



This edition of *REALIGNMENT NEWS* includes “tips” on developing council bylaws from our friends at Gibson, Dunn & Crutcher, thoughts and suggestions for councils experiencing jurisdictional changes, tips for opening your Girl Scout Shop in the fall, an article on leadership and culture and a suggested letter for working with local United Ways. Bylaws suggestions and the United Way letter appear following our regular **Q & A** section.

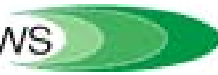
The next edition of *REALIGNMENT NEWS* will arrive in your mailboxes on Tuesday, August 7. We continue to encourage content suggestions and questions for future editions at realignmentnews@girlscouts.org.

ITEMS OF INTEREST

Thinking about Jurisdictional Change

While most councils in the country are engaged in the merger process, many councils are taking part in jurisdictional change. For some, this change is in addition to a merger — for others change is limited to welcoming or saying goodbye to “part of a council.” Here are some suggestions to help councils experiencing jurisdictional change:

- Take it seriously. Remember that the volunteers and staff in the “portion being transferred” will do things very differently than the council they are joining. They may have different ways of work — and different policies. They may use a different cookie vendor. Take time to understand how things work in the “portion being transferred” and invest enough time to make sure the transition goes well.
- Work together on the asset/liability transfer and make sure you are ready to take appropriate action at the Board level to exchange assets and to change jurisdictional boundaries. Action must be taken at the council that is transferring the jurisdiction and the council that is accepting the jurisdiction.
- Find a way to celebrate the transition. An ideal celebration involves councils on both “sides” of the transfer — and, of course, girls. One council held a large “bridging ceremony” at a nearby camp where girls bridged from one council to another. This took place on a weekend afternoon — complete with a Girl Scout Family Bar-B-Q. Board Chairs and CEOs from both councils were present to give each girl a patch from the council they were leaving and a daisy from the council they were joining.



- And last, remember that transitions take time. New practices and procedures will take a year or more to become routine.

If you have stories and suggestions related to jurisdictional change, please send them to realignmentnews@girlscouts.org.

Getting Ready to Open Your Girl Scout Shop

For council groups who are completing realignment in October 2007, it is particularly important to consider the need for merchandise/inventory planning in adequate time to meet the “fall” needs of your membership. The beginning of the Girl Scout year is prime time for the membership to make their merchandise purchase...and you need to be ready!

In order for the process to be seamless and to meet the needs of girls and parents, all shops will need to have adequate inventory on hand when the fall begins. If a physical inventory is required before additional supplies can be ordered and stocked we suggest closing the shop in late July or early August so there is ample time to “stock the shelves” before the rush of the fall begins.

Any plan for “inventory” and plan for “stocking-up” the shop should be coordinated with the CRC subgroup that is coordinating the audit function — and any subgroup that is working on “shop” issues.

Leadership and Culture

Leadership is the instrument for creating, building and sustaining the culture. The leadership exhibited in the Council Realignment Committee (CRC) will reinforce, guide and navigate the culture of the CRC as well as the beginning of the new council, by setting the tone. While culture is not only co-created as we stipulated in part one of this series, it is critical to understand that as leaders, you play a very key role in this culture building process.

It is the unique function and responsibility of leadership to determine what is working and not working in the existing culture. This needs to be done to manage cultural evolution and change in such a way that the group can survive in a changing environment. It is paramount that you as leaders monitor and adjust your own behavior to be sure it has the effect of building and creating the desired culture. Let’s look at some of the key areas.

What do you, as the leaders of the CRC pay attention to?

What do you notice and comment on?

Whose behavior garners your attention as leaders?

In one CRC group there was an ongoing issue of a member’s “air time” and blocking behaviors monopolizing meetings. This presented an opportunity for the facilitator and co-chairs at the very first onset of such behavior to be sure they were not “encouraging”



the behavior. How might one inadvertently reinforce and reward this behavior? And what messages does that send about standards of behavior for all the members in the council group? What could that say about what the culture deems as acceptable ways of obtaining what ever your goals or objectives Even when guiding principles stipulate that this is not a desired behavior, it doesn't matter, if the member's behavior is not addressed.

Even casual remarks and questions that are consistently focused on a "particular area can infer strong messages about what is important. Where are you putting your emphasis? As leaders what types of behavior do you model for other leaders? Is it coaching or control oriented behavior? What is your preferred line of inquiry and the objective of that inquiry? Is it to gather information and make sure you know everything that is going on? Or does it also help everyone broadened the scope of their thinking.

Not only does the choice of subject matter for your questions/comments send key message about what the leadership thinks is important, it says this is what others should be focusing on too. The types of questions you ask help to create a culture that demonstrates value for keeping the CRC thinking "big picture." As an example, during report from sub-committees, note the outcomes of the following questions, as opposed to the typical facts and data generating five W's — Who, What, When, Where, and Why.

1. What would be the top ten questions staff/volunteers/ board would ask about your recommendations? Your idea?
2. What assumptions led you to this conclusion? Recommendations?

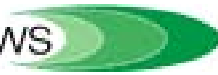
When you use the above type of inquiry it encourages the broader thinking, exploration, and deeper query. In addition, these thought provoking questions lead people to look and think at a higher level than just beyond the scope of their own work.

By emulating behaviors that demonstrate effective leadership in the day to day work of the CRC you send important messages about the expected and valued behavior in the CRC culture. You, as leaders affirm and support a culture that can lead to a learning organization.

Talking About Change with Your Local United Way

With thanks to Brian Gallaher, CEO, United Way of America — and his consistent support of our realignment efforts — communication with local United Ways has gone remarkably well. That said, we still get questions regarding the right words to use when we are communicating this change to our partner United Ways.

Six Girl Scout councils in Kansas developed an excellent letter and have given us permission to share it with all of you. They took an important (and recommended) step when they decided to send the same letter, with tailored information, to each United Way. This guaranteed that all United Ways were receiving the same message. A copy of this letter follows the regular **Q & A** section.



Q & A

1. We are setting up our books and would like to know the status of the revised chart of accounts book from GSUSA?

Answer: GSUSA staff from different departments reviewed the chart of accounts at the beginning of the year to update terminology for relevance. A council working committee was established in April 2007 that included representatives from Patriots' Trail, San Fernando Valley, Niagara County, Black Diamond, St. Croix Valley, and Western Reserve. The working committee has been reviewing, discussing and updating the book. The target date for completion is August 2007 with release to councils following soon after.

2. We are anxious to choose a new accounting system and would like to know the status of accounting system work as related to the Council Enterprise System (CES)?

Answer: A working committee was established in May 2007 as part of CES Phase II in selecting and recommending an accounting system for Girl Scout councils. The team includes representatives from Lone Star, Prairie Winds, Totem, and Wilderness Road. We have been building requirements for a system and anticipate selecting a vendor by the end of the calendar year. The work of the accounting group will be integrated with fund development, point of sale, and CES Phase I working committees.

3. I understand that employees terminating under the VERIP must agree not to apply for, or accept, any future employment with any Girl Scout council. How are employees notified of this condition of the VERIP?

Answer: This information was included in the Summary of Material Modification (SMM) that Mutual of America sent out to Plan Participants in July 2006. It has also been covered in the VERIP teleconferences, and Realignment Training materials.

Additionally, GSUSA has prepared a sample release form that contains a waiver of employment with any Girl Scout council. The waiver must be signed as a condition of the VERIP election. Councils are responsible for preparing and obtaining the signed waiver. Councils implementing the VERIP should review the release and waiver with their employment attorney before issuing it to employees. The sample release was provided to realigning councils at Realignment Training and in the *Realignment Guidebook*. The sample release was updated in 2007 to reflect changes in case law. The current version of the release is available on the Realignment Section of the OCN.



4. We are about to form our CEO Search Committee and want some help in getting starting. What support does GSUSA provide?

Answer: The GSUSA HR Consulting unit provides onsite and telephone support throughout the search process. Your assigned HR Consultant will orient your CEO Search Committee. The CEO Search Orientation includes:

- **A review of the Committee Charge and search committee composition**
- **A discussion of committee procedures and decision-making guidelines**
- **A review of the CEO job description and competencies**
- **Guidance on developing the search timeline and budget**
- **Guidance on determining the search scope and methods**
- **Assistance in developing employment advertisements and advice on ad placement**
- **A review of legal and effective interviewing techniques**
- **Assistance in formulating interview questions**
- **Guidance and resources on reference checking**
- **A sample council employment application**

Following the orientation, your HR Consultant will continue to provide for ongoing support and consultation throughout the search. For additional information or to arrange a Search Orientation, contact your assigned HR Consultant or Sharon Czebotar, Director of HR Consulting.



Tips to Assist in Drafting New Bylaws from Gibson Dunn & Crutcher

In working on bylaws for the post-realignment council, the following points should be kept in mind:

- ***Confusing references to “members.”*** Some bylaws reference “members of the Girl Scout Movement,” “members of the council or voting members,” “members of the board” and “members of board committees.” From a corporate and a governance perspective, clear identification of “members of the council” throughout the bylaws is critical. Additionally, vague references to “members” should be avoided.
- ***Minimum age requirements.*** Some states have minimum age requirements for those serving as officers or directors. All states, however, provide for an “age of majority.” Generally, actions of a minor (someone younger than the age of majority, which is often 18 years old) are “voidable.” As a general practice, it is not appropriate to put minors in officer positions. Those who choose to elect minors as members of the Board of Directors must make sure it is allowed in the governing jurisdiction. Another option is to place girls in non-voting ex officio positions on the Board.
- ***Electronic meetings.*** In nearly every state, directors may have telephonic meetings. Some states may permit telephonic (or electronic) member meetings. Be sure to check state statutes.
- ***Setting a quorum.*** In setting a quorum for member meetings, consider the number and nature of members. The quorum should be high enough to ensure meaningful attendance, but low enough to be reasonably attainable. Quorums may be expressed in a real number or in percentage terms, and may be subject to minimum requirements under state law.
- ***“Ex officio” members.*** “Ex officio” means “by right of office.” Thus, an ex officio member of the board of directors is a member of the board by virtue of holding a specified office. According to Robert’s Rules of Order Newly Revised, ex officio members of the board have the same rights and privileges as all other members, including the right to vote. To avoid confusion, you should specify whether or not ex officio members have voting rights in the bylaws.
- ***Clarify the vote required.*** Bylaw provisions that reference a vote should state whether the vote is based on all possible or outstanding votes, or on the votes that are present at a meeting at which a quorum exists — there can be a big difference! By way of example, if a council has 100 members, a majority of all outstanding votes would be 51 votes as compared to a majority of votes present, which could be much lower (if a quorum is 30 and 30 are present, then a majority is 16 votes).



- ***Waiver of notice of meetings.*** State law typically allows directors and members to waive notice of meetings. Nonetheless, inclusion of an explicit bylaw provision is advisable; such a provision would state that (i) presence at the meeting implies that notice has been waived and (ii) directors or members may waive notice. (More information on this will be distributed by GSUSA shortly.)
 - ***Board action without a meeting.*** State law generally allows directors to act without holding a meeting by unanimous written consent. Again, including a specific bylaw provision permitting action without a meeting is good practice and permits flexibility.
 - ***Election of officers by Voting Members.*** In many states, if voting members elect an officer, only voting members are empowered to remove the officer unless provisions are stipulated in the bylaws. Be sure to check state statutes for clarity.
 - ***Indemnification and limitation of liability.*** If not included in the articles of incorporation, indemnification and limitation of liability provisions should be included in the bylaws to the extent permitted by state law. However, GSUSA recommends this be stated in the Articles of Incorporation.
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SAMPLE UNITED WAY LETTER

May 18, 2007

Dear **[insert United Way contact name]**,

Some exciting changes will soon be taking place within our Girl Scout community, and we wanted **[insert local United Way agency name]** to be the first to hear about them.

On October 1, 2007 our local Girl Scout council will combine its strengths with five other Girl Scout councils across Kansas to form the **Girl Scouts of Kansas Heartland**. Our membership will grow to 15,000 girls and 5,000 adult volunteers in 80 Kansas counties. This means that local Girl Scouts will soon have even more places to go, things to do and people to meet.

There is already a high level of cooperation between our councils because we draw upon many of the same resources. We will now be able to develop our resources more effectively and decrease duplicating efforts.

The positive changes that are taking place within Girl Scouting will only enhance our ongoing and treasured partnership with United Way and put us in an even better position to achieve our joint goals. We also want to assure you that **[insert local United Way agency name]** grants will continue to be handled and accounted for per your restrictions, geographic or otherwise. The purpose and intent of your allocations will be honored.

The Girl Scouts of Kansas Heartland will have a strong community presence, and there will be a fully staffed regional office here as well as in Emporia, Garden City, Hays, Hutchinson and Salina **[delete your city's reference]** to provide a variety of services to volunteers, girls and supporters. The operational headquarters will be in Wichita, Kansas.

In addition, a national CEO search is currently underway, and a new board of directors will soon be elected that will include representatives from our area as well as from the other Girl Scouts of Kansas Heartland regions.

As Girl Scouting grows in our community, we will be in an even better position to impact the lives of a greater number of girls who are interested in developing their leadership potential and looking for ways to become more involved in their community. That is so important because, in today's world where girls face so many challenges and contemporary issues, the positive environment that Girl Scouting provides is needed more than ever. We are so fortunate to have the support of United Way as we work toward becoming the world's best leadership development program for girls.

If you have any questions, please feel free to give me a call at [council phone number].

Thank you again for your continued support of Girl Scouting.

[CEO NAME]