

**Bond Oversight Done Right: A Sustainable Strategic Plan for the California Association of Bond Oversight Committees (CABOC)**

*Report Prepared by Team 1:*

*Melissa Arellano, Brendon Moeller, Cassandra Perez & Janae Perkins*



University of Southern California  
Sol Price School of Public Policy  
PPD 546 – The Professional Practice of Public Administration  
Professor John Calanni  
August 13, 2021

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## ACRONYMS

<b>ARDDIE</b>	Analysis, Research, Development, Design, Implementation, Evaluation
<b>BS</b>	Balanced Scorecard
<b>CABOC</b>	California Association of Bond Oversight Committees
<b>CaLBOC</b>	California League of Bond Oversight Committees
<b>CAM</b>	Comparative Analysis Matrix
<b>CBOC</b>	Citizens' Bond Oversight Committees
<b>CGJA</b>	California Grand Jury Association
<b>FVI</b>	Financial Vulnerability Index
<b>LHC</b>	Little Hoover Commission
<b>MIMNOE</b>	Multidimensional Integrated Model of Nonprofit Organizational Effectiveness
<b>MPA</b>	Master of Public Administration
<b>OM</b>	Outcome Measurements
<b>OPR</b>	Organization-Public Relationship
<b>RDM</b>	Research Design Matrix
<b>RQ</b>	Research Question
<b>SWOT</b>	Strengths, Weaknesses, Opportunities, Threats
<b>QCA</b>	Qualitative Comparative Analysis

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**Bond Oversight Done Right: A Strategic Plan Proposal for the California Association of Bond Oversight Committees (CABOC)**

**A. EXECUTIVE SUMMARY**

Strategic plans are an efficient way for organizations to establish goals related to time. Strategic plans are critical to tracking progress over time and allowing the organization to self-assess and improve through the redistribution of resources where they are most efficient.

The California Association of Bond Oversight Committees (CABOC) is a recently created nonprofit organization in need of a strategic plan that will focus the organization's staff and resources towards more effectively executing their stated organizational objectives. Recognizing this problem and utilizing knowledge gained throughout the University of Southern California's (USC) Master of Public Administration (MPA) program, the USC Capstone Team composed the following problem statement:

***The California Association of Bond Oversight Committees requires a sustainable strategic plan to operate as an efficient nonprofit organization. The CABOC lacks organizational structure, training curriculum, fiscal sustainability, and performance metrics to assess progress towards strategic goals.***

After meeting with the CABOC and researching the CABOC's stated objectives, the team's problem statement led to five essential research questions to guide the project:

*RQ #1: How will a sustainable strategic plan help the CABOC develop organizational goals and objectives that assess progress over time?*

*RQ #2: How can the CABOC be best organizationally structured to support its mission?*

*RQ #3: How can the CABOC facilitate an effective and easy-to-access training program to meet the needs of its constituents?*

*RQ #4: How can the CABOC diversify its revenue stream to provide a more stable and sustainable financial structure? What tools and best practices can they employ to achieve their organizational goals?*

*RQ #5: How can performance metrics serve the CABOC to transform their mission, strategy, and organizational goals into key measurable performance indicators that govern organization actions? Which performance measurement model best serves to achieve their organizational goals?*

Utilizing these research questions, the USC Capstone Team divided and conquered the research areas that were necessary when developing an effective strategic plan for the CABOC. The team prepared a strategic plan implementing methods that prove the feasibility and success of nonprofits that use strategic plans. The team has assessed various sources of qualitative data rooted in the "best practice method" around the study of nonprofit organizational theories and practices. For this approach, the team conducted a literature and data review of nonprofit best practices. Additionally, the team conducted in-depth interviews with the CABOC board of

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directors and other essential stakeholders. The team disseminated a survey to various local Citizens' Bond Oversight Committees (CBOCs) in CABOC's membership and subscription database to help understand how the organization could better serve its constituents and determine common themes and trends among its members. Lastly, the team conducted several analyses – SWOT, comparative, CAM, and strategic – to help vet their research and recommendations to the client. The result was a comprehensive, realistic, and sustainable strategic plan that will allow for the CABOC to effectively deliver on its stated objectives.

### B. WORK-PLAN AND DELIVERABLES

As the USC Capstone team progressed in the strategic planning process, the work plan (see *Appendix D*) was used to centralize the team's goals, deliverables, outcomes, and timelines. This communication tool served as an agreement between the CABOC and the team to show accountability to one another. It also ensured that everyone was aware of upcoming deadlines and the status of the project. The work plan was divided into four phases.

**Phase I:** Consisted of gathering background information about who the CABOC is and establishing a client-research team relationship.

**Phase II:** The team synthesized its research to identify thematic issue areas in the form of a prospectus. This phase concluded with a communications brief during a virtual meeting with the CABOC.

**Phase III:** The team consolidated its research findings and recommendations in a written report and prepared to present the final strategic planning packet to the CABOC.

**Phase IV:** The final report segued into Phase IV, the final phase of the project. This phase consisted of a communications briefing of the final strategic plan to the CABOC team as well as colleagues at the University of Southern California.

In order to incorporate new data and research findings into the report, the work plan had to be modified. Ultimately, the work plan outlined in *Appendix D* served as the foundational projected timeline for project completion to the CABOC.

### C. ISSUE STATEMENT

The California Association of Bond Oversight Committees (CABOC) was founded in 2019 by Mr. Anton Jungherr and Mr. Jack Weir as a Non-Profit California Public Benefits Corporation. The CABOC's purpose is to provide “training, assistance, and encouragement to California School Proposition 39 Citizens' Bond Oversight Committee through the development of training materials, delivery of online training, conferences, workshops, formation of regional groups of California Citizens' Bond Oversight Committees and representation common interests at the statewide level” (CABOC, 2021). Before the CABOC, the California League of Bond Oversight Committees (CaLBOC) worked as a nonprofit organization to provide similar services; however, the organization dissolved in January 2021 (CABOC, 2021).

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In November of 2000, California voters approved Proposition 39, Smaller Classes Safer Schools and Financial Accountability Act (SDCCD, n.d.). The passing of Proposition 39 (Prop. 39) lowered voting requirements from a two-thirds vote to 55 percent vote from an electorate to allow for an increase to property tax to pay for school facility bonds, also known as Prop. 39 Bonds (Jungherr & Minyen, 2012.). The change in law also required K-12 school districts and community colleges that pass Prop. 39 bonds in local elections to ensure independent citizen oversight (SDCCD, n.d.). Thus, with every new Prop. 39 bond issued, a corresponding bond oversight committee must be entrusted with the responsibility of oversight as dictated by California Education Codes 15278, 15280, and 15282 (CaLBOC, 2009). The amendment of the Educational Code was a precursor to Proposition 39 passing, as it makes bond issuance more appealing to voters. The clause in Prop. 39 to ensure oversight from local Citizens' Oversight Committees saw the role to "assure the community that bond funds are expended in the fashion outlined in the district's bond resolution" (SDCCD, n.d.). Additionally, Prop. 39 Citizens' Oversight Committees are responsible for informing on the expenditures of the bond revenues and review for the proper expenditure of the money for school construction (Jungherr & Minyen, 2012). Since the passing of Prop. 39, California school districts have issued over \$180.8 billion in school bonds, of which over 9,000 of these Capital Appreciation Bonds are set to mature between 2013 to 2052 (Jungherr & Minyen, 2012). In 2017, the California Little Hoover Commission (LHC) outlined specific actions for improving transparency and oversight of local bond oversight (ALHC, 2017). The CABOC chose to take on the challenge of actualizing eight of the LHC recommendations, of which recommendation six, "Develop easy-to-access online training materials for members of Citizens' Bond Oversight Committees" (CABOC, 2021) has been at the center of the CABOC's mission.

The CABOC was initiated amid a global pandemic and had risen to meet the challenge addressed by the Little Hoover Commission. However, the CABOC has taken much of its goals and orientation from the CaLBOC, which dissolved. Therefore, the CABOC's strategic outlook needs to be reshaped to reflect the organization's current context, its mission and goals, and to develop a plan to ensure organizational sustainability. An initial evaluative screening interview with the CABOC team identified problems and needs listed below. The identified needs are framed by imaging the difference between the CABOC's desired situation and their actual position (Tafe NSW, n.d.). Additionally, Bardach & Patashnik (2016) encourage thinking in extreme deficits and excess to highlight the organization's needs. CABOC's needs:

- No strategic plan
- No funding structure
- Lack of established metrics for accessing organizational progress
- Limited independence of California CBOCs
- Too many responsibilities spread between too few people
- The retention of board leadership
- Lack of member participation
- Few resources and training for members
- Too few forums to promote their organizational mission
- Lack of training program across the state

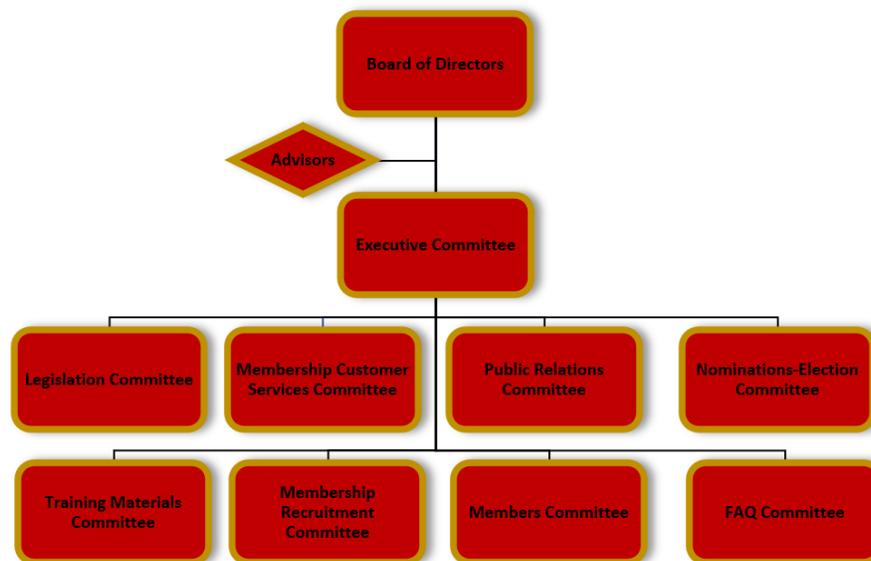
In identifying the needs and problems of the CABOC, the team formulated a problem statement, which guided the evidence-gathering activity and the completion of the project (Bardach &

Patashnik, 2016). The problem statement accumulates all the problems and needs of the CABOC. It avoids the pitfalls of embedding the solution into the problem and including issue rhetoric with ideological leaning (Bardach & Patashnik, 2016).

**Organizational Context**

The CABOC started its organization in 2019 as an offshoot of the California League of Bond Oversight Committees (CaLBOC), which dissolved in 2021 (CABOC, 2021). Since starting, the CABOC has found itself operating during a global pandemic; however, the COVID-19 pandemic is not the central or even relevant issue the CABOC is contending with. The CABOC has limited funds, scarce resources, a small membership base, and formidable legislative ambitions. When an organization faces “conditions of scarcity, criticality, and uncertainty,” (Salancik & Pfeffer, 1974), the influences of power on organizational decisions will be more apparent. The section examines how power through organizational and political frameworks can situate the issues of the CABOC. It is important to note that the CABOC is small in its operation and lacks a formal leadership team, and an internal staff that handles day-to-day duties.

Currently, the CABOC is structured into several boards and committees that have varying degrees of responsibilities in different areas (see *Figure 1* for CABOC’s organizational chart). Many board and committee members serve on multiple boards and committees, as staffing is an ongoing challenge for the CABOC. According to various CABOC documents these boards and committees include:



*Figure 1. CABOC Organizational Chart*

The lack of full-time and paid staff has created an obstacle in hiring people to take care of the administrative work – much of what Mr. Jungherr does for free currently – that allows the organizational structure to stay afloat. An altered organizational structure could help reduce the amount of volunteers serving in multiple capacities; therefore, their sacrificed free time to help

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the CABOC would be successful and fulfilling. However, after a thorough analysis was conducted using best practices, data review, and interview results showed that the CABOC's organizational structure, as it is now, is well suited to execute its mission. Of consequence, one interviewee with substantial organizational consulting work stated, "for the most part, CABOC is structured well for future success – despite the turmoil that happened from COVID-19. Some of the organizational structure is currently overly bureaucratic but as positions are filled the organization's structure will become more effective and efficient." This leads to the problem of filling said positions. It is paramount that the CABOC is able to organizationally sustain itself beyond its current compositions and does not continue to survive only due to any one or two people that are currently serving on the CABOC staff (Perrow, 1967). Among the CABOC members [the CBOCs] there is limited knowledge on the structure of the CABOC and of their role in the organization's operations; thus, they will be excluded from the analysis.

### *Political Context*

The following section frames the CABOC issues through an organizational politics lens. The first portion of the section provides a bit of background on the CABOC and identifies the scope of the analysis. The second subsection introduces two separate frameworks to contextualize the use of power and politics within the organization, specifically the definition of (1) Legal-Rational, and the ability of (2) Power Balancing. The last paragraph focuses on the implications of the power dynamics within the organization and provides some best practices to manage the politics to a beneficial end.

There are several documents and materials that provide context to the politics occurring within the CABOC. The first set of documents is the minutes from Committee Meetings, which efficiently detail the tasks and discussion of the Board Members and the work they hope to achieve. The second set of documents that provide insight into board members' turbulent and devastating experiences is the Writ Complete 9.2.19 & Complaint 8.25.18; these documents outline the issue the CABOC members had to face while transitioning out of CaLBOC. The last document is the CaLBOC Business Plan; it serves as a guide for the CABOC outlining what the organization hopes to achieve. The last item that helped inform the analysis is the CABOC's detailed webpage.

Max Weber (1947) provides three definitions of power and cooperation within an organization; charismatic, traditional, and legal-rational. Of the three, the most fitting for the CABOC is legal-rational (Denhardt et al., 2020). Within the operation of legal-rational, laws and constitutional processes create legitimate authority (Denhardt et al., 2020). The dynamic that exists in these types of organizations sees power institutionalized and depersonalized throughout the organization's bureaucracy (Denhardt et al., 2020). The CABOC members hold themselves accountable by closely adhering to Bylaws, voting structure, and processes. However, the rigidity by which an organization might practice under the legal-rational can lead to routine and legalistic constraints (Denhardt et al., 2020) that do not encourage an organization to grow out of organizational culture.

The second framework explains how individuals within the organization can balance power with independence and dependency (Denhardt et al., 2020). Emerson (1962) introduces four methods in which an individual yields power within organizational relationships "based on the ideas that

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dependence reduces power and independence increases it” (Denhardt et al., 2020, p. 249). The four methods for balancing power are to (1) decrease their demands; (2) increase their access to alternative sources; (3) increase the demand from others, and (4) limit other’s alternative sources. This dynamic would be observable between Board Members and their committee members and advisors. Board Members are independent to act but are dependent on committee members and advisors; vice versa, committee members and advisors are independent of the CABOC responsibilities and time constraints but dependent on the CABOC for support with their individual Bond Oversight Committees. It is essential to understand this framework to make the organization’s operations much more efficient and prosperous. Thus, if the leadership were to understand individuals’ behavior in the organization with less power, they might establish motivators and encourage the investment of time and resources.

Denhardt et al. (2020) describes the positive implications of organizational politics as “the need to influence others to work positively toward organizational objectives, to successfully defend and fund [their] programs, and to obtain opportunities and recognition for [their] employees” (p. 235). There are, of course, adverse effects of organizational politics such as “hurting others, pursuing goals not sanctioned by the organization, and to fulfill personal needs for control and even retribution” (Denhardt et al., 2020, p. 235). Thus, it is imperative that leadership within the CABOC does not shy away from politics by constraining themselves solely to their legal-rational. By correctly identifying and managing organizational politics, the leadership of the CABOC can skillfully obtain necessary financial support for programs, increase membership, and achieve legislative priorities (Denhardt et al., 2020)

### ***Fiscal Context***

A common problem in nonprofit organizations is the lack of compensation for staff (Waters, 2011). The CABOC is still in its formative stages, and therefore cannot pay leadership staff, leaving its team members easily susceptible to burnout. While running and contributing to a nonprofit’s mission can be fulfilling, it is not lucrative. Ultimately, if the nonprofit has an attractive vision, it will be easier for the organization to solicit donations and funding. The CABOC’s mission is very specific and only known by people who are familiar with CBOCs. The CABOC has the advantage of a large email list of around 5,000 contacts, but they are currently struggling to turn those contacts into donors and paying members. As a result, they are not successful in spreading awareness of their cause and communicating the immediate need for funding to remain in operation.

For the 2021 Fiscal Year (FY), the CABOC has projected \$22,028 in revenue and \$21,911 in expenses. *See Appendix A* for the full 2021 FY budget. One troubling line item in their budget is that Mr. Jungherr has provided the organization with a \$5,000 loan on top of his \$25 monthly contribution as a board member. It has been mentioned in several meetings that Mr. Jungherr is the backbone of the CABOC; members of the CABOC emphasized how he pours his heart and soul into the organization. Mr. Jungherr’s loan is concerning because it is not a best practice for a nonprofit organization to use this strategy to maintain a sustainable revenue stream.

Maintaining fiscal feasibility is a criterion that is essential in assessing a new strategic plan for the CABOC. Evaluative criteria are not used to “judge the alternatives,” yet “they are applied to the projected outcomes” (Bardach & Patashnik, 2016, p. 28). Research has shown that nonprofits

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often miss a crucial organizational tool: strategic plans (Gratton, 2018). Strategic planning is a process that includes “identifying methods of acquiring the resources required to fulfill an organization's mission and vision” (Gratton, 2018, p. 30). When the CABOC implements a strategic plan, they will see improved change and lasting organizational change.

### D. PROBLEM STATEMENT

The CABOC is well versed in all matters regarding bonds and how to provide proper oversight. However, their rigorous attention to detail and efficient strategies have not transferred over to their ability to manage the organization as a nonprofit adequately. Defining the problem is the first step when trying to address how to make a policy or an organization better (Bardach & Patashnik, 2016). Employing this first step will narrow the scope of research (Bardach & Patashnik, 2016) and allow the team to analyze the information that is most applicable to the project and the stakeholders involved.

When working on a research team, it is imperative to compose a problem statement that helps navigate and focus the research. According to Bardach and Patashnik's (2016) eightfold path, defining the problem “gives [the researcher] both a reason for doing all the work necessary to complete the project and a sense of direction for [their] evidence-gathering activity” (p. 1). The problem statement that the USC Capstone Team composed for this project reads:

**The California Association of Bond Oversight Committees requires a sustainable strategic plan to operate as an efficient nonprofit organization. The CABOC lacks organizational structure, training curriculum, fiscal sustainability, and performance metrics to assess progress towards strategic goals.**

The purpose of this project is to determine the feasibility of creating and implementing a strategic plan for the CABOC by assessing various sources of qualitative data by way of a “best practice method.” The team's research focused on the study of nonprofit organizational theories and practices. Additionally, the team focused on how qualitative assessment of effective practices affects other citizens' bond oversight committees (CBOCs).

### E. LOGIC MODEL

The USC Capstone Team developed a logic model to provide a roadmap of the overall project progress in achieving its goal. The team's logic model, shown in *Figure 2*, served as a visual

depiction to identify the inputs, activities, and outputs that contributed to the projected outcomes towards developing a sustainable strategic plan for the CABOC.

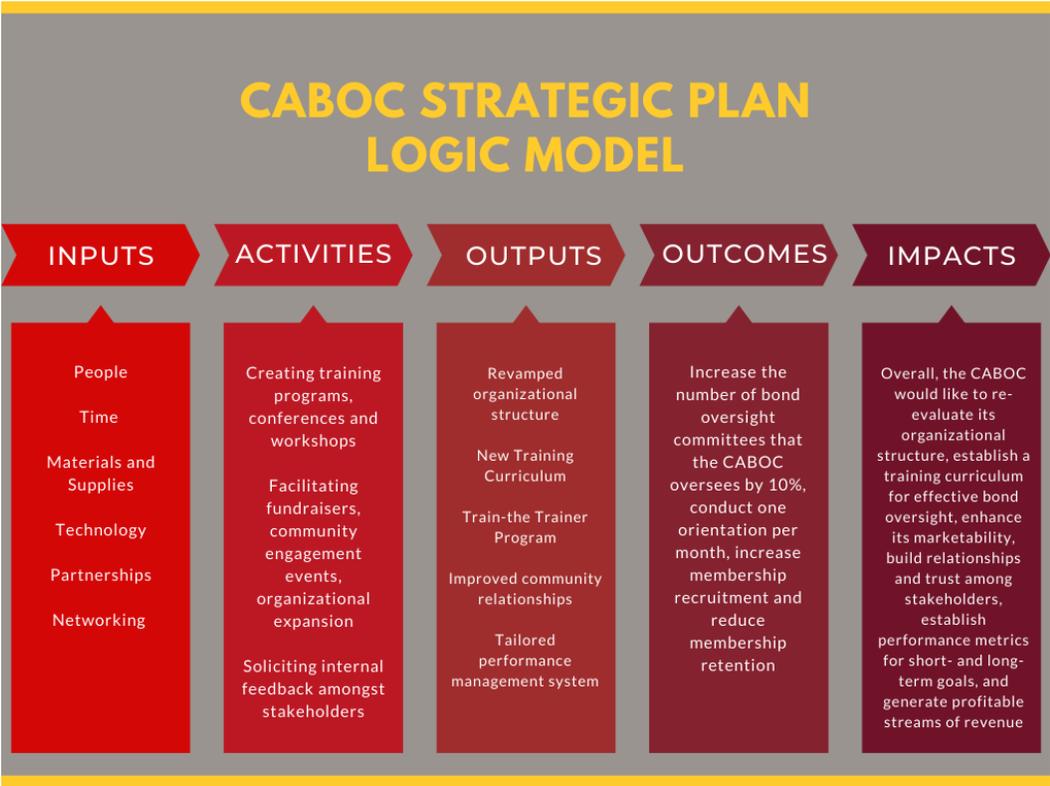


Figure 2. CABOC Strategic Plan Logic Model

**F. RESEARCH QUESTIONS**

The overall project goal was to create a strategic plan for the CABOC to implement and sustain over the years. The team began by strategically assessing CABOC’s issue areas surrounding its functional organizational structure, training programs, financial structure, and performance management metrics to address the deficiencies in these particular areas. As a service organization, the CABOC has shown strides towards carrying out its organizational purpose. However, to strengthen the CABOC’s ability to deliver effective services, it is imperative that all of the researchable questions are thoroughly answered. Each research question has been categorized to help the team identify and sort emerging themes as the USC Capstone team progresses through its methodological techniques. Additionally, the following background information about each of the five research categories is based on client information, best practice research methods, and researcher observations.

*RQ #1: How will a sustainable strategic plan help CABOC develop organizational goals and objectives that assess progress over time?*

*RQ #2: How can CABOC be best organizationally structured to support its mission?*

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*RQ #3: How can CABOC facilitate an effective and easy-to-access training program to meet the needs of its constituents?*

*RQ #4: How can CABOC diversify its revenue stream to provide a more stable and sustainable financial structure? What tools and best practices can they employ to achieve their organizational goals?*

*RQ #5: How can performance metrics serve CABOC to transform their mission, strategy, and organizational goals into key measurable performance indicators that govern organization actions? Which performance measurement model can they use to develop their own performance measurements?*

**G. RESEARCH DESIGN MATRIX**

To successfully analyze and mitigate these facets of CABOC, the team created a Research Design Matrix (RDM) to identify the five overarching issues facing CABOC. The following RDM components organized pertinent research and methodologies for the project: research questions, research approach, scope, data collection methods, and analytic strategies to compare and contrast data gathered. The RDM further guided the research and informed the analysis of the CABOC, the components of the logic model, and identified viable methodological research techniques (See Appendix B for full RDM).

	<b>Research Approach</b>	<b>Scope of Research</b>	<b>Methodology</b>	<b>Analytic Strategy</b>
<b>RQ#1</b>	<i>Open Source, Interview Data, Case Studies</i>	<i>Board Members, Committee Chairs, Peer Reviews</i>	<i>Academic Journals, Academic Research, Best Practices,</i>	<i>Literature Review, Interviews, Needs Assessment, SWOT Analysis</i>
<b>RQ#2</b>	<i>Open Source, Interview Data</i>	<i>Board Members, Committee Chairs, other state-level nonprofit organizations</i>	<i>Academic Research, Best Practices</i>	<i>Literature Review, Comparative Analysis</i>
<b>RQ#3</b>	<i>Open Source, Interview Data</i>	<i>Board Members, CBOCs, Peer Reviews</i>	<i>Interview Responses, Literature Review</i>	<i>Interviews, Comparison Analysis, SWOT Analysis</i>
<b>RQ#4</b>	<i>Open Source, Interview Data, Budgetary Analysis, Case Studies, Meeting Attendance</i>	<i>Board Members, CBOCs, Peer Reviews</i>	<i>Interview Responses, Literature Review, Academic Research</i>	<i>Interviews, Comparison Analysis, SWOT Analysis, Needs Assessment</i>
<b>RQ#5</b>	<i>Open Source, Survey Data, Interview Data</i>	<i>Balance Score Card, MIMNOE, Board Members</i>	<i>Literature Review, Past CABOC Meetings, Survey Responses, Interview Responses</i>	<i>CAM Analysis, Best Practices, Needs Assessment, Interviews</i>

Figure 3. Overview of CABOC’s RDM

## H. METHODOLOGIES

The following section outlines different methodologies the team utilized throughout the project and their respective limitations. Although the process was lengthy and time-consuming, the USC Capstone team was prepared to reevaluate the team's methods if it was found that the team could not take on these tasks. Ultimately, the project determined the feasibility of a new strategic plan for CABOC by assessing various sources of qualitative data by way of a "best practice method." Research focused on the study of nonprofit organizational theories and practices. The team identified nine different methodologies to employ throughout the project. These methodologies include a literature review, best practices review, data review, interviews, surveys, SWOT analysis, comparative analysis, comparative analysis matrix, and a needs assessment.

### LITERATURE REVIEW

A comprehensive literature review of nonprofit organizational theory, training development, financial management, and performance management guided the project's focus. Additionally, the USC Capstone team examined different theories that can be employed to tackle the CABOC's overarching problems. Other literature the team reviewed includes articles about board involvement, organizational sustainability, strategic planning, and nonprofit dissolution. Literature reviews are a vital component of research projects that can tackle broad and abstract questions (Baumeister & Leary, 1997). According to Moore (1991), documentation is the foundation when planning a report. It is also crucial to create a "standard form or format for data collection" (Moore, 1991, p. 218). Furthermore, Harris (2020) stresses the importance of record-keeping and how good records help when it comes time to coding literature reviews.

In addition to being time-consuming, literature reviews can be severely limiting due to human error and bias (Snyder, 2019). This is because it is on the researcher to pick supporting literature that falls in line to support what the author is trying to argue. This has the opposite effect of leaving out literature that may not support what the author/research argues or supports. This can lead to inconsistent findings when multiple researchers are creating a literature review.

#### *Strategic Planning*

The CABOC needs a strategic plan to carry out its organizational mission. Gratton (2018) identifies that a majority of nonprofits in the United States face challenges around finances, fundraising, competition, technology implementation, and human resource management. Research shows nonprofits are missing a crucial organizational tool: strategic plans (Gratton, 2018). Strategic planning is a process that includes "identifying methods of acquiring the resources required to fulfill an organization's mission and vision" (Gratton, 2018, p. 30). If the CABOC implements a strategic plan, they will see improved change and lasting organizational change. However, Gratton (2018) notes that there are several reasons that organizations do not engage in strategic planning. These include "a lack of time, a lack of finances, difficulty in initiating change, and a lack of board support" (Gratton, 2018, p. 31). The CABOC does struggle

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with finding time to achieve all of their organizational tasks; their board president recently resigned and cited his reason as not being able to commit the time to all the assigned duties (Interview, Arellano, 2021). He noted that he was tasked with too many duties and did not receive support from other members (Interview, Arellano, 2021). The CABOC also has a limited organizational budget; these all contribute to not developing and carrying out a strategic plan.

The initial issue area of strategic planning was identified because the CABOC is currently functioning as a tax-exempt service organization to CBOCs. According to Bryson (2018) it is imperative that nonprofit organizations such as the CABOC demonstrate that “their operations...create public value” to reduce the risk of “losing the social justification for their existence, their legitimacy, and any tax-exempt status they [already] have” (p. 115). Currently, the CABOC’s purpose statement provides its visitors and constituents with a vision of success to ensure that everyone is aware of how to accomplish the overall mission of the organization. This purpose statement serves as the vision statement for the CABOC because it explains what the organization stands for and the specific outcome it foresees.

To establish a strategic plan for the CABOC, the USC Capstone team took the goals approach. Utilizing this approach, the team started with a goal provided by the CABOC and then identified the issues and analyzed recommendations for the implementation of an effective strategic plan, which includes explicitly stating the mission, vision, and values statements. Although the CABOC has explained its purpose, its commitment, and its pursuit of adherence to the Little Hoover Commission’s recommendations, the team wants to ensure that the CABOC employs strategies that will propel the CABOC into achieving its desired organizational goals and objectives. Explicitly outlining the mission, vision, and values statement makes it easy for visitors, donors, and sponsors to assess their personal ideologies to quickly determine if they envision themselves supporting the goals and objectives of the CABOC (Crittenden & Crittenden, 2020).

Essentially, creating a “well-conceived strategy for culture change” or a strategic plan for the CABOC will help the organization have a physical step-by-step “how-to guide” regarding progression towards achieving its goals (Bryson, 2018, p. 127). Gaining “clarity about [CABOC’s] mission and goals, program effectiveness, accountability, funding and resource management, and marketing techniques will ensure the strategic plan is sustainable” (Bryson, 2018, p. 254). In regards to how to develop a strategic plan, Love (2018) lists four different models these include:

1. Standard strategic planning model
2. Issue-based strategic model
3. Organic strategic planning model
4. Real-time strategic planning model
5. Alignment strategic planning model

The team believes the CABOC will benefit from implementing an issue-based strategic model. This particular model is best used when an organization is “facing turbulent internal or management conditions at their nonprofit” (Love, 2018). This is the issue that CABOC is currently facing. Love (2018) suggests that when using this type of strategic plan that the organization “have milestones to check-in and milestones to check in and make adjustments

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based on progress and results.” Additionally, the author suggests that there are three elements a strategic plan should consist of: an overarching organizational strategic plan, an annual “business” strategic plan, and a development nonprofit strategic plan (Love, 2018).

### ***Organizational Structure***

Given the recent creation of the CABOC, there is a clean slate from an organizational perspective for molding the organization into an efficient association geared towards completing its mission. The failures of the CaLBOC must be carefully studied through qualitative research and quantitative research (DiCicco-Bloom & Crabtree, 2006). This will be done through a series of interviews and a careful analysis of the CaLBOC Business Plan. Comparative analysis of other state-level nonprofit organizations in California will bring about some critical benefits – recognizing good aspects of their organizational structures and harmful elements that the team would not want to emulate when creating the CABOC structure (Perrow, 1967). Similarly, researching other state-level bond oversight associations can reveal similar data (Perrow, 1967). However, differences must be taken into consideration – especially jurisdictional and legal differences between states. Some integral aspects to research are the three “avenues of structure” that impact the efficiency of an organizational structure:

- Organizational Environment
- Organizational Technology
- Organizational Size (Child, 1972).

Additionally, an evaluation of personalities within CABOC may be necessary to clear the way for a successful organization that relies on systems, processes, and a mission – rather than personalities to reach its full potential. If a conflict exists within the organization, it may heighten the importance of an organizational change (Hannan & Freeman, 1984). This would have the added benefit of giving everyone more buy-in and increase the morale of those who work at and with the CABOC (Worthy, 1950). These approaches will help the CABOC form the most effective and efficient organizational structure towards succeeding in its mission.

### ***Training Curriculum***

The CABOC has articulated that its purpose is to provide “training, encouragement, and support” to CBOCs and school districts within the state of California (CABOC, 2021). Research has been conducted to inform how the CABOC can facilitate an effective and easy-to-access training program to meet the needs of its constituents. This particular research question is imperative to streamline the training techniques that will be used, identify components of the training curriculum, and determine which aspects of the program can be implemented (Gottfredson & Mosher, 2011). The National Association of Realtors (2021) recommended that the sequential steps be followed to develop an effective training curriculum:

1. “Determine the organizational objectives
2. Assess the training needs
3. Finalize the training objectives and budget
4. Select trainers
5. Select the training method(s)
6. Develop and administer the training programs

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### 7. Evaluate the training” (paras 1-7).

Typically, some members fill vacant roles within CBOCs without undergoing training of any sort with minimal participatory expectations. However, organizations such as the California League of Bond Oversight Committees (CaLBOC) have created foundational elements that should be included in a CBOC training program. Additional research of the CaLBOC revealed that training topics should align with the requirements set forth by California Education Codes. The CaLBOC Best Practices School Bond Oversight Committee Operation Standards stated that it “could also be used as an outline for developing a training program for committee members...[because] these standards will enhance the effectiveness of the oversight” (Contra Costa Community College District, n.d., p. 1). Essentially, investing in quality training for trainers will add value to the CABOC’s reputation, create high expectations for subsequent training hosted by the CABOC to CBOCs in California, and decrease knowledge gaps in CBOC bond oversight education.

### *Finance and Budget*

Funding and financial resources are a substantial component of the nonprofit structure. If there is not a clear and distinct financial plan from the beginning, chances are the nonprofit will struggle. While it is crucial for nonprofits to provide unique services and programs, it is imperative they have a stable funding and financial structure in place. An organization’s strategy, structure, and survival depend on its resources and relationships with outside institutions (Hodge & Piccolo, 2005).

Communication is key for any organization to be effective and efficient. Waters (2011) focuses on the importance of individual donors in the nonprofit sector and how organizations need to understand how to cultivate these relationships to survive. The author uses the organization-public relationship (OPR) framework to help assess and understand the nonprofit-donor relationship. Through surveys, this study indicates that the impact of cultivation strategies by way of communication theory varies (Waters, 2011). The author recommends structural equation modeling to help fundraisers streamline their fundraising goals and maximize their cultivation efforts. Communication theory outlines “several specific strategies that can enhance the effectiveness of a nonprofit's fundraising program” (Waters, 2011, p. 472). This can look like engaging donors in more conversations; ultimately, this lets them know their opinions are valued and appreciated and leads to loyalty. Since the CABOC does not have a large following, they do not have the opportunity to cultivate donors. They need to focus on marketing the organization and its services so more constituents will buy into their mission. By focusing efforts in this area, they will reap the benefits of finding new donors. Then they can apply communications theory to enhance their donor's likelihood to give.

While nonprofits are growing, scholars are studying reasons for their growth; however, there is little consensus around why organizations decline (Lu, Shon, & Zhang, 2002). The team identified the need to research why nonprofits dissolved because of the dissolution of the CaLBOC. Lu et al. (2002) note that it is crucial to study the dissolution of nonprofits because there are negative consequences for an organization and its constituents once it dissolves. The authors review the literature around this topic and assume that “how a nonprofit manages its resources usually has strong implications for its fate” (Lu et al., 2002, p. 30). Additionally, Lu et al. (2002) examine the association between the risk of a nonprofit dissolving and how it

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correlates to its financial management. The study utilizes the Cox proportional-hazards model, which reveals “that as a nonprofit’s overhead spending increase, its likelihood of dissolution initially decreases, but after a tipping point, further increases in the nonprofit’s overhead spending increase its risk of dissolution” (Lu et al., 2002, p. 30). Furthermore, the authors note that noncommercial nonprofits and those with a less diversified revenue portfolio experience higher risks of dissolution. The team wanted to understand the mistakes made with CaLBOC so that the team could successfully draft a strategic plan that would carry them further. According to Lu et al. (2002), “a robust knowledge base on nonprofit dissolution could provide meaningful implications for nonprofit managers to formulate strategies to promote the sustainability and longevity of their organizations” (p. 44). The research shows that financial factors play a substantial role in nonprofit dissolution. Therefore it is imperative to understand this topic to provide the CABOC with a clear plan on how to strategically handle their financial management of the organization for the future.

Overall, mission fulfillment is the optimal goal of nonprofit organizations rather than profit. Still, maintaining financial stability is essential to an organization's effectiveness and longevity, especially if CABOC wants to learn from CaLBOC’s mistakes and how it was not a sustainable organization. Accordingly, the team recommended focusing on diversifying the CABOC’s revenue. Nonprofit organizations need to have unique resources; it is more imperative that they have stable funding. Hodge and Piccolo (2005) found that CEOs of privately funded nonprofits were more likely to use their board rather than CEOs of government-funded or commercially supported organizations. Additionally, privately funded organizations were less vulnerable to economic shocks than government-funded or commercially supported organizations. Hodge and Piccolo (2005) discuss the assertions of resource dependence theory, which explains “how an organization’s strategy, structure, and survival depend on its resources and dependency relationships with external institutions” (p. 172). The authors stress the importance of the manager's actions when it comes to resource dependence theory. Additionally, Hodge and Piccolo (2005) discuss the financial vulnerability index (FVI) as a measure of performance and a proxy for survival. FVI was developed by Tuckman and Chang (1992) “to help gauge operational efficiency and resource management effectiveness” (Hodge & Piccolo, 2005, p. 176). It would be beneficial if the CABOC could perform a FVI to help illustrate where they stand as an organization. Perhaps the findings might reveal the need to focus more on the financial management of their organization.

Lastly, a nonprofit organization should look at normative nonprofit financial management principles, which “instruct organizations to minimize overhead and to remain fiscally lean” (Mitchell, 2017, p. 1272). Mitchell (2017) provides research to address the gap between fiscal leanness and the ability of the nonprofit to efficiently respond to their economic environments (Mitchell, 2017). The author uses results from several nonprofits’ 990s from the fiscal years 2004 to 2011. While it is fairly easy to say that an organization should minimize overhead to remain fiscally lean, it is not that easy to employ. Additionally, operating as a fiscally lean organization can make it hard for an organization to respond to its economic environment (Mitchell, 2017). However, normative nonprofit financial management can have consequences. These include minimizing fundraising expense ratios, which can be harmful. Most foundations and the government have a ratio that an organization’s fundraising expenses cannot exceed. It is then considered inefficient if the organization is allocating too much of its expenses to raising money. While this makes sense fiscally, it is not always the most effective approach. Another

concern of normative nonprofit financial management includes how organizations should increase spending to preserve desirable program expense ratios during economic expansions (Mitchell, 2017). This action might not be the most effective approach if the service demand declines. Instead, nonprofit managers could more efficiently operate if they made rational fiscal adjustments in response to changing economic conditions (Mitchell, 2019).

### *Performance Management*

Performance Management is the overarching concept that research question number five hopes to address and provide insight into how the CABOC can accomplish the organization's strategic objectives (Berkeley, University of California, 2021). Performance management is the formal undertaking of governance in the organization, often formalized and optimized in phases (Blackman, 2021). Leadership can begin to initiate governance in the CABOC by identifying performance measurements throughout the phases of growth in the organization. Performance measurements will allow the CABOC to track progress; more specifically, performance measurements are quantitative indicators the CABOC can incorporate to track progress (Miyake, 2021). The following section will serve as the literature review of the performance management section of the project. Addressed first will be the structure and method behind the literature review. Next, an examination of performance management and governance, followed by performance measurements and tracking indicators.

The guiding resource in the construction of the literature review is provided by the Harvey A. Andruss Library (Coffta, 2021). The literature review provides context on the research used in the project and elaborates on how works within the same field of performance management provide credibility and clarify misconceptions within the project (Coffta, 2021). The literature review takes the perspective of experts in the field, examines, and elaborates on to provide insight into the performance management of the CABOC. Coffta (2021) offers eight steps for the construction of literature reviews. The first two steps are conceptual in nature, asking for a selection of a topic and its context (Coffta, 2021); in this case, it is performance management, with the context being that it should be placed in the work of a non-profit membership organization with no in-house support staff. The third and fourth steps comment on the criteria and use of information sources (Coffta, 2021). The research for this section focused on more scholarly criteria such as journals, research papers, and government documents; occasionally included in the criteria are websites and thesis papers. The top terms used for discovering research terms were: performance management, performance measurement, governance, non-profit, and efficiency. After the same sources started popping up, there was a change in strategy to include additional terms and narrowing the search engines. Weeding out sources that did not apply to the literature review was done by examining the titles of sources and reading through the abstracts. As recommended by Coffta (2021), steps five and six assert the process for retrieving and organizing information. These two steps are expanded upon in the team's work plan. A summary of the team's process would illustrate that Basecamp was used as a real-time communication tool to collaborate on the project management and a database to log all scholarly sources. To prevent working in silos, the team continuously reviewed each member's work and engaged in discussion; additionally, the team's database is structured based on the team's agreed-upon strategy for the organization. The last steps outlined by Coffta (2021) instruct for an interdisciplinary approach to place the information collected and its relationship with the topic, and most importantly, the actual function of writing out the literature review.

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Performance Management is the culmination of all the organization's systems gathering of information, providing feedback to the organization's teams and individuals, and interpreting the feedback to improve the effectiveness in the organization (Bernardin, Hagan, Kane, & Villanova, 1998). Performance management is the realization of executing organizational strategy by identifying organizational priorities, managing accountability, and improving performance metrics on a continual improvement timeline (Bae, 2006).

Bourne, Neely, Platts, and Mills (2002) document the successes and failures of nonprofits implementing performance measurement initiatives. The study identifies these two factors as being conducive to implementation "the benefits produced from undertaking the new performance measurement system and the commitment from top management to continue using the performance measurement system" (Bourne et al., 2002, p. 1303). Bourne et al. (2002) also identify four factors that block implementation:

1. The effort required for implementation
2. The ease of data accessibility through the IT systems
3. The fear of repercussions that come from measuring
4. The introduction of new initiatives by a new parent company

Thus, when the CABOC decides upon the performance measurement systems, they should consider these factors to ensure the system's success.

### BEST PRACTICE REVIEW

This project's research and engagement objective is directed toward identifying best practices for the CABOC in their efforts to establish a well-functioning nonprofit organization. If the CABOC can implement a strategic plan rooted in nonprofit best practices, it will be an invaluable resource to its organization's constituents. Best practices research emerged from quality management literature; it has been embraced in various disciplines, including public administration and nonprofit management (Myers, Smith, & Martin, 2004). According to Overman & Boyd (1994), best practice research involves the "examination of multiple examples from different contextual situations in order to develop more generalizable principles and theories" (p. 69). The USC Capstone team took a qualitative approach to best practice research. Similar to the literature reviews, the team created a coding schema to help categorize findings. The team utilized Basecamp, a project management tool, to create several folders to categorize best practice research areas. This task helped identify emerging themes to help answer the research questions.

One limitation to focusing solely on best practice review is the known unknown. This is because, societally, geographically, and legally, the CABOC has a unique charter. A best practices review may not be easily replicated or have the same effect as it would in another organization (Eilertsen, 2018).

### *Strategic Planning*

Not all nonprofit organizations create or utilize strategic plans (Gratton, 2018). However, a properly compiled strategic plan can provide an organization with a solid foundation and operate

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as a roadmap to success. The team decided that a strategic plan was the best tool it could provide for the CABOC to foster a successful future. Therefore, the team extensively researched best practices for strategic planning. Kachaner, King, and Stewart (2016) identify four best practices for strategic planning. The authors suggest strategic plans should:

1. Explore strategy at distinct time horizons
2. Constantly reinvent and stimulate the strategic dialogue
3. Engage the broad organization
4. Invest in execution and monitoring (Kachaner et al., 2016)

Kachner et al. (2016) note that organizations think about strategic planning in “three distinct horizons (1) vision and ambition, (2) business unit strategy, and (3) annual strategic review” (p.27). It is imperative that the organization continuously maintain “freshness” as a critical value when embarking on the strategic planning journey (Kachner et al., 2016). While new processes might be avoided because some organizations do not welcome change they are essential to maintain so that organizational goals proposed in strategic plans can be achieved. Another key aspect when an organization creates a strategic plan is to engage the entire organization, this includes internal and external stakeholders (Kachner et al., 2016). This tactic will help the organization tap into all its available resources and it also helps avoid groupthink. Lastly, the organization should invest in execution and monitoring. Kachner et al. (2016) list three cases that investment can help “(1) clear and engaging communication to foster alignment, (2) high-profile strategic initiatives to build traction, and (3) a strategy dashboard to highlight success metrics” (p.31). The last case is one the CABOC should pay particular attention to when implementing its new strategic plan. Per research question five, the team has been rigorously researching how and why nonprofits should include performance metrics to measure success.

Other best practices include approaching strategic planning from a goal-based angle. Goggin (2019) states that goal-based strategic planning “works backward from the future to the present. It all starts with the organization’s vision” (p.14). The CABOC would benefit from this approach because they already have a solid vision statement in place. Therefore, the CABOC can set measurable goals to align with its strategic plan and then develop time frames in which it can achieve those goals. Appropriate time frames for strategic plans are about three to five years and allow the organization’s stakeholders to create action plans to track and measure progress (Goggin, 2019).

### ***Organizational Structure***

As far as the organizational structure is concerned, best practices revealed a lot about whether or not the CABOC was structured and staffed effectively. Best practices are a vital method that allowed the team to conduct a thorough analysis, resulting in identifying other organizational structures. This assisted the team in identifying key strengths that revealed effective and efficient practices the organization can implement (Mansfield, 1973). Such practices include implementing organizational technology, restructuring, or a change in the organization’s mission (Mohr, 1971). In several meetings and interviews, it was stated that the CABOC sought to emulate another nonprofit in California, the California Grand Jury Association (CJGA). Both organizations have similar aims, although different audiences and missions, that function as a state-level nonprofit whose main objective is to train its members. Another aspect of best

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practices that the team analyzed related to the organizational structure was an analysis of ineffective organizational structures to mitigate their replication in the CABOC strategic plan (Nancy, 2020a). Flexibility and sustainability are essential for any organization to survive, this includes the CABOC.

When it comes to the CGJA, something that stuck out to the team as a critical difference was CGJA's funding source. CJGA gets funding from the state and has a paid executive staff that covers all the administrative portions so that the Board of Directors do not have to. As recommended by the Little Hoover Commission, the use of technology could and be replicated as far as allowing for substantive and high-quality online training. In addition, due to the ongoing COVID-19 pandemic, the CABOC has effectively leveraged the use of virtual meetings, thus allowing for more frequent communication with geographically dispersed members of the organization.

The structure of the CABOC is optimal, and change via a restructuring is not readily needed; the problem is staffing which stems back to the funding obstacle. When compared to new nonprofits, the structure is typically scaled-down. However, the CABOC set up its robust and optimal configuration in the beginning. This has left many roles unstaffed or filled by people that already have other jobs in the CABOC. Although unsustainable right now, if the CABOC acquires additional staff – its current structure is well suited to execute the CABOC's mission of delivering quality training to the various CBOCs across the state.

### *Training & Curriculum*

While addressing the issue of a non-existent training program, the team had to determine the best approach for developing an effective training curriculum with limited resources. The CABOC has placed insurmountable resources on its website, which demonstrates the CABOC's willingness to exercise transparency and education to its visitors. However, there are organizations, community members, and CBOC members who may not take the time to navigate the different pages of the CABOC website to learn or search for the information they may need. Therefore, the CABOC has expressed its desire to facilitate a training program that will teach attendees about effective citizens' bond oversight. Furthermore, many constituents have different learning styles, such as auditory, visual, and kinesthetic. The CABOC has been facilitating virtual meetings effectively and has an annual conference approaching in October 2021. Considering these components, the team took the initiative to find the best approach to developing an effective training curriculum that is sustainable in the virtual environment, as well as in-person. Several members of the CABOC expressed their support of utilizing a curriculum that can accommodate various delivery methods strategically.

After searching over fifty secondary sources, including articles, websites, and textbooks, it was evident that the best practice for developing an effective training curriculum is by employing the ARDDIE method. ARDDIE is an acronym for performing analysis, research, development, implementation, and evaluation in order to create a quality-based learning curriculum applicable for virtual and in-person. ARDDIE “provides a structure from start to finish for face-to-face as well as online learning opportunities” (Reed & Signorelli, 2011, p. 58). The ARDDIE model aims to create a training module that is suitable for virtual and in-person learners by focusing on the quality of the curriculum for small and large audiences. The ARDDIE model is flexible and

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allows developers to change the training curriculum as improvement recommendations are received. ELM Learning (2021) explains that the first step in the ARDDIE process is “analyzing the goal of the training,” which is followed by “designing a strategy for reaching that goal” (para 4). The steps include analyzing the goals and objectives of the training curriculum to actually “design the course” (ELM Learning, 2021, para 4). “During implementation, the course is tested by the learners, and during evaluation, learners are asked to provide feedback on whether the goals were met, and whether the training might need a slight tweak or major change in direction” (ELM Learning, 2021, para 4). The research component has been included in the CABOC’s best practice because the team’s findings and recommendations were based on preliminary research, primary sources, and secondary sources. As part of academia, findings and recommendations should be grounded in evidence-based research findings as support and credibility. According to Dunford (2012), evidence-based research relies heavily on “documented results rather than anecdotes, [and] produces long-term, sustainable and verifiable results” (p. 74).

### ***Finance & Budget***

In order to maintain trust among stakeholders, nonprofit organizations must be socially and financially accountable. Organizations accomplish this through publishing their financial records such as 990s on their website or other third-party sites such as Charity Navigator and GuideStar. When nonprofits update these websites with their financials it shows donors and stakeholders that they are applying nonprofit best practices in maintaining fiscal responsibility. Sloan (2009) states “accountability is necessary to promote public trust in the third sector” (p. 220). Measuring and reporting accountability within nonprofits is imperative to an organization’s survival. While it takes time and work, it can immensely benefit the organization in the end. Sloan (2019) utilizes data from the Wise Giving Alliance and indicates that organizations with “pass” ratings have a significant effect on the contributions they receive. Early accountability standards included financial and fundraising best practices, but now all areas of institutional governance are included when it comes time to measure these standards (Sloan, 2009).

Another fiscal best practice for nonprofit organizations is to secure government funding. Lu (2015) distributed a survey to human service organizations in Maryland and found that nonprofits “with higher bureaucratic orientation, stronger domain consensus with government, and longer government funding history are more likely to receive government contracts and grants” (p. 297). However, applying for government funding is not an easy task. One government grants application can take up to 100 hours of work. The CABOC has already expressed how thin their team is spread and their lack of knowledge regarding the grant universe. Additionally, the CABOC does not have any history of government funding, so they suffer from this disadvantage. However, if they can build inter-organizational relationships (IORs) with other organizations, they could establish a stable flow of resources (Lu, 2015). The author also notes the importance of organizational structure and how it shapes behaviors and governance, both key elements in securing funding. Government agencies operate as a bureaucratic structure; therefore, if nonprofits can operate with higher degrees of bureaucratic orientation, they could be more likely to be funded by the government (Lu, 2015).

The CABOC does not have a firm grasp on managing its revenue stream; therefore, it must look at best practices to help them get there. Abraham (2006) suggests that measuring financial performance with ratio analysis aids in identifying the strengths and weaknesses of

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organizations. Additionally, the author notes how the centrality of an organization's mission should be used within conducting financial ratio analysis (Abraham, 2006). Ratio analysis is a “well-established tool to evaluate an organization’s profitability, liquidity, and financial stability” (Abraham, 2006, p. 2). Ratios that nonprofit organizations can perform include asset turnover, profitability and return on invested capital, liquidity and solvency, percentage of revenues by type, and percentage of expenses by type.

### *Performance Metrics*

The best practices for performance metrics are divided up into several subsections. Although the best practices might appear to be recommendations, they serve instead as guiding principles for the development of performance measures. Performance measures are to be carefully constructed and developed by an organization to meet their mission, goals, and objectives; the collection of data for performance measurement and reporting and using performance data are the phases that follow (National State Auditors Association, 2004)

The process of developing performance measures is guided by the planning process of establishing a mission statement that identifies the organization and what it does, and the importance of their work (National State Auditors Association, 2004). Next the managers should develop clear goals for the organization and its programs that support the mission and specify a desired measurable result (National State Auditors Association, 2004). Lastly work to establish objectives that stem from the goals that specify an action along a timetable for accomplishment (National State Auditors Association, 2004). Ultimately, the work done through the objectives will help progress goals attainment, if provided with a time frame, measurable results, and follow a logical sequence (National State Auditors Association, 2004). The CABOC does not have an official leadership team (hired staff) and working departments, thus the construction of performance measures relies on the development of the Executives, Board, Advisors, and Committees.

The Government Finance Officers Association’s (2018) recommendations encourage performance measurement to monitor an organization’s financial and budgetary status, service delivery, program outcomes, and community conditions. Additionally, there are several conditions that the organization should keep under consideration when developing measures: usefulness, relevance, reliability, adequate, collectible, consistent, environment externalities, responsibilities over data, and systems capacity (Government Finance Officers Association, 2018). Ultimately performance measures, when comprehensive and balanced, will be able to compare performance of the organization to an expected result (National State Auditors Association, 2004)

Performance measures are not solely the responsibility of managers, but require engagement and cooperation from employees. It is imperative that all employees fully understand the organization’s mission, goals, objectives, and the performance data that will be used to measure the results toward accomplishing the goals (National State Auditors Association, 2004). The CABOC does not have the capacity for staff, these responsibilities are thus passed on to Committee and Board members.

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Below are a couple of best practices recommended by Gilbert Fairholm (1993) to manage power within an organization (Denhardt et al., 2020) to guide performance management:

1. Forming Coalitions – This strategy recommends that the CABOC apply itself to connecting with other Bond Oversight Committees to increase their membership.
2. Using Outside Experts – The CABOC has already been implementing this technique; however, it would be beneficial to limit the number of experts to provide a clearer path towards solving a problem and encourage others to take up work within committees.
3. Developing Others – This will encourage the CABOC to reward and recognize the leaders in its organization for their work and structure within its operations and the ability to increase capacity.
4. Selecting Decision Criteria – This will allow the CABOC to make the decision-making process much more efficient and see through the completion of outcomes

## DATA REVIEW

Conducting a data review is key to understanding what is being assessed and analyzed. Part of this process is understanding if data is from a primary source or a secondary source. This is important because it will influence the validity of the data source quantitatively or qualitatively. Additionally, the process includes a stakeholder analysis and identifying what the source (be it a person, organization, or raw data) has to gain from said data and trying to mitigate bias when taking data into account (Heaton, 2008). This process helped the team analyze information for the team's research questions, especially organizational structure and performance management.

Skewed data resulting from bias or human error can be detrimental to the data review at large. This is of particular concern when too much of the data comes from the same author, organization, or scholarly journal. The USC Capstone team could inadvertently be treating groupthink, human bias, or human error as concrete data when in fact, diverse data would be the most valuable (Bari et al., n.d.).

### ***Strategic Planning***

The team found two strategic plans from nonprofit organizations via an article published by Love (2018) on *Boomerang's* website. Analyzing these strategic plans allowed the team to create a template in which they will use to present this report's findings and conclusions in a separate strategic plan for the client.

In 2014 the Taproot Foundation published their 2015-2017 strategic plan. The 23-page document provided a letter from the president and CEO, a statement about who they are, their values, their history, solutions and impacts to date, market situations and needs, and their goals for the next three years. Their goals pertain to the foundation's programs, services, and financials. The strategic plan is well organized and provides detailed information about the foundation and their impact. The content is also accompanied by appealing data visualizations that are simple, yet illustrate vital information. The Taproot Foundation was founded in 2011, so the strategic plan has a wealth of data and information to report and analyze. Unfortunately, this will not be the case for the CABOC. Instead the CABOC's strategic plan will primarily focus on its goals for the future. The CABOC will only be able to report on limited performance metrics, such as their

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website and newsletter analytics. Therefore, the team recommends focusing on the latter part of the Taproot's strategic plan, which outlines the future goals of the foundation. However, the CABOC can save the Taproots plan in their library to revisit when it is time to report data, as it will serve as an excellent example. The foundation provided quotes from staff and stakeholders and pressing facts about the industry it serves. Additionally, the plan included a list of the foundation's strengths and top priorities. The team believes these are all sections the CABOC can mimic with information it already has in place.

Additionally, the team found Habitat for Humanity's 2017-2021 strategic plan. While it was not as comprehensive as the Taproot's plan it provides 12 pages of valuable information and serves as a more realistic goal for the CABOC to follow. The plan outlines the organization's vision, population served, an outline for a new business model, and goals from their five-year plan. The text of the plan is accompanied by appealing data visualizations, infographics, photos, and informative quotes. The organization includes its business model, information that the CABOC already has in place and will be easy for the team to include in their final strategic plan for the client. The Habitat for Humanity does an excellent job outlining their goals in a succinct manner that serves as a realistic plan for its future.

After reviewing the data of the benefits and criticisms of strategic planning the team found there was limited data revealing that strategic plans are not helpful for organizations. Bryson, Crosby, and Bryson (2009) examine the benefits and criticisms of strategic planning among all three sectors. Critics often state that strategic planning consists of "no more than a fairly rigid, mechanistically applied sequence of prescribed steps often requiring huge amounts of information, power, and authority to complete; and typically divorced from process, methods, and mechanisms of implementation, such as budgeting" (Bryson et al., 2009, p. 174). The team gathered that these problems were apparent when Mr. Jungherr and his team created a business plan for the CaLBOC, which was ultimately ignored and shelved. The CaLBOC board stated it was too lengthy and complex for the organization to implement. Therefore, the team has focused their efforts on creating a succinct strategic plan that will aid the client to achieve its goals and appeal to its stakeholders. Lastly, the team plans on implementing best practices and reviewing the data above when creating the final strategic plan.

### ***Organizational Structure***

An analysis of the function of each committee that comprises the CABOC's organizational structure was conducted through organizational charts (See *Figure 1* for the CABOC's Organizational Chart), interview data, survey data, and academic research. The premise of reviewing data related to organizational structure is outlined as a form of data analysis related to organizational charts belonging to various – mostly nonprofit – organizations (Nancy, 2020b). This data review helped the team understand the point of an organizational chart and how the branches equate to a hierarchy that can reveal subordinate and superior relationships. Additionally, it outlined for the team – when we took data about the CABOC's staffing – which committees required more time than others. According to Pugh et al. (1968), analyzing organizational charts with outcomes based on departments, committees, etc., can reveal the effectiveness through training or cost of a particular organizational structure. Additionally, several interviewees indicated that the functions of each committee were necessary, as did the data when reviewed through academic research on organizational structures (Flamholtz, 2008).

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The team, however, also received the same statements and comments outlining that the problem was staffing, not structure.

**Training & Curriculum**

A combination of data collection methods was used to gather pertinent data regarding the CABOC’s training program. An interview matrix was utilized during each interview to highlight recurring themes amongst the interviewees (See Appendix D). This interview design matrix was used to document the personal experiences and expertise during the interview in an organized manner. After each interview, the data was compiled with other interviews to be analyzed and synchronized. In addition to the interview design matrix, a needs assessment was conducted to identify the perceived needs versus the actual needs of the CABOC. This needs assessment was conducted by surveying the CABOC members and CBOC constituents in collaboration with the CABOC. The CABOC disseminated a survey to its subscribers, which included CBOC and community members, to prioritize training topic areas. The yielded results from this survey supplemented the needs assessment of the CABOC. Although all topics outlined in the survey the CABOC distributed, an additional survey was distributed to identify training topics that were omitted from that survey. All of the data gathered from these two surveys has helped the team prioritize training topics for the CABOC’s training program. Lastly, a SWOT analysis was conducted to assess and identify the strengths, weaknesses, opportunities, and threats and challenges of the CABOC’s training program. These analyses are the framework for the CABOC’s sustainable and robust training curriculum.

**Finance & Budget**

It is imperative to include data on how nonprofits maintain their financial structure when creating the CABOC’s strategic plan. Hager, Rooney, & Pollack (2002) surveyed 1,540 organizations from a list of US public charities to discover how nonprofits utilize fundraising staff to secure grants and contributions. Hager et al.’s (2002) findings included:

1. 15% of respondents do not have any grants or contributions, and 16% receive less than \$50,000
2. 81% of organizations grossing \$0-\$50,000 in grants and contributions do not have any full-time fundraising staff
3. 39% of organizations grossing \$0-\$50,000 in grants and contributions do not have volunteers helping them with fundraising

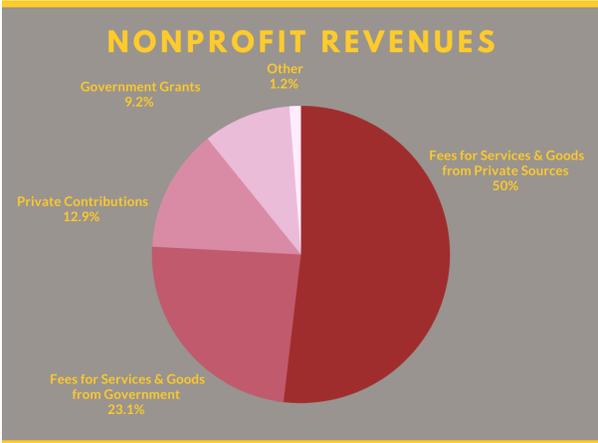


Figure 4. Nonprofit Revenue

All of this is reassuring data that the CABOC is not an outlier when it comes to a lack of grants and contributions and access to fundraising staff. Their projected revenue for 2021 was \$22,028, and their main income stream was from a loan and monthly dues from board members. While this is a start, it is not sustainable, and the CABOC should hire a fundraising consultant to help them enter the world of grants.

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Additionally, the team would like to discuss how nonprofit organizations should break down their revenue streams. *Figure 4* breaks down nonprofit revenue streams using data from the National Center for Charitable Statistics (2014). While it is ideal to have a mixture of revenue streams when operating a nonprofit organization, the sources outlined in *Figure 4* are typical sources of income to help the organization fulfill its mission.

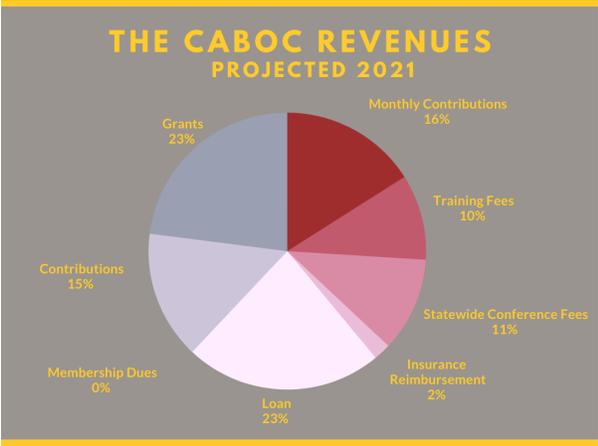


Figure 5. The CABOC Revenue

*Figure 5* outlines the CABOC’s current revenue sources. Revenue diversification in nonprofit organizations is imperative. Carroll and Stater (2008) provide research and recommendations around how nonprofit organizations can reduce volatility through diversification. Nonprofits can “reduce their revenue volatility through diversification, particularly by equalizing their reliance on earned income, investments, and contributions” (Carroll & Stater, 2008, p. 947). Nonprofits that primarily rely on contributions experience more volatility, and urban nonprofits have more stable revenue structures (Carroll & Stater, 2008).

Additionally, another way to reduce volatility is to increase the total expenses and fund balances. However, larger nonprofits have a better chance for growth leading to more excellent revenue stability (Carroll & Stater, 2008).

**Performance Metrics**

The CABOC started as an organization in 2019, and with its inception relatively close there are developmental hurdles they are still undertaking. The CABOC is operating with an incomplete board and no full time staff, there is no development training materials, and no establishment of membership chapters. Thus, without the existence of these key services and membership, there are limited performance metrics to review that speak to the work the CABOC is trying to accomplish with their mission. However, the CABOC has extensive recording keeping of its many Board of Directors and Committee meetings through its minutes, along with their By-Laws and Supplementary Meeting Material that provide a great deal of detail. Upon review of the CABOC’s Saturday, June 12th Board of Directors Meeting Agenda, there is mention of Third Quarter Objectives from the months of July through September. The four objectives identified by the organization are: (1) Legislative Program for 2021; (2) Legal Compliance and Best Practice Manual; (3) First Annual Virtual Statewide Conference; and (4) USC Capstone Project - Business Plan. Each objective is entrusted to a corresponding committee, (1) Legislation, (2) Best Practices, (3) Conference, and (4) Capstone Project, and is assigned a designated success also referred to as an outcome. Although these items are listed as objectives it is difficult to identify where they correspond to an organizational goal and the specific organizational mission. Additionally, the outcomes do not have specific and measurable indicators, such as levels of success or identify a result. And lastly, the CABOC divides their organizational objectives based on calendar quarters, but does not provide a schema for annual organizational objectives.

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Although most services have not been developed, there is one committee that is progressing through their work and that is the Legislative Committee. The Legislative Committee has their Legislative Program 2021 with ten program goals ranging from developing online training for BOC members, to requiring districts to provide a web presence for BOC members. The varying goals range in scope, capacity, and methods. While some of the goals leave the responsibility of developing the training materials on the legislative committee, instead of establishing its own standing committee for training. Additionally, an action plan was constructed for the Legislative Committee, but it remains static. The action plan has tasks listed with some designated assignees, but it is not possible to track progress and discussion on tasks.

### INTERVIEWS

Interviews are vital to understanding the environment at the CABOC. This is paramount to understanding the organization's employee personalities and dynamics that may impact the CABOC's ability to succeed as an organization. An essential element to interviewing is assessing human bias and organizational culture – via conflict (DiCicco-Bloom & Crabtree, 2006). Some methods to dispel human error will be to create an interview script that will allow all team members to ask the same questions in a systematic order. This will help the team obtain the most unbiased information that can be used to help the team assess and analyze how to develop a strategic plan best suited to the CABOC's mission. This is vital concerning all of the research questions because the team will be gathering information through all the interviews. Additionally, interviews allowed the team to code specific feedback into quantifiable metrics to help produce visualizations for the presentation.

In particular, one area that the team identified as an obstacle is performing additional interviews beyond the 11 interviews of board members requested by the CABOC. The team's research and the final report would benefit from interviewing other constituents and stakeholders; however, the interview process can be time-consuming. The team did not want to create "interview burnout" amongst each team member. Therefore, the team established that a survey would be a viable option to replace interviews with others besides the board members, so this would be a different survey format to substitute an interview (Group, 2019).

The team developed an interview script to standardize and streamline the data collected during the interviews (*See Appendix E*). The script helped the team maintain continuity throughout each interview with the interviewees shown in *Figure 6*. Additionally, the script helped streamline the process of gathering consistent data so the team could easily analyze common themes and trends (Doody & Noonan, 2013). The team developed a coding document in excel to document findings. This project tool was critical in helping the team identify common trends across all of the interviews and allow the team to develop data visualizations through quantitative data (Gill et al., 2008).

### SURVEYS

The primary purpose of surveys is to concisely find more detailed information about the CABOC. Surveys can be distributed to large audiences and then collected to be analyzed using statistical coding to create recommendations. One of the benefits of administering surveys is that

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researchers can gain insight into how the respondents think, feel, and react to certain situations. Questions on surveys tend to be close-ended with a few open-ended questions to help facilitate dialogue in follow-up meetings. It will be organized strategically to solicit pertinent information, obtain accurate data about the CABOC, and encourage respondents to elaborate on their experiences within the CABOC in a safe and welcoming environment. The team coordinated with the CABOC's Co-Founder and disseminated an open-ended questionnaire survey electronically via email to the individuals in the CABOC's constant contacts database, including local CBOC members. The team determined that it was best to have limited multiple-choice questions and more open-ended questions to gauge the respondents' thoughts, feelings, and attitudes towards various topics. The team ensured validity and reliability by sending a generic survey link to the survey administrator. This eliminated the possibility of bias because the survey responses were collected anonymously, and the actual survey was internally monitored by the team. Through sequencing and phrasing the team's data collection methods, the team agreed that it was best to disseminate the survey after conducting the semi-structured interviews. The team focused on common trends and themes that were revealed during the interviews. Coding of the interviews assisted with the production of the online survey questions because it allowed the team to quantify the survey data in a clear, consistent, and complementary fashion to the interview data that the team collected. In addition, this bolstered the data the team conveyed in the data visualizations (French, 2021).

However, surveys can pose several problems when not designed and implemented correctly. Some questions could be leading and limited, jeopardizing the validity and reliability of the survey responses. Forced answer choices may result in more binary data when some answers are not simply black and white answers. Additionally, the format of the survey itself (the length, structure, etc.) may yield skewed results or only engage those that are more emotional about the topic, leaving out those who may not be as motivated to see change (DeFranzo, 2020).

### STRENGTHS, WEAKNESSES, OPPORTUNITIES, AND THREATS ANALYSIS

The Strengths (S), Weaknesses (W), Opportunities (O), and Threats (T) analysis is a strategic approach to analyze areas where the CABOC is performing well, areas that require improvement, opportunities for growth and expansion, as well as challenges to be knowledgeable of in the growth and expansion phase (Parsons, 2021). This is particularly important because the CABOC should be aware of its internal and external environments and the factors that put it at an advantage and disadvantage over its competitors.

By conducting a thorough SWOT analysis, factors that are enhancing or inhibiting the organization's internal and external environments can be identified, as shown in *Figure 6*. According to Bryson (2018), "every effective strategy will build on strengths and take advantage of opportunities while it minimizes or overcomes weaknesses and challenges" (p. 184). Therefore, the team continuously analyzed the CABOC's internal and external environments by utilizing the snow card technique to brainstorm and list emerging trends, patterns, alarming results that may render immediate attention, and document observations. Furthermore, a follow-up SWOT analysis can be conducted after the proposal of the strategic plan by the CABOC regularly to code for further analytical research appropriately.

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### ***Limitations***

A SWOT analysis has multiple limiting factors, including not offering alternatives or possible solutions (Employment, 2020). In addition, the SWOT analysis can create confusion or wasteful analysis because it yields a lot of information based on the researchers' observations. The information gathered is not always helpful or pertinent to the research questions, creating more work when sifting through data. Due to the amount of varying data collected in a SWOT analysis, researchers may have difficulty prioritizing the key issues.

### ***Strengths***

The CABOC is a transparent organization that aims to uphold trust and encouragement to the community. There is a wealth of information and resources available on its website to keep its visitors apprised of legislation, news, and general information. The CABOC also sends a biweekly newsletter to its subscribers, highlighting one to two key areas the organization is canvassing. As a whole, the CABOC membership board is diversified, with professional backgrounds ranging from finances to construction. Due to the team building a great rapport with the CABOC, there has not been any pushback on the issue areas that have been presented to the organization so far.

### ***Weaknesses***

A noticeable weakness that hinders the CABOC from sustainability as a whole is its organizational structure and limited resources. Although the stakeholders embody a wealth of knowledge as a whole, the organization's longevity has been of concern, specifically with the dedication of time. All members are volunteers, and the CABOC does not currently have staff on payroll. Additionally, numerous board members perform administrative operational tasks for the CABOC, which is overwhelming to Committee members who work outside of the CABOC. This high demand interferes with the voluntary Committee tasks that members have volunteered to perform because they are being asked to run the daily operations of the CABOC. The CABOC is a fairly new organization that is open to change and evolution.

### ***Opportunities***

As each issue area was addressed, corresponding opportunities were identified. As the problem was identified, "both a reason for doing the work necessary to complete the project and a sense of direction for [the] evidence-gathering activity" was considered (Bardach & Patashnik, 2016, p. 1). With a focus on public relations, networking, and marketing, the CABOC has the opportunity to get exposure to more constituents, governmental agencies to seek federal funding, as well as CBOCs wanting to align with the goals, vision, and values of the CABOC. Currently, the CABOC has approximately 2,000 contacts in its direct network, which can be expanded with proper branding and exposure. Another opportunity is having more CABOC members who are willing to pay membership fees to be part of this elaborate network. Providing incentives to members such as annual training and providing resources to CBOCs will encourage individuals and CBOCs to join the CABOC network for additional collaborative opportunities. Eventually, the CABOC as a whole will expand and provide its services and social ventures (such as its training program) statewide to all local CBOCs in California. Opportunities to serve within the

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CABOC organization will increase, and volunteers will be able to volunteer in areas of their interest.

*Threats/Challenges*

The biggest challenge for the CABOC is having resources available to implement the elements of the strategic plan. A value analysis was conducted to identify issues and challenges within the CABOC. This analysis allows researchers to identify flaws within an organization. Furthermore, it aids in the creation of an effective strategic plan by outlining the benefits and challenges of the CABOC’s programs and services. According to Yang, Vladimirova, and Evans (2017), a sustainable value analysis tool had to be developed “to help guide [the CABOC] through a process of sustainability-focused” operations (p. 33). Despite having resource limitations such as

time, money, and staff, the team was mindful of these challenges in the development of the CABOC’s sustainable strategic plan.

Although certain elements will be implemented as time and resources become available, the CABOC can immediately consider the strategic recommendations that have low costs with high benefits. Additionally, the CABOC’s organizational culture is new, which poses more challenges to its members because it is being developed from a blank slate. For example, the CABOC collectively may have plenty of resources already to develop an effective training program due its diverse Board members. Therefore, the financial costs associated with this may be minimal but it will cost time sifting through information, and identifying applicable content to teach.



Figure 6. SWOT Analysis

COMPARATIVE ANALYSIS

The USC Capstone team conducted a comparative analysis to help showcase statistical analysis between two organizations. A qualitative comparative analysis (QCA) is “a way to envisage the confrontation between theory and data” (Rihoux, 2009, p. 681). QCA can be used to summarize data, test existing theories or assumptions, and elaborate on new theories and assumptions (Rihoux, 2009). The team identified that a comparative analysis could be a challenging process because the CABOC is the only organization of its kind in California. Therefore, the team narrowed the scope and decided to focus on creating an analysis of just the financial aspect of the

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CABOC and comparing it to a nonprofit organization that is membership-based and provides training and conferences. The team reviewed the California Grand Jury Association (CGJA) and determined it would be a sufficient organization to use in the study. It is critical to acknowledge how differences between jurisdictions, missions, and resources may yield skewed comparisons, which means that something that works well elsewhere may not work well in California.

The CGJA’s organizational structure is “the goal” as members of the CABOC’s executive board have stated. The CJGA is highly effective and efficient at training people to be grand jurors through local jurisdictions that train people on how to be a member of a grand jury. To replicate this, the team researched the CABOC’s organizational structure and compared and contrasted it with the CABOC. To do this, the team assessed the productivity of the CABOC versus the CGJA based on their stated missions based on organizational structure (Wintrobe & Breton, 1986). At the conclusion of this comparison and analysis, the team assessed what is not performing well in the CABOC and see how the CJGA is performing or not – given that they have similar functions, although different missions (Zubair, 2019). After conducting a comparative analysis of CABOC and CGJA’s structures - both are set up in not-so-unfamiliar structures. However, they have differences to match their respective mission sets. This analysis assisted the team in identifying the correct nonprofit organizational structure that will yield the most cost-effective and mission-oriented organization (Smyth, 2019). In this case, there is no restructuring or alteration to the existing organizational structure – just, once again, highlighting the need for a paid administrative staff similar to what CGJA has.

Currently, the CABOC is operating on a slim revenue stream, and its sources are not diverse. The CABOC is a highly unique organization in that its mission is specific and only geared toward CBOCs in California. Proposition 39 does not exist in other states, and school districts operate differently. While an organization like the CABOC is imperative for California and its school districts, it was challenging to identify an outside organization to compare research findings from a financial standpoint. Therefore, the team decided to utilize the financial information provided online by the CGJA to perform this aspect of the comparative analysis. While the CGJA’s budget is substantially more extensive, the data provided an example to the CABOC on how they could restructure their expenses and revenue streams.

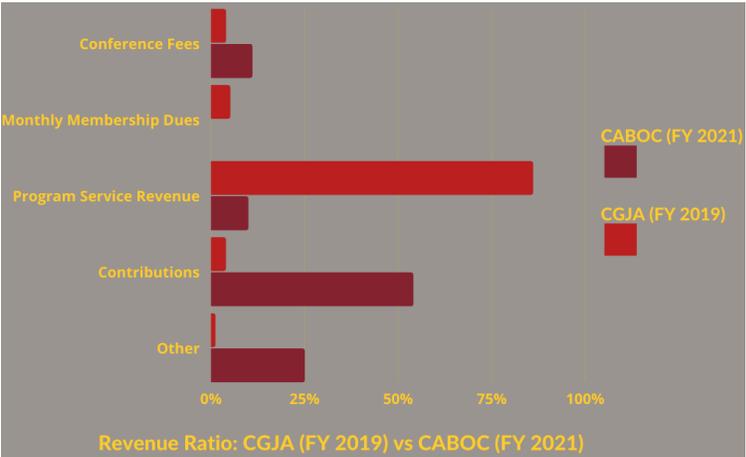


Figure 7. Revenue Ratio: CGJA (FY2019) vs. CABOC (FY2021) CGJA Expense Ratios (FY2021)

As the team’s best practice research revealed, organizations measure financial success overtime using a ratio analysis (Abraham, 2006). Therefore, the team conducted a ratio analysis of the CGJA’s expenses and revenues (See Figure 7). The team analyzed the CGJA’s 990s (FY 2019) to gather the data presented below. A detailed line-item budget of the CGJA’s expenses and revenues (FY 2019) can be found in Appendix C.

Since its inception in 1982, the CGJA has demonstrated that it has

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the resources to be sustainable. Therefore, this financial comparative analysis exemplifies how a sustainable organization operates financially and how the CABOC's leadership can follow a similar layout. In FY 2019, the CGJA's expenses totaled \$149,974 and its revenues totaled \$154,826. The financial ratios above were calculated by dividing the expense or revenue line item by the organization's total expenses or total revenues. The ratio analysis revealed that the CGJA invested the most amount of resources into training and received the most amount of money from training. Overall, the CGJA invested \$130,432 into training and grossed \$132,944 from this program, resulting in a profit-margin of \$2,512 from the training category alone.

As this report progressed, it revealed how investing in training will help the CABOC achieve its organizational and financial goals. Currently, the cost associated with the CABOC's training program is projected to be \$2,250 or .19 ratio of all expenses. Furthermore, the CABOC does not have a line item on their expense report for training. Therefore, the CABOC should extensively review how the CGJA operates fiscally and try its best to mimic best practices.

The CABOC does not have an existing training program; therefore, a direct comparative analysis could not be conducted. However, after conducting extensive research, it was evident that the San Diego County Taxpayers Association (SDCTA) exemplified admirable training components and strategies. "Unlike other professional development training," SDCTA offers courses in collaboration with "accredited universities, and participants earn university-level continuing education credits for their time and effort" (San Diego County Taxpayer Association, n.d., para 2). Adding an educational value to the training incentivizes the core values of the CABOC. However, after listening to the CABOC's financial proposal to the California State Treasurer's Office (STO), the STO representatives shared the foundations of their training platform, migrating from an in-person interaction to an online interface independent of college course credits. Similar to the CABOC, the California State Treasurer's Office had to quickly streamline its training modules for its constituents, with a focus on user-friendly and easily accessible modules. The STO had to quickly assess the cost of resources and materials required to design, develop, and implement these training modules using both virtual and in-person learning platforms. The goal of the above analysis is not to show how the CGJA is performing better but how the CABOC can learn and grow from an organization that operates along the same spectrum.

## COMPARATIVE ANALYSIS MATRIX

The Comparative Analysis Matrix (CAM) displays the potential outcomes of alternative policy choices (Bardach & Patashnik, 2016) regarding performance measures. The comparative analysis matrix was explicitly used for the analysis of the CABOC's potential performance measurement models. The CAM is used to compare strengths and weaknesses of policy features and identify opportunities (Tandon, 2021). Through the use of the CAM, the CABOC will be able to improve on the development of their performance measurements, identify areas of improvement, and begin benchmarking their growth (Tandon, 2021).

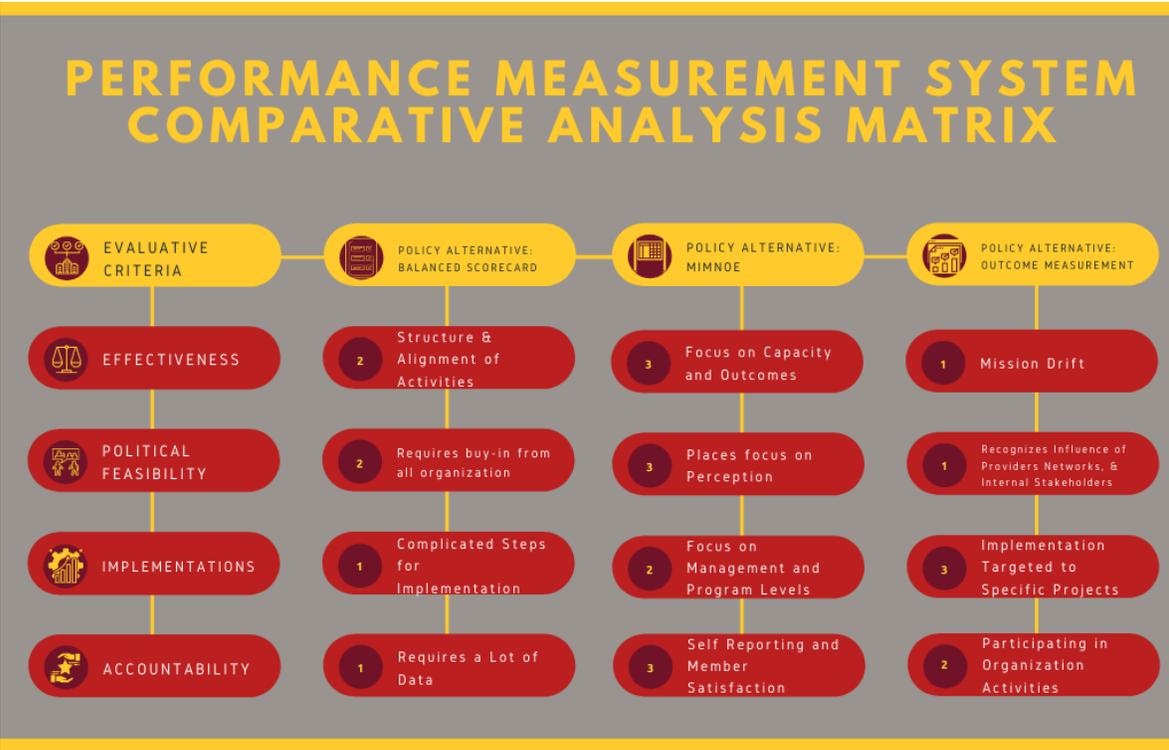


Figure 8. Performance Measurement System CAM

A performance measurement model provides the CABOC an opportunity to have a more thorough and expansive conversation in strategic planning. Performance measures can be grouped together or individually isolated (National State Auditors Association, 2004), based on the preference of the organization’s direction and development (Fuchs, 2018). On one axis, the alternative policy choices were listed; usually, three alternatives are identified. The CAM matrix featured the three policy alternatives that were being considered as a performance measurement model: (1) Balanced Scorecard (BS); (2) Multidimensional Integrated Model of Nonprofit Organizational Effectiveness (MIMNOE); and (3) Outcome Measurements (OM). Along the other axis were the designated criteria, such as effectiveness, political feasibility, implementation, and accountability (Bardach & Patashnik, 2016). Research into BS, MIMNOE, and OM models informed how the matrix was constructed and populated. The information gathered throughout the interviews and surveys was used to assess the viability of each policy alternative.

The basis for a CAM was that it falls on the researcher to weigh each possibility and establish the metrics in which they are being weighed against. This can have severe limitations when human bias comes into effect by excluding alternatives that may not be the preferred outcome and the inclusion of alternatives that may bolster the preferred solutions score. To increase the validity of the CAM, the scale for evaluation was calibrated from one to three to compare each policy alternative criteria to each other. The highest scoring alternative in each criterion. The highest scoring policy is considered the preferred policy alternatives.

NEEDS ASSESSMENT

The Needs Assessment allows the team to determine what the CABOC’s needs are, specifically looking at the discrepancy between the present state and the desired state (OME, 2001). The Needs Assessment is the overarching strategy for the project to move the CABOC into a position that will allow it to reach its desired goals and guide the work in developing the strategic plan (Weisberg, 2017). Additionally, the needs assessment method is applied to the analysis of each



subsequent research question to determine what is needed to elevate the CABOC in their organizational structure, performance management, financial structure, and training methodology. The needs assessment is leading the research phases of the project by outlining how the team progresses through the timeline by (1) Exploring What is; (2) Gathering and Analyzing Data; and (3) Making Decisions (OME, 2001). The team chose to split the second phase in two as demonstrated by the Work Plan in *Appendix D*.

Figure 9. Needs Assessment

When conducting the needs assessment, several limitations arise. These include the extensive time it takes to complete a needs assessment, it may oversimplify a complex issue, and it is as solid as the data/evidence that supports it – which may be faulty (Hannum, 2013).

**I. EVALUATIVE CRITERIA**

Evaluative criteria attach public values to the outcomes of decisions made by administrators and key players (Musso, 2013). These can include effects and benefits of the policy, costs, and considerations around efficiency or cost-effectiveness; equity; and procedural or democratic values (Musso, 2013). The evaluative criteria for the CABOC’s effort to establish an effective and efficient nonprofit operation need to include cost-effectiveness measures, participation tracking, board and leadership trainings, external communication, financial management, strategic planning, operational capacity, and mission orientation (Shumate, Cooper, Pilny, & Pena-y-lillo, 2017).

The USC Capstone team identified that it is crucial to address the dissolution of the CaLBOC. This event was carefully studied through qualitative research (DiCicco-Bloom & Crabtree, 2006). Additionally, an evaluation of personalities within the CABOC was necessary to clear the

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way for a successful organization that relies on systems, processes, and a mission rather than personalities to reach its full potential.

The CABOC would be the first to identify that the work done by CBOCs prevents waste, fraud, and abuse. Without independent and trained CBOCs, cases such as El Rancho Unified School District, Dublin Unified School District, and West Contra Costa Unified School District would be more prevalent, or worse, are currently being undetected (CABOC, 2021). This type of public harm against Californian voters and taxpayers must be prevented through their efforts to train and support all CBOC members transforming into a public value (Beebeejaun et al., 2015). The team utilized the evaluative criteria of efficiency to measure the public value the CABOC is producing with respect to training CBOC members. It would be imperative to implement efficiency to track membership retention within the CABOC in a similar fashion.

### **J. ETHICAL CONSIDERATIONS AND HUMAN SUBJECTS**

The USC Capstone team's research focused on best practices for nonprofit organizations and created an effective strategic plan to ensure stability and longevity. Therefore, given the focus and research efforts, there were no risks to human beings. All interviews were conducted by phone or Zoom, and the team had ongoing communication with the client to determine and discuss ongoing needs and changes. The team's data collection was not based on studying human subjects or behaviors. Instead, the team collected data around best practices associated with successful nonprofit organizations. The only ethical consideration the team considered was biases or opinions developed by internal team members who have worked in the nonprofit sector. The team remained neutral when interviewing the CABOC's leadership and board members to eliminate imposing their personal biases on the interviewees. Additionally, the team focused on not influencing the client by saying or doing anything that could potentially alter or sway opinions about the project.

### **K. FINDINGS**

The USC Capstone team conducted 12 semi-structured interviews and disseminated one survey; the results of these methodologies are discussed in the following section. The 12 interviews were split amongst the four team members. *Figure 11* shows the individuals each team member interviewed. The team initially wanted to interview 20 stakeholders but was only able to secure 12 interviewees. Regardless, the data collected provides valuable findings which help solidify the team's final recommendations.

### **SEMI-STRUCTURED INTERVIEW RESULTS**

The overarching goal for conducting the semi-structured interviews was to gather information about the CABOC's organizational structure, training and curriculum, finance and budget, and progress with performance metrics. The USC Capstone team wanted to explain the team's approach and desire to implement a strategic plan for the CABOC's long-term health. Additionally, the team wanted to discover how board members and stakeholders envisioned the CABOC for the future. The team developed an interview guide (*See Appendix E*) to follow when completing the team's interviews with the 12 interviewees.

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The goal was to keep all interviews cohesive so that the findings reveal adequate data that could be analyzed and synthesized to help the CABOC move forward with its organizational goals. The team's interviewees were made up of nine board members, eight committee members, two nonprofit professionals, one region representative, and one outside stakeholder (some of these roles overlap). The following section outlines the findings in relation to the questions that were asked that corresponded to each research question.

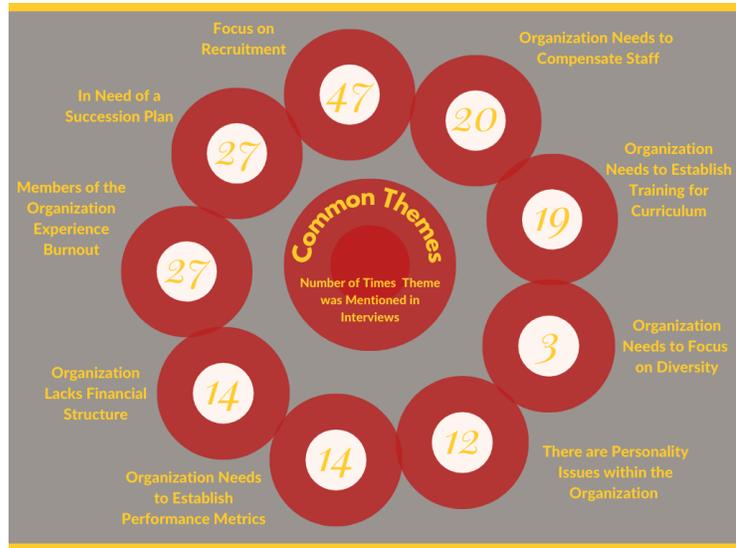


Figure 10. Common Themes

### **Strategic Planning Results**

Team members asked the following questions to gather information and insight about the CABOC's willingness to implement a strategic plan:

1. *What, if any, strengths did you observe within the organization as far as adhering to any business and/or strategic plan in the past?*
2. *In your opinion, what were the areas that need the most improvement as far as any business and/or strategic plan for the organization (be it CaLBOC or CABOC)?*

Interview findings revealed:

- 100% of interviewees expressed the need for a strategic plan
- 50% of interviewees expressed that there was burnout within the CABOC members

The CABOC has no written “grand plan” or roadmap for organizational success geared towards its stated mission. Its reliance on a handful of personnel has created a danger that was exposed in all the interviews resulting in volunteer burnout and sometimes resulting in personality conflict. A solid strategic plan that goes through periodic updates can allow for the CABOC to have a “guide” that provides current and future members of the CABOC an understanding of what the organization is doing, how it is getting there, and assessments to track progress.

### **Organizational Structure Results**

Team members asked the following questions to gather information and insight about the CABOC's organizational structure:

1. *As it stands now, do you think that CABOC is structured in a manner that effectively delivers on its stated mission?*
2. *From your perspective, do you see any worthy parts of the CABOC organization that run exceptionally well? Why do you think that is?*

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3. *If you had to critique certain parts of the CABOC organizationally, what elements do you think could be performing a lot better? How would you suggest they be better structured?*

Interview findings revealed:

- 100% of interviewees expressed the need for a succession plan
- 58% of interviewees expressed the organization needs help

Throughout several interviews, it was revealed that the CABOC has a sound and effective organizational structure itself. However, it is the staffing constraint resulting from a lack of resources that is the primary hindrance to the CABOC's effectiveness. The CABOC was overly ambitious at the onset with establishing the structure it has now; this has created many positions that require staffing - with limited personnel and resources to do so. The result is that people are fulfilling multiple roles and are taking on a lot of administrative work, which consumes their volunteer time and has, over time, resulted in volunteer burnout. The expertise of members of the Board of Directors should be more tailored to leadership, advice, and crafting policies rather than conducting administrative work.

The lack of any succession plan and an over reliance on a handful of people have put the CABOC in an unsustainable position that relies on a few personnel and lacks an internal training program. The personnel that serve on the CABOC are extraordinarily qualified and competent people; however, the interviews revealed that the need for a training pipeline or grooming of future leaders is something the CABOC is in desperate need of establishing.

### ***Training Curriculum Results***

Having a clearly defined training curriculum allows organizations such as the CABOC the flexibility to conduct training sessions using an array of platforms. To aid in this development, team members asked the following questions to gather information and insight about the CABOC's training and curriculum:

1. *What topics should the CABOC highlight from an administrative perspective being a statewide oversight body?*
2. *Based on your past and current experiences, omitting money as being an inhibiting factor, what are the benefits of operating a statewide training program? How do you envision the CABOC's program operating?*
3. *What challenges do you foresee encountering once the training program has been established?*

Interview findings revealed:

- 42% of interviewees expressed that the training program needs help and is in trouble
- 50% of interviewees expressed the need to develop curriculum for training programs

Accountability and credibility are essential elements of an organization, especially one that is new. Some changes can happen instantaneously, but there are changes that take time to develop and implement, such as the CABOC's training curriculum. After speaking with various CABOC members, it was evident that the CABOC has the knowledge and expertise to facilitate the

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training modules virtually and in person. However, the content and curriculum have not been explicitly identified. The CABOC disseminated a survey that had a 32% response rate on preferred training topic areas, but this list was not all-inclusive. Multiple interviewees emphasized how the local CBOC members do not know how to identify things that they are unfamiliar with, which supports the need for education, enrichment, and empowerment of CBOCs. Specifically, CBOC members are required to participate in performance and financial audits, but sometimes, they do not know what information to include in the audit report of its findings. Essentially, these reports should be produced by the CBOCs themselves, and not the school districts. The CABOC's training program will teach and equip CBOC members with the knowledge and tools to operate independently, including conducting independent audits and oversight. The strategic plan will help guide the contents of the training curriculum to ensure that the CABOC can effectively bridge the citizens' bond learning gaps and facilitate an easy-to-access training program to meet the needs of its constituents by streamlining training materials that could be delivered online or in-person via conferences and workshops (CABOC, 2021, para 2).

### ***Finance & Budget Results***

As previously mentioned in the paper, a strong and stable financial structure is crucial when operating a nonprofit organization. Team members asked the following questions to gather information and insight about the CABOC's finance and budget:

- 1. How would you characterize the CABOC's current financial structure?*
- 2. What strengths does the CABOC's leadership possess when it comes to financial management?*
- 3. What are the short-term goals for the organization's financial structure? Long-term goals?*
- 4. Can you identify any obstacles that will inhibit these goals from being achieved?*

Interview findings revealed:

- 50% of interviewees expressed that the organization lacks financial structure
- 58% of interviewees expressed the need for fundraising and membership dues

Interviewees expressed a dire need for help pertaining to the CABOC's financial health and structure. Currently, the CABOC does not have a reliable financial plan in place. The CABOC is a member-based nonprofit organization that is not charging its members any dues. This is in part because the organization is in its formative stages; however, being a member-based nonprofit organization, they need to eventually implement membership dues to remain operating. One of the reasons the leadership has not yet implemented membership dues is because members who are a part of CBOC's are volunteers. CBOC members do not get paid by the school district or any other entity to participate in the committees. Therefore, the CABOC decided not to add any additional fees that could be strenuous for the CBOC members. After interviewing several board members of the CABOC, they all agreed that the time is approaching for the CABOC to implement membership dues. Another source of revenue for the CABOC includes the board member's monthly donations. However, some interviewees were unsure if all board members are contributing monthly. This lack of buy-in from the board can create personal issues among board

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members; therefore, creating a hostile work environment. Organizational goals and objectives cannot be achieved if there is no transparency and trust among the CABOC leaders.

Lastly, the CABOC has its first conference scheduled for October 2021. One interviewee suggested that the CABOC create a tiered pricing structure for its conference. Currently, the CABOC has projected that the price to attend the conference is \$50 (*See Appendix A*). However, the same interviewee recommended that the organization allow CABOC members to participate for free, then offer the district, the public, and firms all different price tiers to attend. The interviewee also emphasized that firms would pay upwards of \$100 to attend the conference and that the CABOC should not miss out on that financial opportunity.

### ***Performance Metrics Results***

Team members asked the following questions to gather information and insight about the CABOC's performance metrics:

1. *What has CABOC done to meet its objectives of training, assistance, and encouraging Bond Oversight Committees?*
2. *How has CABOC been able to track its progress in completing these objectives?*
3. *What has hindered CABOC's ability to address these objectives?*

Interview findings revealed:

- 50% of interviewees expressed the need to establish performance metrics
- 58% of interviewees expressed the need for recruitment and outreach

Although the CABOC's purpose statement focuses on carrying out the recommendations of the LHC, their implied mission is to fulfill the objectives of training BOCs throughout the state of California; assist in leading collective legislative priorities at the state government level; and encourage the adoption of best practices in BOC's oversight of bond measure funds (CABOC, 2021). There also seems to be a misconception among the board regarding the organization's mission whether it is to carry out the LHC's recommendations or to train, assist, and encourage BOCs. Additionally, there is confusion as to how the CABOC aligns its goals and objectives to the organizational missions.

The CABOC carries out its work to meet these objectives through its formalized committees (CABOC, 2021). Each committee has taken on responsibilities to strategize the work of the organization; however, there are some hindrances in the operations and reporting of work achieved. Because the CABOC is still in its inception phase, not all objectives are being met, training, for instance, has not met the level of satisfaction due to limited training material and an incomplete roster of BOC members. Thus conveying the totality of training performed within California or the training program's effectiveness is not possible without performance measurement models in place.

Lastly, performance measurement would not be achievable if the performance management of the CABOC is not also considered. The need for additional members to buy into the CABOC's mission and vision is crucial for new and talented members to lend their efforts to the work of the organization. Because the majority of the work is carried out through committee assignments,

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it would be advantageous to guide new members to work on committee and dedicate their efforts to the objectives of the organization; concurrently this effort also trains and grooms members for positions on the Board of Directors for the CABOC.

### SURVEY RESULTS

Although the team's survey was released a week before this report was written, a total of eight substantive responses were received. However, these responses supported the common themes and trends the team identified in their research analysis and interview data.

**Question #1:** What aspect of the CABOC mission is most important to you?

Data that the team received from most respondents stated that they felt that the most essential aspect of the mission was education and training. This was especially true when talking about the roles and responsibilities of the CBOCs across the state.

**Question #2:** In what ways have you interacted with the CABOC?

The respondents to this question were evenly split among the various survey choice options. This included the CABOC website, the FAQs, the CABOC Newsletter, Committee Work, and Email/Phone Call. No respondents chose the "other" option as an answer.

**Question #3:** What is your role in your local Citizens' Bond Oversight Committees (CBOC)? Do you feel prepared to perform the tasks in this current CBOC role you are in?

Respondents to this question answered with a majority of senior members of committees. This included Presidents, Vice Presidents, as well as members of school boards.

**Question #4:** What types of training would you like to be provided with to be a more effective member of a CBOC?

Respondents to this question revealed diverse "asks" of what they would like to be trained on. These included training or a guide on how to ask questions of the school district administration, training on the legal requirements, best practices, and technical aspects of school construction bonds, and how to read financial reports.

**Question #5:** What are some organizational strengths you can identify within your CBOC?

Some common themes across multiple survey respondents included the leadership displayed by the CABOC, specifically the experience and dedication of the leadership in the CABOC, and the level of communication, professionalism, organization, and timely fashion in which the CABOC gets back to the CBOCs.

**Question #6:** What are some organizational weaknesses you can identify within your CBOC?

The most significant themes and trends that survey respondents revealed to this question was the lack of understanding of the CBOC's oversight role. Additionally, more than one respondent noted that there seems to be a lack of attendance across their CBOCs when it comes to meetings.

**Question #7:** Please share any concerns or comments you would like to address that were not previously asked about in the online survey.

No substantives or themes were noted in the received responses for this question.

### L. RECOMMENDATIONS

After defining the problem statement, developing five research questions, and performing nine different methodologies, the team has provided the following five recommendations for the CABOC to implement: create a succession plan, allocate funding to hire a financial consultant, rework the organizational structure, create training videos, and develop performance measurements.



Figure 11. Recommendations

#### 1. Create a succession plan

While there is a wealth of research around succession planning in the for-profit sector, research for succession planning in the nonprofit sector is growing and based on what is present in the for-profit sector (McKee & Froelich, 2016). Chief executives, such as Mr. Jungherr, play a pivotal role in the success of nonprofit organizations. These individuals “manage a complex set of internal objectives and external expectations, balancing both social and financial returns and constraints across multiple constituencies” (McKee & Froelich, 2016, p.587). Therefore, they do not have the time or resources to create a succession plan, and since they are doing most of the work, it would be assumed that they would tackle this task as well. However, the board should be primarily involved in helping develop the succession plan (Gothard & Austin, 2013).

Gothard and Austin (2013) address the limited applicant pool, risks, challenges, and organizational change that comes with developing a succession plan in the nonprofit sector. The authors also address how this process includes that the board needs to have sensitive conversations with the current executive director (Gothard & Austin, 2013). The topic needs to be strategically formulated so that the executive director remains on board so that they can effectively train and prepare the next executive director. Gothard and Austin (2013) offer five different approaches to succession planning:

- *Relay succession* involves “identifying a member of senior management in an organization as heir apparent well in advance of the actual transition, providing a period of overlap for the ongoing executive to transfer knowledge and power to the successor” (Vancil, 1987).

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- *Non-relay inside succession* occurs when “the successor is promoted from inside the organization, but through a competitive process involving several key internal candidates” (Friedman & Olk, 1995, p. 152).
- *Outside succession* is when “the successor is hired from outside the organization” (Zhang & Rajagopalan, 2006, p. 97).
- *Coup d’etat* occurs when “stakeholders other than the incumbent organize to make swift succession decisions (Friedman & Olk, 1995, p. 154).
- *Bringing back a director from a previous era* “is known throughout the for-profit literature as a boomerang” (Dalton & Dalton, 2007b, p. 8).

The USC Capstone team recommends utilizing a relay succession or an outside succession. These two methods provide the CABOC with less stress and drama than the others. Using a relay succession the organization is guided by several criteria, they “consider the availability of internal candidates for the CEO position and evaluate the competencies of potential alternative candidates in terms of their fit with key organizational contingencies” (Zhang & Rajagopalan, 2006, p. 98). Whereas an outside succession is usually used as a tactic when an organization is performing poorly, and there is “the hope that an outsider may bring changes that the firm needs” (Zhang & Rajagopalan, 2006, p. 98). While the CABOC is not performing poorly, it must be noted that the team’s interviews revealed that 50% of the interviewees expressed burnout, and 58% of interviewees expressed the organization needs help. Therefore, it could be difficult to find someone internally who is willing to take over the Executive Director role from Mr. Jungherr. Thus making an outside succession a more plausible choice for the CABOC.

### **2. *Allocate funding to hire a financial consultant***

The USC Capstone team’s second recommendation will create a solution to help the CABOC remain operating and ensure long-term stability. It is crucial that the CABOC create a line item on their budget to hire a financial consultant. Without this resource, the CABOC will not survive in the long run. The CABOC needs a professional consultant who is well versed in finding and sustaining funding for member-based nonprofit organizations. This individual (or team) should have a working knowledge of what CBOCs are and how they operate. Vaughn (1997) states that nonprofits should hire consultants to “modify or even create an accounting or financial management system, the organization will probably pay less than if it hired a full-time accountant or department manager” (p. 52). Additionally, Vaughn (1997) advises that organizations should choose a consultant that specializes in their area and give the consultant a detailed outline of the organization’s needs. Finding the right consultant at the right price should be approached carefully to achieve optimal results and achieve the organization’s goals.

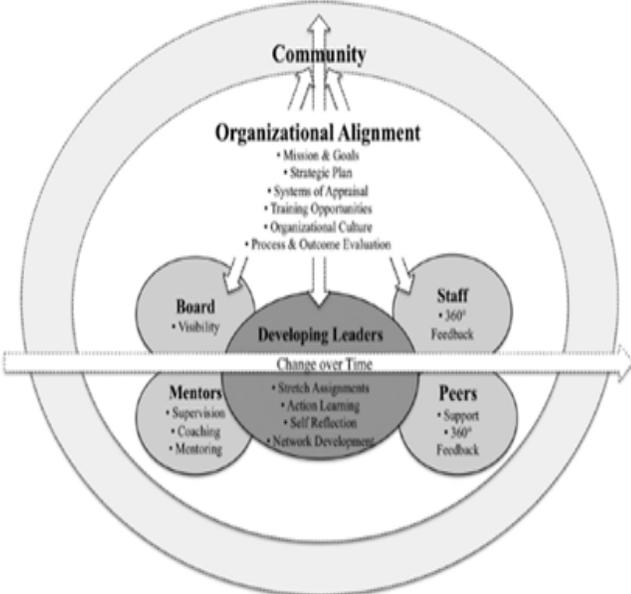
Furthermore the consultant should obtain the skill of fostering relationships with the CABOC’s pool of stakeholders. The CABOC serves a particular purpose and therefore appeals to specific individuals; the consultant should have the ability to help the CABOC identify who their audience is and how to engage them to donate to the organization’s mission. Additionally, the consultant needs to have a solid relationship and understanding of foundations that provide funding to organizations that offer similar services to the

CABOC. The consultant should have experience with applying for government grants. Members of the CABOC have all expressed the interest and importance of applying for government grants, but they do not have the time or resources to complete this time-consuming process. One government grant can require an individual to spend 100 hours to complete.

Ideally, the consultant would help the CABOC develop a two to five-year plan to meet a target revenue goal. The consultant would also help the organization set up a database to log and track donations and grants. This could be through a third-party software, or to start off with, the consultant could set up a system within a Google Drive that includes clearly labeled folders with important documents and a spreadsheet outlining essential dates and deadlines. If the CABOC can get all their documents in order, applying for grants and sponsorships can become an easy process that requires individuals to cut and paste important information and alter minimal content. A consultant can help members of the CABOC get this process started, then coach them to success.

**3. Rework the Organizational Structure**

The CABOC is a sound organizational structure, given its mission requirements and as a registered nonprofit organization. However, there is a severe lack of personnel to fill roles, and there are gaps in who has an understanding of roles and responsibilities. When it was created, the CABOC was overly ambitious at the onset with establishing the structure it has now; this has created many positions that require staffing - with limited personnel and resources to do so. However, this resulted in people fulfilling multiple roles and taking on a lot of administrative work that consumes their volunteer time and has over time, resulted in volunteer burnout. The expertise of members of the Board of Directors should be more tailored to leadership, advice, and crafting policies rather than conducting administrative work. This poses a unique opportunity to develop a clear delineation of what each role and committee are responsible for through “billet” descriptions that can outline the function of the role and how it interacts with others in the CABOC, in some cases with CBOCs.



Additionally, this will have the added benefit of finding people more suited for positions that show ambition or leadership qualities useful to the CABOC as an organization. The roles of the administrative functions, leadership on the Board of Directors, and the various committees themselves are different, and this needs to be modified to allow for a clearer understanding of what one is responsible for - and what they are not responsible for. This would

Figure 12. Organizational Alignment

result in helping to not overload certain individuals as well as help to identify the right talent to fulfill certain roles that could then be groomed for said role. Austin and Gothard (2013) outline the concepts in *Figure 12* in their article *Leadership Succession Planning: Implications for Nonprofit Human Service Organizations*.

#### **4. Create Training Videos**

Although the current issue with the CABOC's training program is its non-existence, it is recommended that the organization differentiate between the training materials that will be standardized via training videos and the training materials tailored to specific audiences. The standardized training can be implemented immediately, with a focus on highlighting the core portions of the training program such as defining pertinent legislation, the historical context of effective citizens' bond oversight, and explaining the core values and goals of the CABOC. This series of recorded videos can be incorporated into the subsequent training, placed on a training program of the CABOC's website, or disseminated to its subscribers, members, and community partners. This will increase the CABOC's brand, promote the organization's mission, and potentially generate revenue as traction is gained and membership increases. These training videos should be accessible free of charge, with the goal of expanding its outreach, network, and partnerships. The initial cost for creating these videos will be free of charge, costing volunteers only their time to compose a script and read a prompt in front of a camera. Quality would be of concern in the long run, but technology is advanced enough to capture videos in great quality using an up-to-date cellular device or tablet. Following this recommendation would be the implementation of a Train-the-Trainer program where experts are hired to train the CABOC board members at a minimum on how to effectively deliver training content to its constituents. The CABOC could generate funds for this workshop from the upcoming conference in October 2021.

#### **5. Develop Performance Measurement**

The CABOC is still building the capacity to meet its objectives and formalize the operations for services such as training, implementing its legislative capacities, and bond oversight committee auditing. To help manage these initial steps of their objectives, it would be beneficial for the CABOC to begin developing performance measurements that will help them address what the organizations hopes to achieve and how best to perform. Introducing the Multidimensional Integrated Model of Nonprofit Organizational Effectiveness (MIMNOE) performance measurement model will guide the CABOC's work in development of performance measurements that measure capacity and outcomes of the management of the organization and its programs.

## **M. CONCLUSIONS AND IMPLEMENTATIONS**

Nonprofits play a crucial role in America because they offer people access to resources that for-profit organizations may limit. Oftentimes, “nonprofits partner with the government to deliver vital health, human, educational, and other services; they are a significant economic force that employs 10 percent of the private workforce” (Abramson, 2020, p. 1). However, policymakers often overlook the importance of the nonprofit sector and its ability to provide vital services and

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programs to the public. The government and public policy can “help strengthen the nonprofit sector and improve its capacity for doing its important work” (Abramson, 2020, p. 1). The CABOC is a nonprofit organization that can change the way CBOCs operate for the better, especially if they continue to partner with public administrators.

When dealing with challenging problems, various tools from public policy research can be useful across all sectors. McDonnell and Elmore (1987) discuss four policy instruments when looking to analyze, synthesize, and implement new policy:

1. *Mandates*: New rules the organization can use to solve its problems.
2. *Inducements*: Production of values via the element of money (procurement).
3. *Capacity Building*: Enhancement of skills also via the aspect of money (investment).
4. *System Changes*: Incentives to prompt authority through the composition of public delivery systems.

The USC Capstone team recommends that the CABOC implement the following instruments when looking to solve the problems identified in this report:

1. *Mandates*: Create new rules for the board and leadership to follow. The most imperative rule would be to create a succession plan so the organization is prepared to fill important roles as vacancies open.
2. *Inducements*: The CABOC needs to find a member, volunteer, or consultant to help it build and implement a financial plan. This will help the organization procure funds through grants and individual donations to meet its financial and operational needs.
3. *Capacity-Building*: The CABOC needs to invest money and time to solidify its organizational structure so it can continue to grow. The CABOC will need to invest in outside resources to help them maintain and implement best practices.
4. *System-Changing*: This will follow the new mandate of creating a succession plan for Mr. Jungherr. Once the CABOC has decided who will take over Mr. Jungherr's role, it should focus on changing how its system operates; one example includes not delegating all the work to one person and utilizing team-building exercises to operate efficiently.

With the recommendations outlined in the strategic plan, the team foresees tremendous growth and expansion opportunities for the CABOC. The strategic plan will allow the CABOC to become more sustainable and capable of executing its mission effectively and efficiently.

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**APPENDICES****APPENDIX A – THE CABOC'S 2021 FY BUDGET**

<b>Revenues</b>	<b>Objective</b>	<b>Total</b>
<b>Contributions</b>	<b>Directors &amp; Advisors</b>	<b>3,233</b>
<b>Contributions Monthly</b>	<b>Directors 10 @ \$25/month</b>	<b>3,545</b>
<b>Training Fees</b>	<b>Six workshops with 15 participants each @ \$25</b>	<b>2,250</b>
<b>Statewide Conference Fees</b>	<b>One conference June 2021 - 50 @ \$50</b>	<b>2,500</b>
<b>Membership Dues</b>	<b>No dues in 2021, consider in 2022</b>	<b>-</b>
<b>Grants</b>	<b>Submit applications</b>	<b>5,000</b>
<b>Insurance Reimbursement *</b>	<b>Reimbursement by Directors</b>	<b>500</b>
<b>Loan</b>	<b>Mr. Anton Jungherr</b>	<b>5,000</b>
<b>Total Revenues</b>		<b>22,028</b>
<b>Expenses</b>	<b>Objective</b>	<b>Total</b>
<b>Bank Fees</b>	<b>Standard \$16/month, average monthly balance less than \$5,000</b>	<b>160</b>
<b>Credit Card Processing</b>	<b>\$4,000 contributions processing fees</b>	<b>148</b>
<b>Graphic Design</b>	<b>Graphic design 15 hours @ \$25</b>	<b>500</b>
<b>Insurance (Directors &amp; Officers) *</b>	<b>\$1,000,000 liability coverage</b>	<b>500</b>
<b>Newsletters</b>	<b>Nine (9) monthly newsletters starting April 2021 @ \$100</b>	<b>1,150</b>
<b>Office Expenses</b>	<b>Supplies, scanning, fees</b>	<b>745</b>
<b>Software Accounting</b>	<b>QuickBooks Online @ \$35/month</b>	<b>420</b>
<b>Database</b>	<b>Constant Contact email marketing, including 100 hours contract services @ \$25</b>	<b>13,726</b>
<b>Software Meetings</b>	<b>Zoom unlimited number of meetings</b>	<b>395</b>
<b>Website Hosting</b>	<b>FX Domains</b>	<b>417</b>
<b>Website Maintenance</b>	<b>I Design Development 50 hours @ \$75</b>	<b>3,750</b>
<b>Total Expenses</b>		<b>21,911</b>

**APPENDIX B – RESEARCH DESIGN MATRIX**

Established in 2019 by Mr. Anton Jungherr and Mr. Jack Weir, the California Association of Bond Oversight Committees (CABOC) is a nonprofit corporation that was created to provide “training, assistance, and encouragement to California School Proposition 39 Citizens’ Bond Oversight Committee through the development of training materials, delivery of online training, conferences, workshops, formation of regional groups of California Citizens’ Bond Oversight Committees and representation common interests at the statewide level” (CABOC, 2021). The overall project goal is to create a sustainable strategic plan for CABOC to implement and sustain over the years to foster volunteer engagement, generate revenue, increase performance metrics, and improve training methods. However, this research and design matrix aims to identify the overarching issues facing CABOC and establish objectives for the duration of the Capstone project. Components of this matrix will include the researchable questions, scope and limiting factors, data collection methods, and the analytic strategy to compare and contrast data gathered. This assignment will further guide the research and inform the analysis of CABOC, the components of the logic model, and identify methodological strengths and weaknesses.

**Research Design Matrix (RDM)**

Researchable Questions	Research Approach	Scope	Data Collection	Analytic Strategy
<p><b>RQ1: Strategic Planning</b></p> <p>How will a sustainable strategic plan help CABOC develop organizational goals and objectives that assesses progress over time?</p>	<p>Open Source Research on Organizational structure, culture, and change</p> <p>Interview with CABOC leadership</p> <p>Case Studies</p>	<p>CABOC Board Members and Committee Chairs</p> <p>Other state level non-profit organizations</p> <p>Peer &amp; Non-Peer Reviewed journals and magazines</p>	<p>Academic Journals</p> <p>Strategic Planning Articles</p> <p>Strategic Planning Best Practices</p> <p>Actual nonprofit strategic plans</p> <p>Journals Academic or Trade, Web, blogs, etc.)</p>	<p>Literature Review</p> <p>Interview Response Matrix</p> <p>Needs Assessment</p> <p>SWOT Analysis</p>
<p><b>RQ2: Organizational Structure</b></p> <p>How can CABOC be best organizationally structured to support their mission?</p>	<p>Open Source Research on Organizational structure, culture, and change</p> <p>Interview with CABOC leadership</p>	<p>CABOC Board Members and Committee Chairs</p> <p>Other state-level non-profit organizations</p> <p>State-level bond oversight committees in other states</p>	<p>Academic Journals</p> <p>Organizational Structure Industry Articles</p> <p>Organizational Best Practices</p>	<p>Literature Review</p> <p>Comparative Analysis</p>

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Researchable Questions	Research Approach	Scope	Data Collection	Analytic Strategy
<p><b>RQ3: Training Curriculum</b></p> <p>How can the CABOC facilitate an effective and easy-to-access training program to meet the needs of its constituents?</p>	<p>Semi-structured interviews with CABOC leadership and local bond oversight committees</p> <p>Open Source Research on effective bond oversight training programs</p>	<p>Internal CABOC members of the Conference Committee and Best Practices Committee</p> <p>Local Bond Oversight Committees in California (school districts and community colleges)</p> <p>State-wide Bond Oversight Committees in other states within the United States</p> <p>Peer &amp; Non-Peer Reviewed journals and magazines with content about the United States' best practices</p>	<p>Interview responses from CABOC members regarding what they find valuable to learn from training programs &amp; their preferred training methods</p> <p>Literature reviews on best training practices for nonprofit organizations (academic journals, articles, websites, books, and CABOC attachments)</p>	<p>Interview Response Matrix</p> <p>Comparative Analysis</p> <p>SWOT analysis</p>
<p><b>RQ4: Finances</b></p> <p>How can CABOC diversify its revenue stream to provide a more stable and sustainable financial structure, what tools and best practices can it employ to achieve its organizational goals?</p>	<p>Semi-structured interviews with CABOC leadership (Mr. Anton Jungherr, Mr. Nick Marinovich &amp; Mr. Amadeo Rodriguez) and board members</p> <p>Review organization's budget.</p> <p>Open-source research on nonprofit dissolution, nonprofit financial management</p> <p>Case studies</p> <p>Attend CABOC meetings</p>	<p>Co-founder</p> <p>Board Members</p> <p>Oversight Committee Members</p> <p>Peer &amp; Non-Peer Reviewed journals and magazines</p>	<p>Interview responses from Mr. Anton Jungherr and Mr. Nick Marinovich around previous funding approaches and trends</p> <p>Literature review on best practices for new nonprofits regarding setting up funding structures</p> <p>Journals Academic or Trade, Web, blogs, etc.)</p>	<p>Interview Response Matrix</p> <p>Comparative Analysis</p> <p>SWOT Analysis focused on financial history</p> <p>Needs Assessment</p>

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Researchable Questions	Research Approach	Scope	Data Collection	Analytic Strategy
<p><b>RQ5: Performance Metrics</b></p> <p>How can performance metrics serve CABOC to transform their mission, strategy, and organizational goals into key measurable performance indicators that govern organization actions? Which performance measurement model can they use to develop their own performance measurements?</p>	<p>Open Source Research [on nonprofit performance measurement systems; organizational materials]</p> <p>Conduct Survey</p> <p>Semi-Structured Interview - Key Stakeholders</p>	<p>Balance Score Card; MIMNOE; Other state-wide nonprofit membership associations</p> <p>CABOC Board Policies, Committees, &amp; Business Plan; Attend CABOC committee meetings</p> <p>CABOC membership (past and present)</p> <p>CABOC Board Members; Committee Chairs; Little Hoover Commission Rep</p>	<p>Literature Reviews [Academic Journals; industry articles; USC Library database]</p> <p>Internal Database; Zoom Meetings</p> <p>Survey Responses from Membership through Constant Contact regarding engagement &amp; efficiency</p> <p>Interview Responses regarding current processes and existing gaps in performance management</p>	<p>CAM Analysis; Best Practices</p> <p>Needs Assessment;</p> <p>Interview Response Matrix/Needs Assessment</p> <p>Interview Response Matrix</p>

**APPENDIX C – THE CGJA FY 2019 EXPENSES & REVENUES**

<b>Expenses</b>	
Professional Fees & other payments to independent contractors	1,575
Insurance	600
Administration	3,610
Annual Conference	7,705
Awards	90
Compendium Expense	1,523
Finance Committee	3,045
Postage	19
Public Relations Committee	1,172
Training Committee	130,432
Non-investment depreciation	203
<b>TOTAL</b>	<b>149,974</b>

<b>Revenues</b>	
Contributions, gifts, grants & similar amounts received	6,184
Program service revenue including government fees and contract	132,944
Membership dues and assessments	7,245
Investment Income	22
Annual Conference	6,626
Sales of Compendium	1,650
Public Relations Income	155
<b>TOTAL</b>	<b>154,826</b>

**APPENDIX D – WORK-PLAN AND DELIVERABLES TABLE**

Stage	Deliverable	Outcome	Expected Completion
Phase I	Initial Client Interview	Engage in a formal virtual administrative meeting with the CABOC's Board and Advisors to introduce team members, discuss goals and project objectives, as well as Q&A from the CABOC	May 17, 2021
Phase I	Background	Conduct background research to gather factual evidence about the CABOC	May 19, 2021
Phase II	Prospectus - Part I	Compilation of problem statement, methodological approach, and ethical considerations	June 1, 2021
Phase II	Communications Brief - Part I	Present project overview, goals, and expected deliverables to the CABOC board, Advisors, and participants	June 12, 2021
Phase II	Solicit Client Feedback	Submit written prospectus to the CABOC for review and approval via email following virtual group presentation	June 12, 2021
Phase II	Collect Client Feedback	Based on the presentation, gather feedback and insight from the CABOC board, Advisors, and meeting participants via email	June 19, 2021
Phase II	Prospectus - Part II	Email revised prospectus document to client for final approval and include in final client folder	June 23, 2021
Phase III	Report - Part I	Revised problem statement by incorporating organizational context, reframe methodologies	June 29, 2021
Phase III	Solicit Client Feedback	Submit written report to the CABOC for review and approval via email	July 3, 2021
Phase III	Collect Client Feedback	Based on the presentation, gather feedback and insight from the CABOC board, Advisors, and meeting participants via email	July 10, 2021
Phase III	Report - Part II	Incorporate suggestions and feedback from the CABOC to expand problem statement, add entire findings section, along with other desirable components	July 13, 2021
Phase III	Solicit Client Feedback	Submit written report to the CABOC for additional review and approval via email	July 17, 2021
Phase III	Collect Client Feedback	Gather all feedback and suggestions from the CABOC for consideration in final written report	July 24, 2021
Phase III	Report - Part III	Revise written report to incorporate comments and recommendations from the CABOC and resubmit for final review and approval	July 27, 2021
Phase III	Report - Part IV	Make final revisions and prepare for virtual presentation to the CABOC board, Advisors, directors, and members	July 31, 2021

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Stage	Deliverable	Outcome	Expected Completion
Phase III	Report - Part IV	Make final revisions and prepare for virtual presentation to the CABOC board, Advisors, directors, and members	July 31, 2021
Phase IV	Communications Brief - Part II	Provide the CABOC with a toolkit with research findings, project accomplishments, and recommendations	August 3, 2021
Phase IV	Solicit Client Feedback	Solicit feed and insights about the toolkit containing research findings, project accomplishments, and recommendations	August 5, 2021
Phase IV	Collect Client Feedback	Gather all feedback and suggestions from the CABOC for consideration in final Client folder	August 7, 2021
Phase IV	CABOC Presentation	Present research findings and recommended strategic plan to the CABOC and USC colleagues and instructors	August 14, 2021
Phase IV	Final Client Folder	Provide the CABOC with a toolkit with research findings, project accomplishments, and recommendations	August 17, 2021
Ongoing	Primary Research	Ask for documents and information directly from the CABOC, conduct interviews, and attend CABOC meetings	August 3, 2021
Ongoing	Secondary Research	Perform analytical research from literature reviews and third party resources to synthesize and evaluate data	August 3, 2021
Ongoing	Team Meetings	Internal Team Check-ins (daily), consultation meeting with instructor (weeks 2, 4, 8, 12, 14), meeting with the CABOC (as needed)	August 17, 2021

## APPENDIX E – THE CABOC INTERVIEW GUIDE

### PRIOR TO THE INTERVIEW

- Send initial email inviting interviewees to participate in an interview:
  - NOTE: If the interview is for a group, use the BCC or “hide attendee list” option to prevent reply all chains.
  - Drafted Calendar Invitation Copy:

Hello,

My name is [insert here], Master of Public Administration candidate and member of the USC Capstone team collaborating with the California Association of Bond Oversight Committees (CABOC) to create a robust and sustainable strategic plan. In order to develop the most effective strategic plan for the CABOC, we would like to invite you to participate in a 45-minute virtual interview to gain your valuable insights. Your feedback will directly contribute to the creation of a robust and sustainable strategic plan.

The preferred meeting platform for the interview is [Zoom], but if you prefer to conduct the meeting using a different system such as [list other systems], please let me know your preference, and I would be happy to arrange those logistics.

If you have any questions or if any technological issues arise, feel free to reply to this email, or call me at [insert here] and I will be happy to help.”

Thank you!

- Send the calendar invitation to participants.
  - NOTE: All updates made to the calendar invitation will be sent to participants. This may result in multiple emails. Keep edits to a minimum to reduce inbox clutter.
- Distribute the note taking guide to note taker or support team members (if relevant)
- Distribute sign-in sheet to support team members (if relevant)
- Schedule time for a pre-interview meeting with internal team members

### Interview Guidelines

- Be mindful of time elapsed. Aim to wrap up the interview 10 minutes prior to the end time of the calendar invitation. Ensure participants feel heard, but also be responsible for the time spent on a given topic.
  - “Thank you so much for sharing. If you have more to add, we can follow up offline regarding this topic.”
  - “Thank you so much for sharing. Let’s shift gears to this next question...”

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- Ensure participants feel heard. Do not be afraid to, “play the therapist.” Be conscious that participants are currently engaged in an ongoing crisis event and may be living or reliving certain traumatic events as they answer questions.

### Conducting the Interview

#### I. Welcome and Administrative Items

- “Thank you for accepting our invitation to participate in this interview for the CABOC Strategic Plan. Your feedback is vital to creating an accurate and robust report for the strategic plan, and we sincerely appreciate your time. My name is [insert here], and I am part of the capstone team from the University of Southern California.”
- Introduce the project purpose.
- Explain that some questions may feel repetitive, but that is natural during the reporting process. If the interview is with an individual who was previously interviewed internally within CABOC, also mention that we are aware of her efforts and will try to ask questions that she did not cover in her interview. Example text below:
  - “Some of these questions may seem obvious or repetitive, but this is to ensure the information that goes into the construction of this report is accurate and tells the story of CABOC from your perspective.”
- State the goals for the interview.
- Give a clear disclaimer regarding the privacy of the interview. The intent of this statement is to make participants feel safe sharing information. Example text below:
  - “Please note that any feedback or opinions shared in the interview are confidential and will be treated as anonymous feedback after the interview. The content of this interview is for the CABOC Strategic Plan and all identifying information will not be included in the final report. No one from outside the capstone team will be able to trace any feedback or comments back to you.”
- Ask verbally for consent to record the interview. Ensure the participants that the recordings will not be shared with CABOC and are intended solely for note taking purposes. Example text below:
  - “We would like to record today’s interview in order to make sure we are capturing all the information accurately. People often say very helpful things in interviews and we may not be able to write fast enough to get them all down. We will be on a first name basis today, and we won’t use any names in our reports. Transcripts of this conversation will only be seen by members of our capstone team. Recordings will not be kept on file beyond the end of this project. Are you comfortable with us recording the interview today?”
  - “Before we begin, does anyone have any questions?”

#### II. Interview Questions

- Section 1: Role and Broad Questions
  - What is your role(s) in the CABOC (or whatever organization they are a part of)

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- Section 2: Specific Strategic Issue Area Questions
  - *RQ#1 - Strategic Planning Question*

After conducting our research we found that Anton invested a lot of time toward developing a business plan for CaLBOC and that some thought this method was unnecessary and it was ultimately shelved. Do you think a strategic plan is the best tool for the CABOC at the moment? If so, do you think the board has the capacity to carry it out? If not, what tools do you think are best for the CABOC to move forward to achieve its organizational goals?

    - What, if any, strengths did you observe within the organization as far adhering to any business and/or strategic plan in the past?
    - In your opinion, what were the areas that need the most improvement as far as any business and/or strategic plan for the organization (be it CaLBOC or CABOC)?
  - *RQ#2 - Organizational Structure Question*

Nonprofit organizations are structured to decrease costs and increase the nonprofit organization's efficiency in delivering their stated mission & goals. As it stands now, do you think that CABOC is structured in a manner that effectively delivers on its stated mission?

    - From your perspective, do you see any worthy parts of the CABOC organization that run exceptionally well? Why do you think that is?
    - If you had to critique certain parts of the CABOC organizationally, what elements do you think could be performing a lot better? How would you suggest they be better structured?
  - *RQ#3 - Training Curriculum Question*

Research has shown that training programs and talent development are essential parts of organizational success and sustainability, which is one of CABOC's priorities/main goals as a service organization. Although we have examined the survey results regarding training topic areas constituents are most interested in for the training program, can you please elaborate on specific needs that you are aware of based on your personal experience(s) and interactions with CBOCs and its members? Based on those survey results, it would be interesting to determine the actual statistical significance amongst the responses because the largest response difference amongst two topics was 7, but it was evident that the most interesting topic area would be understanding the roles and responsibilities of CBOCs. With that being said, what topics should the CABOC highlight from an administrative perspective being a statewide oversight body?

    - Based on your past and current experiences, omitting money as being an inhibiting factor, what are the benefits of operating a statewide training program? How do you envision the CABOC's program operating?

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- What challenges do you foresee encountering once the training program has been established?
- *RQ#4 Finance and Budget Question*

Funding and financial resources are a substantial component of the nonprofit structure. Research shows that if there is not a clear and distinct financial plan from the beginning, chances are the nonprofit will struggle. While it is crucial for nonprofits to provide unique services and programs, it is imperative they have a stable funding and financial structure in place. How would you characterize the CABOC's current financial structure?

  - What strengths does the CABOC's leadership possess when it comes to financial management?
  - What are the short-term goals for the organization's financial structure? Long-term goals?
  - Can you identify any obstacles that will inhibit these goals from being achieved?
- *RQ#5 - Performance Metrics Question*

Performance metrics serve organizations, such as CABOC, by transforming their mission into strategies; in turn, those strategies are modeled into organizational goals that can be measured as organizational performance indicators. CABOC's purpose is to provide training, assistance, and encouragement to California School Proposition 39 Citizens' Bond Oversight Committee Members. What has CABOC done to meet its objectives of training, assistance, and encouraging Bond Oversight Committees?

  - How has CABOC been able to track its progress in completing these objectives?
  - What has hindered CABOC's ability to address these objectives?
- *Specific Questions toward Anton/Nick/Jack*
  - Since the CABOC developed out of the dissolution of the CaLBOC, have you noticed any major changes in the way the organization is operating compared to the way CaLBOC operated?
  - Do you think the CABOC is on track to not making the same mistakes CaLBOC made?
  - What is your opinion on the matter of CaLBOC's dissolution and the emergence of the CABOC?
- Section 3: Concluding Questions
  - Are there any questions or topics that we did not address that you think we should know about?

### III. Thank You and Conclusion

- Sincerely thank participants for their time and acknowledge the importance of the work they do for the community.
- Encourage participants to fill out the CABOC Strategic Plan online survey if they have not already done so.
- Remind participants that they can reach out to you if they think of anything else they want to share.

#### After the Interview

- Send a thank-you email including language specifying if they would like to follow up or add additional thoughts, they can do so in an email reply.
- The thank you letter should also include as an attachment or link in email any client-provided mental and behavioral health resources (if applicable).
  - Drafted thank-you email language:

“Hello,

Thank you for taking the time to participate in today’s stakeholder interview for the development of the CABOC Strategic Plan. Your feedback, comments, and shared stories of your experience are valuable in this process to better increase the quality and realistic approach we are taking while developing the CABOC Strategic Plan.

If you have any questions regarding your interview or survey responses, or would like to elaborate further, please feel free to reach out.”

- Update the interview tracker accordingly.