



The Nonprofit Doctor presents:

First Aid for Nonprofits

AKA

**Diagnosis and Treatment for
Common Nonprofit Ailments**

Presented by

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Responsibilities of the Nonprofit Board

According to the National Center for Nonprofit Boards, the following are considered to be the Ten Basic Responsibilities of Nonprofit Boards.

1. Determine the organization's mission and purpose

A statement of mission and purpose should articulate the organization's goals, means, and primary constituents served. It is the board of directors' responsibility to create the mission statement and review it periodically for accuracy and validity. Each individual board member should fully understand and support it.

2. Select the Executive Director

The board must reach consensus on the chief executive's job description and undertake a careful search process to find the most qualified individual for the position, when necessary.

3. Support the Executive Director and review his/her performance on an annual basis

The board should ensure that the chief executive has the moral and professional support he or she needs to further the goals of the organization. The chief executive, in partnership with the entire board, should facilitate an annual evaluation of the chief executive's performance.

4. Ensure effective organizational planning

As stewards of an organization, boards must actively participate with the staff in an overall planning process and assist in implementing the plan's goals.

5. Ensure adequate resources

One of the board's foremost responsibilities is to provide adequate resources for the organization to fulfill its mission. The board should work in partnership with the chief executive and development staff, if any, to raise funds from the community.

6. Manage resources effectively

The board, in order to remain accountable to its donors, the public, and to safeguard its tax-exempt status, must assist in developing the annual budget and ensuring that proper financial controls are in place.

7. Determine and monitor the organization's programs and services

The board's role in this area is to determine which programs are the most consistent with the organization's mission, and to monitor their effectiveness.

8. Enhance the organization's public image

The organization's primary link to the community, including constituents, the public, and the media, is the board. Clearly articulating the organization's mission, accomplishments, and goals to the public, as well as garnering support from important members of the community, are important elements of a comprehensive public relations strategy.

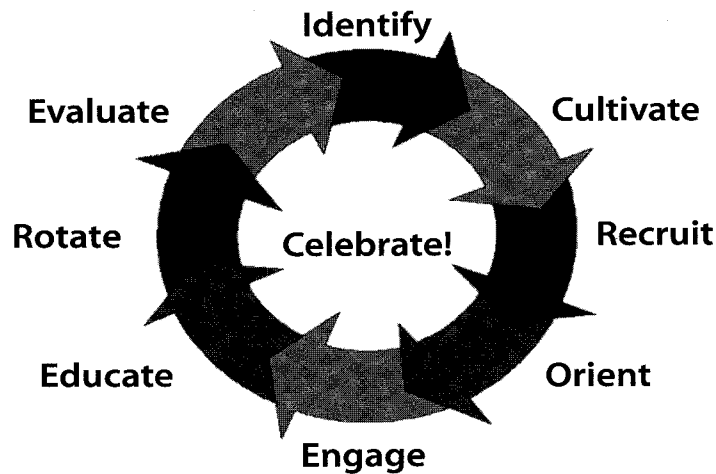
9. Serve as a court of appeal

Except in the direst of circumstances, the board must serve as a court of appeal in personnel matters. Solid personnel policies, grievance procedures, and a clear delegation to the chief executive of hiring and managing employees will reduce the risk of conflict.

10. Assess its own performance

By evaluating its performance in fulfilling its responsibilities, the board can recognize its achievements and reach consensus on which areas need to be improved. Discussing the results of a self-assessment at a retreat can assist in developing a long-range plan for continuing board development.

The Board Building Cycle



Step 1: Identify the needs of the board: the skills, knowledge, perspectives, connections, etc., needed to implement the strategic plan. What do you have? What is missing? Identify sources of board members with the desired characteristics.

Step 2: Cultivate potential board members. Ask current board members, senior staff, and others to suggest potential candidates. Find ways to connect with those candidates, get them interested in your organization, and keep them informed of your progress.

Step 3: Recruit prospects. Describe why a prospective member is wanted and needed. Explain expectations and responsibilities of board members, and don't minimize requirements. Invite questions, elicit their interest, and find out if they would be prepared to serve.

Step 4: Orient new board members both *to the organization* — explaining the history, programs, pressing issues, finances, facilities, bylaws, and organizational chart — and *to the board* — describing committees, board member responsibilities, and lists of board members and key staff members.

Step 5: Engage all board members. Discover their interests and availability. Involve them in committees or task forces.

Assign them a board “buddy.” Solicit feedback. Hold everyone accountable. Express appreciation for work well done.

Step 6: Educate the board. Provide information concerning your mission area. Promote exploration of issues facing the organization. Hold retreats and encourage board development activities by sending board members to seminars and workshops. Don't hide difficulties.

Step 7: Rotate board members. Establish term limits. Do not automatically reelect for an additional term; consider the board's needs and the board member's performance. Explore advisability of resigning with members who are not active. Develop new leadership.

Step 8: Evaluate the board as a whole, as well as individual board members. Examine how the board and chief executive work as a team. Engage the board in assessing its own performance. Identify ways in which to improve. Encourage individual self-assessment.

Step 9: Celebrate! Recognize victories and progress, no matter how small. Appreciate individual contributions to the board, the organization, and the community. Make room for humor and a good laugh.

Board Member Agreement

As a board member of the XYZ, I am fully committed and dedicated to the mission and have pledged to carry out this mission. I understand that my duties and responsibilities include the following:

1. I am fiscally responsible, with other board members, for this organization. I will know what our budget is and take an active part in reviewing, approving, and monitoring the budget and fund-raising to meet it.
2. I am legally responsible, along with other board members, for this organization. I am responsible to know and oversee the implementation of policies and programs.
3. I accept the by-laws and operating principles manual and understand that I am morally responsible for the health and well-being of this organization.
4. I will give what is for me a substantial financial donation. I may give this as a one-time donation each year, or I may pledge to give a certain amount several times during the year.
5. I will actively engage in fund-raising for this organization in whatever ways are best suited for me. These may include individual solicitation, undertaking special events, writing mail appeals, and the like. I am making a good faith agreement to do my best and to raise as much money as I can.
6. I will actively promote XYZ, encourage and support its staff.
7. I will attend board meetings, be available for phone consultation, and serve on at least one XYZ committee. If I am not able to meet my obligations as a board member, I will offer my resignation.
8. In signing this document, I understand that no quotas are being set, that no rigid standards of measurement and achievement are being formed. Every board member is making a statement of faith about every other board member. We trust each other to carry out the above agreements to the best of our ability.

Signed _____
Board Member

Date _____

Signed _____
Board Chair

Date _____

Board Meeting Evaluation

	O.K.	Needs Improvement	Suggestions for Improvement
1. The agenda was clear, supported by the necessary documents, and circulated prior to the meeting.			
2. All board members were prepared to discuss materials sent in advance.			
3. Reports were clear and contained needed information.			
4. We avoided getting into administrative/management details.			
5. A diversity of opinions were expressed and issues were dealt with in a respectful manner.			
6. The chair guided the meeting effectively and members participated responsibly.			
7. Next steps were identified and responsibility assigned.			
8. All board members were present.			
9. The meeting began and ended on time.			
10. The meeting room was conducive to work.			
11. We enjoyed being together.			

Mini Board Self-Assessment Survey

Review the list of basic board responsibilities. Indicate whether, in your opinion, the board currently does a good job in an area or whether the board needs to improve its performance.

	Does Well	Needs Work
Organization's Mission		
Strategic Planning		
Program Evaluation		
Fund-Raising		
Fiscal Oversight and Risk Management		
Relationship with Chief Executive		
Board-Staff Relationship		
Public Relations and Advocacy		
Board Selection and Orientation		
Board Organization		

Individual Board Member Self-Evaluation

Use the following questions for individual board member evaluation. For board members answering yes to these questions, they are likely to be fulfilling their responsibilities as board members.

	Yes	No	Not Sure
1. Do I understand and support the mission of the organization?			
2. Am I knowledgeable about the organization's programs and services?			
3. Do I follow trends and important developments related to this organization?			
4. Do I assist with fund-raising and/or give a significant annual gift to the organization?			
5. Do I read and understand the organization's financial statements?			
6. Do I have a good working relationship with the chief executive?			
7. Do I recommend individuals for service to this board?			
8. Do I prepare for and participate in board meetings and committee meetings?			
9. Do I act as a good-will ambassador to the organization?			
10. Do I find serving on the board to be a satisfying and rewarding experience?			

WHO DOES WHAT?

Instructions – Leadership is a partnership of Board members and staff. Some typical program activities are listed below. Identify who has primary responsibility for these activities in your organization by placing the appropriate letter in the blank beside the activity.

S	Staff
B	Board
J	Joint

PLANNING

- _____ Direct the planning process
- _____ Provide input for long range goals
- _____ Approve long range goals
- _____ Formulate annual objectives
- _____ Prepare performance reports on achievement of goals
- _____ Monitor achievement of goals

PROGRAM

- _____ Conduct survey of community and/or constituent problems/assets
- _____ Determine fees for a class
- _____ Plan training schedule
- _____ Train volunteers
- _____ Evaluate program
- _____ Maintain records, prepare reports

FINANCE

- _____ Prepare preliminary budget
- _____ Finalize and approve budget
- _____ Keep expenditures within budget
- _____ Solicit contributions for annual support and/or capital campaigns
- _____ Organize campaign(s) for funds
- _____ Approve expenditures outside authorized budget
- _____ Ensure annual audit of organization

COMMUNITY RELATIONS

- _____ Interpret organization to community
- _____ Write news stories
- _____ Provide program linkage with other service partners, funders
- _____ Be an ambassador for organization in the community

PERSONNEL

- _____ Employ Executive Director
- _____ Evaluate Executive Director
- _____ Employ other staff
- _____ Conduct staff performance reviews
- _____ Decision to add staff
- _____ Settle discord among staff

BOARD/COMMITTEES

- _____ Formulate committee structure
- _____ Appoint committee chairmen
- _____ Call chairmen to urge action
- _____ Promote attendance at meetings
- _____ Recruit new Board members
- _____ Plan agenda for Board meetings
- _____ Take minutes at meetings
- _____ Prepare exhibits, factual material and proposals for discussion
- _____ Sign legal documents
- _____ Follow up for implementation of Board or committee decisions

Contents of Strategic, Long-Range Plans

Five basic components make up all comprehensive strategic plans. These components are often confusing and definitions of each may vary. To eliminate possible confusion and increase the understanding of each of the components of a strategic plan, descriptions are provided as follows:

Vision

Vision describes the organization and its potential impact in the future. A vision is guided by dreams, not constraints. It is what an organization hopes will happen if its dreams are realized. Steve Jobs, co-founder of Apple Computers, had a vision to “reinvent the future.” Vision inspires and directs all aspects of the organization including fund-raising. Vision is the force that results in the long-term engagement of donors and volunteers.

Mission

Mission has two elements: the philosophical expression of the values-based need the organization meets in the community (why the organization exists), and a *brief* summary of what the organization does to meet that need. Most mission statements are usually one or two sentences long.

Goals

Goals summarize the principal program, development, administrative, or other major accomplishments the organization hopes to achieve in order to realize its vision and fulfill its mission. Goals descend from and are validated by the vision. They are general and not quantifiable, can be short-term or long-term, and are evaluated annually. A typical goal for an organization providing meals to the elderly might be, “To provide education and training in proper nutrition to clients receiving meals at senior centers.”

Objectives

Objectives support the goals and provide more details. They answer the question: who will do what by when? An objective for the previous goal would be: “By (month, day, year), educational staff will develop a 30-minute nutrition program, using audiovisual materials and lecture format, for pilot delivery at the Washington Street Senior Center.” When developing objectives, remember that objectives should be “SMART:”

- **Specific** – pertaining to a certain task or program;
- **Measurable** – quantifiable by date, outcomes, responsibility;
- **Attainable** – doable within the time prescribed and with existing constraints;
- **Results-oriented** – focused on short-term activities to gain longer term goals; and
- **Time-determined** – a time frame for completion is established.

Action Steps

Action Steps outline the exact activities necessary to develop the 30-minute audiovisual and lecture program described above. Action plans should be distributed to all those who are responsible for the successful completion of that particular task. A basic action plan must list the task, the responsible person or persons, and the date the task will be completed.

Organizing a Strategic Plan

A simple way to organize the process and the resulting plan is to delineate among the three aspects of the organization included in all institutional planning. They are as follows:

Program

This aspect includes all services the organization provides in the community as well as the facility or facilities necessary for the delivery of the services.

Organization

This refers to staff and board composition, growth, development, and management.

Development

This includes the organization's external image and contacts, including marketing, public relations, and fund-raising.

Components of the Final Document

1. An executive summary that includes the vision and mission statements and introduces the document. This summary can be shared with potential donors, volunteers, or staff
2. A list of the goals for the plan, organized by program, organization and development
3. Measurable objectives keyed to each of the goals
4. Action plans keyed to each of the objectives
5. A summary budget as well as the detailed budget
6. A statement of the evaluation process that will be used

The Means and the End

A mission statement and a vision statement are distinctly different. Every nonprofit needs both. The two statements differ in these ways:

- **Mission controls** while *vision inspires*.
- A mission statement keeps an organization on track and guides it in the right direction.
- A vision statement motivates and offers a framework for the mission to grow and change.

A **mission statement** clarifies what an organization does right now. In one or two sentences, the mission describes the essence of an organization and its purpose.

The mission of Family Central, Inc., in Fort Lauderdale, Florida, is “to provide quality services that empower, strengthen, and preserve families while nurturing and enhancing each child’s well being and potential.”

The mission must live within an organization. Use it as a screen saver on your computers, print it on all your publications, and make sure staff and board know it by heart.

A **vision statement** articulates the future of an organization. The statement should be a meaningful description of what an organization hopes to make happen. Family Centrals’ vision statement is “Families will be strong; children will achieve personal excellence.”

A vision is a critical part of strategic planning. Usually, it is the first step in a strategic planning process. If a framed mission statement hangs on the wall by the door, where would you put a vision statement in your office? Paint it on the ceiling.

A mission statement helps in the day-to-day life of an organization. It guides daily decisions, upcoming programs, and short-term goals. It is the “yellow brick road.”

A vision statement is Oz. This statement motivates the organization, the board, and the staff while keeping the nonprofit from getting into a rut. The vision statement is a liberating force that allows the mission to adapt to a changing world.



Fundraising Techniques

Special Events

Dances, auctions, bake sales, golf tournaments, etc.

Major Gifts

Monetary gifts obtained through face-to-face solicitations from individuals

Grants

Funds based on proposals sent to private foundations, government agencies and corporations, either unsolicited or sent in response to requests for proposals (RFPs).

Capital and Endowment Campaigns

Planned campaigns with a limited time frame, a specific dollar objective and a specific purpose such as raising funds for a new building, renovation of an existing building, purchasing major equipment, or creating an endowment.

Deferred or Planned Giving

A variety of techniques in which part of the motivation for the gift or the specific manner of giving is driven by legal and tax consequences. In deferred giving, the full effect of the gift may not occur at once, such as a bequest in a will.

Direct Mail and Telephone Solicitations

Marketing efforts directed to the public on behalf of the organization. These campaigns are usually done on an annual basis.

Corporate Joint Promotions

One example might be cause-related marketing where the purchase of a particular product by a consumer generates a contribution. Joint promotions also include corporate sponsorships of special events.

Internet Marketing

New technology now allows for websites that enable visitors to the organization's site to donate funds to that organization while online, or purchase products to benefit the organization.

Fundraising Resources

Websites

<i>Fundraising:</i>	fund-raising.com
<i>Internet giving:</i>	clickandpledge.com
<i>Computers/Software:</i>	techsoup.org
<i>Financial planning:</i>	ncpg.org
<i>Foundations:</i>	fdncenter.org tgci.com foundations.org
<i>Organizational:</i>	nsfre.org boardsource.org nonprofits.org
<i>Periodicals</i>	philanthropy.com nptimes.com guidestar.org
<i>Grants</i>	yahoo.com (grant-making foundations) grantwriters.com grantstation.com

Federal Sources

- National Children's Alliance: nca-online.org
- Victim's of Crime Act (VOCA): ojp.usdoj.gov/ovc/
- The Children's Justice Act: Check with your state's director for details

Local Sources

United Way	Community Service Organization
Private Foundations	Corporations & Private Businesses
In-Kind Contributions	Court Restitution Fees (5% \$)
City Government	County Government
MDT Agencies	

Special Events

Golf Tournaments	Fun Runs
Soft Ball Tournaments	Race, Walk or Bike Race
Annual Appeal	Greeting/Christmas Card Sales
Art Auction	Celebrity Waiters
Banquets	Fashion Shows
Fishing Tournaments	Cookbook Sales
Casino Night	Home Tours/Pond Tours
"No Show" Events	Potluck Bingo Night
Square Dance & Dinner	Play or Concert
Banquet & Cash Drawing	Club Events for Your Organization

RESOURCES

Internet

❖ **BoardSource** – www.boardsource.org

Formerly known as the National Center for Nonprofit Boards, this is an excellent resource for nonprofits and the members of their board, including an extensive bookstore, frequently asked questions, and answers to special e-mailed questions.

❖ **Genie** – www.genie.org

Lots of frequently asked questions divided by areas of interest and link to other helpful items including the Board Café newsletter delivered free through subscription.

❖ **Board Café** – www.supportcenter.org/sf/boardcafe.html

Offers a free online monthly newsletter for nonprofit board members and others.

❖ **The Charity Channel** – www.charitychannel.com

Resources for nonprofit managers including information about boards, fundraising, and other areas of concern, with links to more sites.

Books (Most can be ordered through BoardSource (formerly the National Center for Nonprofit Boards) or your own state's nonprofit resource center, if you have one. These books would be excellent for beginning a board member lending library.

❖ ***The Board Building Cycle: Nine Steps to Finding, Recruiting, and Engaging Nonprofit Board Members*** by Sandra Hughes, Berit Lakey, and Marla Bobowick

❖ ***To Go Forward, RETREAT!*** By Sandra Hughes

❖ ***Ten Basic Responsibilities of Nonprofit Boards*** by Richard T. Ingram (This book is part of the NCNB Governance Series)

❖ ***How to Help Your Board Govern More and Manage Less*** by Richard P. Chait
(This book is part of the NCNB Governance Series)

❖ ***Nonprofit Board Answer Book: Practical Guidelines for Board Members and Chief Executives*** by Robert C. Andringa and Ted W. Engstrom

❖ ***The Board Chair Handbook*** by William M. Dietel & Linda R. Dietel

❖ ***The Complete Guide to Nonprofit Management-Second Edition*** by Smith, Bucklin & Associates, Inc.

❖ ***Managing a Nonprofit Organization in the Twenty-First Century*** by Thomas Wolf