsibilities	5	0	0	0	5
Ensuring compliance with board directives	6	1	0	0	7
Ensuring accountability for achieving goals	5	0	0	0	5
Ensuring high board performance and effectiveness	6	4	0	0	10
Representing the public interest	5	0	0	2	7

The respondent answered “No” to the following questions:

- Is the internal auditor independent from the accounting and finance function?
- Has the board developed job descriptions for board members?
- Has the board had ongoing training for the board members?
- Has the board adopted and enforced an attendance/absenteeism policy?
- Has the board had a collective self-evaluation?

The respondent answered “N/A” (not applicable) to the following questions:

- Has the board developed a “board profile” to help the mayor in choosing candidates for appointments to the board?
- Does the board profile describe the desired knowledge, skills, abilities, and other characteristics for prospective board members?

EDC Charitable Fund

2006 Expenditures - \$39,766

Core Governance Functions	Yes	No	Don't Know	N/A	Total by Category
Leading the organization	4	1	0	0	5
Setting policies delineating responsibilities	4	1	0	0	5
Ensuring compliance with board directives	3	1	0	3	7
Ensuring accountability for achieving goals	4	0	0	1	5
Ensuring high board performance and effectiveness	6	4	0	0	10
Representing the public interest	2	1	0	4	7

The respondent answered “No” to the following questions:

- Has the board engaged in strategic planning?
- Has the board adopted any financial planning, revenue, and expenditure policies?
- Has the board provided for an internal audit function?
- Has the board developed job descriptions for board members?
- Has the board had an orientation for new members?
- Has the board had ongoing training for the board members?
- Has the board had a collective self-evaluation?
- Has the board had meetings with the mayor and City Council?

The respondent answered “N/A” (not applicable) to the following questions:

- Has the board defined the criteria against which the CEO reports will be compared?
- Is the internal auditor independent from the accounting and finance function?
- Does the internal auditor have access to the audit committee?
- Has the board assessed the CEO’s performance?
- Has the board assessed the needs, concerns, and demands of the people of Kansas City regarding the organization’s activities?
- Has the board developed a “board profile” to help the mayor in choosing candidates for appointments to the board?
- Does the board profile describe the desired knowledge, skills, abilities, and other characteristics for prospective board members?
- Has the board developed job descriptions for candidates for appointment?

EDC Loan Corporation

2006 Expenditures - \$625,478

Core Governance Functions	Yes	No	Don't Know	N/A	Total by Category
Leading the organization	4	1	0	0	5
Setting policies delineating responsibilities	5	0	0	0	5
Ensuring compliance with board directives	1	4	0	2	7
Ensuring accountability for achieving goals	5	0	0	0	5
Ensuring high board performance and effectiveness	4	5	0	1	10
Representing the public interest	2	2	0	3	7

The respondent answered “No” to the following questions:

- Has the board engaged in strategic planning?
- Has the board specified what the CEO must report on and when?
- Has the board defined the criteria against which the CEO reports will be compared?
- Has the board organized an audit committee?
- Has the board provided for an internal audit function?
- Has the board developed job descriptions for board members?
- Has the board had an orientation for new members?
- Has the board had ongoing training for the board members?
- Has the board adopted and enforced an attendance/absenteeism policy?
- Has the board had a collective self-evaluation?
- Has the board had meetings with the mayor and City Council?
- Has the board communicated with other city boards and organizations to see how its activities fit within the city’s “big picture”?

The respondent answered “N/A” (Not Applicable) to the following questions:

- Is the internal auditor independent from the accounting and finance function?
- Does the internal auditor have access to the audit committee?
- Has the board set and controlled the agenda?
- Has the board assessed the needs, concerns, and demands of the people of Kansas City regarding the organization’s activities?
- Has the board developed a “board profile” to help the mayor in choosing candidates for appointments to the board?
- Has the board developed job descriptions for candidates for appointment?

Kansas City International Airport Community Improvement District

2006 Expenditures - \$639,612

Core Governance Functions	Yes	No	Don't Know	N/A	Total by Category
Leading the organization	3	1	0	1	5
Setting policies delineating responsibilities	1	0	0	4	5
Ensuring compliance with board directives	2	1	0	4	7
Ensuring accountability for achieving goals	3	0	0	2	5
Ensuring high board performance and effectiveness	3	7	0	0	10
Representing the public interest	3	4	0	0	7

The respondent answered “No” to the following questions:

- Has the board prepared a mission statement?
- Has the board organized an audit committee?
- Has the board adopted a code of ethical conduct?
- Has the board adopted a conflict of interest policy?
- Has the board developed job descriptions for board members?
- Has the board had an orientation for new members?
- Has the board had ongoing training for board members?
- Has the board adopted and enforced an attendance/absenteeism policy?
- Has the board had a collective self-evaluation?
- Has the board had meetings with the mayor and City Council?
- Has the board communicated with other city boards and organizations to see how its activities fit within the city’s “big picture”?
- Has the board developed a “board profile” to help the mayor in choosing candidates for appointments to the board?
- Has the board developed job descriptions for candidates for appointment?

The respondent answered “N/A” (Not Applicable) to the following questions:

- Has the board engaged in strategic planning?
- Has the board adopted policies that delineate the power of the CEO?
- Has the board adopted policies that prohibit management actions that are unethical or unacceptable?
- Has the board adopted policies that prescribe board-CEO relationship?
- Are management-related policies addressed to the CEO?
- Has the board defined the criteria against which the CEO reports will be compared?
- Has the board provided for an internal audit function?

- Is the internal auditor independent from the accounting and finance function?
- Does the internal auditor have access to the audit committee?
- Does the board hold the CEO responsible for the organization's performance as it relates to the achievement of overall organizational goals?
- Has the board assessed the CEO's performance?

Kansas City Maintenance Reserve Corporation

2006 Expenditures - \$16,222

Core Governance Functions	Yes	No	Don't Know	N/A	Total by Category
Leading the organization	1	3	0	1	5
Setting policies delineating responsibilities	1	0	0	4	5
Ensuring compliance with board directives	1	2	0	4	7
Ensuring accountability for achieving goals	3	0	0	2	5
Ensuring high board performance and effectiveness	1	9	0	0	10
Representing the public interest	2	4	0	1	7

The respondent answered “No” to the following questions:

- Has the board set overall goals for the organization?
- Has the board prepared a mission statement?
- Do the goals describe the end result of the organization’s activities?
- Has the board organized an audit committee?
- Has the board provided for an internal audit function?
- Has the board adopted policies that prescribe board activities and the manner in which board meetings are conducted, the committees are structured, and decisions are communicated?
- Has the board adopted a board manual or by-laws?
- Has the board adopted a code of ethical conduct?
- Has the board adopted a conflict of interest policy?
- Has the board developed job descriptions for board members?
- Has the board had an orientation for new members?
- Has the board had ongoing training for the board members?
- Has the board adopted and enforced an attendance/absenteeism policy?
- Has the board had a collective self-evaluation?
- Has the board had meetings with the mayor and City Council?
- Has the board assessed the needs, concerns, and demands of the people of Kansas City regarding the organization’s activities?
- Does the board profile describe the desired knowledge, skills, and other characteristics for prospective board members?
- Has the board developed job descriptions for candidates for appointment?

The respondent answered “N/A” (Not Applicable) to the following questions:

- Has the board communicated organizational goals to management?
- Has the board adopted policies that delineate the power of the CEO?
- Has the board adopted policies that prohibit management actions that are unethical or unacceptable?

- Has the board adopted policies that prescribe board-CEO relationship?
- Are management-related policies addressed to the CEO?
- Has the board specified what the CEO must report on and when?
- Has the board defined the criteria against which the CEO reports will be compared?
- Is the internal auditor independent from the accounting and finance function?
- Does the internal auditor have access to the audit committee?
- Does the board hold the CEO responsible for the organization's performance as it relates to the achievement of overall organizational goals?
- Has the board assessed the CEO's performance?
- Has the board developed a "board profile" to help the mayor in choosing candidates for appointments to the board?

Land Clearance for Redevelopment Authority

2006 Expenditures - \$8,812,142

Core Governance Functions	Yes	No	Don't Know	N/A	Total by Category
Leading the organization	4	0	0	1	5
Setting policies delineating responsibilities	5	0	0	0	5
Ensuring compliance with board directives	3	1	0	3	7
Ensuring accountability for achieving goals	4	1	0	0	5
Ensuring high board performance and effectiveness	6	4	0	0	10
Representing the public interest	4	2	0	1	7

The respondent answered “No” to the following questions:

- Has the board provided for an internal audit function?
- Has the board sought information on whether the organization is achieving its goals from sources independent of management?
- Has the board developed job descriptions for board members?
- Has the board had ongoing training for the board members?
- Has the board adopted and enforced an attendance/absenteeism policy?
- Has the board had a collective self-evaluation?
- Has the board developed a “board profile” to help the mayor in choosing candidates for appointments to the board?
- Has the board developed job descriptions for candidates for appointment?

The respondent answered “N/A” (Not Applicable) to the following questions:

- Do the goals describe the end result of the organization’s activities?
- Has the board organized an audit committee?
- Is the internal auditor independent from the accounting and finance function?
- Does the internal auditor have access to the audit committee?
- Does the board profile describe the desired knowledge, skills, abilities, and other characteristics for prospective board members?

Metropolitan Ambulance Services Trust

2006 Expenditures - \$29,364,098

Core Governance Functions	Yes	No	Don't Know	N/A	Total by Category
Leading the organization	5	0	0	0	5
Setting policies delineating responsibilities	5	0	0	0	5
Ensuring compliance with board directives	7	0	0	0	7
Ensuring accountability for achieving goals	5	0	0	0	5
Ensuring high board performance and effectiveness	8	2	0	0	10
Representing the public interest	4	3	0	0	7

The respondent answered “No” to the following questions:

- Has the board adopted and enforced an attendance/absenteeism policy?
- Has the board had a collective self-evaluation?
- Has the board developed a “board profile” to help the mayor in choosing candidates for appointments to the board?
- Does the board profile describe the desired knowledge, skills, abilities, and other characteristics for prospective board members?
- Has the board developed job descriptions for candidates for appointment?

Board of Parks and Recreation Commissioners

2006 Expenditures - \$59,533,585

Core Governance Functions	Yes	No	Don't Know	N/A	Total by Category
Leading the organization	5	0	0	0	5
Setting policies delineating responsibilities	5	0	0	0	5
Ensuring compliance with board directives	4	1	1	1	7
Ensuring accountability for achieving goals	4	0	0	1	5
Ensuring high board performance and effectiveness	5	3	0	2	10
Representing the public interest	4	2	0	1	7

The respondent answered “No” to the following questions:

- Has the board organized an audit committee?
- Has the board developed job descriptions for board members?
- Has the board adopted and enforced an attendance/absenteeism policy?
- Has the board had a collective self-evaluation?
- Has the board developed a “board profile” to help the mayor in choosing candidates for appointments to the board?
- Has the board developed job descriptions for candidates for appointment?

The respondent answered “Don’t Know” to the following question:

- Has the board defined the criteria against which the CEO reports will be compared?

The respondent answered “N/A” (Not Applicable) to the following questions:

- Does the internal auditor have access to the audit committee?
- Has the board sought information on whether the organization is achieving its goals from sources independent of management?
- Has the board adopted a code of ethical conduct?
- Has the board adopted a conflict of interest policy?
- Does the board profile describe the desired knowledge, skills, abilities, and other characteristics for prospective board members?

Board of Police Commissioners of Kansas City

2006 Expenditures - \$162,637,717

Core Governance Functions	Yes	No	Don't Know	N/A	Total by Category
Leading the organization	5	0	0	0	5
Setting policies delineating responsibilities	5	0	0	0	5
Ensuring compliance with board directives	7	0	0	0	7
Ensuring accountability for achieving goals	5	0	0	0	5
Ensuring high board performance and effectiveness	8	2	0	0	10
Representing the public interest	4	0	0	3	7

The respondent answered “No” to the following questions:

- Has the board developed job descriptions for board members?
- Has the board adopted and enforced an attendance/absenteeism policy?

The respondent answered “N/A” (Not Applicable) to the following questions:

- Has the board developed a “board profile” to help the mayor in choosing candidates for appointments to the board?
- Does the board profile describe the desired knowledge, skills, abilities, and other characteristics for prospective board members?
- Has the board developed job descriptions for candidates for appointments?

Port Authority of Kansas City, Missouri

2006 Expenditures - \$3,022,193

Core Governance Functions	Yes	No	Don't Know	N/A	Total by Category
Leading the organization	5	0	0	0	5
Setting policies delineating responsibilities	5	0	0	0	5
Ensuring compliance with board directives	3	1	0	3	7
Ensuring accountability for achieving goals	4	0	0	1	5
Ensuring high board performance and effectiveness	10	0	0	0	10
Representing the public interest	7	0	0	0	7

The respondent answered “No” to the following question:

- Has the board provided for an internal audit function?

The respondent answered “N/A” (Not Applicable) to the following questions:

- Has the board defined the criteria against which the CEO reports will be compared?
- Is the internal auditor independent from the accounting and finance function?
- Does the internal auditor have access to the audit committee?
- Has the board assessed the CEO’s performance?

Tax Increment Financing Commission of Kansas City, Missouri

2006 Expenditures - \$82,143,157

Core Governance Functions	Yes	No	Don't Know	N/A	Total by Category
Leading the organization	5	0	0	0	5
Setting policies delineating responsibilities	5	0	0	0	5
Ensuring compliance with board directives	7	0	0	0	7
Ensuring accountability for achieving goals	5	0	0	0	5
Ensuring high board performance and effectiveness	6	0	0	4	10
Representing the public interest	3	0	0	4	7

The respondent answered “N/A” (Not Applicable) to the following questions:

- Has the board adopted a board manual or by-laws?
- Has the board developed job descriptions for board members?
- Has the board adopted and enforced an attendance/absenteeism policy?
- Has the board had a collective self-evaluation?
- Has the board assessed the needs, concerns, and demands of the people of Kansas City regarding the organization’s activities?
- Has the board developed a “board profile” to help the mayor in choosing candidates for appointments to the board?
- Does the board profile describe the desired knowledge, skills, abilities, and other characteristics for prospective board members?
- Has the board developed job descriptions for candidates for appointment?