

# Creating Boards that Lead 2012



Terry Profota, MNM  
[tprofota@q.com](mailto:tprofota@q.com)  
406-586-7209

Peggy M. Owens, CFRE  
[peggymowens@gmail.com](mailto:peggymowens@gmail.com)  
406-932-4053



Bonnie Sachatello-Sawyer, PhD  
[bsawyer@hopamountain.org](mailto:bsawyer@hopamountain.org)  
406- 586-2455

This manual is not legal advice and is not a substitute for legal or risk management advice. You should obtain competent legal or risk management advice on anything discussed in this manual and not rely solely upon the explanations set out in these materials. These materials are intended to help you determine nonprofit best practices and when to seek professional advice. While every effort has been made to make these materials as accurate as possible, the matters discussed here are complex and these materials are necessarily simplistic and incomplete. The authors will not be responsible for any errors.

*Under no circumstances will the author of this Toolkit be liable to any person for any bad thing that may happen because a reader disregarded this warning.*

## Contents

Creating Boards that Lead.....	1
Board Duties, Roles and Responsibilities at a Glance.....	3
Duties of Board Members .....	3
Roles, Responsibilities and Actions of Board Members .....	3
Your #1 Tool - The Governance Calendar.....	7
Board Development.....	10
Matrix.....	10
Meetings with Board Prospects.....	11
Board Recruiting Process .....	13
Orientation Outline	
Board of Director's Application.....	15
Board Member Commitment .....	18
Strategic/Annual Operational Plan.....	19
Sample Page at a Glance Strategic Plan.....	20
Action Plan from Goal 4 .....	21
Developing your Personal Story .....	22
Promoting Your Organization.....	22
Policy Manual Outline.....	24
Committee Charters .....	26
Executive Committee Charter .....	26
Governance and Board Development Committee Charter.....	28
Finance and Audit Committee Charter .....	30
Financial Responsibilities of a Nonprofit Board .....	32
Boards and Fundraising	
Fundraising Options.....	32
Fundraising Commitment Form.....	36
Whose Does What? Board and Staff Responsibilities .....	37
10 Tips for Evaluating Your CEO.....	40
Organizational Assessment.....	42
Annual Board Member Self Evaluation.....	45

# Board Duties, Roles and Responsibilities at a Glance

## Duties of Board Members

The Duty of Care: Board members must exercise reasonable care and competency when making decisions. This means that board members must be willing to make the time to attend board meetings and be informed whenever voting on any matter brought to the board for consideration. Although state laws differ on the degree of care required of board members, failure to exercise this duty could open the organization to a negligence lawsuit.

The Duty of Loyalty: Board members must avoid conflict of interest and make decisions based on the best interest of the organization, putting aside personal benefit. This Duty plays out in the arena of “conflict of interest” – an area of IRS interest. To eliminate the risk of self-dealing, directors should disclose any issues that could be potential conflicts. If a potential conflict occurs, the affected board members should not attempt to unduly influence the rest of the board and should recuse themselves from discussion and voting on the matter (this recusal should be noted in the meeting minutes).

The Duty of Obedience: Board members must be faithful to the accomplishment of the organization’s mission and act in accord with organizational bylaws and policies. In addition, the board must comply with state and federal laws (including the duties of care, loyalty, and obedience). The duty of obedience forbids acts outside the scope of corporate powers.

## Roles, Responsibilities and Actions of Board Members

### Leadership: Vision, Planning, Culture & Promotion

Leadership is defined as the ability to influence the actions and behavior of others. In the role as organizational leaders, board members exert influence both internally and externally in several ways – through visioning and planning, creating an organizational culture through defined values and setting an example, and shamelessly and thoughtfully promoting the organization in the community.

:

Critical responsibilities and activities associated with leadership are:

1. Actively participating in an annual strategic/operational planning process and setting realistic goals for achieving the organization’s vision, mission, and purpose.

ACTION:

- ✓ Attend annual Strategic/Operational Planning Retreat.

2. Consciously creating and maintaining an organizational culture that inspires public confidence by adhering to the highest standards of ethical action.

ACTIONS:

- ✓ Review of your Code of Ethics and Value Statement with the full board and staff annually.
- ✓ Update/sign Conflict of Interest Policy & Disclosure and Confidentiality Statements annually.

3. Set an example by financially supporting the organization at a level that is personally significant.

ACTION:

- ✓ Make a significant, personal financial contribution each year.

3. Influence the community to support the organization through consistent and thoughtful promotion of the organization to all stakeholders.

**ACTIONS:**

- ✓ Once a year develop and practice your personal story and share with other board members.
- ✓ Discuss how to “capture” interested community members and how the board can best be accountable for community promotion.

*Governance: Organization*

Turnover is at the core of every nonprofit organization, board members leave and executives come and go. Successful organizations do not rely on personalities for success instead they have written structures and systems in place that can be applied from administration to administration.

Current literature discusses in detail the governance role of a nonprofit board; the simplest way to think of governance duties is that of being the architect for the organization. This entails crafting the systems and structures to see that expectations are made reality and that the organization has a firm, sustainable foundation.

Critical responsibilities and activities associated with governance

1. Ensure that the appropriate organizational structures are in place to support mission and strategic plan; this includes by-laws, policies, committees, and meetings.

**ACTIONS:**

- ✓ Every two-three years review by-laws.
- ✓ Each year review committee structure and update committee charters.
- ✓ The Executive Director and Governance Committee should review and update policies as needed.
- ✓ Schedule board meetings at the beginning of the year and make sure meetings are ran in a concise and effective manner.

2. Provide financial oversight by assuring that financial controls and accountability are in place.

**ACTIONS:**

- ✓ Create a functioning Finance/Audit committee with a clear, written committee charter. Provide training as needed.
- ✓ Have board approved financial and investment policies in place and review and update every two years.

3. Ensure that adequate financial resources are available by assisting in the development and approval of a realistic operational plan, fundraising plan, and budget.

**ACTION:**

- ✓ Approve the annual operational and fundraising Plan along with the annual budget.

4. Hire and compensate a professional executive director and create specific and realistic goals to be used in performance

**ACTIONS:**

- ✓ Hire a competent and qualified executive director.
- ✓ Create an annual evaluation plan and process for the executive director that is tied directly to the accomplishment of the operational plan.

- ✓ Have a written succession plan that is reviewed and updated each year as part of the annual ED evaluation process.

### Stewardship: Oversight

Boards are not only charged with developing plans, approving budgets and setting goals, as trustees of the community's good they have the responsibility to make sure that those plans, budgets and goals are carried out in an effective and efficient manner, the third ingredient of effective organizations, accountability. Stewardship is a joint role, along with the Executive Director, of monitoring the progress of the organization in relationship to operational plans, budgets, and fundraising plans and taking action to modify as needed.

Critical responsibilities and activities associated with stewardship:

1. Regular review of spending and organizational accounts as compared to the Budget.

ACTION:

- ✓ Regular review of financial statements – income statement & statement of financial position at the minimum.

2. Regular review of the results of Fundraising Plan implementation.

ACTION:

- ✓ Regular review of the fundraising efforts and specific consideration of each fundraising strategies return on investment.

3. Support and give regular feedback to the executive director in relationship to the Operational Plan and other activities and challenges.

ACTION:

- ✓ Regular and ongoing support and time for informal feedback and consultation (at least quarterly) between the President and ED.

### Management: Taking Care of Business

The role of the board in managing an organization is limited to that of managing itself, not managing programs, not managing staff, and not micro-managing the executive director. A key principal of effective nonprofit management is: The board manages the board and the executive director manages staff and programs. Yet the executive director has the authority to mentor the board on best practice operations. In other words the board's primary management responsibility is to assure that it is taking care of its business and is accountable to its duties, roles, and responsibilities.

Critical responsibilities and activities associated with board management are:

1. Identify, recruit, and train board members.

ACTIONS:

- ✓ Develop written systems for active nomination and recruitment of board members.
- ✓ Hold an annual board orientation session for new board members.
- ✓ Present opportunities for on-going board training for all board members.

2. Assure and arrange for board leadership succession.

ACTIONS:

- ✓ Create officer job descriptions, orientation, and succession process.
- ✓ Develop systems for nomination and approval of committee chairs and members.

3. Assure that board members are accountable for fulfilling their roles and responsibilities, and work together as a cohesive unit.

**ACTIONS:**

- ✓ Annual board self-evaluation
- ✓ Every two years perform an organizational assessment.
- ✓ Look for ways to say “thanks”.

*Highly Engaged Volunteer: Can only board members do it?*

More often than not organizational problems occur when board members and staff do not understand the role of a board member outside of board authority.

As an individual, a board member has no authority unless it is directly and explicitly conferred by the board of directors. This means that if a board member is helping with a program, project, or event they are acting as a volunteer; no different than any other non-board member volunteer. Neither individual directors nor board committees, have the authority to direct the executive director or any other staff member to perform or not perform any specific task unless that authority is given directly by the board or executive committee and noted in meeting minutes.

Critical responsibilities and activities associated with volunteerism are:

1. Enhancing the organization’s public standing by promoting the organization’s mission, accomplishments, and goals to all stakeholders.

**ACTION:**

- ✓ Develop, practice, and report on board promotional efforts in a conscious, organized, and systematic manner. See the discussion under Leadership, Personal Story Development for details.

2. Volunteering per organizational policies to help implement the Fundraising Plan and other Annual Operational Plan activities

**ACTION:**

- ✓ Develop a personalized policy that details expectations for its board members regarding fundraising and programming volunteer expectations.

## **Your #1 Tool - The Governance Calendar**

We have said repeatedly that clear expectations are the foundation for an effective board but if the activities associated with those expectations are not carried out in a regular and orderly manner confusion and stagnation may result. A simple and easy way to create consistency is the implementation of a Board Governance Calendar that schedules key governance tasks that occur annually.

A review of the discussion of board duties, roles, and responsibilities reveals a series of activities that effective boards do each year. These include:

- Strategic Planning
- Operation Plan Development/Approval
- Fundraising Plan Development/Approval
- Budget Development/Approval
- Policy Review and Update
- Appointment of Committee Members and Chairs
- Personal Board Giving
- Development of Promotional Stories
- Board Orientation
- Board Recruitment
- Board Elections
- Officer Elections
- Officer Orientation
- Executive Director Year End Evaluation
- Executive Director Quarterly Review
- Board Evaluation
- Signing of Conflict of Interest Statement
- Signing of Confidentiality Agreement

The Executive Committee can be charged with the creation and upkeep of a Governance Calendar that schedules and updates these tasks each year.

The calendar idea is so simple and easy that it is recommended that each committee creates a calendar of its activities and tasks to be passed along to the new committee members each year.

## Sample DoGood Organization - Governance Calendar

Fiscal Year Jan 1 through Dec 31

Jan	<b>New Fiscal Year –</b> Start of Officer and Board Terms Implementation of annual fundraising plan, operational plan and budget <b>Annual Corporate Meeting/Board Meeting</b> Slate of Officers to Full Board for Vote Committee Chairs and Members Approved by Board ED Evaluation Discussed by Board Signing of Confidentiality and Conflict of Interest Agreements Development of Personal Stories Schedule board and planning meeting for the year
Feb	Officer Orientation Personal Board Giving Solicitation President meets with ED for Evaluation
March	Policy & Bylaw Review
April	<b>Board Meeting</b>
May	
June	Board Evaluation
July	<b>Board Meeting</b> <b>Strategic Planning Workshop</b> Discussion of Board Evaluation results
August	Fundraising Plan Developed – Staff and FR Committee Operational Plan Developed by Staff and Committees Board Recruitment Underway
September	Fundraising Plan Developed – Staff and FR Committee Operational Plan Developed by Staff and Committees Board Recruitment Underway
October	Fundraising Plan and Expense Planning to Finance Committee for Budget Development Board Recruitment Underway
November	<b>Board Meeting</b> Board Elections - Slate of Directors to Full Board for Vote Budget Presented to the Board for Approval ED Evaluation Process Begins
December	Board Orientation



## Create your own Governance Calendar Template

Step 1: Write in the beginning of your Fiscal Year.

Step 2: Write in when your Board and Officer terms start

Step 3: Write in your Annual Corporate Meeting or Annual Membership Meeting (if you are a Membership Organization) and all Board Meetings

Step 4: Keep this template handy, we will complete as we move through this Toolkit.

Jan	
Feb	
March	
April	
May	
June	
July	
August	
September	
October	
November	
December	

**Do Good Organization**  
**Board Recruitment Matrix**  
Updated Annually from Strategic Plan Goals

Names of:

Current Board Members

New Board Candidates



Area of Expertise/Professional skills such as:																			
Organization and financial management																			
Business/corporate																			
Finance:																			
• Accounting																			
• Banking / Trusts																			
• Investments																			
Law																			
Marketing																			
Real Estate																			
Travel/Tourism																			
Style																			
Strategic-long range thinking																			
Doer																			
Linear thinker																			
Process thinker																			
Leader																			
Goal driven																			
Team player																			
Sense of humor																			
Age:																			
Under 35																			
From 36-50																			
From 51-65																			
Over 66																			
Gender:																			
Female																			
Male																			
Race/ethnic background																			
Native American																			
African-American																			
Hispanic/Latino(a)																			
Caucasian																			

Other: _____																			
<b>Financial Position</b>																			
Self-employed																			
Salaried																			
Unemployed/retired																			
Philanthropic reputation																			
Prospective major donor																			
<b>Board Service Interest:</b>																			
Demonstrated understanding of org.																			
Shared values of org.																			
Participant in board discussion																			
Attends org. in past and present activities																			
Other: _____																			
<b>Length of past board service:</b>																			
More than ten years																			
5-10 years																			
2-5 years																			
less than 2 years																			
<b>Time commitments</b>																			
Term Expires																			
Many absences of meetings																			
Makes most meetings																			
<b>Possible Contributions (annual):</b>																			
1-2K																			
2-5K																			
5-10K																			
>10K																			
planned gift																			
<b>Network-boundary spanner</b>																			
religious																			
government																			
small business																			
customers/donors																			
clients																			
corporate/foundation																			
education																			
union																			
neighborhood																			
community leaders																			

## **Board Recruitment**

### **Meetings with Board Prospects**

Get the meeting with your prospect. A call from a savvy and influential board member sets the stage.

Educate the prospect about the organization. Review materials in the Board Recruitment Packet. Keep it simple! The packet can include:

- ✓ Board Member Job Description
- ✓ Board Roster
- ✓ Board Member Application
- ✓ Mission and Program Description/Brochure
- ✓ Most Recent Newsletter
- ✓ Executive Summary of Strategic/Business Plan
- ✓ Governance Calendar

You can tailor the packet to your prospect. For example, if you are meeting with a CPA, include your financial statement.

Remember the meeting is about determining if this person is a good fit for the organization. These are some sample questions to ask:

- ✓ What is the prospect's perception of your organization?
- ✓ Why would they be interested in board membership?
- ✓ What do they see as the most important thing that a board members contributes to an organization
- ✓ Are they willing to fulfill the roles and responsibilities outlined on the job description?
- ✓ Can they make the time to be an involved board member?
- ✓ Do they have any particular concerns or considerations about the organization or board membership?

Send a thank you note following the meeting and call them back when you say you're going to. Even if they don't join the board, they will most likely be willing to support your organization is some way!

## **DoGood Organization Board Recruiting Process**

*It is the goal of the Nomination/Governance Committee and the Board to recruit qualified and engaged individuals for the Board of Directors. The Governance Committee will look at a candidate's commitment to the mission, time available to serve, and the skills and abilities to serve on committees and/or task forces when making recommendation for board seats.*

*Nomination protocol for potential Board Members to fill a partial term (vacancies):*

1. All board members, staff, and the Executive Director are encouraged to submit potential board members to the Nomination/Governance.
2. The Committee evaluates the potential candidates for commitment to the mission, time, and skills and then prioritizes the list.
3. A member of the Nomination Committee and the Executive Director interviews the candidate and gives them a Board Information Package.
4. The Board Package outlines the expectations for board members and includes at a minimum: a job description, terms, time commitment, meeting schedule, committee structure, volunteer expectations.
5. If the candidate is interest in joining the Board they are asked to complete a Board Application/Profile.
6. Once the application is receive, the candidate's name and application are brought before the Board for consideration. Montana law requires that a vote on Board Membership must be done either in person or by phone.
7. The candidate is not invited to a Board meeting where their membership is being considered. They are invited to Board meetings only after approval or before consideration.
8. If time allows the candidate may be invited to a Board meeting before consideration or to another committee meeting so that he/she can meet current Board members and be confident of their decision to join.
9. Once the Board votes approval, the candidates are given a Board Orientation Notebook, invited to attend the Board Orientation and the next Board meeting.

*Nomination protocol for potential Board Members to fill a full term: Membership Organization*

1. The candidate's name is submitted to the Nomination Committee.
2. A member of the Nomination Committee and the Executive Director interviews the candidate.
3. The Nomination Committee prepares a slate of candidates to present to the Board for consideration at the \_\_\_\_\_ meeting (a month before the Annual Membership Meeting). The slate contains a brief biography on each candidate. If the Board approves the candidates their names are put before the Membership for vote at the Annual Meeting of the Members in \_\_\_\_\_.
4. The candidates are not invited to a Board meeting where their membership is being considered. They are invited to Board meetings only after approval or before consideration.

5. If timing allows the candidates may be invited to a Board meeting before consideration or to another committee meeting so that they can meet current Board members and be confident of their decision to join.
6. Once the Board votes approval, the candidates are given a Board Orientation Notebook, invited to attend the Board Orientation and the next Board meeting.

*Nomination protocol for potential Board Members to fill a full term: Non-Membership Organization*

1. The candidate's name is submitted to the Nomination Committee.
2. A member of the Nomination Committee and the Executive Director interviews the candidate.
3. The Nomination Committee prepares a slate of candidates to present to the Board for consideration at the Annual Meeting. The slate contains a brief biography on each candidate. The Board approves the candidates.
4. The candidates are not invited to a Board meeting where their membership is being considered. They are invited to Board meetings only after approval or before consideration.
5. If timing allows the candidates may be invited to a Board meeting before consideration or to another committee meeting so that they can meet current Board members and be confident of their decision to join.

Once the Board votes approval, the candidates are given a Board Orientation Notebook, invited to attend the Board Orientation and the next Board meeting

**Do Good Organization  
Board of Director's Application**

---

Name: \_\_\_\_\_

Address \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Home Phone: \_\_\_\_\_ Work Phone: \_\_\_\_\_

E-mail: \_\_\_\_\_ Fax: \_\_\_\_\_

Personal Information:

Birthday: \_\_\_\_\_ Spouse's Name: \_\_\_\_\_

Children's Names: \_\_\_\_\_

Professional Experience: \_\_\_\_\_

Interests/Hobbies: \_\_\_\_\_

Recent Volunteer/Board Activities: \_\_\_\_\_

**YOUR AVAILABILITY TO SERVE:**

Could you regularly attend monthly board meetings? ☐ yes ☐ no

Could you actively participate with a standing committee? ☐ yes ☐ no

Would you contribute financial support to Do Good ☐ yes ☐ no

Would you participate in raising funds? ☐ yes ☐ no

Would you participate in recruiting new members for DGO? ☐ yes ☐ no

Would you attend an orientation for new board members? ☐ yes ☐ no

What skills could you contribute to our board? (Please Check)

\_\_\_\_\_ Accounting \_\_\_\_\_ Public Relations

\_\_\_\_\_ Investment \_\_\_\_\_ Marketing

\_\_\_\_\_ Human Services \_\_\_\_\_ Fundraising

\_\_\_\_\_ Management \_\_\_\_\_ Education

What standing committee would you be most interested in serving on?

My personal goals to help DGO meet its mission are:

**REFERENCES:** Please provide two (2) references (list names, addresses, email address if available and phone numbers).

**RESUME:** Attach your personal resume to this application.

Signature of Applicant \_\_\_\_\_ Date \_\_\_\_\_



DoGood Organization  
**Suggested New Board Member Orientation Agenda**

**I. WELCOME AND INTRODUCTIONS**

- New Board Members
- Current Board Members
- Staff
- Developing your Personal Story and Promotion

**II. HISTORY**

- Background and culture of DoGood Organization (DGO)
- Mission, Vision, Values, Code of Ethics
- Evolution and key points in organization's growth
- Review of DGO's accomplishments and strategic plan
- Discussion of the current operating environment including organizational strengths, weaknesses, opportunities, and areas of strategic focus.

**III. ORGANIZATIONAL STRUCTURE**

- Board of Directors
  - Responsibilities and Job Description
  - Signing:
    - Commitment Form
    - Conflict of Interest Disclosure and Confidentiality Agreement
    - Fundraising expectations/ personal contribution
- Committees
  - Committee Charters
  - Parameters for committee work
- DGO's Executive Director
  - Executive Director Responsibilities, Job Description, Evaluation and Compensation
  - Relationship with Board

**IV. POLICIES**

Highlight important Board policies on:

- Attendance at board meetings
- Reimbursement of board members
- Indemnification/directors & officers liability insurance
- Board/Staff Communications

**V. FUNDING AND FINANCIAL ADMINISTRATION**

- Role of the Finance Committee and Budgeting
- Fundraising Plan and Sources of Funding During the Upcoming Year
- Operating Budget
- Fiscal Procedures

**VI. QUESTIONS & ANSWERS**

## Board Member Commitment

---

As a member of the DoGood Organization (DGO) Board, I commit to serving a full three-year term, with no conflicts of interest, and with an understanding of the mission of the organization. I also understand and am able to commit to the following:

- ❖ Attending all regularly scheduled board meetings, special meetings, and the annual retreat/training session.
- ❖ Being a Team Member and dedicating the time necessary to become familiar with the purpose, operations, plans, and programs of DGO.
- ❖ Approaching all Board issues with an open mind, prepared to make the best decision for the whole organization.
- ❖ Exercising authority as a Board Member only when acting in a meeting with the full Board or as the Board delegates.
- ❖ Keeping confidential information confidential.
- ❖ Participating in the leadership of DGO by taking part in strategic and annual planning; supporting organizational culture by acting in accord with DGO's ethical standards and making a personal annual financial contribution; and promoting the mission, programs, and image of DGO in the community in a positive manner consistent with DGO's public relations policies.
- ❖ Governing DGO by assuring that resources and structures are in place to accomplish DGO's goals and mission. This includes policies to guide operations, an effective committee structure, a realistic budget, and ongoing oversight of business through consistent attendance at Board and Committee meetings.
- ❖ Assisting in securing financial resources for operations as outlined in the annual Fundraising Plan.
- ❖ Serving as chair, sub-chair or member on at least one Standing Committee each year.
- ❖ Volunteering, in areas of interest, to provide support to staff for achieving the annual operations and fundraising plan in the following manner:

---

As part of this Commitment, I also expect certain standards will be met by DGO's leadership and staff. This includes being kept informed of important concerns of operations and having an opportunity for input at all Board Meetings.

I pledge to meet these commitments.

---

Signature

Date

# **DoGood Organization**

## **Strategic/Annual Operational Plan**

### **I. STRATEGIC GOALS AND ANNUAL OBJECTIVES**

**GOAL 1 - Board Development: To have nine active and engaged board members that are practicing nonprofit “best practices” for governing an organization.**

- a. Research and implement governance best practices
- b. Establish a Governance Calendar
- c. Create Board and Officer Job Descriptions
- d. Review and update policies
- e. Create a Finance Committee
- f. Create a Governance/Nomination Committee and board recruitment process

**GOAL 2 - Finances: Implement financial structures and oversight to strengthen the financial recordkeeping, budgeting and management reporting systems of the organization.**

- a. Create a Finance Committee
- b. Develop Financial Board Policies & Procedures
- c. Develop an Investment Policy
- d. Develop processes for internal financial management
- e. Review and possibly revise DGO fiscal cycle

**GOAL 3 - Funding: Be fully-funded through sustainable and diverse revenue sources that include grants, private donations, and fees. Goal is \$500,000 in revenue.**

- a. Create a Fundraising Task Force
- b. Develop and implement a comprehensive Fundraising Plan that includes identification and cultivation of major donors – Plan will be presented at the March 2009 Board Meeting for review
- c. Hire a Development Director.

**GOAL 4 – To have qualified, trained, and well paid staff to administer programs and manage organization. Staff will include a FT Executive Director, FT Development Director, .5 Office Assistant, FT Program Director, .5 Program Assistant**

- a. Hire a full-time Development Director.
- b. Hire ½ time office assistant.
- c. Develop an employee reward and incentive system.
- d. Develop an Employee Handbook

## Sample Page at a Glance Strategic Plan

**GOAL 1 - Board Development: To have nine active and engaged board members that are practicing nonprofit “best practices” for governing an organization.**

Objective	Responsible Party	Timeline	Status
a) Research and implement governance best practices			
b) Establish a Governance Calendar			
c) Create Board and Officer Job Descriptions			
d) Review and update policies			
e) Create a Finance Committee			
f) Create a Governance/Nomination Committee and board recruitment process			
g) Research and implement governance best practices			
h) Establish a Governance Calendar			
i) Create Board and Officer Job Descriptions			
j) Review and update policies			

**GOAL 2 - Finances: Implement financial structures and oversight to strengthen the financial recordkeeping, budgeting and management reporting systems of the organization.**

Objective	Responsible Party	Timeline	Status
a) Create a Finance Committee			
b) Develop Financial Board Policies & Procedures			
c) Develop an Investment Policy			
d) Develop processes for internal financial management			
e) Review and possibly revise DGO fiscal cycle			

**GOAL 3 - Funding: Be fully-funded through sustainable and diverse revenue sources that include grants, private donations, and fees. Goal is \$500,000 in revenue.**

Objective	Responsible Party	Timeline	Status
a) Create a Fundraising Task Force			
b) Develop and implement a comprehensive Fundraising Plan that includes identification and cultivation of major donors			
c) Hire a Development Director.			
d) Create a Fundraising Task Force			

**GOAL 4 – To have qualified, trained, and well paid staff to administer programs and manage organization. Staff will include a FT Executive Director, FT Development Director, .5 Office Assistant, FT Program Director, .5 Program Assistant**

Objective	Responsible Party	Timeline	Status
a) Hire a full-time Development Director.			
b) Hire ½ time office assistant.			
c) Develop an employee reward and incentive system.			
d) Develop an Employee Handbook			

### Action Plan from Goal 4

To have qualified, trained, and well paid staff to administer programs and manage organization.

Objective A	Actions	Responsible Party	Timeline	Status
Hire a full-time Development Director.				
	Research funding sources			
	Create a job description			
	Apply for funding through grants			
	Hire most qualified person			
<b>Objective B</b>				
Hire ½ time office assistant.	Research funding sources			
	Create a job description			
	Apply for grant funding			
	Advertise for the position			
	Hire			
<b>Objective C</b>				
Develop an employee reward & incentive system				
	Discussion with staff about rewards they would like			
	Identify goals to reach in order to get reward			
	Identify costs of reward program and get budget approval from Finance Committee			
	Present plan to board for approval			
<b>Objective D</b>				
Develop an Employee Manual				
	Develop the Employee Handbook			
	To Executive Committee for initial review			
	To Job Service for review			
	Present to board for review			
	Approved by the Board			

# Developing your Personal Story

## Promoting Your Organization

The most important resource that an organization has is its people; this includes the board, staff, volunteers, and clients. People talk, tell stories, and carry an organization's mission, work, and successes into the public arena. Effective organizations understand this and have a plan so that critical people resources (board, staff and volunteers) can effectively articulate the organization's story. This is best done, not with a list of facts and figures, but with a personal story that mixes the emotion and passion of the story-teller with the facts and figures of the organization.

This "marketing" story is called many things, in some circles it is referred to as an "elevator speech" What it really is, is a quick and simple personal story that tells why you are involved with an organization, what the organization does, and hints at why someone else should be involved. The intended response is to encourage the listener to gain interest and even possibly move to action (volunteerism, donation, wanting more information, etc.).

As part of the orientation for each board member, staff and volunteer an opportunity should be created to develop their own personal story and then share it with the full board or staff as a way of introduction and getting to know each other. A formula to use in crafting this story is

### **Question + Emotion + Question + Logic + Question + Call for Action**

Write a paragraph or two that outlines your Personal Story (Emotion + Logic).  
Answering the following questions may help you start:

Why am I involved with this organization?

What is the benefit the organization provides for the community?

If the organization did not exist what would be the "hole" in our community?

What does this organization do? What are the key statistics that would show your impact?

**Write story here:**

After you have thought about what you want to say. Think of some leading questions you can ask to engage the individual in a conversation. Questions take the elevator speech to a dialogue and begin relationship building.

Write down three questions you could ask:

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

Finally, have a plan of action to “capture” interested parties and bring them into your organization. This could be as simple as getting their contact information and adding them to a data base, inviting them for a visit or to an upcoming event, or any other way that is systematically appropriate for your organization.

The “capture plan” should be discussed as an organization and systems should be in place to make sure follow-up occurs.

Possible ways that my organization could bring interested parties to the next step of engagement

---

---

---

# **Policy Manual Outline**

## **Part 1: Ethics & Accountability**

- Mission
- Initiatives
- Values
- Code of Ethics
- Board Duties
- Conflict of Interest
- Confidentiality
- Whistleblower Protection
- Record Retention and Document Destruction
- Emergency Planning
- Document Destruction

## **Part II: Board and Board Members**

- Expectations of the Members of the Board
- Board Governance Calendar
- Strategic/Operational Planning
- Board Development – Recruitment, Orientation, & Evaluation
- Board Member Terms
- Recruitment
- Orientation
- Ongoing Board Training
- Board Officer Job Descriptions
- Terms and Elections:
- Succession
- Duties of Officers
- Officer Qualifications
- Compensation and Reimbursement of Board Members
- Board Self-Assessment

## **Part III: Executive Director Oversight**

- Executive Director Job Description
- Planning and Goal Setting
- Reporting
- Evaluation
- Records
- Chief Executive Compensation

## **Part IV: Finance and Investments**

- Fiscal Year
- Strategic/Operational Planning
- Fundraising Plan Development
- Finance and Accounting Policies and Procedures
- Contract Signing Authority

## **Part V: Risk Management**

- Regular Review



**Part VII: Fundraising**

Registration for Fundraising  
Fundraising Plan Development  
Donor Relations  
Acknowledgment  
Quid Pro Quo Contributions  
Public Notice  
Confidentiality  
Gift Acceptance  
Sponsorships and Endorsements  
Board Member and Fundraising  
Event Record Keeping  
In-Kind Donations

**Part VIII: Personnel**

Equal Employment Opportunity  
Sexual Harassment  
Grievance Process  
Performance Review  
Confidentiality of Wages and Consultant Agreements  
Independent Contractors  
Vendors

**Part IX: Communications**

Media Relations  
Crisis Communication  
Crisis Prevention  
Crisis Response  
Electronic Media  
Lobbying and Political Activity  
Lobbying Expenditures  
Lobbying with Foundation Funds  
Lobbying with Government Funds  
Communication between Board and Staff

**Part X: Committees**

Effective Committees

**Part XI: Meetings**

Regularly Scheduled Board Meetings  
Minutes  
Staff Attendance

## DoGood Organization Committee Charters

### Executive Committee Charter

#### A. Purposes.

1. This Charter implements the Bylaws of DGO with regard to the Executive Committee.
2. The Executive Committee is delegated authority to Act for the Board in fulfilling the Board's fiduciary duties by engaging in the activities identified in this Charter and by acting for the Board between meetings of the Board to the extent allowed by law, within the limits established in this Charter and the Bylaws.

**B. Chair.** The Chair of the Board shall be Chair of the Executive Committee.

**C. Membership.** Membership on the Executive Committee shall consist of the Board Officers of DGO and the immediate past Board Chair, if still a director, plus any other directors or officers appointed by the Board.

**D. Ex Officio Member.** The Executive Director shall be an ex officio member without vote, invited to attend meetings of the Executive Committee unless requested not to attend by the person acting as Chair.

#### E. Meetings and Procedures

1. The Committee shall establish and continuously update and revise a calendar that shows the month or quarter within which basic functions of the Committee, such as evaluation of the Executive Director, are expected to occur.
2. The Committee shall hold meetings at the call of the Committee Chair, Executive Director, or any two members.
3. The Committee shall either maintain minutes of its meetings and provide them to the full Board at regularly scheduled meetings or shall report to the Board, which shall incorporate the report of the Executive Committee into its written minutes.

#### F. Powers.

1. The Executive Committee may **act for the Board between meetings**; provided, however, that it may **not** do the following:
  - a. approve or recommend to members the dissolution, merger, or the sale, pledge, or transfer of all or substantially all of the DGO's assets;
  - b. elect, appoint or remove directors or permanently fill vacancies on the Board or any committee of the Board;
  - c. adopt, amend or repeal the Bylaws or Articles of Incorporation;
  - d. amend any committee charter or resolution of a Board committee previously established by the Board;
  - e. hire or fire the Executive Director;
  - f. approve or change the budget;
  - g. add or eliminate programs previously authorized by the Board; or
  - h. permanently relocate the main office.

2. **Investigate Conflict of Interest Transactions.** The Executive Committee shall conduct investigations into potential conflicts of interest and make a final determination on whether any potential conflicts exists and, if it does, on whether the transaction is fair to DGO.
3. **Executive Oversight.** Subject to limitations on its authority established by the Board, these Bylaws, or law, the Executive Committee shall oversee the performance of the Executive Director and make recommendations to the Board on reasonable executive compensation.
4. **Personnel Matters.** The Executive Committee shall oversee the development of personnel policies and their implementation by the Executive Director.

**G. Report to Board.** Any action taken by the Executive Committee between meetings of the Board shall be reported to the Board at the next meeting.

Approved by the Board of Directors on

## **DoGood Organization Governance and Board Development Committee Charter**

### **A. Purposes.**

1. This Charter implements the Bylaws of DGO with regard to a Governance and Board Development Committee.
2. The Governance and Board Development Committee is delegated the authority to act for the Board in fulfilling the Board's fiduciary duties by engaging in the activities identified in this Charter and by engaging in other activities assigned to the Committee by the Executive Committee or the Board, within the limits established in this Charter and the Bylaws.

**B. Membership.** Membership on the Governance and Board Development Committee shall consist of not less than three Directors. All members shall be free from any relationship that, in the judgment of the Board, would interfere with the member's independent exercise of judgment as a committee member.

**C. Ex Officio Member.** The Executive Director shall be an ex officio member without vote, invited to attend meetings of the Executive Committee, unless requested not to attend by the person acting as Chair.

### **D. Meetings and Procedures**

1. The Committee shall establish and continuously update and revise a calendar that shows the month or quarter within which basic functions of the Committee, such as nominations of committee members and officers, review of the bylaws, and nomination of directors are expected to occur.
2. The Committee shall hold meetings at the call of the Committee Chair, Executive Director, or any two members.
3. The Committee shall either maintain minutes of its meetings and provide them to the full Board at regularly scheduled meetings or shall report to the Board (or, upon request, the Executive Committee of the Board), which shall incorporate the report of the Governance and Nominating Committee into its written minutes.

**E. Powers.** The duties and responsibilities of the Governance and Board Development Committee shall include, at a minimum, the following:

#### **1. Nomination of Directors.**

- a. The Governance and Board Development Committee shall submit to the Board of Directors recommendations for nominations of candidates for election or appointment to the Board of Directors.
- b. The Governance and Board Development Committee shall ensure that DGO maintains a list of the terms of directors, when each director is elected or appointed, and when each term ends.
- c. The Governance and Board Development Committee shall oversee director appointment and election processes to ensure that individuals are appointed or elected by the Board according to the bylaws of DGO.
- d. The Committee shall evaluate the skill mix of directors and the composition of the

directors to achieve a representative mix to enhance the diversity of Board members on a periodic basis.

2. **Nomination of Officers.** At least five days prior to the Annual Corporate Board Meeting, the Governance and Board Development Committee shall submit to the Board of Directors, in writing, a slate of Officers for the next year.
3. **Committees and Committee Members.** The Governance and Board Development Committee shall submit recommendations for committees of the Board, including recommendations for changes in the committees and the charters of committees. It shall recommend members of Board committees and the Chair of such committees, if the Chair is not established by these Bylaws. The Nominating Committee shall be responsible for determining whether a Board member is “independent,” to the extent required for committee service.
4. **Review of Articles and Bylaws.** At least every two years, the Governance and Board Development Committee shall review and recommend revisions to the Articles of Incorporation and Bylaws.
5. **Governance Policies.** The Governance and Board Development Committee shall develop and oversee Board policies related to governance matters, including policies related to Board governance principles and expectations of directors (including any description of the responsibilities of directors), Conflicts of Interest, Confidentiality, and voting and election practices for the board. All such policies shall become effective only upon vote of the full Board. The Governance and Nominating Committee shall review such policies at least every two years.
6. **Board Education.** The Governance and Board Development Committee shall ensure that directors receive education on their duties and responsibilities as directors and shall develop and maintain an orientation program for new Board members and continuing education for all Board members on their fiduciary duties.

**F. Report to Board.** Any action taken by the Governance and Board Development Committee between meetings of the Board shall be reported to the Board at the next meeting.

Approved by the Board of Directors on

## **DoGood Organization Finance and Audit Committee Charter**

### **A. Purposes.**

1. This Charter implements the Bylaws of DGO with regard to a Finance and Audit Committee.
2. The Finance and Audit Committee is delegated the authority to act for the Board in fulfilling the Board's fiduciary duties by engaging in the activities identified in this Charter and by engaging in other activities assigned to the Committee by the Executive Committee or the Board, within the limits established in this Charter and the Bylaws.
3. The basic responsibility of the Finance and Audit Committee is to oversee the activities of DGO to ensure its fiscal stability and long-term economic health. Board responsibility for the budget, financial reporting, audits, investments, and financial relationships such as banking shall be addressed by the Finance and Audit Committee.

### **B. Membership.**

1. Except for any ex officio members, Membership on the Finance and Audit Committee shall consist of not less than three Directors, all of whom shall be independent directors.
  - a. A director shall be considered "independent" for the purposes of this Committee Charter if he or she:
    - i. is not, and has not been for a period of at least three years, an employee of DGO or any entity in which DGO has a financial interest;
    - ii. does not directly or indirectly have a significant business relationship with DGO, which, in the Board's judgment, might affect independence in decision-making;
    - iii. is not employed as an executive of another corporation where any of DGO's executive officers or employees serve on that corporation's compensation committee; and
    - iv. does not have an immediate family member who is an executive officer or employee of DGO or who, in the Board's judgment, holds a position that has a significant financial relationship with DGO.
2. The members of the Committee shall be able to read and understand basic financial statements, including a balance sheet, income statement and cash flow statement, and an external audit or financial review report and shall otherwise possess the skills to fulfill the duties established in the Bylaws and this Charter. The Committee is authorized to provide education to committee members in order to meet the requirements of this section.

### **C. Meetings and Procedures**

1. The Committee shall establish and continuously update and revise a calendar that shows the month or other reasonable time frame within which basic functions of the Committee are expected to occur.
2. The Committee shall hold meetings at the call of the Committee Chair, Executive Director, or any two members.
3. The Committee shall either maintain minutes of its meetings and provide them to the full

Board at regularly scheduled meetings or shall report to the Board (or, upon request, the Executive Committee of the Board), which shall incorporate the report of the Finance and Audit Committee into its written minutes.

- D. Ex Officio Members.** The Executive Director shall be an ex officio member without vote, invited to attend meetings of the Finance and Audit Committee, unless requested not to attend by the person acting as Chair. If the Board at any time appoints a person to act in the capacity of Financial Officer of DGO, that person shall be an ex officio member without vote, invited to attend meetings of the Finance and Audit Committee, unless requested not to attend by the person acting as Chair.
- E. Powers.** The duties and responsibilities of the Finance and Audit Committee shall include, at a minimum, the following:
1. **Auditor or Financial Reviewer.** The Finance and Audit Committee shall select an auditor or financial reviewer and assure that the audit or financial review of the DGO is conducted by an independent person. The Committee shall oversee the audit/financial review process. The Executive Director and any other member of management shall not be present during the portion of at least one meeting at which the audit or financial review are discussed with the auditor or financial reviewer. The committee shall present the results of the audit or financial review and any recommendations to the Board.
  2. **Internal Controls.** The Finance and Audit Committee shall recommend internal control policies to the Board, consistent with sound financial practices recognized by the accounting industry for organizations of the size of DGO, and shall oversee the implementation of sound internal controls by management.
  3. **Financial Statements and Records.** The Finance and Audit Committee shall oversee preparation and maintenance of the financial records of DGO and ensure that appropriate financial statements, including an account of major transactions and the financial condition of DGO, are made available to the Board of Directors on a timely basis.
  4. **Budget.** The Finance and Audit Committee shall annually present a budget for approval by the Board of Directors and shall monitor performance against the approved budget, developing remedial action recommendations as required.
  5. **Oversight of Investments, Grants, and Restricted Funds.** The Committee shall recommend to the Board policies and procedures to make certain that DGO manages investments, grants, and restricted funds in accordance with contractual requirements, legally enforceable donor restrictions, accepted accounting practices, and applicable law. The Committee shall be responsible for overseeing management's compliance with such board policies and procedures and applicable enforceable obligations of DGO.
  6. **Financial Policies.** The Finance and Audit Committee shall recommend and oversee financial policies and other policies within the scope of its responsibilities under this Charter to the Board. Any policy within the scope of its authority under this Charter that is approved by the Finance and Audit Committee shall go into effect immediately, but shall be presented to the full Board for its information and consideration.
- F. Report to Board.** Any action taken by the Finance and Audit Committee between meetings of the Board shall be reported to the Board at the next meeting.

Approved by the Board of Directors on

# **Financial Responsibilities of a Nonprofit Board**

## **Handling the Finances**

Every nonprofit must clarify how the board and the staff interact when handling the financial issues affecting the organization. Solid job descriptions, appropriate policies and procedures, and a system of checks and balances help ensure that the financial management and oversight are in good hands. Naturally, all the specifics in duties, as described below, can vary greatly in individual organizations.

## **Role of the Board**

The principal financial role of a board is that of a fiduciary for the organization. This entails securing organizational viability through planning and assessing the plan's effectiveness. The board oversees the overall financial activity of the organization and ensures that appropriate internal controls are in place. The board approves the budget and must receive timely and accurate reports from staff to be able to survey the financial development and achievement of the fiscal goals.

Setting financial indicators, asking pertinent questions, and staying vigilant about environmental factors that might affect the financial performance of the organization allows the board to stay on top of its oversight responsibilities.

## **Role of the Treasurer**

As with the role of all board officers, the duties of the treasurer normally are spelled out in the bylaws. The treasurer tends to be the gatekeeper of financial information for the board and in general ensures that the rest of the board members are well versed on important financial issues. If the board has a finance committee, the treasurer may serve as its chair. However, the treasurer may choose to broaden his or her role to include: communicating directly with the organization's chief financial officer; assisting, when needed, with budget preparation and its introduction to the board; and reviewing the audit process and answering any board members' questions about the audit report. A good treasurer is familiar with the activities of the organization, understands nonprofit accounting requirements, and is able to convey financial information to the rest of the board members in a down-to-earth manner.

## **Role of Financial Committees**

Many boards benefit from having a standing committee that is permanently engaged in helping the board focus on its fiduciary duties. A finance committee may recommend financial policies, help review the budget, and take a first look at financial statements. If there is no separate audit committee or task force, the finance committee may take the role of overseeing the audit process, although it is usually wise to separate these two functions. If there is no separate investment committee, the finance committee could draft investment policies and hire and oversee the performance of an outside investment manager.

## **Role of the CFO**

In a small nonprofit, the chief financial officer may be the chief executive and in a larger organization he or she may be another staff member whose main duty is to manage the organization's financial affairs. The CFO is principally responsible for: preparing the budget; ensuring that the organization has viable business plans; keeping abreast of new developments in nonprofit accounting laws and principles; making sure that all staff members follow appropriate ethical standards when dealing with money issues; and, finally, serving as the



designated contact person for the treasurer or the finance committee when the board needs additional financial data. As the need arises, the CFO hires additional staff to help with the details of financial management. These positions could include financial directors and managers, a controller, a bookkeeper, and other accounting assistants.

### **Role of the Board When There is No Staff**

Not all nonprofits have staff. Many start-up organizations have working boards whose roles are multi-faceted. The board must figure out how to govern and carry out daily tasks at the same time. The greatest challenge with managing the finances is usually putting in place the appropriate checks and balances. Even if the organization is not fearful of fraud, setting up an efficient financial monitoring system with appropriate internal controls helps to eliminate vulnerability and the opportunity to fraud while strongly increasing the organization's accountability. The key element is for board members to share duties and to not concentrate financial tasks under one person. As soon as the organization hires staff it should check the bylaws and verify whether the roles of board members and officers need to be redefined. Particularly the role of the treasurer often needs readjustment.

### **Internal Controls**

When setting up a system of internal controls, here are some guidelines:

**Segregation of duties** — Have a different person open the mail, endorse and deposit the checks, reconcile the books, create reports, and oversee the system.

**Policies** — Draft policies that cover check signing, expense reimbursement, credit card usage, discretionary funds, petty cash, access to confidential documents, and so on. Keep policy and procedures manual up-to-date.

**Conflict of interest** — Exclude persons with conflict of interest from decision making. Take bids, document decisions, and leave personal benefit considerations outside of the office or boardroom.

**Job descriptions** — Make sure that everyone on staff and on board has a clear job description that defines duties and authorities.

**Audit** — Engage an outside auditor who also reviews the organization's processes and procedures and provides guidance on how to improve the system.

### **References**

Andrew S. Lang, *Financial Responsibilities of Nonprofit Boards* (BoardSource 2003).

## **Helping Boards Succeed at Fundraising**

### **60 Ways Board Volunteers Can Help**

1. Ask
2. Seek advice about the organization from community leaders
3. Host an informational session at your home
4. Host an informational session at your office
5. Ask your friends and family to follow the organization on Facebook
6. Make follow-up calls after tours, socials
7. Educate program participants about the need for financial support
8. Write a letter to the editor encouraging community support
9. Contact state or federal representatives for financial support
10. Thank donors
11. Thank fellow volunteers for giving or helping with fundraising efforts
12. Give organizational supporters tours of the facility or operations
13. Recruit board members willing to help with fundraising
14. Recruit community volunteers for event committees
15. Chair a fundraising campaign or effort
16. Serve on a fundraising committee
17. Send thank you notes to donors with informational update
18. Give an annual gift
19. Solicit other board members to give—it's great practice!
20. Review a funding proposal
21. Follow through on all commitments
22. Speak on behalf of the organization at a community event or meeting
23. Sign thank you letters
24. Call donors and thank them
25. Sell tickets to a special event
26. Solicit in-kind donations for a special event or agency operations
27. Attend fundraising training
28. Call donors or other stakeholders for advice
29. Coordinate a board giving campaign; include board alumnae
30. Help with prospect research
31. Participate in site visit with foundation staff
32. Invite friends and acquaintances to informational event
33. Thank staff for their fundraising efforts
34. Chair the fundraising committee
35. Help develop the agency's fund development plan
36. Tell your personal story to acquaintances
37. Accompany board and staff to solicitation meetings
38. Send personal letter to friends and acquaintances asking them to give
39. Encourage matching gifts from your employer
40. Ask for a donation from your employer
41. Ask your coworkers to give or participate in a fundraising event
42. Help with fundraising event logistics
43. Make a planned gift and let others know why you've done so
44. Solicit financial support from businesses you do business with
45. Stuff envelopes
46. Acknowledge staff's efforts after an event—send flowers or chocolate
47. Give a % of your business' profits to the agency

48. Send a text message asking others to help
49. Link the agency to your business website
50. Call and thank community volunteers who help with fundraising efforts or programs
51. Do your homework; know the organization's needs and positive outcomes
52. Invite key staff to events at your home or business
53. Send an e-blast to everyone you know, asking for pledges to your annual event
54. Make arrangements for a presentation at your service club. Involve key staff or make the presentation yourself
55. Host a fundraising or campaign committee meeting
56. Monitor fundraising progress
57. Chair an event committee
58. Conduct a food or clothing drive at your place of business or church
59. Put up posters about the organization
60. Celebrate success!

**Do Good Organization  
Board of Directors  
Fundraising Commitment Form**

***My personal commitment to our fund development plan this year is:***

(Check all that apply)

**Individual/Mission-based Fundraising**

- ☐ Introduce friends and colleagues to the organization with an office tour
- ☐ Introduce friends and colleagues to the organization
- ☐ Host a table at an annual gala; invite major donor prospects
- ☐ Accompany staff to donor meetings; tell my story
- ☐ Make thank you calls
- ☐ Sign thank you letters
- ☐ Work with staff to identify and qualify prospects

**Events**

- ☐ Invite others to be an event captain
- ☐ Help the day of the event and recruit others to help
- ☐ Encourage event participation at my company
- ☐ Be an event captain, recruit four others to obtain pledges and participate
- ☐ Solicit pledges for the event, either by direct participation in a community event or online

**Corporate/Business Giving**

- ☐ Solicit/obtain or work with staff for a contribution from my company—sponsorship on unrestricted
- ☐ Introduce staff to other business leaders
- ☐ Obtain funds from my company
- ☐ Accompany staff to business meetings; tell my story
- ☐ Coordinate a clothing drive
- ☐ Include staff in business related receptions, holiday parties, networking opportunities
- ☐ Work with staff to identify business prospects
- ☐ Make arrangements for staff to present at my service club or chamber

**Government Support**

- ☐ Contact local, state or national public officials about our goals
- ☐ Make presentations on our behalf.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Date

## Whose Does What? Board and Staff Responsibilities

To help convey who does what regarding board and staff, the following activities are suggested to be done by board, ED or jointly. This document should be completed in a joint exercise between the ED and the Board.

List in the column titled “Responsibility in My Organization” who is responsible for each activity.  
Choices are: Board, Executive Committee, Governance/Nomination Committee, Finance Committee, ED, Staff or Joint.

You may want to add some tasks to the list to personalize for your operations.

<b>PLANNING:</b>	<b>Responsibility in My Organization</b>
<b>Activity</b>	
Makes arrangements for planning process	
Provides input to long range, strategic goals	
Approves long range, strategic goals	
Formulates Annual Objectives	
Develops Annual Objectives into an Operational Plan	
Approves Annual Operational Plan	
Prepares performance reports on achievement of Annual Operational Plan	
Modifies Annual Operational Plan	
Approves modification of Annual Operational Plan	
Prepares Action Plans from the Operational Plan	
Modifies Action Plans	

<b>FINANCES/PROGRAMMING:</b>	<b>Responsibility in My Organization</b>
<b>Activity</b>	
Inputs receipts and expenses	
Reviews financial records; prepares financial reports	
Reviews financial statements for accuracy monthly	
Approves financial statements for accuracy at least quarterly	
Prepares preliminary budget	
Reviews and gives input to preliminary budget	
Finalizes and approves budget	
Provides on-going oversight to assure that expenditures are within budget during the year	

<b>Finance Activity - Continued</b>	<b>Responsibility in My Organization</b>
Authority to sign checks and contracts	
Authorizes non-budget expenditures	
Selects auditor and oversees annual audit of organization accounts	
Approves annual audit	
Reviews and signs 990	

<b>PERSONNEL:</b>	<b>Responsibility in My Organization</b>
<b>Activity</b>	
Employs Executive Director	
Evaluates Executive Director	
Directs work of the staff	
Evaluates Staff	
Hires and discharges staff member	
Decides to add staff	
Determines salary ranges of staff	
Approves the salary ranges of staff	
Trains Board of Directors	
Recruits Board Members	
Makes sure board members fulfill their board commitments	
Supervises board members when acting as non-governance volunteers	
Guides/mentors the board in governance roles	

<b>FUNDRAISING/COMMUNITY RELATIONS:</b>	<b>Responsibility in My Organization</b>
<b>Activity</b>	
Promotes organization to the community	
Acts as the official spokesperson	
Prepares Fundraising Plan	
Approves Fundraising Plan	
Volunteers to help implement the Fundraising Plan	
Cultivates Major Donors	
Thanks Donors	

<b>BOARD/ COMMITTEES:</b>	<b>Responsibility in My Organization</b>
<b>Activity</b>	
Plans and proposes committee organization	
Nominates committee members and committee chair	
Calls committee chair to urge him/her into action	
Approves committees, chairs and members	
Promotes attendance at Board/Committee meetings	
Evaluates Board Performance	
Settles Disputes between Board Members	
Encourages Board Members to make financial contributions	
Plans agenda for Board meetings	
Takes minutes at Board meetings	
Follows-up to insure implementation of Board and Committee decisions	
Acts as last-resort for employee Grievances including Sexual Harassment and Whistle-blower	
Makes sure that Conflict of Interest situations are investigated and determines if a conflict exists	
Oversees the ED Evaluation Process	
Responsible for regular policy and by-law updating	
Thanks board members for their support of the organization	
Oversees annual board self-evaluation and organizational evaluation	

## 10 Tips for Evaluating Your CEO

It is the responsibility of an organization's board of directors to appraise and evaluate the performance of their executive director (also called the CEO) every year.

The evaluation should be done in a climate of camaraderie for the mission of the organization and to reward and celebrate accomplishments and define areas that need improving. It should be based on performance rather than personality traits. When conducting the evaluation try not to let personal likes or dislikes interfere with the CEO's overall performance.

Now, let's look at some of the performance indications that should go into an evaluation:

**Relationship with the board of directors.** Does the CEO communicate in a timely manner? Does s/he establish good working relationships not only with the president and executive committee but with all board members? Does s/he understand the role of the board and staff? Is s/he accountable to the board? Has s/he set up a climate of growth and development?

**Human relations and personnel functions.** Are management systems firmly in place? Are there regular staff meetings? Are there performance standards and job descriptions for the staff and are the staff evaluated annually? Is there a process for resolving conflict and disagreements? Is staff turnover low? Is morale high?

**Leadership within the staff.** Is your non-profit considered a learning organization? Are staff members involved in appropriate staff decisions? Is the climate one of risk and growth? Does the staff function as a team? Are there clear lines of authority? Is there an emphasis on staff development? Do people look forward to coming to work and do they have fun on the job?

**Media, marketing and public relations?** Does the organization have a media and public relations plan or strategy? Are you "positioned" well in the business community and with the religious community and the government? Are you also positioned well with your donors, supporters and stakeholders? Do you communicate effectively with your constituencies? Do you effectively get the word out about your mission and impact?

**Financial management.** Does the CEO provide monthly reports to the board that include cash flow, income and expense reports and balance sheets? Do you have an annual audit? Are you operating within your budget?

**Fundraising and resource development plans.** Do you have a three-year fundraising plan? Do you have a 12-month fundraising operational plan? Are you communicating with your donors and funders? Does everyone in the organization know your funding needs? Are you raising more "controllable income" each year? Is your budget growing or decreasing?

**Property management.** How do your offices look? Are they clean and welcoming to the staff and guests? Do you have sufficient space to house your programs and people? What are your long-term property needs and do you have a plan for them?



**Planning.** Are you driving through the rear-view mirror or are you anticipating the future? Do you have short and long-range plans with road maps that can help you get where you want to go? Do you have regular planning retreats?

**Professional growth and development.** Do you periodically bring in a consultant or other resources to help assure the highest quality products and people? Is there money allocated for staff and board members to join professional associations, chambers of commerce, and statewide non-profit associations?

**Relationship with government agencies and strategic partners.** If you are a non-profit that receives federal and state dollars, ask the following questions: Does the organization have a process to report back to the government agencies? Are you lobbying and promoting your issues and causes around public policy issues? Are you building alliances and strategic partnerships?

*Retrieved from <http://www.richardmale.com>*

## DoGood Organization's Organizational Assessment

The following assessment tool is based on governance best practices and compliance with legal requirements. Read each statement and mark how you think DGO is doing in each area. Complete as best you can, not knowing an answer is as important as knowing.

	Considerations	3 Very Good	2 Average Needs Work	1 Poor or Does not exist	0 Don't Know?
1	Board members have a full and common understanding of the roles and legal responsibilities of effective nonprofit boards				
2	Board members know & understand the organization's mission				
3	Board members & staff have a clear and common understanding of roles and authorities for effective coordination of activities between the two. i.e. "who does what"				
4	Officers understand their roles and authority and are active and effective.				
5	Board members understand how to support the ED through appropriate interactions/communications with staff				
6	Board members understand the separation of board duties and volunteer duties				
7	The full board participates in annual strategic planning session				
8	The Board sees to it that the organization has clear operational goals and action plans resulting from a realistic strategic plan				
9	The Board helps set realistic fundraising goals and approves a fundraising plan as part of the budgeting process				
10	The Board approves a strategic plan, operational plan, fundraising plan, and budget each year.				
11	The Board has a policy regarding board personal financial support and participation in fundraising plan Implementation				
12	100% of the Board gives a personal monetary donation to the organization				

	Considerations	3 Very Good	2 Average Needs Work	1 Poor or Does not exist	0 Don't Know?
13	Board is actively involved in the implementation of the fundraising plan				
14	The Board has an agreed upon set of values that guide decision-making				
15	The Board has an approved Conflict of Interest policy and signs and/or updates a conflict of interest disclosure and confidentiality statement each year				
16	Board effectively represents and promotes the organization to the community				
17	The Board receives the agenda, reports and financial information several days before a board meeting so they can give careful consideration to the content				
18	Board meetings are ran effectively and time is used well.				
19	Board meetings focus on long-term policy issues instead of short-term administrative issues				
20	The Board periodically reviews by-laws and policies to assure relevance and compliance				
21	The Board has adequate amount of liability insurance and Director & Officer insurance in the event of lawsuits against the organization				
22	The organization has a board approved Document Destruction and Whistle Blower Policy.				
23	All committees have clear, written charges that outline scope of work and delegate authority				
24	The Finance Committee is active and provides financial oversight to assure sound financial management and stewardship				
25	The Board regularly monitors and evaluates progress toward strategic goals through regular, written updates per the annual operational plan				
26	The Board has a clear and written policy and process for executive evaluation which includes a executive director job description that is regularly updated				
27	The Board regularly evaluates executive director per accomplishment of strategic and operational plans				

	Considerations	3 Very Good	2 Average Needs Work	1 Poor or Does not exist	0 Don't Know?
28	The Board has an executive director succession plan in place				
29	The Board has approved comprehensive personnel policies which have been reviewed by a qualified professional				
30	The Board has an active Board Development Committee that oversees board recruitment, training, and evaluation				
31	The Board is actively engaged in recruiting new board members and has written policy and processes for nomination of board members				
32	All necessary skills, stakeholders and diversity are represented on the board				
33	The Board has standard terms, start/stop dates, and term limits				
34	The Board has a process for officer succession				
35	The Board holds an orientation each year for new board members and officers				
36	The Board evaluates itself once a year to improve its effectiveness in relationship to sector best practice standards				
37	Board members assess their individual performance to assure compliance with all state and federal laws				

## Annual Board Member Self Evaluation

Action Item
# of Board Meetings the previous year _____ I attended _____ meetings.
The Annual Strategic Planning Meeting was in _____ I attended the Strategic Planning Meeting. <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b>
I served as a Chair or member of a standing committee. <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b>
I served on a Task Force. <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b>
I made a personal or corporate financial contribution during the calendar year to DGO. <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b>
I arranged for and/or made an organization presentation to a civic club, business associate, or hosted a house party for a group of friends. <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b>
I participated in implementation of the Fundraising Plan in the following manner:
I recommended a potential candidate for board membership to the Governance and Nomination Committee. <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b>
Other contributions I made to the organization?
Areas of improvement or additional participation?

**NOTES:**