

## NEIGHBORHOOD HEALTHCARE

### CEO INTERIM AND SUCCESSION PLAN

The Neighborhood Healthcare Board of Directors wants to assure stability and success of Neighborhood Healthcare in case of either a short or long term absence of the CEO. The following policies and procedures outline the plan for addressing an extended leave or departure from NHcare. This plan will be reviewed and updated annually by the Board of Directors, and will be used to facilitate the transition to both interim and longer term leadership.

**Importance of a Succession Plan:** A Succession Plan is critical to an organization's future development, long-term sustainability, and ultimately, its success. The NHcare Board of Directors' approval of the NHcare Succession Plan demonstrates to stakeholders that the board is well invested in the organization's future.

**Role of a Succession Plan:** A Succession Plan is a guiding document to be used by the Board of Directors, staff, and consultants, as a tool to assist and guide the process. The Plan does not have the power of authority of a binding Board policy.

**Succession Plan Responsibility:** Succession Planning is the responsibility of the Board in consultation with NHcare key leadership and key stakeholders identified and recommended by the Board or key leadership staff.

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

#### **I. CEO Interim Coverage for Temporary, Unplanned Absence: Short-Term**

A temporary absence is one of less than 3 months in which it is expected that the CEO will return to their position once the events precipitating the

absence are resolved. An unplanned absence is one that arises unexpectedly, in contrast to a planned leave, such as a vacation or a sabbatical. In the event of an unplanned absence that is anticipated to be more than 3 weeks, the Board President will be notified, and in consultation with the Chief HR Officer and executive leadership staff, a decision will be made whether an Acting CEO needs to be named. The Board of Directors is authorized to implement the terms of the plan in the event of the unplanned absence of the CEO. The following plan identifies the board's approved course of action unless the board, by vote, meets and revises this plan

In the event of an unplanned absence of the CEO, the Chief Human Resources Officer will immediately inform the Board President of the absence in the event that the CEO has been unable to take this step. As soon as it is feasible, the Chair should convene a meeting of the Board, or a designated committee of the board, to affirm the procedures outlined in this plan or to make modifications as the Board deems appropriate. The Chief HR Officer will serve as staff liaison to the Board.

At the Board's discretion, the CFO will be named as Acting CEO in the event of the CEO's extended absence. The CFO will use the executive leadership team, (Chief HR Officer, Chief Operating Officer (COO) and Chief Medical Officer (CMO)) to assure effective management of daily operations, recommending policy for consideration by the board, and communicating with staff on agency matters.

### **Authority and Compensation of the Acting CEO**

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

The Acting CEO may be offered additional compensation as determined by the Board of Directors.

### **Board Oversight**

The Board President shall be responsible for monitoring the work of the Acting CEO. The Board President will be sensitive to the special support needs of the Acting CEO in this temporary leadership role.

### **Communication Plan**

Immediately upon transferring the responsibilities to the Acting CEO, the Board President will notify staff of the delegation of authority. As soon as

possible after the Acting CEO has begun covering the unplanned absence, Board members and the Acting CEO shall communicate the temporary leadership structure to external supporters and partners of NHcare. This may include (but is not limited to) government officers, foundation program officers, and partner agencies.

### **Completion of Short-term Emergency Succession Period**

The decision about when the absent CEO returns to lead Neighborhood Healthcare should be determined by the CEO and the Board President, with the Chief HR Officer advising on any regulations that must be taken into consideration. They will decide on a mutually agreed schedule and start date. A reduced schedule for a set period of time can be allowed, by approval of the Board President, with the intention of resuming full time duties and commitment.

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

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

The Board will give immediate consideration, in consultation with the Acting CEO, to temporarily hiring additional staff to fulfill the duties of the management position (CFO) left vacant by the Acting CEO. This is in recognition of the fact that for a term of more than three months, it may not be reasonable to expect the Acting CEO to carry the duties of both positions. The position description (s) of temporary staff would focus on covering the priority areas in which the Acting CEO needs assistance.

### **Completion of Long-Term Emergency Succession Period**

The decision about when the absent CEO returns to lead Neighborhood Healthcare should be determined by the CEO and the Board President, in consultation with the Chief HR Officer to assure compliance with all regulatory labor and employment requirements.

## **III. Succession Plan for Voluntary and Permanent Change in Current CEO**

A permanent change is one in which it is firmly determined that the CEO will not be returning to the position.

**Open Search Process:** NHcare Board of Directors supports the concepts and principles of staff succession and development; however, the position of CEO will be filled using a full and open search process. It is further agreed that while there may be appropriate and valuable candidates for the position of CEO within current NHcare staff, no staff member has or will be promised succession to the position without governing board approval. All appropriately qualified internal candidates will be invited to apply for the position.

The Board will access resources including, but not limited to the Council of Community Clinics and CPCA (the state association) that can assist with finding appropriate consultants and search firms. The HR Director will work with the Board to contact appropriate individuals to assist, and will serve as a liaison and support staff for the Board during the entire process.

**Appointment of the CEO:** The appointment of a regular fulltime or contract CEO is the sole responsibility of the NHcare Board of Directors.

The Board of Directors will appoint a Transition and Search committee within 30 days of learning the CEO will be leaving in order to plan and carry out a transition to a new permanent CEO. The Board may choose to designate the Board's Human Resources Committee to fulfill the duties of the Transition and Search committee, and may wish to add additional board members to the HR committee during this time.

The Board of Directors will also consider the need for outside consulting assistance depending on the circumstances of the transition and the Board's capacity to plan.

Reviewed and recommended for board approval by HR committee 1/13/2016

Reviewed and approved by Board of Directors:

Date \_\_\_\_\_ Board President \_\_\_\_\_

