The ABCs of Building Better Boards

Presented by Jean Block
Jean Block Consulting, Inc.
About Jean Block

National trainer and consultant on nonprofit management, FUNdraising, board development and social enterprise

Jean Block Consulting Inc. since 1996

Social Enterprise Ventures LLC since 2006

Albuquerque, NM

Author:

- FUNdrasing! 180+ Great Ideas to Raise More Money
- The Invisible Yellow Line: Clarifying Board and Staff Roles
- The ABCs of Building Better Boards
- Fast FUNdrasing Facts for Fame & Fortune
- The Nonprofit Guide to Social Enterprise: Show Me The (Unrestricted) Money!
A TALE OF THE SSTA AND ITS BOARD OF DIRECTORS
The ABCs of Building Better Boards

BEST PRACTICES
A IS FOR ACQUIRE
Building Block

A vital mission and vision that motivates and inspires current and new board members with diverse skills
Building Block

A consistent message and method of recruiting new board members:

Recruitment Package
Recruitment Package

• Mission, fact sheet, history, accomplishments
• Forms
• Organizational charts
• Strategic plan status
• Financial information
• Other
Application for Board Membership

• Contact information
• Why do you want to join this board?
• Previous board experience
• Skills you bring to the board

Download sample at jblockinc.com/resources
Board Member Job Description

- Basic roles and responsibilities
- Obligations of Time (prep and attendance)
- Obligations of Talent (committee participation)
- Obligation of Treasure (annual financial investment)
- Important dates for board members

Download sample at jblockinc.com/resources
Conflict of Interest Form

• Current IRS Form 990 definition: “personal or business relationship with any other member of the board or key staff”
• Your board’s policy statement
• Review and sign annually

Download sample at jblockinc.com/resources
Building Blocks

A Nominating Committee With a Plan

- What, When, Who, How
- Time, Talent and Treasure
## Matrix for Board Recruitment

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<th>When</th>
<th>Who</th>
<th>Relationship</th>
<th>Plan</th>
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Try it for Yourself

Make a list of the *skills* you need on your board
B IS FOR BUILD
Building Block

Orientation for New Board Members

Everyone on the Same Page!
Orientation

• Led by board chair, ED, others
• Best practice – before first board meeting
Orientation

Include (at least)

- History, mission, overview
- Obligations of Time, Talent and Treasure
- Roles and responsibilities
- Critical forms (job description, sign conflict of interest)
- Financial statements, IRS Form 990
- Strategic plan (status)
- Critical dates for board attendance
- Bylaws, board policies and procedures
Building Blocks

Bylaws – Governing Document
Building Block - Bylaws

Describes the WHAT of how the board governs:

• Meetings, voting, quorum, election
• Roles of directors and officers
• Structure, committees
• Every board member gets a copy

Best Practice: Schedule for review every 3-5 years
Building Block

Board Operating Policy and Procedure Manual
Board Operating Policy Manual

Explains HOW the board operates:

• Elections, voting, basic governance and operations
• Board policies: conflict of interest, gift acceptance, grievance, whistle blower, confidentiality, records retention, etc.
• Committee authority and roles
• Finances, budget, oversight
• Meetings and management

Best Practice: Schedule for review every 3-5 years
Board Governance Responsibility

Ultimate legal responsibility for organization

• How could anybody tell?
• IRS Form 990 – governance section guidelines
• Mission – driven decisions – IRS Form 990
• Discloses and manages any conflicts of interest
• Follows bylaws and policies
Board Fiduciary Responsibility

Ultimate legal authority and responsibility for effective fiscal management

- Approves a reasonable and achievable annual budget
- Has appropriate insurance coverage (D&O)
- Authorizes and reviews the annual independent audit
- Reviews the annual IRS Form 990 before it is filed
- Keeps professional minutes of board meetings
- Understands and reviews regular financial reports
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Strategic Plan

• Annual strategic planning session (board and key staff)
• Annual plan focuses work of board, board committees and entire organization
• Status report at every board meeting
Board and Resource Development

Board members set the example by giving and getting

• Every member makes an annual personal or professional financial investment in the mission
• Members agree to develop financial and in-kind resources within their spheres of influence

Resource: Menu of FUNdraising Opportunities
(www.jblockinc.com)
Board FUNdraising Ideas

Grants from Foundations, Corporations, etc.

Involvement:

- Research their own company’s giving programs.
- Is there a matching program available?
- Research other companies’ giving programs.
- Provide testimonials, sign cover letters, etc.
- Ask from the inside…open doors
Board FUNdraising Ideas

Donor Campaigns

Involvement:

• Make their gift first
• Provide testimonials for fundraising letter
  • Sign letters
  • Notes on appeal letters, sticky notes
• Write personal letters to names in their contact list
• Take advantage of social media
Board FUNdraising Ideas

Donor Campaigns

Involvement:

• Make thank you calls to donors (thank you event)
• Make fundraising calls to donors and prospects.
• Host an event at their home or office
• Underwrite the cost of the campaign (printing, postage, etc.)
Board FUNdraising Ideas

Underwriting, Sponsorships, In-Kind

Involvement:

• Know the budget
• Research their own company’s potential
• Research other companies’ potential
• Write proposals and ask for sponsorships, underwriting
• Solicit in-kind contributions of goods and services
Board FUNdraising Ideas

Special Event

Involvement:

• Plan it! Organize it…Serve on the committee
• Sell tickets...Buy their own tickets
• Solicit auction items and other requirements
• Solicit underwriting and sponsorships
Board FUNdraising Ideas

Planned Giving

Involvement:
- Make a personal planned gift
- Serve on Planned Giving Committee, solicit planned gifts
  - Expertise: attorney, insurance, financial planner, CPA
- Learn and share
Advocacy

Involvement:

- Contact lawmakers, testify, advocate!
- Individual letters vs. one “On behalf of…”
C IS FOR CELEBRATE
Recognize and Reward

You Get What You Accept and What You Reward
Annual Commitment Letters

• Follows job description
• Time, Talent, Treasure
• Escape clause:
  • “If I am unable to fulfill the obligations of serving on this board of directors, I will submit my resignation to the president of the board.”
Recognize

Article in newsletter, newspaper, company publication
Certificate, plaque
Gift certificate
Letter from client
Name something

Letters to boss, editor, etc.
Food
Pictures
Tickets to something
Training opportunities
TAKE A MOMENT – 3 THINGS
How Can I Help You?

Visit my web site to download useful forms

www.jblockinc.com/resources

Email me

jean@jblockinc.com
Thank You!

Thank You For All You Do

And for NOT being the WLA Board!