



Governance Committee Report

Governance Committee Members:

Chair: Kim Curseen, MD FAAHPM
Arif Kamal, MD MBA MHS FAAHPM
Sandra Gomez, MD FAAHPM
Stacie Levine, MD FAAHPM
Robert Macauley, MD FAAHPM
Debra Parker Oliver, PhD MSW

Staff Liaisons:

Steve Smith, Interim Chief Executive Officer (as of 11/15/24)
Wendy-Jo Toyama, CEO (through 11/15/24)
Yumeka Brown, Senior Director, Governance and Operations
Nancy Garcia, Coordinator, Governance and Operations

Background and Key Developments

In early 2022, the AAHPM Board directed the Academy to conduct a Governance Study, aiming to align its governance structure with best practices for inclusivity, diversity, and strategic agility. This led to the formation of the Governance Task Force, which recommended a range of changes to the Governance Committee in January 2023. The Task Force's efforts set the stage for moving from a contested election model to an uncontested slate, streamlining candidate evaluation, and transitioning the Nominating Committee into what is now the Leadership Development Committee (LDC). Research indicated that this approach to elections has become more common in nonprofit organizations over the past decade, resulting in greater engagement, improved succession planning, and clearer, more transparent pathways for leadership development. In addition, volunteer leaders are often reluctant to be in a publicly contested election where they are asked to compete with peers for a limited number of seats on the Board. The unintended consequences can result in discouragement or even disengagement in the organization.

At the March 2024 Board Meeting, several proposed changes to the Bylaws were endorsed by the Board and later presented to the AAHPM membership. One item was “tabled” for further exploration. The Board requested the Governance Committee consider and recommend the composition of the Leadership Development Committee (LDC).

The following recommendations were approved for Bylaws changes in March 2024, with specific tasks outlined for additional work by the Governance Committee on LDC composition:

1. Change the Nominating Committee to the Leadership Development Committee (LDC)
2. Rename the Finance Committee to Audit/Finance Committee to better reflect its expanded oversight functions.
3. Update membership class and committee titles to reflect current professional terminology:
 - o a. Change “Affiliate” to “Interprofessional.”
 - o b. Change “Physician-in-Training” to “Professionals in Advanced Training.”
 - o c. Change “Medical Student” to “Resident or Student Membership.”

The Board requested additional work on the composition of the LDC to ensure it adequately represented diverse perspectives and incorporated a balance of terms for continuity.

October 2024 Proposal and Board Approval

After several months of work, the Governance Committee presented its recommendation at the October 2024 Fall Board Meeting. Key adjustments included:

- **Enhanced LDC Composition** – The committee added multi-representational criteria, including career stage, geographic diversity, practice type, and interdisciplinary representation. This diversity is intended to reflect the breadth of AAHPM’s membership and the strategic needs of the Academy.
- **Structured Terms for Continuity** – To ensure continuity and knowledge transfer, the LDC will have staggered terms, allowing a rotation that retains experience while bringing in new perspectives.
- **Use of an Evaluation Matrix** – The LDC will employ a scoring matrix to evaluate candidates against prioritized needs, providing a transparent, structured approach to the selection process.

This refined structure was approved by the Board, solidifying the LDC’s role as a strategic partner in developing the Academy’s leadership pipeline.

Objectives and Responsibilities of the LDC

The Leadership Development Committee (LDC) now plays a critical role in shaping the future of AAHPM’s Board. Its primary responsibilities include:

- **Facilitating the nomination and election process** – The LDC will oversee all aspects of the nomination process, from candidate identification to final slating.
- **Developing leadership competencies and representation criteria** – The committee will ensure candidates reflect the Academy’s strategic priorities and address any representation gaps identified in each election cycle.
- **Engaging and mentoring potential leaders** – Candidates not selected will receive feedback and be offered developmental opportunities, strengthening AAHPM’s leadership pipeline.

Membership Engagement and Communication

The Governance Committee recognizes that transparent and proactive communication with members is crucial to the success of these changes. Communication and messaging were developed to:

- Explain the rationale behind the transition to an uncontested slate.
- Outline the role and responsibilities of the LDC.
- Detail the new evaluation and selection processes.
- Emphasize the benefits of this approach in fostering a diverse and strategically aligned Board.

Increased Transparency in Governance

As the Governance Committee was engaged in its work, AAHPM received a request to clarify various aspects of the Academy Bylaws from a group of members and leaders. These proposed amendments aimed to enhance transparency, accountability, and accessibility within AAHPM's governance practices. Key requests included making minutes of the Board and Governance Committee, as well as Audit/Finance Committee reports, more accessible to members. Additionally, the group proposed that the annual audit be made available to Academy members within a specified period of time.

Legal Review and Expert Analysis

To ensure a thoughtful and balanced response, AAHPM requested a legal review from General Counsel and an assessment from an external Governance Consultant. Both individuals provided recommendations informed by leading practices and nonprofit law, in an effort to enhance transparency while protecting sensitive information and preserving the fiduciary responsibilities of the Board. They reinforced the following practices and principles.

- **Board Meeting Minutes:** Not-for-profit organizations are advised against providing specific vote tallies in minutes, however, AAHPM was encouraged to report the outcome of all votes (i.e., motion approved, motion denied) in meeting minutes. Minutes should also indicate who attended the session and what actions and decisions were made. Once approved by the Board, meeting minutes should be made available to members upon request, with clear instructions for accessing them provided on the Academy's website.
- **Annual Financial Audit:** An annual financial audit is prepared by a third-party auditor and presented to the Audit/Finance Committee as well as the Board for review and approval. This information is included in IRS Form 990 which is published by charitable reporting groups and is also available upon request from AAHPM.
- **Committee Meeting Minutes:** Minutes from various AAHPM committees reflect work that is underway and in process. Recommendations and requests are shared with the Board, prior to resources being allocated or a position being taken on behalf of the Academy. Updates and summaries of work in progress are shared with the board in the form of reports or other communications.

Proposed Changes

We will be making minor edits to the bylaws based on legal review and expert analysis. The proposed changes aim to enhance transparency while maintaining confidentiality. These operating principles will guide communication related to Board and committee activities.

1. **Board Meeting Minutes:** Summaries of actions taken will be shared through leadership updates, posted to the academy website, and in the *AAHPM Quarterly*.
2. **Annual Financial Audit:** A summary of the independent auditor's report, reviewed and approved by the Board, will be presented during the annual business meeting. Copies of the audit report may also be requested. Details on how to request and receive an audit report will be available on the Academy web site.
3. **Committee Reports:** Summaries of committee actions will be summarized in the *AAHPM Quarterly*. Notes and action items will be discussed and shared with the Board.

These proposed changes and enhancements in communication reflect the AAHPM's Board's commitment to fostering trust and transparency among Academy members while adhering to governance leading practices and legal counsel.

Timeline for Implementation

Members at large vote on the Bylaw's changes at the Annual Business Meeting in February 2025. Key dates include:

- **December 2024:** Communication to inform members of the upcoming changes. Member comments and questions will also be gathered in advance of the business meeting.
- **February 2025:** Presentation of changes to the membership at the Annual Business Meeting in Denver. Members will be provided with an opportunity to ask questions and share comments before a vote is taken.
- **March 2025:** The final draft of the approved Bylaws, along with related operating documents and process procedures, will be updated and posted on the AAHPM website.

Future Goals and Evaluation

The Governance Committee will review the effectiveness of the LDC and the uncontested election model after a full cycle has occurred. This review process will focus on:

- **Board functionality and efficacy** – Monitoring how well the LDC meets the Academy's needs and contributes to a high-performing, representative Board.
- **Diversity and inclusion metrics** – Assessing the composition of the Board in terms of demographic and professional diversity.
- **Member engagement and communication** – Soliciting member feedback to ensure the new process aligns with their expectations and enhances their connection to the Academy.