

# STRATEGY AND FISCAL HEALTH



Use Association resources responsibly to accomplish the goals of the Association through strategic thinking, effective financial management and understanding of fiduciary responsibilities.\*

Competency Theme	Level 1: Foundational	Level 2: Mobilizing and Power Building	Level 3: Agenda Driving
<b>Acts strategically to align the Association's work with member needs</b>	<p>Understands how the Association's mission, vision, and core values serve as a framework for Association programs and to support a diverse membership</p> <p><b>Learning Considerations</b> Learns to formulate the beginnings of a strategic plan by assessing the Association's mission, vision, and core values. Creates a mission statement to serve as the foundation of the Association's strategic plan; explores the next steps in completing a strategic plan representative of the diverse member population</p>	<p>Assesses the strengths, weaknesses, opportunities, and threats (SWOT) of the Association including the use of an equity audit tool; engages in perspective-taking and envisions different possibilities</p> <p><b>Learning Considerations</b> Learns how to perform an assessment of the strengths, weaknesses, opportunities, and threats (SWOT) facing the Association to inform the development of the Association's strategic plan; understands the role of equity in assessing the needs of members, students, and the broader community</p>	<p>Develops strategic plans to align with changing member demographics and evolving member needs with an emphasis on programs that support diversity through new business models</p> <p><b>Learning Considerations</b> Learns how to use the Association's mission, vision, and core values, along with the assessment of the Association's strengths, weaknesses, opportunities, and threats in order to formulate a strategic plan that supports the needs of members, as well as the long-term financial health for the Association</p>
<b>Understands the interdependency of strategic planning, budget development, and business policy</b>	<p>Utilizes the Association's strategic plan to create a budget that is inclusive of funding to support member diversity and diverse programs</p> <p><b>Learning Considerations</b> Learns strategic budgeting basics for maintaining fiscal health and learns to apply a race equity lens in the construction of the budget and programs</p>	<p>Promotes a culture that recognizes the importance of fiscal responsibility; ensures Association bylaws and other governing documents and policies support financial health. Demonstrates responsibility through transparent decision making.</p> <p><b>Learning Considerations</b> Learns the importance of regularly reviewing and updating bylaws and policies and establishing reserves to support the strategic plan and budget, as well as, overall financial health of the Association</p>	<p>Evaluates the effectiveness of strategic plans using outcome based goals and metrics (transactional and transformational), actual to budget financial results, and the effectiveness of Association policies to ensure long-term sustainability of the Association</p> <p><b>Learning Considerations</b> Gains an understanding of how to review actual to budget financial results, and whether strategic plans need modification to take advantage of opportunities or to mitigate unforeseen losses.</p>
<b>Promotes stewardship and financial integrity of the organization</b>	<p>Recognizes the fiduciary responsibility for safeguarding Association assets and demonstrates integrity in all financial transactions</p> <p><b>Learning Considerations</b> Understands the fiduciary responsibilities that all leaders are legally obligated to perform on behalf of the Association and its members, in an effort to be good stewards of the Association's reputation and assets. Learns how a code of ethical conduct, conflict of interest, and whistleblower policies, as well as an audit committee, promotes an ethical culture and deters fraud</p>	<p>Adopts financial best practices that support and strengthen Association fiscal health</p> <p><b>Learning Considerations</b> Learns how to implement basic internal controls, as well as policies and procedures that reduce the chances of fraud in the Association. Uses tools, such as a monthly bank reconciliation workbook as a part of implementing internal control systems</p>	<p>Identifies Association legal and compliance requirements and ensures obligations fulfilled to maintain the reputation of the Association</p> <p><b>Learning Considerations</b> Gains an understanding of legal and compliance requirements to ensure the Association is in good standing with federal and state regulators, and the Association's brand and reputation remains protected</p>

\* A race equity lens is a transformative approach used to inform and improve planning, decision-making, analysis, actions and resource allocation that leads to more racially equitable and socially just policies, programs and practices.  
 Each/All – The intentional inclusion and recognition of every individual and the many cultural identities they navigate (e.g., race, ethnicity, gender, sexual orientation, religion, ability and employment job category).  
 Diverse – Representative of the experiences and cultural identities of individuals and community (e.g., race, ethnicity, gender, sexual orientation, religion, ability and employment job category).

<p><b>Supports financial health</b></p>	<p>Gains basic finance and accounting knowledge and skills to assess the overall fiscal health of the Association</p> <p><b>Learning Considerations</b> Learns the simple and easy method for reading financial statements, audit reports, and budgets and how to spot red flags that may signal financial trouble</p>	<p>Identifies Association risk and how to effectively assess and manage risk. Engages in financial planning</p> <p><b>Learning Considerations</b> Gains an understanding of the components of a sound investment policy, different types of investments, and risk assessment to protect cash and investments</p>	<p>Engages in responsible decision-making in leading the Association in maximizing opportunities and mitigating risks, including dedicating resources to identify and utilize persons of color and women-owned businesses who are experts in risk mitigation and can support the Association</p> <p><b>Learning Considerations</b> Learns how the Diverse Asset Managers Initiative (DAMI) benefits the Association's pension fund, while at the same time promotes diversity among asset management firms</p>
<p><b>Utilizes data and analyzes trends to inform decision-making*</b></p>	<p>Identifies sources of union, financial and educational data to assess the impact on Association sustainability and decision-making</p> <p><b>Learning Considerations</b> Learns how to utilize your Association's membership data along with its available cash flow to understand the Association's financial position</p>	<p>Builds member support for Association strategic goals and objectives by raising awareness of trends and data, which include the impact on diverse identities</p> <p><b>Learning Considerations</b> Explores evaluating the mission statement of the affiliate or local and how best to establish strategic goals in order to allocate resources towards programs that provide benefit and add value for members</p>	<p>Utilizes ratios and trends to support responsible decision-making and to support Association strategic plans, including strategies for membership and financial growth. Accurately analyzes disparate data and information to identify root causes of problems</p> <p><b>Learning Considerations</b> Introduces leaders to the long-term financial planning process; identifies the strengths, weaknesses, opportunities, and threats that the affiliate or local may be facing and how best to create new business models as a result of this assessment</p>

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