

**Performance Audit
Governance Assessment 2011**

July 2011

City Auditor's Office

City of Kansas City, Missouri

CITY OF FOUNTAINS
HEART OF THE NATION



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July 13, 2011

Honorable Mayor and Members of the City Council:

Boards and commissions have major authority and responsibilities within Kansas City government. They are responsible for overseeing important public functions and activities in Kansas City, including policing, maintenance of parks, and development incentives.

This audit is intended to help the City Council understand and evaluate the governance practices of 13 boards and commissions. It summarizes the governance checklist responses of the city's component units and the Board of Parks and Recreation Commissioners. All of the boards and commissions we surveyed responded. We did not verify the responses or determine their reasonableness.

The responses suggest both strengths and weaknesses exist in the governance practices of boards and commissions. Most boards and commissions have adopted governance practices to lead their organizations, define responsibilities, and establish accountability for achieving goals. Monitoring compliance with board directives, strengthening board performance, and focusing on the recruitment and appointment of new board members to better represent the interests of the public could strengthen governance.

Because boards and commissions are not directly accountable to the public for their actions, the City Council should provide oversight of those serving on city governing and policy boards. The governance checklist survey used for this report is a tool for the City Council, providing a framework for questioning boards on governance practices.

We appreciate the boards and commissions' cooperation in completing and returning the checklist assessments. The audit team for the project was Jason Phillips and Nancy Hunt.

Gary L. White
City Auditor

Governance Assessment 2011

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Introduction

Objectives

We conducted this audit of governance practices of city boards and commissions under the authority of Article II, Section 216 of the Charter of Kansas City, Missouri, which establishes the Office of the City Auditor and outlines the city auditor's primary duties.

A performance audit provides assurance or conclusions based on an evaluation of sufficient, appropriate evidence against stated criteria. Performance audits provide objective analysis so that management and those charged with governance and oversight can use the information to improve program performance and operations, reduce costs, facilitate decision making, and contribute to public accountability.¹

This report is designed to answer the following question:

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

Scope and Methodology

Committee Substitute for Ordinance No. 090034 requires that the city auditor distribute a governance assessment checklist at least once every four years to component units² and appropriate governing or policy boards of the city and report the results by November 1. The ordinance also requires that the checklist be substantially similar to the one

¹ Comptroller General of the United States, *Government Auditing Standards* (Washington, DC: U.S. Government Printing Office, 2007), p. 17.

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 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.

developed for the 2001 *Good Governance Practices for Boards and Commissions* report.³

This audit summarizes the governance practices of the component units⁴ identified in the city's 2010 *Comprehensive Annual Financial Report*, and the Board of Parks and Recreation Commissioners. We sent assessment checklists to 13 boards and commissions. The survey information contained in this audit is self-reported. We did not verify responses to the survey questions or determine their reasonableness.

We conducted this performance audit in accordance with generally accepted government auditing standards with the exception of reporting the views of management concerning the audit because we do not make any recommendations. We do not believe the absence of a response affects the audit results.

Government auditing standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. No information was omitted from this report because it was deemed privileged or confidential.

Background

Kansas City Boards and Commissions

Boards and commissions are responsible for overseeing important public functions and activities in Kansas City, including policing, maintenance of parks, and development incentives. Like elected officials, boards and commissions are responsible for allocating public resources and overseeing the provision of services. In 2010, the boards and commissions we surveyed spent over \$557 million. (See Exhibit 1.) Unlike elected officials, these boards and commissions are not directly accountable to the voters for their actions.

³ *Special Report: Good Governance Practices for Boards and Commissions*, Office of the City Auditor, Kansas City, Missouri, August 2001.

⁴ Although listed as a component unit in the city's 2010 *Comprehensive Annual Financial Report*, we did not include the Metropolitan Ambulance Services Trust (MAST) because the work done by MAST is now performed by the Fire Department.

Exhibit 1. Boards' and Commissions' Expenditures for Fiscal Year 2010

Organization	Expenditures
Tax Increment Financing Commission of Kansas City, Missouri	\$271,657,933
Board of Police Commissioners of Kansas City, Missouri	192,808,934
Board of Parks & Recreation Commissioners	54,047,056
Performing Arts Community Improvement District	19,502,280
Port Authority of Kansas City, Missouri	6,103,324
Economic Development Corporation of Kansas City, Missouri	5,294,250
Land Clearance for Redevelopment Authority	2,351,120
American Jazz Museum, Inc.	1,864,333
EDC Charitable Fund	1,618,211
Downtown Economic Stimulus Authority of Kansas City, Missouri	1,125,927
Kansas City International Airport Community Improvement District	443,476
EDC Loan Corporation	260,819
Kansas City Maintenance Reserve Corporation	13,498
Total	\$557,091,161

Sources: Boards' and Commissions' audited financial statements ending April 30, 2010 or May 31, 2010 and Submitted Activity Budget for 2011-2012.

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.⁵

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. The core good governance practices are:

- **Leading the organization.** Boards and commissions should develop a mission statement and communicate the mission statement to management. Boards and commissions should define the overall goals designed to fulfill the organization's mission.

⁵ Guy LeClerc, W. David Moynagh, Jean-Pierre Boisclair, and Hugh R. Hanson, *Accountability, Performance Reporting, Comprehensive Audit – An Integrated Perspective*, (Ottawa, CCAF-FCVI, Inc., 1996), p. 8.

- **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.

To have assurance that management complies with a board's directives, laws, and ethical standards, 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 their 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 an 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 should represent the people of Kansas City. Boards should make decisions

that will represent 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 organization 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

Checklist Responses Suggest Potential Governance Strengths and Weaknesses

All of the boards and commissions surveyed completed the checklist. Responses to the self-assessment checklists identified strengths and weaknesses in the six core governance functions. Most of the boards and commissions report having incorporated good governance practices to lead their organizations, adopted policies defining board and management responsibilities, and held their organization accountable for achieving goals.

However, responses from boards and commissions also demonstrate improvements could be made in ensuring oversight of management compliance with board directives, board performance and effectiveness, and representation of the public. We drew these conclusions based on the number of organizations responding “no,” “don’t know,” or “not applicable” to questions about core functions. (See Appendix A for a summary of the checklist responses by board and commission.)

Most boards have taken actions to lead their organization. Boards and commissions should lead their organizations. They should ensure that the purpose of the organization is defined and establish overall goals for the organization. Boards should develop a mission statement and communicate the mission statement to management. Boards should focus on the future of their organizations, maintaining a strategic perspective, engaging in long-term planning, and articulating the vision for their organization. Responses from the checklist indicate that most boards and commissions have adopted practices to lead their organizations. (See Exhibit 2.)

Exhibit 2. Responses on Leading the Organization

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

Source: Governance Assessment Checklist Responses.

Most boards have adopted policies delineating responsibilities. To strengthen accountability and the effectiveness of the organization, boards and commissions should adopt policies that clearly define board and management responsibilities. While assigned responsibilities and authority may vary among organizations, the chief executive officer (CEO) is normally responsible for implementing programs and determining how goals will be achieved, as long as the methods are not explicitly prohibited by board policies. When the CEO is given this responsibility, all management related policies should be addressed to the CEO. The boards' checklist responses indicated that most have adopted key policies including those delineating CEO, management, and board responsibilities. (See Exhibit 3.)

Exhibit 3. Responses on Setting Policies Delineating Responsibilities

Question	Yes	No	Don't Know	N/A
Has the board adopted policies that delineate the power of the CEO?	10	1	0	2
Has the board adopted policies that prohibit management actions that are unethical or unacceptable?	10	1	0	2
Has the board adopted policies that prescribe board-CEO relationship?	8	1	0	4
Are management-related policies addressed to the CEO?	8	0	0	5
Has the board adopted any financial planning, revenue, and expenditure policies?	9	1	0	3

Source: Governance Assessment Checklist Responses.

Oversight of management compliance with board directives could be strengthened. Boards and commissions should have assurance that management is working toward achieving organizational goals at a reasonable cost. Boards should require regular reporting by the 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. An audit committee, regular external financial audits, and an independent internal audit function or an external assessment of internal controls are also recommended. All of the organizations reported providing for the external review of their financial statements and most specified when and what the CEO should report. Over half of the organizations have established an audit committee or criteria against which to evaluate reported progress. Less than half of the organizations reported establishing an independent internal audit function. (See Exhibit 4.)

Exhibit 4. Responses on Management Compliance with Board Directives

Question	Yes	No	Don't Know	N/A
Has the board specified what the CEO must report on and when?	9	0	0	4
Has the board defined the criteria against which the CEO reports will be compared?	7	2	0	4
Has the board organized an audit committee?	7	2	0	4
Has the board provided for an internal audit function?	5	6	1	1
Is the internal auditor independent from the accounting and finance function?	4	2	1	6
Does the internal auditor have access to the audit committee?	3	2	1	7
Has the board provided for external review of the organization's financial statements?	13	0	0	0

Source: Governance Assessment Checklist Responses.

Improvements are needed to ensure board performance and effectiveness. To ensure a high level of board performance and effectiveness, boards and commissions should organize their work. Boards should define their 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 an orientation for new members, and implement ongoing board training. Boards should enforce absenteeism policies and regularly self-evaluate their performance. They should set and control the agenda, but direct

performance only when acting as a body, not as individual board members. While most organizations reported having by-laws, codes, or policies to help guide them, their effectiveness could be improved with training, collective self-evaluations and an adopted and enforced attendance/absenteeism policy. (See Exhibit 5.)

Exhibit 5. Responses on 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 the decisions are communicated?	10	2	0	1
Has the board adopted a board manual or by-laws?	12	1	0	0
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?	7	5	0	1
Has the board had an orientation for new members?	7	4	1	1
Has the board had ongoing training for the board members?	5	6	1	1
Has the board adopted and enforced an attendance/absenteeism policy?	4	5	2	2
Has the board had a collective self-evaluation?	3	9	0	1
Has the board set and controlled the agenda?	12	1	0	0

Source: Governance Assessment Checklist Responses.

Most boards hold organizations accountable for achieving goals.

Unlike for-profit organizations, which measure their success or failure by the profit generated, governmental organizations do not have a universal indicator of whether they are accomplishing their mission. Therefore, boards and commissions should continually monitor progress towards accomplishing the organization's 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. Most of the boards and commissions reported having practices to monitor organizational progress for fulfilling missions and achieving goals. Some boards and commissions, however, reported that they did not seek information on whether the organization is achieving its goals

from independent sources and one had not assessed the CEO's performance. (See Exhibit 6.)

Exhibit 6. Responses on Accountability for Achieving Organizational Mission and Goals

Question	Yes	No	Don't Know	N/A
Has the board monitored the organization's progress toward accomplishing its mission?	12	0	0	1
Does the board hold the CEO responsible for the organization's performance as it relates to the achievement of overall organizational goals?	9	0	0	4
Has the board assessed the CEO's performance?	8	1	0	4
Has the board reviewed and updated the policies, mission statement, and goals?	9	3	0	1
Has the board sought information on whether the organization is achieving its goals from sources independent of management?	7	3	1	2

Source: Governance Assessment Checklist Responses.

Strengthening elements of board member recruitment could improve representation of the public. City boards and commissions represent the people of Kansas City. Board members' behavior should reflect their role as trustees for the citizens. Appointed boards and commissions should know whom the board represents collectively and be accountable to the mayor and City Council. Boards should seek to enhance the external image and credibility of their organizations and gather evidence of the public's various points of view in open meetings. To be effective, boards need to communicate and cooperate with other organizations in the city to understand how their own organization fits in the city's big picture. Board appointments should be made with consideration of the needs of the board and the skills and qualifications of potential candidates.

All of the boards and commissions reported complying with the State of Missouri's Sunshine Law and a majority reported meeting with elected officials; assessing the needs, concerns, and demands of Kansas City citizens; and communicating with other city boards and organizations to see how the activities fit within the city's "big picture." However, most boards and commissions had not developed a "board profile" or job descriptions for candidates for appointment. (See Exhibit 7.) Such activities could aid in appointments to the boards and commissions.

Exhibit 7. Responses on Representation of the Public

Question	Yes	No	Don't Know	N/A
Has the board had meetings with the Mayor and City Council?	9	3	0	1
Has the board assessed the needs, concerns, and demands of the people of Kansas City regarding the organization's activities?	10	1	1	1
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"?	9	3	0	1
Has the board developed a "board profile" to help the Mayor in choosing candidates for appointments to the board?	4	6	0	3
Does the board profile describe the desired knowledge, skills, abilities, and other characteristics for prospective board members?	4	2	0	7
Has the board developed job descriptions for candidates for appointment?	5	5	1	2

Source: Governance Assessment Checklist Responses.

Appendix A

Checklist Responses by Organization

American Jazz Museum, Inc.

2010 Expenditures - \$1,864,333

The American Jazz Museum, Inc. is responsible for overseeing the construction/renovation and maintenance of the Jazz Hall of Fame, the GEM Theatre, the Negro Baseball Hall of Fame (the Cultural Facility) and the Museum. The city appoints a voting majority of the governing body.

Core Governance Functions	Yes	No	Don't Know	N/A
Leading the organization	5	0	0	0
Setting policies delineating responsibilities	5	0	0	0
Ensuring compliance with board directives	3	2	0	2
Ensuring accountability for achieving goals	5	0	0	0
Ensuring high board performance and effectiveness	8	2	0	0
Representing the public interest	6	0	0	1

The respondent answered "No" to the following questions:

- Has the board defined the criteria against which the CEO reports will be compared?
- Has the board provided for an internal audit function?
- Has the board had ongoing training for the board members?
- 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?

Board of Parks and Recreation Commissioners

2010 Expenditures – \$54,047,056

The Board of Parks and Recreation Commissioners controls the city’s Parks and Recreation Department and appoints the director. The board provides for, improves, develops, and maintains parks, playgrounds, community centers, parkways, boulevards, recreation and educational programs, and other resources as assigned by the City Council. The mayor appoints all five members of the board and designates the board president.

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

The respondent answered “No” to the following questions:

- Has the board had a collective self-evaluation?
- Has the board set and controlled the agenda?
- Has the board developed a “board profile” to help the Mayor in choosing candidates for appointments to the board?

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

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

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

- Has the board prepared a mission statement?
- Has the board organized an audit committee?
- 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 profile describe the desired knowledge, skills, abilities, and other characteristics for prospective board members?

Board of Police Commissioners of Kansas City, Missouri

2010 Expenditures – \$192,808,934

The Board of Police Commissioners of Kansas City, Missouri provides police services for the city and is governed by a five-member board. The mayor is a member, with the four remaining members appointed by the governor of Missouri.

Core Governance Functions	Yes	No	Don't Know	N/A
Leading the organization	5	0	0	0
Setting policies delineating responsibilities	4	0	0	1
Ensuring compliance with board directives	6	0	1	0
Ensuring accountability for achieving goals	5	0	0	0
Ensuring high board performance and effectiveness	9	0	1	0
Representing the public interest	4	0	0	3

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

- Is the internal auditor independent from the accounting and finance function?
- Has the board adopted and enforced an attendance/absenteeism policy?

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

- Has the board adopted any financial planning, revenue, and expenditure policies?
- 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 of Kansas City, Missouri

2010 Expenditures – \$1,125,927

The Downtown Economic Stimulus Authority of Kansas City, Missouri reviews development projects vying to use the state revenues authorized by the Missouri Downtown Economic Stimulus Authority and makes formal recommendations to the City Council and Missouri Development Finance Board. The mayor appoints 12 of the 13 members of the board.

Core Governance Functions	Yes	No	Don't Know	N/A
Leading the organization	1	2	0	2
Setting policies delineating responsibilities	3	0	0	2
Ensuring compliance with board directives	2	1	0	4
Ensuring accountability for achieving goals	0	1	0	4
Ensuring high board performance and effectiveness	8	2	0	0
Representing the public interest	5	1	0	1

The respondent answered “No” to the following questions:

- Has the board set overall goals for the organization?
- Has the board engaged in strategic planning?
- Has the board provided for an internal audit function?
- Has the board reviewed and updated the policies, mission statement, and goals?
- Has the board had ongoing training for the board members?
- 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?

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 communicated organizational goals to management?
- 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?
- Has the board monitored the organization’s progress toward accomplishing its mission?
- 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 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

2010 Expenditures – \$5,294,250

The Economic Development Corporation of Kansas City, Missouri is a business and economic development organization. City officials constitute 15 of the 43 members of the board.

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

EDC Charitable Fund

2010 Expenditures – \$1,618,211

The EDC Charitable Fund merges public and private funds and development incentives to acquire, construct, maintain, and operate redevelopment projects. The Fund has a five-member board consisting of four Economic Development Corporation of Kansas City, Missouri, board members, including the president, and a city council member.

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

The respondent answered “No” to the following questions:

- Has the board developed job descriptions for board members?
- Has the board had an orientation for new members?
- Has the board had a collective self-evaluation?
- 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?

The respondent answered “N/A” to the following question:

- Has the board adopted and enforced an attendance/absenteeism policy?

EDC Loan Corporation

2010 Expenditures – \$260,819

The EDC Loan Corporation is a non-profit corporation that specializes in origination and underwriting 504 loans in partnership with third party lenders (commercial banks, credit unions, non-bank lenders, and other private lenders). The 504 Loan Program is an economic development tool that is 100 percent guaranteed by the U.S. Small Business Administration (SBA). The EDC Loan Corporation is an SBA approved Certified Development Company. It was established June 1, 1989, to account for the corporation loan projects separate from the economic development activities of the Economic Development Corporation of Kansas City, Missouri.

Core Governance Functions	Yes	No	Don't Know	N/A
Leading the organization	5	0	0	0
Setting policies delineating responsibilities	5	0	0	0
Ensuring compliance with board directives	4	0	2	1
Ensuring accountability for achieving goals	5	0	0	0
Ensuring high board performance and effectiveness	8	2	0	0
Representing the public interest	7	0	0	0

The respondent answered “No” to the following questions:

- Has the board had an orientation for new members?
- Has the board had ongoing training for the board members?

The respondent answered “Don’t Know” for the following questions:

- Has the board provided for an internal audit function?
- Does the internal auditor have access to the audit committee?

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

- Is the internal auditor independent from the accounting and finance function?

Kansas City International Airport Community Improvement District

2010 Expenditures – \$443,476

The Kansas City International Airport Community Improvement District provides a financial benefit to the city by collecting sales and use taxes to address economic, social, and infrastructure needs within the district as well as providing management, operational, and ownership duties for all real and personal property either owned, leased to, or from the Kansas City International Airport Community Improvement District. The mayor appoints all five members of the board.

Core Governance Functions	Yes	No	Don't Know	N/A
Leading the organization	3	0	0	2
Setting policies delineating responsibilities	1	0	0	4
Ensuring compliance with board directives	3	0	0	4
Ensuring accountability for achieving goals	1	0	0	4
Ensuring high board performance and effectiveness	2	0	0	8
Representing the public interest	3	0	0	4

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

- Has the board prepared a mission statement?
- Has the board engaged in strategic planning?
- 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 adopted any financial planning, revenue, and expenditure policies?
- 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?
- 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 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?
- 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 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?
- 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 job descriptions for candidates for appointment?

Kansas City Maintenance Reserve Corporation

2010 Expenditures – \$13,498

The Kansas City Maintenance Reserve Corporation administers a home maintenance program provided to certain homeowners participating in loan programs formerly administered for the city by the Housing and Economic Development Financial Corporation. The Kansas City Maintenance Reserve Corporation is governed by a four-member board appointed by the city manager.

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

The respondent answered “No” to the following questions:

- Has the board prepared a mission statement?
- Do the goals describe the end result of the organization’s activities?
- Has the board engaged in strategic planning?
- Has the board adopted policies that prohibit management actions that are unethical or unacceptable?
- 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?
- 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?
- 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 communicated with other city boards and organizations to see how its activities fit within the city’s big picture”?

- 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?

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

- Has the board adopted policies that delineate the power of the CEO?
- 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?
- 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

2010 Expenditures – \$2,351,120

The Land Clearance for Redevelopment Authority eliminates blight within the city limits by acquiring and preparing land for redevelopment. The mayor appoints all five members of the board.

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

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 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 “Don’t Know” to the following question:

- Has the board assessed the needs, concerns, and demands of the people of Kansas City regarding the organization’s activities?

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?

Performing Arts Community Improvement District

2010 Expenditures – \$19,502,280

The Performing Arts Community Improvement District provides a financial benefit to the city by collecting sales taxes and fees, rents, and other charges within the district for the purposes of funding the expansion and improvements of the downtown Kansas City, Missouri, area surrounding Bartle Hall and the Performing Arts Center. The mayor appoints all eight members of the board.

Core Governance Functions	Yes	No	Don't Know	N/A
Leading the organization	3	1	0	1
Setting policies delineating responsibilities	0	1	0	4
Ensuring compliance with board directives	1	2	0	4
Ensuring accountability for achieving goals	1	2	0	2
Ensuring high board performance and effectiveness	2	8	0	0
Representing the public interest	1	5	0	1

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 organized an audit committee?
- Has the board provided an internal audit function?
- 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?
- Has the board adopted policies that prescribe board activities and the manner in which board meetings are conducted, the committees are structured, and the decisions are communicated?
- 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?
- 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 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?
- Does the board profile describe the desired knowledge, skills, abilities, and other characteristics for prospective board members?

Port Authority of Kansas City, Missouri

2010 Expenditures – \$6,103,324

The Port Authority of Kansas City, Missouri, is charged with the economic planning and development of the Missouri River and other areas in the Kansas City, Missouri, corporate limits. The mayor appoints all seven members of the board.

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

The respondent answered “No” to the following questions:

- Has the board organized an audit committee?
- 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?

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

- Has the board sought information on whether the organization is achieving its goals from sources independent of management?
- Has the board had an orientation for new members?
- Has the board had ongoing training for the board members?

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

- 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?

Tax Increment Financing Commission of Kansas City, Missouri

2010 Expenditures – \$271,657,933

The Tax Increment Financing Commission of Kansas City, Missouri, uses tax increment financing as a method to finance redevelopment project expenses through payments in lieu of taxes and economic activity taxes. The mayor appoints six members of the board.

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

The respondent answered “No” to the following questions:

- Has the board prepared a mission statement?
- Has the board adopted policies that delineate the power of the CEO?
- Has the board adopted policies that prescribe board-CEO relationship?
- 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?
- Has the board assessed the CEO’s performance?
- 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 “N/A” to the following questions:

- Has the board set overall goals for the organization?
- Do the goals describe the end result of the organization’s activities?
- Has the board communicated organizational goals to management?
- Are management-related policies addressed to the CEO?
- Has the board adopted any financial planning, revenue, and expenditure policies?
- Has the board organized an audit committee?
- Does the board profile describe the desired knowledge, skills, abilities, and other characteristics for prospective board members?