

Welcome to

Attributes of Excellent Nonprofit Boards

Board Education for
Ohio Provider Resource Association
Board Retreat
September 22, 2021



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- BoardSource-certified Nonprofit Governance Consultant
- Serving nonprofits since 2003
- Located in Virginia Beach and available virtually
- Grew up in Ottawa County
- Sister of Tom Allen
- www.TheBoardDoctor.org





The Doctor Is In

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The Road Ahead

- Top Ten List of Attributes
- Particular Challenges for OPRA
- Resources for Further Information

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Cathy's Top Ten

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Board Members Embrace and Understand Their Governance Role

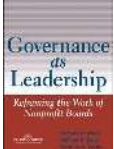
As well as understanding and respecting staff's role in management and programs

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Role of the Board

Governance is the process of providing strategic leadership to a nonprofit organization. It entails the functions of setting direction, making policy and strategy decisions, overseeing and monitoring organizational performance, and ensuring overall accountability.

David O. Renz, *Nonprofit Governance and the Work of the Board*



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Responsibilities

CEO

- Develop Procedures
- Manage Fiscal Resources
- Develop New Program
- Conduct Staff Evaluations
- Implement the Strategic Plan
- Hire Staff
- Create the Budget
- Enforce Policies

Board

- Outline Strategic Framework
- Establish CEO Job Description
- Review and Approve Budget
- Select Board Members
- Determine Mission and Vision
- Approve Strategic Plan
- Adopt Policies
- Evaluate CEO

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Shared

- Develop Succession Plans
- Ensure Legal Compliance
- Advocacy
- Set Board Meeting Agenda
- Thank Donors
- Articulate Organizational Values
- Ensure Strategic Planning
- Fundraising

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Formal and Informal Communications

- Agenda-Development Process
- Reports
- Explicit Expectations Setting
- Evaluations

- One-on-One Conversations
- Two-Way Information Sharing
- Address Challenges Right Away
- Be Intentional

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Board Composition Reflects a Commitment to Diversity

Well-rounded and able to meet the needs of the future

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Diversity

Demographic

Geographic

Stakeholder Groups

Skills and Interests

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Board Composition

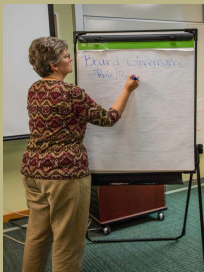


Analysis
Determine the unique needs the board has for representation and skills, then assess the existing board against those needs to identify current and future gaps.

Recruitment/Nominations
Recruit to the gaps by searching out newcomers with needed skills and characteristics. Place qualified candidates in front of the board (or membership) for election.

Engagement/Retention
To retain existing board members, make sure to provide a solid welcoming experience, that they have information they need and are engaged in work that interests them.

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Consider a Board (Re)Development Plan

- ② Those starting out on a process of board improvement should consider outlining your goals, action steps, timelines and budget.
- ② Identify needs:
 - Finance
 - Fundraising
 - Program Planning
 - Legal
 - Communications
 - Human Resources
 - Community Network
 - Geographic, Demographic or Stakeholder Representation
 - Entrepreneurial
 - Previous nonprofit experience
- ② Board buy-in is key – but don't be afraid of a few resignations. Not everyone accepts change well or is cut out to serve on a board of directors.

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Board Culture Reflects a Commitment to Equity and Inclusion

Not just Diversity, but Equity and Inclusion too.

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"Culture eats strategy for breakfast."
--Peter Drucker

- Universal commitment to equity/inclusion?
- Willingness to explore ways in which words and actions are not equitable/inclusive?
- Evaluate policies and materials through an equity/inclusion lens?
- Are barriers to equity/inclusion addressed?

No other path to full board engagement

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BUILDING AN INCLUSIVE BOARD

Pathways for
EDUCATION, EXPLORATION
and ACTION

- 34 page pdf available for free download
- Education
 - Benefits of Being Inclusive
 - Definitions of Terms and Concepts
 - Nature of Racism
- Exploration
 - Organizational Readiness Self-Assessment
 - Equity and Inclusion Self-assessment
 - Board Recruitment Tool
- Discussion Questions
- Action Guides
 - Individuals
 - Interpersonal
 - Institutional

www.talemconsulting.com/resources


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Board Members are Adequately Prepared

Expectation-Setting, Onboarding and Ongoing Support



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Provide Expectations in Writing

- ② Position Descriptions
 - Board Members
 - Board Officers
 - Committee Chairs
- ② Committees
 - Charters
 - Plans
- ② Plans
 - Strategic
 - Fundraising
 - Communications
 - Budget

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Orientation

- *Should be board-led and dovetailed with recruitment*
- *Talk about culture and expectations*



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Further Support



Ongoing Training and Education

Find out what interests people and provide ongoing training on good governance, programs, etc.



Mentoring/Check In

Assign veteran board members to check in on and be available to help newcomers settle in.



Retreats

Make time to gather the board and staff outside the usual board meeting routine.

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A Word About Fundraising

The process of fundraising is about much more than the moment when one person asks another person for a gift of money. When done well, it is an extended process that requires many people to perform a variety of roles over time.



Identification



Cultivation



Solicitation



Stewardship

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Board Members Set Goals and Measure Success

For the board itself as well as for the organization

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Planning



- Mission, Vision, Values, Strategic Goals, Action Steps
- Programs
- Organizational Goals
 - Annual Plan (Fundraising)
 - Membership Plan
 - Succession Plan
 - Communications Plan
 - Staff Development Plan
 - Board Development Plan

Attendance at Board Meetings * Total New Board Members
Board Action Follow Up * % Board Giving
Board Satisfaction (survey)
Board Focus on Governance at Meetings (survey)

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Sample Dashboard Report

Goal	Target	Last Report	Now
Board attendance at board meetings	85%	66%	75%
New board members	4	4	2 new resignations
Board action follow up completed	100%	90%	15%
Board giving (annual fund or other)	100%	60%	100%
Board satisfaction (survey)	100%	100%	100%

Resource: Guidestar Platinum Performance Indicators Library

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Board Members Insist on High-Quality Meetings

Focused on the Most Important Governance Discussions and Decisions

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Determine Mission and Vision

Ensure Effective Planning

Monitor Programs and Services

Protect Assets/ Provide Financial Oversight

Ensure Adequate Financial Resources

Build a Competent Board

Select/Evaluate the Chief Executive

Advocate

The Ten Basic Responsibilities

www.BoardSource.org

Ensure Legal and Ethical Integrity

Enhance the Organization's Public Standing

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Keep Committee Work OUT of the Boardroom

Require Written Reports

Informational vs. Decision-Making

- Use goals in strategic/committee plan
- Meeting Notes
- Recommendations
- Requests (for budget, e.g.)

Submitted some days prior to board meeting

Limit discussion of written reports – firm chair

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A Word About Robert's Rules

Written in the 19th century for large public gatherings

Too cumbersome and unwieldy for small corporate boards

Not required by laws or insurance companies or banks

Easily replaced with other types of board expectations documents

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Board Members Insist on High Quality Committees

Or Champions

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The Role of Committees

Be the board's leadership team in the relevant subject.

Research and make recommendations.

Get work done between board meetings.

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Standing Board Committees

Some boards establish so many committees that the most active board members end up serving in multiple areas. Better to limit the number of committees to just those that relate to the function of the board.



Governance

Fundraising

Finance/Audit

Advocacy

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Sample Bylaws Language


Section 1. Committees. The board of directors will designate standing or ad hoc committees necessary and prudent to the governance and development of the corporation and charge each committee with its objectives on not less than an annual basis. The committees shall study and make recommendations to the board of directors on all matters referred to them. Committees act only with authority of the full board. All committees will be chaired by a board member appointed by the board but may also include people who are not members of the board as invited by the committee.

Section 2. Committee Records. Each committee will prepare written minutes or summaries of each meeting within ten (10) days following each meeting and submit them to the board president for proper reporting to the board of directors.

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Develop Clear "Charters"

- 🕒 Document that outlines
 - How each committee is formed (board appointment, etc.)
 - Who serves (non board members?)
 - Purpose statement
 - Key annual responsibilities
 - Special qualifications needed
- 🕒 Review and revise annually
- 🕒 Keep in central location/shared file



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Recruit Great Chairs and Champions



- 🕒 Chairing an important committee like Governance or Fundraising a great job for a vice president or a secretary.
- 🕒 The chair should be deeply invested in the organization and ready to take on a big job.
- 🕒 Facilitation skills are important: developing an agenda, running a meeting, communicating with other committee members.
- 🕒 Make sure to be developing new leaders to take on important roles as terms expire.


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Board Members Hold Themselves Accountable

— And Perform Regular Self-Evaluations

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To Whom Are Board Members Accountable?

Taxpayers/Public

The 501(c)(3) designation comes from the IRS allows us to operate with tax-free dollars.

Donors/Members

We have a fiduciary obligation to those who provide the resources we use to achieve our mission.

Each Other/Staff

Agreeing to a role is a commitment, a promise to accomplish what the role requires. People count on us.

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Individual

Purpose: Give individual board members an opportunity to evaluate their own performance as a board member.

Sample Questions:

- "Am I able to attend every meeting?"
- "Do I understand the organization's mission?"
- "Am I living up to the agreements I made when I joined the board?"

Two Kinds of Self-Assessment



Whole Board

Purpose: Determine how well the board is performing its governance function.

Sample Questions:

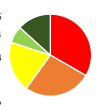
- "Does the board adhere to its bylaws?"
- "Does the board receive timely and accurate financial reports?"
- "Does the organization have the resources it needs to achieve its goals?"

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Whole Board Self-Assessment

3. Are there written succession plans in place for the board's top leadership positions?

Response	Percent	Response Count
No, and this is a significant problem	33.33%	5
No, but this is not a priority for immediate action	26.67%	4
I don't know/Other (Please explain below)	20.00%	3
Yes, for the most part we have board succession plans	6.67%	1
Yes, we have board succession plans we can implement effectively	13.33%	2



Learning/Diagnosis
Master checklist of what a board is supposed to be doing.

Listening Opportunity
Not all board members will speak up when they perceive a problem. This is their chance.

Alignment
Develop consensus and buy in for priority capacity-building action steps.

Benchmarks
Develop baseline information for use in measuring improvement over the next few years.

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Board Members Craft and Stick to an Annual Calendar

Documents and Functions Receive Regular Reviews

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Regular Agenda Items

Not every board policy will need to be reviewed by the whole board every year, but it helps to ask committees to review them and to come forward with any changes identified.

Having these on a calendar as an established agenda items helps ensure it happens.

Legal Documents and Policies

Board Member Expectations

Financial Audits

Evaluations

Strategic Plan/Reviews

Board Elections

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Sample Board Calendar

January	February	March	April
Election of Officers Reorganize Committees Sign COI Disclosures	Budget Workshop	Review Bylaws/ Governance Policies	Review Advocacy Policy/Public Policy Positions
Review 990	Review Fundraising Plan/Financial Forecasts	No Meeting	CEO Performance Evaluation
Review audit/financial policies	Annual Meeting Tour Programs	Board Retreat Budget	No meeting

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Board Members Anticipate and Prepare for Leadership Transitions

Succession Plans are in Place

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Leadership Needs




Roles
What key roles are currently vacant or will be within the next year? Chair? Treasurer? Fundraising Chair?

Qualifications
What skills and characteristics are needed to be successful? Do we have people currently serving who have or could acquire those skills?

Be Intentional in Recruitment
It is perfectly OK to tell a new recruit "We are going to need a new advocacy champion next year and we think you'd be great at that."


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Particular Challenges for OPRA Board?




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Observations




Board Composition

Code of Regulations is very prescriptive. Seems like it would be difficult to set goals for board composition and recruit intentionally.



Term Limits

Terms limits help ensure that organizations do not become stale or but are regularly refreshed with new ideas and insights.



Provision for Electronic Meetings

Make sure you have the legal authority to conduct meetings via video-conference (avoid all questions.)



Provision for Making Decisions Between Meetings

Include authority for executive committees and/or electronic voting and for documenting such decisions.

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Wrap Up



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Resources



Nonprofit Sector - General

www.BoardSource.org

www.CouncilofNonprofits.org

www.cano.org

www.c4npr.org

www.ohioattorneygeneral.gov/Files/Publications-Files/Publications-for-Business/GuideforCharityBoardMembers

www.Candid.org

www.NonprofitCourses

www.NonprofitWebAdvisor.com

www.ManagementHelp.org

Social Media Groups

Consultants * CRM Systems * Board Portals

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Let's Keep in Touch!

Future Webinars

October 15: Ins and Outs of Board Self-Assessment

November 19: Recruiting and Maintaining a Great Board

Follow Me on Social Media

Linked Personal and Business pages

Facebook Personal and Business pages

Check Out My Website

Wellness Test

The Annual Checkup

Webinar Recordings

Office Visits

Sign up for The Monthly Dose

Monthly (never more!) newsletter

Announcing: Webinars

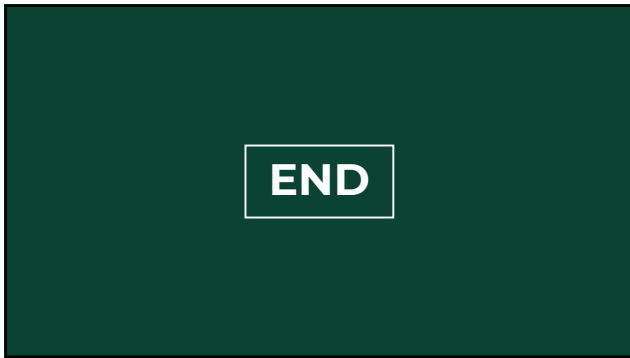
New Resources

Client Profiles

Contact me anytime: 321-848-7320 * Cathy@TheBoardDoctor.org

Schedule a Free Call: www.Calendly.com/CathyTheBoardDoctor

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