

Handout: The Board Building Cycle [continued]

Source: BoardSource

STEP 1: IDENTIFY the needs of the board. What are 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. Familiarize them both about the organization—explaining the history, programs, pressing issues, finances, facilities, bylaws and organizational chart—and with the board—describing committees, board member responsibilities and lists of board members and key staff members.

STEP 5: INVOLVE 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: 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 8: ROTATE board members. Establish term limits. Do not automatically re-elect for an additional term; consider the board's needs and each board member's performance. Explore advisability of resigning with members who are not active. Develop new leadership.

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.

Handout: Example Board Member Expectation Statement

Source: Adapted from "The Board Building Cycle" by Hughes, Lakey, & Bobowick

GENERAL EXPECTATIONS

1. Support the Foundation's mission, purposes, goals, policies, and programs, while knowing its strengths and needs.
2. Suggest possible nominees to the board who are men or women of achievement who can make significant contributions to the work of the board and the progress of the Foundation.
3. Serve actively on committees as requested by the President.
4. Provide input and feedback to the President on the performance of staff members.
5. Attend activities and events sponsored by the Foundation whenever possible.

MEETINGS

1. Prepare for and participate in board and committee meetings, including appropriate organizational activities.
2. Ask timely and substantive questions at board and committee meetings consistent with personal conscience and convictions, while supporting the majority decision on issues decided by the board.
3. Maintain confidentiality of the board's executive sessions, and speak for the board or the Foundation only when authorized to do so.
4. Suggest agenda items periodically for board and committee meetings to ensure that significant policy-related matters are addressed.

AVOIDING CONFLICTS

1. Serve the Foundation as a whole rather than any special interest group or constituency.
2. Avoid even the appearance of a conflict of interest that might embarrass the board or the Foundation, and disclose any possible conflicts to the board in a timely fashion.
3. Never accept (or offer) favors or gifts from (or to) anyone who does business with the Foundation.

FIDUCIARY RESPONSIBILITY

1. Exercise prudence with the board in the control and transfer of funds.
2. Faithfully read and understand the Foundation's financial statements and otherwise help the board fulfill its fiduciary responsibility.

FUNDRAISING

1. Make an annual gift to the Foundation according to personal means, but no less than the minimum amount established by the board for its members, and with the realization of the leadership role the board must play in fund development.
2. Assist the Foundation by implementing fundraising strategies through personal influence with others.
3. Participate actively in all Foundation fundraising special events, programs, and activities.

Ten Basic Roles and Responsibilities

Source: BoardSource

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's 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 chief executive.** Boards must reach consensus on the chief executive's job and undertake a careful search to find the most qualified individual for the position.
3. **Support the chief executive and assess his or her performance.** 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 decide upon a periodic evaluation of his or her performance.
4. **Ensure effective organizational planning.** As stewards of the 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. Each board member should make an annual financial contribution to the organization to support its mission and goals. 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 and 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, monitor and strengthen 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 standing.** An 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. **Ensure legal and ethical integrity and maintain accountability.** The board is ultimately responsible for ensuring adherence to legal standards and ethical norms. Solid personnel policies, grievance procedures and a clear delegation to the chief executive of hiring and managing employees will help ensure proper decorum in this area. The board must establish pertinent policies and adhere to provisions of the organization's bylaws and articles of incorporation.

10. **Recruit and orient new board members and assess board performance.** All boards have a responsibility to articulate and make known their needs in terms of member experience, skills and many other considerations that define a balanced board composition. Boards must also orient new members to their responsibilities and the organization's history, needs and challenges. By evaluating its performance in fulfilling its responsibilities, the board can recognize its achievements and reach consensus on which areas need to be improved.

Worksheet: Board Profile (Expertise/Skills/Personal Data)

Source: Adapted from *The Board Building Cycle* by Hughes, Lakey, & Bobowick, 2003

This worksheet can be adapted by organizations to assess their current board composition and plan for the future. The governance committee can develop an appropriate grid for the organization and then present its findings to the full board.

In considering board building, an organization is legally obligated to follow its bylaws, which may include specific criteria on board size, structure and composition. Occasionally the bylaws may need to be updated to incorporate and acknowledge changes in the environment and community that have made alterations in the board structure necessary or desirable.

Remember, an organization will look for different skills and strengths from its board members depending on its stage of development and other circumstances.

AGE	Current Members						Prospective Members						
	1	2	3	4	5	6	A	B	C	D	E	F	
Under 18													
19-34													
35-50													
51-65													
Over 65													
GENDER													
Male													
Female													
RACE/ETHNICITY/DISABILITY													
Black/African-American													
Asian/Pacific Islander													
Caucasian													
Hispanic/Latino													
Native American													
Other													
Disability													
RESOURCES													
Money to give													
Access to money													
Access to other resources (foundations, corporate support)													
Availability for active participation (solicitation visits, grant writing)													

Worksheet: Board Profile (Expertise/Skills/Personal Data) [continued]

Source: Adapted from *The Board Building Cycle* by Hughes, Lakey, & Bobowick, 2003

	Current Members						Prospective Members					
	1	2	3	4	5	6	A	B	C	D	E	F
COMMUNITY CONNECTIONS												
Religious organizations												
Corporate												
Education												
Media												
Political												
Philanthropy												
Small business												
Social services												
Other												
QUALITIES												
Leadership skills												
Willingness to work												
Personal connection with organization's mission												
PERSONAL STYLE												
Consensus builder												
Good communicator												
Strategist												
Visionary												
AREAS OF EXPERTISE												
Administration/Management												
Entrepreneurship												
Financial management												
Accounting												
Banking and Trusts												
Investments												
Fundraising												
Government												
International affairs												
Law												
Marketing/ Public relations												
Human resources												
Strategic planning												
Physical plant (architect, engineer)												
Real estate												
Representative of clients												
Special programs focus: (education, health, public policy, etc.)												
Technology												
Other												
NUMBER OF YEARS (OR TERMS) ON THE BOARD												

Handout: Suggested Content for Board of Directors Handbook

Source: Loring, Sternberg & Associates

A. THE BOARD

1. Board member listing
2. Board member bios
3. Board member terms
4. Board statement of responsibilities
5. Board member responsibilities
6. Committee and task force job descriptions

B. HISTORICAL REFERENCES FOR THE ORGANIZATION

1. Brief written history and/or fact sheet
2. Articles of Incorporation
3. IRS determination letter
4. Listing of past board members

C. BYLAWS

D. STRATEGIC FRAMEWORK

1. Mission and vision statement
2. Strategic framework or plan
3. Current annual operating plan

E. MINUTES FROM RECENT BOARD MEETINGS

F. FINANCE

1. Prior year annual report
2. Prior year audit report
3. Chart of financial growth (sales, membership, programs, etc. – for the past 5 to 10 years)
4. Current annual budget
5. Form 990
6. Banking resolutions
7. Investment policy

G. BOARD POLICIES

1. Policy on potential conflicts of interest
2. Insurance policy coverage
3. Legal liability policy
4. Travel/meeting expense reimbursements
5. Accreditation documents (if applicable)
6. Others

H. STAFF

1. Staff listing and contact information
2. Organization/team chart

I. RESOURCE DEVELOPMENT

1. Case statement
2. Current funder list
3. Sample grant proposal
4. Sponsorship policy

J. PROGRAMMATIC INFORMATION

1. Annual calendar
2. Programs list
3. Current brochures
4. Website information

K. PROCEDURES TO UPDATE BOARD HANDBOOK

Worksheet: Individual Board Member Self-Evaluation

Source: Loring, Sternberg & Associates

Use the following questions for individual board member evaluation. Board members answering yes to these questions 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 fundraising 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 goodwill ambassador to the organization?			
10. Do I find serving on the board to be a satisfying and rewarding experience?			

Worksheet: Prospective Board Member Information Sheet

Source: BoardSource

Keeping current information about prospective board members is important to maintaining an ongoing list of those who are a good fit for the board. It is particularly important to have information so that other board members can learn more about each candidate.

INFORMATION SHEET

Name of Prospective Board Member: _____

Title: _____

Organization: _____

Address: _____

City, State, Zip: _____

Day Phone Number: _____

Evening Phone Number: _____

E-mail: _____

Source of Referral/Information: _____

Special skills

- | | |
|----------------------------------------------------|-----------------------------------------------------|
| <input type="checkbox"/> Fundraising | <input type="checkbox"/> Marketing/Public Relations |
| <input type="checkbox"/> Personnel/Human Resources | <input type="checkbox"/> Technology |
| <input type="checkbox"/> Finances | <input type="checkbox"/> Legal |
| <input type="checkbox"/> Business | <input type="checkbox"/> Other: _____ |

Professional background

- | | |
|----------------------------------------------|-------------------------------------------------|
| <input type="checkbox"/> For-profit business | <input type="checkbox"/> Nonprofit organization |
| <input type="checkbox"/> Government | <input type="checkbox"/> Other: _____ |

Education

- | | |
|-----------------------------------------------|-------------------------------------------------------|
| <input type="checkbox"/> Some high school | <input type="checkbox"/> Undergraduate college degree |
| <input type="checkbox"/> High school graduate | <input type="checkbox"/> Some graduate coursework |
| <input type="checkbox"/> Some college | <input type="checkbox"/> Graduate degree or higher |
| <input type="checkbox"/> Other: _____ | |

Worksheet: Prospective Board Member [continued]

Source: BoardSource

Other affiliations: _____

Other board service: _____

Known levels of giving: _____

To whom is this board prospect assigned: _____

Recent activities that have been undertaken to cultivate this candidate: _____

Handout: Board Orientation Chart

Source: Loring, Sternberg & Associates

The following is an overview of the information that needs to be conveyed to new board members at their orientation. The materials can be presented in person and in writing at an orientation meeting.

INFORMATION	ISSUES	PRESENTATION OPTIONS
Program	Offer new board members a feel for the work of the organization – what it does, whom it serves, what difference it makes – to get them emotionally and intellectually connected and motivated.	<ul style="list-style-type: none"> ▪ Tour of facilities ▪ Observation of/participation in program activities ▪ Presentation by client, member or program participant ▪ Video, slides, film presentation ▪ Verbal presentations ▪ Written materials
Finances	Help new board members become informed about where money comes from, how it is spent and the state of the organization’s financial health, including their role in fundraising.	<ul style="list-style-type: none"> ▪ Presentation by chief executive, chief financial officer or treasurer ▪ Background materials (most recent audit, budget, financials) graphically presented, if possible ▪ Presentation of the fundraising strategy
History	Provide sufficient knowledge about the past so that the present makes sense. Also, help new board members see their own participation as part of the organization’s ongoing story.	<ul style="list-style-type: none"> ▪ Stories told by “old timers” ▪ Pictures ▪ Written materials
Strategic Direction	Present a framework for new members to participate effectively. Clarify the mission, vision, organizational values and goals that inform organizational actions.	<ul style="list-style-type: none"> ▪ Presentation/discussion by the chief executive or Board Chair ▪ Copy of strategic plan (or other documents, especially mission statement, if no plan is available)
Organizational Structure	Help new board members understand who does what and lines of accountability.	<ul style="list-style-type: none"> ▪ Copy of the bylaws, IRS determination letter ▪ Organizational chart ▪ Introductions to key staff members
Board Roles	Ensure that new board members understand the roles of the board.	<ul style="list-style-type: none"> ▪ Presentation/discussion, preferably with the whole board involved ▪ Written materials
Board Member Responsibilities	Ensure that new board members understand their own responsibilities as board members.	<ul style="list-style-type: none"> ▪ Presentation/discussion ▪ Signed agreement (job description), including conflict of interest and ethics statements
Board Operations	Help new board members understand how the board operates so that they may participate effectively.	<ul style="list-style-type: none"> ▪ Board manual ▪ Board mentors ▪ Committee charges and member lists ▪ Meeting schedule
Board Members	Facilitate new board member integration with other members.	<ul style="list-style-type: none"> ▪ List of board members and biographical data ▪ Time set aside for social interaction
Skills	Instruct new members on how to read a financial statement.	<ul style="list-style-type: none"> ▪ Written materials ▪ Presentation by the treasurer or finance committee