Independent Organizational Review

Prepared for:
The City Clerk’s Association of California

By:
David Gassaway, MPA
Ryan DeVore, MBA
# Table of Contents

- Introduction & Executive Summary  3
- Summary of Surveys  4-5
- Examination & Analysis  6-11
- Conclusion  11
- Appendices  12+
  - Appendix A: Complete Comparison of Peer Associations
  - Appendix B: Survey Results
Introduction & Executive Summary

Our consultant team was hired by the City Clerk’s Association of California (CCAC) to conduct an independent review of the Association with the goal of improving service delivery to its members and the exploration of alternative services and delivery methods to guide its growth into the future. CCAC strives to be on the leading-edge of the profession, while offering tangible benefits to members. The Association clearly values its members and cares about providing the best possible resources to obtain quality training and networking opportunities, and as a vehicle to promote the profession. Overwhelmingly, the membership appreciates the camaraderie and support received from fellow members. They also recognize that not everyone has access to the same opportunities and it is incumbent on the Association to offer creative and alternative ways to engage the membership in the statewide clerk community. The membership also has a responsibility to actively pursue such support, especially in the outlying areas.

Our analysis began with a request for information, which included membership rosters, financial data, previous surveys, policy documents, bylaws, marketing material, and education calendars. We then conducted phone surveys with each of the board members from all three divisions. Once we had a feel for the Association from the above analysis, we created an online survey for distribution to the membership. We received a strong response, with over 400 members participating. Concurrently with the surveys we began reviewing the structure and business practices of three comparison Associations of similar size and purpose. We analyzed the Oregon Association of Municipal Recorders (OAMR), the Municipal Management Association of Northern California (MMANC) and the League of California Cities (LCC). A complete comparison of these associations may be found in Appendix B.

This report is structured to clearly delineate our findings, with summaries of the research that led to each finding, in order to help CCAC facilitate a conversation about how to move toward the future. The most critical issue facing the Association is the governance structure. No peer association analyzed had such a fractured membership, clearly separated by three Divisions. Although CCAC is a single 501(c3) entity, it operates as three distinct associations, along divisional lines. This fact is problematic for several reasons discussed in this report. Fortunately, there is a high-level of consistency in the will of the membership to make positive changes. Also, the board members of all three divisions seem committed to the success of the Association, which will prove critical as a more sustainable model is introduced.
Summary of Surveys

Two different strategies were utilized to ensure the voice of CCAC members were heard in the organizational study process. Phone interviews ranging from 20-60 minutes in length were conducted with all statewide and divisional board members. Information gathered from the phone interviews was used to craft an online survey that allowed a broader reach of CCAC membership. The online survey resulted in more than 441 responses, which are available for review in Appendix B.

The information gathered through these membership surveys has been broken down and utilized in the findings throughout this report. Following is a brief overview of major takeaways:

*Phone interviews and online survey data showed that CCAC membership has a clear idea of the mission and objectives of the Association. 78% of survey respondents thought CCAC was doing a good or very good job of fulfilling the organization’s mission as they defined it. Three aspects of CCAC’s mission were clearly identified:

1. **Education** – 42% of survey respondents identified ‘providing education’ as the most valuable objective of CCAC. 71% of survey respondents referenced education or training as the core mission. Many stated that CCAC is doing a good job in providing for education. Some common gaps were identified that CCAC’s statewide board should consider:
   a. Nearly 58% of online survey respondents claimed one hour or less was as far as they would be willing to drive for .5 CMC/MMC credits.
   b. 50% of online survey respondents attended 1 or fewer educational trainings in the previous year. Only 15% of respondents attended 4 or more trainings.
   c. There is a desire for CCAC to start offering more in the way of online, webinar-based training opportunities. 61% of survey respondents stated they would participate in webinars if offered. 33% of respondents said they would participate in webinars depending on content.
   d. 39% of online survey respondents identified educational opportunities as the most valued type of communication.
   e. Phone interview discussions highlighted the increasingly technical and legal aspects of the clerk’s role. However, the general education level of clerks, 47% bachelor’s degree or higher, would indicate a gap in education level for an increasingly technical position.

2. **Networking** – 33% of survey respondents identified ‘promote a network of knowledge’ as the most valuable objective of CCAC. 28% of respondents mentioned networking as being within the core mission. The Southern and Northern Division members viewed networking within the Association as more favorable than in the Central Division. Los Angeles, Orange County, and Bay Area members identified informal networking groups that have been established.

3. **Promotion of the Profession** – 16% of survey respondents identified ‘promote the City Clerk profession’ as the most valuable objective of CCAC. 26% of respondents mentioned promotion as the core mission. During phone interviews, promotion of the clerks profession was generally broken down to two categories:
a. Elevation of the profession within the local government industry. Many felt there was a lack of respect for the Clerk position as a department head level position. Promotion of the profession in these terms was generally aimed at education of elected officials and city managers as to the role of the clerk in municipal government. This was identified as leading to a broad range of duties for clerks from one jurisdiction to another, exacerbating the confusion of the role of the clerk.

b. Education of the general population of the role of the clerk in municipal government. It was identified on multiple phone interviews that the common citizen does not know the role of a clerk. This was identified as hindering attraction of talent into the field.

In addition to Education, Networking, and Promotion of the Profession, there were also two additional aspects identified as key to the mission and objectives of CCAC. In survey responses, legislative updates and changes to the legal environment were identified by 12% of respondents as core to the mission. Additionally, leadership development was identified by 9% of respondents. Both of these aspects should be considered as part of training and education, value added as an integral to the core of CCAC’s mission to its members.

Breaking down the data revealed that all three divisions viewed objectives of CCAC a little differently. The Southern Division ranked networking as slightly more important than education, while the Northern Division had education slightly ahead of networking. The Central Division dominantly viewed education as most important, with networking and promotion of the profession tied as second most valuable. The Northern Division viewed communication within the division as most favorably, followed by the Central Division and Southern Division as having the lowest rank for communication to members.

62.5% of clerks polled have either their CMC or MMC accreditation, with 47% of respondents having a Bachelor’s or better degree.

The information culled through phone and online surveys helped to guide the drafting of this document, as they provided valuable information regarding the sentiments of CCAC’s membership as a whole. There were many open-ended questions provided for in the online survey which have led to some qualitative statements throughout this report. In an effort to make qualitative statements provide quantitative data, word count software was used to pull out common phrases and themes in order to identify the most commonly referenced aspects of CCAC membership.
Examination & Analysis

The Examination and Analysis section of the study includes the review of four critical aspects of the Association. In the first section we analyze the current governance structure, i.e. the rules that govern the Association, the means by which decisions are made and by whom. The second section involves a review of the physical boundaries of each division and the effectiveness of such an arrangement. The third part includes a review of the mutual and independent benefits to members and the clarity with which those benefits are presented. Finally, the last piece includes a review of the revenue sharing model compared to alternative models used by the three comparison professional associations.

To assess the governance structure we reviewed survey data, and CCAC’s mission, objectives, committees, policies, and bylaws. We then reviewed the same aspects of each of the three comparison organizations, looking for best-practices and areas for improvement.

Finding #1: CCAC’s mission and objectives seem out-of-date, inconsistent, and misaligned with the thoughts of the membership.

*The mission and objectives were easy to find on the website, which is a positive. However, the mission is stated differently on various webpages and is somewhat incongruent with membership by stating a primary purpose of promoting the profession. Promotion of the profession was widely cited by membership, but as the third most important aspect of CCAC. The objectives listed online offer more insight into the purpose of CCAC, but again, do not directly address the membership identified mission of education, networking, and promotion of the profession, respectively.*

*Our interviews and survey with the membership resulted in three key values/objectives. They were: Education, networking, and promotion of the profession. Only two of these thoughts show up in the objectives and only one is covered in the mission. The positive here is that survey results revealed CCAC is performing 4.1 out of 5 in delivering the mission members desire. This is good, encouraging news, with only 22% of respondents stating that CCAC was doing fair or worse at delivering the mission.*

*The slight disconnect between membership’s clear identification of organizational mission/objectives and what is published should lead CCAC to consider revisions to better align the message of what CCAC stands for in published materials.*

Finding #2: CCAC’s policies are an industry best-practice, but may not be regularly reviewed or enforced.

*CCAC’s recent effort to improve the association was very clear, most notably in the Board Policies, developed in April 2013. These policies appear to be a best-practice and provide clear direction on the governance of the Association. However, no discernable compliance mechanisms were identified that policies are reviewed or audited for execution. The new website developed by the Board takes a great step towards improving transparency and accessibility of policies by publishing the 2013 policies on the website. Yet some gaps still exist, such as the unfinished scholarships policy, a high-value and deeply engrained program to the membership.*
Finally, the policy document does a good job of referencing the appropriate bylaw section, but no corresponding mention of the policies is found in the bylaws.

Finding #3: CCAC is unique among the comparison associations analyzed in the way Divisions (Northern, Central and Southern) have independent executive structures. Information gathering as it related to the three Divisions was difficult. Multiple members referenced local sets of bylaws, separate for each Division. However, a review of Executive Board organizational goal documents indicate modifications were made in 2012 to solve operational issues. From an outside perspective, the differing viewpoints indicate a lack of communication as to progress in improving CCAC processes.

Only the LCC has provisions that allow for regional bylaws and governing structures, so long as they do not conflict with the parent association. In CCAC’s case, the regional presence of bylaws conflicts with Policy #104, which states that the Association shall operate under a single set of bylaws (per Articles of Incorporation, California Corporations Code Section 5150 et seq.). CCAC’s structure of regional board members and bylaws appears to have created confusion historically within members, and invites inconsistency and inefficiency.

The board member phone survey revealed that the recruitment of members interested in filling all of the regional board positions can be difficult and has resulted in vacant positions or the same person serving in the seat multiple times. This was particularly true in the Central Division where cities are very geographically diverse. Furthermore, there is inequity between Divisions in the opportunities for Division board participation.

Only 41% of online survey respondents had a fair or better understanding of the role of divisional boards. Communication from the statewide board scored more favorably on communication to membership than did the divisional boards. This indicates that divisional boards could improve the communication of function to membership, if such a structure is to be maintained. Otherwise, this structure should be reconsidered. All three of the comparison associations offer a means to effectively manage regional responsibilities, with the LCC being the most thorough and relevant comparison.

Finding #4: The transparency of Divisional actions and expenditures could be improved.

Our analysis revealed that many documents, especially financial documents, are difficult to find and are presented differently in each division. Improving transparency throughout the Association should be a priority. The LCC bylaws contain a best-practice for transparency of records that should be reviewed by CCAC. Additionally, any modifications to the financial practices of the organization should be broadly communicated by the statewide board.

Finding #5: The mutual and independent benefits to members are unclear and aren’t summarized anywhere for ease of access.

Nearly 24% of members who responded to the survey have been members three or fewer years. Just under 40% have been members six of fewer years. Of all survey respondents, more than 70% have never been actively engaged (i.e. participated on a committee or board role) with the association. Yet, of those who responded that they have been actively engaged with CCAC, 49% claimed their participation took less than 5 hours per month. This represents a small investment
in the future of one’s career, a fact that should be made clear to non-active members. These members represent the future of the association, and clerk’s profession, and should be actively sought out for engagement by board members.

The current members value the Association, but only the seasoned board members seem to be aware of the full value offered. CCAC offers programming, networking and communication that meets or exceeds that of each of the peer associations analyzed. This fact should be shared and celebrated.

Additionally, nowhere on the website is there a summary of what benefits are available to prospective members. Each of the three comparison associations has a webpage or flyer, available on their website, which clearly identifies member benefits.

Finding #6: The geographic boundaries of the Association’s three Divisions present challenges to the viability of training and networking events, similarity of regional cultures, and inclusion of the membership. The three comparison associations were reviewed for geographic distribution of divisions/regions and revealed that CCAC has the largest geographic distribution of regions of any association reviewed.

- CCAC’s divisional regions cover the largest geographic area of all comparison associations, at 54,565 square miles. This represents an average geographic area of more than 30,000 square miles greater than the next closest comparison association, MMANC.
- CCAC’s divisions cover the largest average members at 248 per region, or three times more members per division than the next closest association, MMANC.
- 50% of phone-interviewed board members represented that there needed to be modifications to the size and number of divisions. Common reasons for this statement included increasing equity amongst the budgets of the divisions, reducing travel times for education and networking purposes, and increasing the ability for board participation throughout the state.
- 42% of survey respondents identified education as the most valuable objective of CCAC. Only 23% of respondents claimed they would drive more than two hours for training that provided 0.5 CMC/MMC credits. With Northern and Central drive-times typically two hours or more from the center of the division to the extremities, there is disparity in the desires of the membership for education and the drive-time to attend that training.

The following table details a comparison of all three peer associations analyzed.

<table>
<thead>
<tr>
<th></th>
<th>CCAC</th>
<th>OAMR</th>
<th>MMANC</th>
<th>LCC</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Membership</strong></td>
<td>746</td>
<td>226</td>
<td>411</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Size of total coverage (State, mi²)</strong></td>
<td>163,696</td>
<td>98,466</td>
<td>115,309</td>
<td>163,696</td>
</tr>
<tr>
<td><strong>Longest drive time within single region</strong></td>
<td>5hrs 20min</td>
<td>6hrs 7min</td>
<td>4hrs 40min</td>
<td>4hrs 40min</td>
</tr>
<tr>
<td><strong>Number of regions</strong></td>
<td>3</td>
<td>7</td>
<td>5</td>
<td>16</td>
</tr>
<tr>
<td><strong>Avg. Region Size (square miles)</strong></td>
<td>54,565</td>
<td>14,067</td>
<td>23,062</td>
<td>10,231</td>
</tr>
<tr>
<td><strong>Avg. Members per Region</strong></td>
<td>248</td>
<td>32</td>
<td>82</td>
<td></td>
</tr>
</tbody>
</table>
Finding #7: A review of CCAC’s accounting of revenues and expenditures over the prior three year period (Profit and Loss Statements from the period ending October 31, 2011, 2012, and 2013) demonstrated that CCAC’s revenue structure provides for healthy revenues that adequately cover the cost of operations. Three key findings came from the process of reviewing the financial documentation:

a. It was difficult obtaining financial documentation from the three divisions. Documentation was not centralized and easily accessible for review, which is a concern as a tax-exempt entity. The bank accounts utilized by CCAC are segregated, with three separate accounts operated by each division, independent of the statewide body. There is a clear lack of centralized coordination of overall CCAC expenditures, oversight of the divisional expenditures, and methods of accounting used. The current uncoordinated structure of CCAC’s finances likely facilitated the ability of one individual to embezzle funds from the Southern Division in recent years.

b. The largest expenditures undertaken by the organization are for educational purposes. These expenses come in the form of the Annual Conference, scholarships for members to attend the training, and the provision of other educational offerings. These expenditures appear healthy, and directly deliver one of the three keys to the CCAC mission as identified by the membership. Some expenditures are for direct support of the board executive staff, meetings, and other operational expenditures, but only represent approximately 13% of total expenditures. This does not appear to be out of line with the reality of costs associated with the operation of an organization of this size.

c. The two separate types of statewide scholarship offerings appear to be overly complicated and unclear to membership. In discussions with board members and through the online survey, it was apparent that scholarships are a valued tool provided by CCAC, but with a structure that is confusing. The existence of divisional scholarships further complicates the process for membership and creates greater inequity amongst the divisions with more financial resources. The yet fully developed policy #111 may provide greater clarity and should be considered a high priority for the continued success of scholarship offerings throughout CCAC.

Finding #8: The statewide board of directors appears disconnected from general membership, and to some extent to divisional boards. Some phone and survey respondents stated they have never seen executive board members at a divisional meeting and felt they rarely received updates on policy direction from the statewide body.

Both the phone interviews and online survey data show the statewide board has limited connection to the membership. 53% of survey respondents had very limited or no connection at all to the statewide board. When survey respondents were asked why there was little connection to the statewide board, three common themes were introduced:

a. Statewide board members do not adequately attend divisional meetings or training/networking events.

b. Statewide board is a “clique” that is not inclusive of new members.

c. Budgetary and time constraints limit the ability of members to seek engagement by the board.
71% of respondents skipped the open-ended question about the role of the statewide board. However, of those who provided response, setting policy, legislative review and advocacy, organizational direction, oversight of divisions, and planning the annual conference was commonly stated. Generally, the responses spoke to the statewide board being the leadership of the Association, by setting policy direction and ensuring that the CCAC’s mission is delivered to members while bolstering the profession.

Finding #9: Members did not have a clear understanding of the role of the divisional boards, other than providing education and networking opportunities. Embezzlement in the Southern Division, and lack of participation in the Central Division, are two indicators that the current divisional board structure may not be effectively helping CCAC to deliver its core mission.

When asked about the role of divisional boards as an open-ended question during the online survey, 68% of respondents skipped the question. Of the 143 who provided an answer, the most commonly referenced words were education/training, networking, scholarships, information, and meetings, in that respective order of frequency. Generally, the open-ended responses spoke to the divisional boards as carrying out the mission of CCAC by providing for localized education and networking opportunities, as well as carrying out the policies of CCAC as a statewide body.

Phone survey’s overwhelmingly showed disagreement as to the value of the current structure of CCAC with four boards of directors. Approximately half of interviewees mentioned a desire for divisional change. Some pointed to changes for purposes of inequitable geographic boundaries, while others mentioned the need for changes to divisional board member roles. Of note, there was infrequent mention of divisional boards serving functional roles such as treasurer, president, etc., and only a handful of mentions of divisional boards being necessary.

Finding #10: Travel time, a lack of organizational depth, and limited training budgets are significant obstacles to attending CCAC educational and networking opportunities.

44% of survey respondents identified their training budget as being $1,000 or less annually, while 50% of respondents only attended one training in the previous year. Clearly travel time, budget, and inadequate staffing support limit the ability of clerks to attend off-site training. 60% of respondents said they would participate in online trainings, while another 33% said they would depending on the topic. Since the start of the great recession webinars have increasingly become a training tool in many industries, with an increasing number of local government training organizations offering credit for online courses. Such organizations include MMANC and the International City/County Management Association.

Finding #11: Of the comparator organizations studied only the LCC did not have a professional association management firm assisting with the day-to-day operations of the organization. LCC’s size and budget allows them to have in-house staff that handles the operations of the entity, while CCAC maintains a volunteer driven approach. A common structure in other professional associations, the hiring of a firm to assist with management of CCAC as an organization could free up board members to focus more on the delivery of mission fulfilling programing as opposed to processing the necessary
rigmarole of processing payments, managing membership renewals, or distributing communication materials. There are companies that specialize in providing back-end management for professional associations. Such services should be explored by CCAC as a means for reducing the high amounts of time referenced by executive board members in the service of their functional organizational role.

**Conclusion**

Overall, CCAC appears from an outside perspective to be doing a good job of providing educational and networking benefits to its membership. The Association’s bylaws and policies appear to exhibit some best-practices compared to other associations, with minor areas of improvement possible. Members appear to be generally happy with the benefits provided, yet existing board members seemed to have some fatigue in carrying the load for the association, with desire to get some newer members engaged.

All members surveyed desire to see CCAC be a successful organization that puts the clerk profession on equal footing with other local government executive positions. Obtaining this level of professional recognition appears to be an area where many clerks still see room for improvement. Along those lines, the clerks as a body will need to enhance their image as technical experts in California local government administrative and election law, as well as educate their individual organizations on the importance of high-quality records management and retention.

This report lined-out a number of findings that may be controversial. As CCAC determines which findings are best to act upon, it is important for the Association’s decision-makers to keep this in mind: getting bogged down in trivial matters, such as where borders are drawn, who controls the checkbook, or how many board members there should be, only detracts from the core mission of the Association. The membership of CCAC clearly identifies education, networking, and promotion of the profession as the primary reason the Association exists. Successful organizations, from Fortune 500 companies to well-run non-profit entities, operate with concise understandings of why they exist, and view every action through the scope of serving that purpose. CCAC should recognize this fact and make every effort to ensure that all efforts are for the betterment of the city clerk profession in California, and to ensure that CCAC thrives for the next 40 years of its history.
## Appendix A: Complete Comparison of Peer Associations

<table>
<thead>
<tr>
<th>Comparison Associations</th>
<th>CCAC</th>
<th>OAMR</th>
<th>MMANC</th>
<th>LCC</th>
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</thead>
<tbody>
<tr>
<td>Membership</td>
<td>746</td>
<td>226</td>
<td>411 (SC NA)</td>
<td>10,000+/-</td>
</tr>
<tr>
<td>Size of total coverage (State, mi²)</td>
<td>163,696</td>
<td>98,466</td>
<td>115,309 NC</td>
<td>48,387 SC</td>
</tr>
<tr>
<td>Longest drive time within single region</td>
<td>5hrs 20min</td>
<td>6hrs 7min</td>
<td>4hrs 40min</td>
<td>4hrs 40min</td>
</tr>
<tr>
<td>Number of regions</td>
<td>3</td>
<td>7</td>
<td>5 (8 SC)</td>
<td>16</td>
</tr>
<tr>
<td>Average area per region</td>
<td>54,565</td>
<td>14,067</td>
<td>12,592 (CA)</td>
<td>10,231</td>
</tr>
<tr>
<td>Number of board members</td>
<td>42</td>
<td>13</td>
<td>22</td>
<td>57+/-</td>
</tr>
<tr>
<td>Board member to member ratio</td>
<td>18</td>
<td>17</td>
<td>19</td>
<td>175</td>
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<tr>
<td>Presence of regional boards?</td>
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<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Association funds forwarded to regions?</td>
<td>Yes</td>
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<td>No</td>
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<tr>
<td>Number of committees</td>
<td>10</td>
<td>18</td>
<td>7</td>
<td>Not on web</td>
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<td>Membership benefits clearly stated</td>
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<td>Yes</td>
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<tr>
<td>Annual dues</td>
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<td>$25-$50</td>
<td>$25-$85</td>
<td>Based on city size</td>
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Appendix B: Survey Results