**Peninsula Agency on Aging**

**Succession Plan**

**January 2016**

**EMERGENCY BACKUP**

1. **Rationale**

The CEO position in a nonprofit organization is a central element in the organization’s success. Therefore, ensuring the functions of the CEO are well understood and shared among the Board of Directors and senior staff is important to ensure organizational stability and leadership continuity in the event of unplanned and unexpected change. This kind of risk management is equally helpful in facilitating a smooth leadership transition even when it is predictable and planned.

The purpose of this plan is to ensure the continuous coverage of duties critical to the ongoing successful operations of Peninsula Agency on Aging. The Board of Directors has adopted policies and procedures for the temporary appointment of an Acting CEO in the event of an unplanned and extended absence of the CEO. The Board Chair, or Board Vice Chair in the absence of the Board Chair, may determine the appropriate time to initiate the implementation of this plan.

The Board of Directors believes due diligence in exercising executive-level management functions requires it have an emergency backup succession plan in place. It is expected this plan will ensure continuity in the administration of the organization’s day- to- day program and supervision of staff finances.

2. **Priority functions of the CEO position at Peninsula Agency on Aging**

Of the duties listed in the position description, the following are considered to be examples of the key functions of the CEO, and therefore, have a corresponding temporary staffing strategy. Functions to be covered by an Acting CEO are attached.

The positions assigned in the temporary staffing strategy are based on Peninsula Agency on Aging’s organizational structure as of January 2016. In the event this plan is implemented and those assigned are no longer available or positions are vacant, the Transition Committee may select other senior staff to support each of the key CEO functions. It is the responsibility of the CEO to ensure positions have appropriate cross-training to successfully implement the temporary staffing strategy.

3. **Business as Usual**

This emergency backup succession plan, given the staffing structure at Peninsula Agency on Aging is intended to minimize disruption in quality service and maintain business as usual to the extent possible. In the absence of the CEO, unless otherwise determined by the Board of Directors, business as usual includes maintenance of the following.

A. Delivery of services via vendors and in-house providers,

B. Monitoring and provision of technical assistance to vendors

C. Accounting, billing, payroll, purchasing and payables

D. Fundraising

E. Liaison with the Board of Directors

F. Facilities and information technology oversight

4. **Emergency backup succession plan implementation**

The Board of Directors authorizes the Transition Committee to implement the terms of the emergency backup succession plan in the event of a planned or unplanned temporary, short-term absence of the CEO. Phone calls and conference calls are an acceptable substitute for any meeting designated in this plan.

While this timeline may vary based on circumstances, the suggested steps for implementation are:

* Second in Command informs Board Chair immediately of unplanned absence.
* The Executive Committee appoints an acting CEO.
* The Executive Committee informs Board of the Acting CEO appointment.
* The Executive Committee and Transition Committee consult with the Acting CEO on the circumstances of the absence, organizational situation and related factors.
* After the Executive Committee, Transition Committee and Acting CEO consult, others will be notified following the communications plan in Section F.

5. **Definitions**

* A temporary absence is one in which it is expected the CEO will return to his/her position once the events precipitating the absence are resolved**.**
* An unplanned absence is one which arises unexpectedly, in contrast to a planned leave, such as a vacation or a sabbatical.
* A short-term absence is three months or less.
* A long-term absence is one expected to last more than 3 months.
* A permanent absence is one in which it is firmly determined the incumbent CEO will not be returning to the position.

6.

**A.** **Emergency** **backup plan in event of a temporary, unplanned absence**

**(SHORT-TERM)**

1. The Board of Directors authorizes the Transition Committee to implement the terms of this emergency backup succession plan in the event of the unplanned absence of the CEO.

2. In the event of an unplanned absence of the CEO, the designated second in command shall immediately inform the Board Chair of the absence.

3. As soon as is feasible, the Board Chair may convene a meeting of the Executive Committee and Transition Committee to affirm the procedures prescribed in this plan or to make modifications deemed appropriate.

**B. First backup for the position of Acting CEO**

Acting CEO recommends structural staffing changes to the Transition Committee for review.

**C. Authority and restrictions of the designated appointee(s)**

In the absence of the CEO, the person appointed as Acting CEO will have the same authority for day-to-day decision making and independent action as the CEO.

**D. Compensation**

The Executive Committee, in consultation with the Full Board, may consider a salary adjustment for the Acting CEO.

1. Additional Compensation for 3 months.

2. Quarterly review for increases as appropriate.

**E. Board Chair responsibility for oversight and support to the CEO.**

As with the CEO, the Board Chair and Board of Directors will have the responsibility for monitoring the work of the Acting CEO. The Acting CEO will provide regular updates for the Board.

**F. Communications Plan**

Within 10 days after an Acting CEO is appointed, the Board Chair and the Acting CEO will meet to implement an external communication plan to announce the organization’s temporary leadership structure, including the kind of information to be shared and with whom (e.g. major donor, civic leaders, government officials).

Within 24 hours after an Acting CEO is appointed, The Board Chair and Acting CEO will announce the organization’s temporary leadership structure to the management team, the Board of Directors and the Advisory Boards.

Notifications will take place, in sequence, within 10 days:

* The Board Chair and/or the Acting CEO will notify vendors and grantors via mailed letter.
* The CPA/Accountant will notify the closest vendors, the banks and the auditor of the change in leadership.
* The Acting CEO will notify the closest donors and foundations with copies of said notification going to the Board Chair.
* Updated key contact information will be maintained in the organization’s database, for easy access on an ongoing basis, by a member designated by the Acting CEO.

**7. Emergency Backup Plan in event of a temporary unplanned absence (LongTerm)**

The procedures and conditions to be followed will be the same as for a short-term absence with one addition: The Transition Committee will give immediate consideration, in consultation with the management team, for temporarily back-filling the position 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 out the duties of both positions. The position description of a temporary appointment would focus on covering the priority areas in which the Acting CEO needs assistance.