**This “Sample Chief Executive Backup Plan” is an excerpt from** [**CEO Succession Planning: A Toolkit for Health Center Boards**](https://www.healthcenterinfo.org/details/?id=3065) **from the National Association of Community Health Centers.** *Please refer to* [*CEO Succession Planning: A Toolkit for Health Center Boards*](https://www.healthcenterinfo.org/details/?id=3065) *for instructions on customizing this template for your health center. Fields that require updating are highlighted in gray and individual organizations may wish to further customize the template based on the needs of their health center.*

**Appendix 2: Sample Chief Executive Backup Plan**

# [insert Organization Name]

**CEO BACKUP PLAN**

**Guideline for the Appointment of an Interim CEO**

**Purpose**

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| *This section spells out the purpose of the plan and the circumstances under which the plan would be implemented, and references the companion board-adopted Chief Executive Succession Policy.* |

The purposes of this plan are, first, to ensure the continuous coverage of the key functions of the CEO position by designating an individual to serve as the Interim CEO in the event of a planned or unplanned CEO absence. Second, to outline the circumstances and process under which this plan will be implemented. This document is a companion to the [Organization’s] Chief Executive Succession Policy, which outlines the organization's principles and practices for leadership succession and transition.

**Key Functions of the CEO**

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| *This section refers to Attachment #2 to this template, which is covered below.* |

*Attachment #2* outlines the key functions of the CEO that are required to maintain business as usual in the health center and names the individual designated to provide backup for those functions. It is the responsibility of the CEO to ensure that the designated backup receives appropriate cross-training to successfully cover the key functions.

**Implementation**

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| *This section simply clarifies that the board chair is responsible for implementing the plan, or the vice chair if the board chair is not available. This section can be adapted, especially anything contained in* *[ ].*  |

The board of directors authorizes the board chair (or the [*board vice-chair*] if the board chair is not available) to implement this plan in the event of an absence of the CEO. Phone calls, conference calls, and meetings via an electronic platform (e.g., Zoom, GoToMeeting, etc.) are an acceptable substitute for any meetings designated in this plan.

**Definitions**

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| *This section defines the meaning of the terms temporary versus permanent, unplanned versus planned, and short-term versus long-term absence.* |

A *temporary absence* is one in which it is expected that the CEO will return to the position once the events precipitating the absence are resolved.

An *unplanned absence* is one that arises unexpectedly, in contrast to a planned leave, such as a vacation or a sabbatical.

A *short-term* absence is three months or less; a *long-term* absence is one that is expected to last more than three months.

A *permanent* absence is one in which it is firmly determined that the incumbent CEO will not return to the position.

**Emergency Backup Plan: Short-Term Unplanned Absence**

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| *As the name implies, this section is intended to outline the action plan in situations where the chief executive is unexpectedly and temporarily unavailable. This section can be adapted, especially anything contained in [ ]. Smaller organizations that must rely on an external Interim CEO to provide bridge leadership, will want to adjust this section accordingly. For example, this might mean changing part of Section A to read:** *“The [board chair] consults with the staff on the circumstances of the absence, the organization’s situation, and related factors, making the necessary adjustment to the Communications Plan below and devising a short-term strategy to cover vital functions.*
* *The Executive Committee immediately begins the process to engage an external interim executive.*
* *Stakeholders will be notified of the temporary staffing structure as the [board chair] directs.”*
 |

A. Appointing an Interim CEO

* In the event of an unplanned absence of the CEO, a member of the [senior management team] will immediately inform the board chair of the absence, or the [board vice-chair] if the board chair is not available.
* As soon as possible following the notification, the [*board chair*] confers with the board’s Executive Committee on the implementation of this plan and opt to modify the plan or adjust its implementation.
* The full board is convened to appoint the interim CEO.
* The board chair (and potentially other officers) consults with the Interim CEO on the circumstances of the absence, organizational situation, and related factors, making necessary adjustments to the Communications Plan below.
* After the board chair and Interim CEO confer, the staff and stakeholders will be notified of the temporary staffing structure.

B. Authority of the Interim CEO

The acting or Interim CEO may have the same authority for day-to-day decision-making and independent action as the CEO **except** fordecisions that require board approval including:

* Program expansion or divestiture
* New partnerships or collaborations with external parties
* Taking public or policy positions on behalf of the organization
* Financial decisions not included in the current approved budget
* Check signing over $[*XXXX*]

C. Compensation

The [*board chair*], in consultation with the [board], may make a salary adjustment for the Interim CEO for the duration of the transition process.

D. Oversight and Support to the Interim CEO

The [*board chair*] and board of directors will have the responsibility for monitoring the work of the Interim CEO. The Interim CEO will provide regular updates and meet with the [*board chair*] as the [*board chair*] may determine. The [*board chair*] will also be alert to the special support needs of the Interim CEO serving in this temporary leadership role, and act to address them.

E. Backfilling for the Interim CEO’s Former Role

The [*Interim CEO in consultation with the board chair*] will consider other temporary appointments necessary to backfill the former responsibilities of the Interim CEO to ensure smooth functioning of the organization.

**Emergency Backup Plan: Long-Term, Unplanned Absence**

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| *This section assumes that the organization is appointing a staff member to serve as the Interim CEO. In that case, if the chief executive’s absence will last longer than three months, the board chair and Interim CEO should discuss whether a more robust approach is needed to backfill the interim’s former functions. In other words, they should determine what help is needed to cover both jobs. If the organization is appointing an external person in the role, this section may be irrelevant.* |

The same procedures should be followed for a short-term absence, but the [*board chair*] and Interim CEO should revisit the backfilling plan given the extended period of time.

**Emergency Backup Plan: Permanent Unplanned Absence**

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| *In the case of a permanent absence, the board should begin the transition process by appointing the Transition Task Force.* |

The same procedures should be followed for a long-term temporary absence, however, the board chair will also appoint a Transition Task Force in accordance with the organization’s Chief Executive Succession Policy.

**Approval, Revisions, and Maintenance**

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| *This section affirms that revisions to this plan require approval by the [organization’s] board. The board should also review the plan at least annually or when the person designated as the backup to the chief executive is no longer available, and designate who should maintain copies of this plan.* |

Revisions to this plan require approval by the [organization’s] Board of Directors. The plan will be reviewed annually or if a designated backup appointee is no longer available to serve as the Interim CEO. The board chair, the CEO, and the designated backup appointee(s) will maintain copies of this plan.

|  |  |
| --- | --- |
| **Approved by:**Board of Directors on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | **Acknowledged by:** I acknowledge that I have reviewed this plan. |
| \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_[Board Chair Name], [Title] | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ [Designated Backup Name], [Title] |
| \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_[CEO’s Name], [Title] |  |

### Attachment #1: Job Description

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| *Insert or attach a copy of the UPDATED chief executive’s job description here so it is ready for reference in case the plan must be implemented.* |

(Insert the UPDATED CEO job description here.)

### Attachment #2: Chief Executive Backup Plan Detail

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| *The details in this section are a critical component of the Chief Executive Backup Plan. Just as cross training ensures the person designated as the chief executive’s backup has the capabilities to step into the role, the information provided here is vitally important for them to know what to do if called upon.* |

**Name:**  [Insert Chief Executive’s name and title]

**Designated Backup:**

|  |
| --- |
| *Identify the person who is going to step in as the Interim Chief Executive when needed. Some organizations choose to identify a second backup who will step in if the first backup is not available when required.* |

First Backup: [Name and title of the person designated as the primary backup]

Second Backup: [OPTIONAL: Name and title of the person designated as the alternate backup
if the primary backup is not available]

**Key Functions of the CEO** (those necessary to maintain business as usual)

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| *List the key functions that are necessary to maintain business as usual in the organization. Typically, there are five to seven functions that are most critical, but list what you think is necessary. Consider what sort of cross-training is necessary to ensure the designated individual(s) are ready to step in when needed.* |

|  |  |
| --- | --- |
| **Key functions**  | **Cross-Training Plan (What, How & By When)** |
|   |  |
|   |  |
|  |  |
|  |  |
|   |  |
|   |  |

**Communications Plan**

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|  *Identify the key people to contact if the plan is implemented. Specify who is responsible for making the contacts and how those contacts are to be made, typically through phone calls or email.*  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Who must be contacted?**  | **Who will contact?**  | **How?** | **By when?**  |
|  |   |   |   |
|  |  |  |  |
|  |  |  |  |
|   |   |   |   |
|   |   |   |   |

**Critical Relationships**

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| *Inventory the crucial relationships that are maintained solely by the chief executive. This list may be different than those listed in the Communications Plan, including classes of people as well as individuals. Consider others in the organization who could help maintain those relationships. The purpose of this section is to make sure that there is an inventory of vital relationships and contact information for the organization’s records and not just under “the chief executive’s hat.”* |

|  |  |
| --- | --- |
| **Contact information**  | **Who else could help maintain this relationship?**  |
|   |  |
|  |  |
|  |  |
|   |  |
|   |   |

**Key Events/Milestones Calendar** (that involve the CEO)

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| --- |
| *This section is self-explanatory. The idea is to identify milestones, activities, meetings, events, and so forth where the chief executive plays a critical role, and list what their specific responsibility is for each of those occasions.*  |

|  |  |  |
| --- | --- | --- |
| **Month**  | **Key Events/Milestones**  | **Associated Activities/Responsibilities** |
| *January*  |   |   |
| *February*  |   |   |
| *March*  |   |   |
| *April*  |   |   |
| *May*  |   |   |
| *June*  |   |   |
| *July*  |   |   |
| *August*  |   |   |
| *September*  |   |   |
| *October*  |   |   |
| *November*  |   |   |
| *December*  |   |   |

### Attachment #3: Critical Information and Contact Inventory

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| *This worksheet is designed specifically for smaller organizations where the chief executive is also a primary administrator. In larger organizations, much of this information is maintained by several other “chiefs,” such as the chief financial officer, the head of HR, etc. But, even if you have a management team to maintain this information, review the list and flag any items where the chief executive is the sole keeper of that file or that item, and make a note of its location. The idea here is to ensure that information vital to the functioning of the organization is not suddenly unavailable or lost because it only exists inside the head of the chief executive, and thus that knowledge walks out the door with that individual. Store the inventory in a secure location in accordance with health center policy.* |

Last updated:

Employer Identification Number (EIN) #:

**Corporate Records**

|  |  |
| --- | --- |
|   | **Location**   |
| IRS Determination Letter  |   |
| IRS Form 1023  |   |
| Bylaws  |   |
| Board Minutes  |   |

**Financial & Personnel**

|  |  |
| --- | --- |
|   | **Location**   |
| Current & Previous Form 990s  |   |
| Current and Previous Audits  |   |
| Financial Statements  |   |
| State or District Sales-Tax Exemption Certificate  |   |
| Blank Checks  |   |
| Computer Passwords  |   |
| Donor Records  |   |
| Client Records  |   |
| Vendor Records  |   |
| Volunteer Records  |   |
| Building Lease/Deed |  |
| Personnel Files  |  |

**Auditor**

Company Name:

Contact Name, Phone Number, & Email:

**Bank**

Bank Name(s) & Account Number(s):

Authorized check/document signers:

Contact Name, Phone Number, & Email:

**Board Chair**

Name:

Contact Name, Phone Number, & Email:

**Investments**

Company Name & Account Number:

Contact Name, Phone Number, & Email:

**Legal Counsel**

Company Name:

Contact Name, Phone Number, & Email:

**Payroll**

Company Name & Account Number:

Contact Name, Phone Number, & Email:

**Building Management**

Company Name:

Contact Name, Phone Number, & Email:

**IT Consultant**

Company Name & Account Number:

Contact Name, Phone Number, & Email:

**Other External Technology Providers**

Company Name & Account Number:

Contact Name, Phone Number, & Email:

**Telephone System**

Company Name & Account Number:

Contact Name, Phone Number, & Email:

**Directors and Officers Insurance**

Company Name & Policy Number:

Contact Name, Phone Number, & Email:

**General Liability Insurance**

Company Name & Policy Number:

Contact Name, Phone Number, & Email:

**Other Insurance**

Company Name & Policy Number:

Contact Name, Phone Number, & Email:

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