

Policy and Administration In Board-Executive Relationships

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National and state constitutions of the United States have been unanimous in calling for a separation of legislative, executive, and judicial powers, each operating within a defined sphere of activity. It has been left to legislative bodies to determine, and from time to time re-determine, the nature and scope of governmental functions, to create agencies through which these functions may be exercised, and to assign to these agencies legislative and administrative powers required for their operation. In the course of nearly two centuries thousands of government bodies have been established: a network of courts — with which we are not concerned here — and an almost endless array of departments, counties, cities, and a great variety of boards, commissions, districts, and other governmental units, each with a prescribed structure and specified powers.

Policy and Administration

In basic legislation creating governmental bodies there has always been at least an implicit recognition of the neces-

sity for the same separation of assigned legislative and executive authorities as that obtaining in the overall government itself. As the complex of government functions has increased, it has not been possible for the legislative branch to anticipate and provide against operational problems growing out of the overlapping of these two areas of authority within individual agencies. When these develop, as they often have, it has been expected that each agency would make its own determination of where the lines should be drawn; or, failing in that, to seek legislative clarification.

At the turn of the century, two distinguished political scientists, Woodrow Wilson and Frank Goodnow, developed a new outlook on government operations. They stressed the importance of defining the elements inherent in the functions of politics and legislation (policy-making) and executive action (administration or management) in such a way that the principles evolved could be applied to any governmental operation. This

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fresh approach became a cornerstone of what came to be referred to as a newly developing "science of administration." It proved to be a dominant influence in shaping public-administration practices of the next half-century. Resting on these basic concepts, a number of major modifications of administrative patterns were developed: the council-manager and strong-mayor-council forms of city government; the administrative-reorganization movement in state governments such as the Lowden reforms of 1918 in Illinois; and, in the national government, the strengthening of presidential and administrative powers generally, beginning with the Budget and Accounting Act in 1921, continuing through the changes proposed by the President's Committee on Administrative Management in 1937, and finally the recommendations of the Hoover Commission a decade later which culminated in the Budget and Accounting Procedures Act of 1950. The common thread running through these reforms has been a rigorous attempt to separate politics, lawmaking, and policy formation from the everyday administration of laws and policies, and to center administrative authority and responsibility in one individual — the executive.

The removal of politics from administration and of administration from politics in general governments has been questioned in recent years on the ground that the plurality of interests in the community needs representation in the administrative process, e.g., in the national government through direct legislative relations with department heads and bureau chiefs.

For council-manager cities (cities serve many interests), the principle has been stated as follows:

In practice it is impossible to realize a complete separation between policy and administration. Rather, there is a

tentative delegation of power from the city council to the city manager subject to continuing review by the council. The actual administration of policy may suggest necessary changes which again involve council action. It is a continuous interchange between policy and administration.¹

The logic of separation seems especially appropriate for a government agency which is limited to the performance of a single function or a limited group of functions and which therefore affects a single set of interests in the community, but even here the above quotation has some relevance.

The Single-Function Agency

A school district serves as an example of a representative agency having a single function. Characteristically, schools have been separated from other local-government units and have been governed by unsalaried school boards, usually elected from the community, but in some cases appointed. Under the board, typically, has been a single chief administrative official, a trained educator and executive — the superintendent or principal. A board of representative citizens is charged by law with the authority for determining public policy for this important function of local government; in turn, the professional educator as the top executive is responsible to the board for seeing to it that these policies are carried out in a manner consistent with the standards and ethics of the teaching profession. Thus, the two major elements are a board of laymen, representing the public interest, and a skilled executive with professional training. To establish an orderly operating process it is necessary to determine the division of powers and functions between these two if the interests of the community are to be best served.

It may be argued that if board mem-

bers and the executive understand one another and work well together there is no need for a precise definition of function. This view, although plausible, ignores the fact that the participants have been cast into their roles because of their different backgrounds, different qualifications, different points of view. While they must cooperate, sooner or later there will be differences of opinion; these can only be resolved if each is permitted to function within his own sphere of competence.

Recommendations

Although these recommendations are directed primarily to larger governmental bodies having elected or appointed governing boards, the same concepts may be applied, on a more modest scale, to smaller organizations.

The Role of the Board

Members of boards of public agencies represent the public interest. It is not expected that they will have professional skills in the field of the agency's activity, although it may be helpful if some of them have. They constitute a deliberative body which must determine general policies within a specified legal framework, strike a balance between what the public needs and what the public can afford, appoint a competent executive to administer the agency's program, require the executive to provide them with a continuous flow of information necessary to make their policy decisions intelligently, and hold the executive accountable for the agency's performance.

The board, responsible to the legislature and to the public, must from time to time report on the agency's operations. This it will normally do by authorizing the executive to prepare its report; his reports to the board may serve as reports to the public as well. When the executive's reports are released to the public without board clearance, on his own be-

half or in opposition to the board, a malfunctioning of normal organizational procedures is indicated.

The board, on its own initiative, should:

1. Appoint from a panel of professionally qualified persons an executive who can apply his training, experience, and abilities to the needs of the agency.
2. Advise, admonish, and, where it deems necessary, dismiss the executive.
3. If required by law to make any other administrative appointment, to select from a panel provided by the executive, and to make each such appointee accountable to the executive.
4. Require periodic reports from the executive and meet regularly with him, in order that board members understand how day-to-day operations are being conducted, that they are made aware of the needs of the organization as the executive sees them, and that they are fully informed concerning any special problems. Other officials subordinate to the executive may meet with the board on occasion or perhaps regularly, possibly accompanied by the executive, but never without his knowledge and approval.
5. Appoint at the beginning of, or before each fiscal year a qualified firm of certified public accountants with authority to review the agency's transactions and operating procedures during the year and to submit promptly, following the close of the year, a full report on their findings; and make the firm's report available to the public.
6. Provide for occasional organizational and operational studies by a firm of qualified management consultants or individual technicians.

7. Report to the legislature, to other governmental agencies, and to the public on the operations and accomplishments of the agency.

The board, acting on recommendations of the executive, should:

1. Approve the organizational structure of the agency.
2. Approve key cabinet-level appointments, especially those in the fields of law, accounting, and personnel.
3. Adopt and announce to the public plans for future programs of the agency, both short-term and long-term.
4. Approve personnel, budgetary and accounting policies.
5. Adopt an annual budget, levy necessary taxes, and appropriate funds.

The board should NOT:

1. Appoint any officer or employee without the executive's prior recommendation.
2. Make specific decisions on individual matters which arise in the day-to-day operations of the agency.
3. Direct the decisions of the executive in specific matters.
4. Express a personal or partisan political interest in the appointment, promotion, dismissal, rewarding, or disciplining of any individual employee.
5. Have, collectively or individually, any interest, direct or indirect, in any agency activity not enjoyed by the public at large, or in any profit, emolument, or other benefit from a firm doing business with the agency, or in any activity the pursuance of which may give rise to a conflict of interest.

The Role of the Executive

The executive should:

1. Recommend for board appointment,

as immediate non-civil-service assistants to himself, cabinet-rank, professionally qualified persons chosen from panels supplied by professional bodies; these should include a controller and under him an internal auditor having unlimited investigative authority.

2. Appoint key officials, subject to board approval.
3. Make, or delegate the authority for making, all other personnel decisions.
4. Institute a continuous program of planning and review of the agency's activities, as a basis for policy recommendations to the board.
5. Propose for board approval patterns of organization, operational plans, and personnel, budget, and accounting policies.
6. Direct and control the work of all employees through the machinery of an administrative structure which includes clear delegation of authority to supervisors.
7. Meet regularly with the board and report frankly to it developments and problems in the agency's operations.
8. Represent the agency to the public, but only in ways consistent with policies approved by the board.
9. Institute modern methods of internal control, including internal audit and internal reporting, that will reveal compliance or noncompliance with board policies and with administrative regulations and decisions, and establish and maintain safeguard's over the agency's property and transactions generally.
10. Adopt and maintain, acting on the advice of the controller, modern budgetary practices whereby each board-approved annual budget,

broken down by lines of delegated authority and by activities, serves as a major control over operations and is recognized as providing expenditure limits not expenditure directives; require monthly reports on budgetary administration.

11. Institute continuous studies of activity costs, particular attention being paid to unit costs, to comparisons with similar costs in other agencies and in private business, and to opportunities for cost reductions through activity curtailment or elimination, the adoption of improved or alternative operating methods, and the sharing of functions with other agencies; publish findings, thus promoting public awareness of service accomplishments and costs, and public appraisals of service yields.
12. Encourage interested citizen groups to study operations, allow them access to payrolls and other financial records and reports, provide them with technical assistance that may contribute substance to their findings and lead to possible benefits to the agency, the general principle being recognized that lay observations of and reports on the competence of management will contribute to management effectiveness, and that lay observations and reports on operating inefficiencies can speed their correction.
13. Appoint from time to time and for short periods unpaid advisory professional groups to review operating procedures and to suggest modifications.

The executive should NOT:

1. Refuse, disregard, or neglect to carry out policies established by the board.
2. Withhold from the board informa-

3. Fail to cooperate fully with auditors or other investigative persons or or firms authorized by the board.
4. Conduct the management of the agency in any way inconsistent with generally approved professional practices and management principles.
5. Accept outside employment, except limited consulting activities which will not divert major energies from executive responsibilities.
6. Have any personal, financial, or other interest in the business activities of the agency or in any firm doing any past, present, or future business with the agency.
7. Permit any partisan political interest, whether his own, that of board members or employees, or that of any third party, to influence personnel decisions made within the agency.

Practices of the board and the agency's executive in their mutual dealings and relations should, by meeting these specifications, assure practicable working relationships and prevent the emergence of any major conflict or the conduct of the public business not in harmony with the public interest. Where, nevertheless, differences of a serious nature arise because one party or the other has violated these tenets, or because legal limitations imposed on the agency prevent their full application, the resulting conflicts become matters of public concern and may require changes in the law, modification of the practices of the parties concerned, or, in extreme cases, replacement of the executive and/or board members. ●

NOTES:

1. Clarence E. Ridley, *The Role of the City Manager in Policy Formulation*. Chicago: International City Managers' Association, 1958.