

Abramson & Cleaves Consulting Group

RECRUITING FOR A HIGH PERFORMING BOARD

**Presented by:
Randa Cleaves
ACCG:avenue2possibilities LLP
PO Box 61814
Vancouver, WA 98666
360-597-4655
contact@accga2p.com**

© 2006 ACCG:a2p LLP

BOARD RESPONSIBILITIES

The board is not only the group of volunteers who do the work, but are also responsible for the organization's leadership and legal requirements. Their responsibilities include:

1. Making sure that enough **money** is raised to operate its programs and that the money is handled responsibly.
2. Keeping the organization **legal and safe** by obtaining proper licenses, insurance and filing necessary tax and reporting forms.
3. Making decisions for the **strategic direction** of the organization in the upcoming years.
4. **Reporting** to its donors and constituents, and maintaining the good reputation of the organization.
5. Finding and hiring the **right help** and expertise when it is needed.
6. Identifying **new board members** and planning successors for departing ones.
7. **Getting the work done** through their own efforts and managing the efforts of others.
8. **Organizing volunteers** to get the work done.
9. Being **ambassadors** for the organization.
10. Providing a **positive environment** of commitment, accountability and integrity.

BOARD JOB DESCRIPTION

The Members of the Board of are responsible for the governance of the organization. This includes:

1. Insuring that the organization operates in a way consistent with its mission;
2. Making policies and plans to ensure the operational security of the organization, and monitoring program performance and impact;
3. Overseeing compliance with laws and regulations and fulfillment of contractual obligations;
4. Financial oversight including developing a budget, managing the organization's funds, approving a fundraising strategy and monitoring its effectiveness;
5. Selecting, monitoring, and evaluating staff and contract personnel.

Board members are expected to attend all regularly scheduled meetings and meetings called for a special purpose unless personal circumstances prevent their presence.

In addition to meetings of the full Board, standing or ad hoc committees may be formed and Board members are expected to participate in ways to assist the organization lending their time and expertise.

Each Board member is expected to make a personally significant contribution of their time and money each year and to participate in the organization's fundraising as appropriate to the individual, such as volunteering at events and acting as an ambassador in the community.

Form 5-1 Board of Directors Self-Assessment		
From Mission Based Management, Peter C. Brinckerhoff, Wiley Nonprofit Series	Yes	No
<i>Does the board have a mandated policy of turnover? (Are there set terms for board members? A limit on the number of consecutive terms?)</i>	3	-3
<i>Is there an annual assessment of the skills of board members?</i>	2	0
<i>Is that list compared annually to a list of skills needed on the board this year and within the next three years?</i>	2	0
<i>Does the board have these skills represented?</i>		
<i>Legal</i>	1	0
<i>Business</i>	1	0
<i>Financial</i>	1	0
<i>Marketing</i>	1	0
<i>Fund-Raising</i>	1	0
<i>Human Resources</i>	1	0
<i>Does the organization carry director's and officers insurance?</i>	2	0
<i>Does the board have a written list of its responsibilities?</i>	2	-2
<i>Have more than 75% of board meetings had a quorum over the past 24 months?</i>	3	-4
<i>Is there a current, written board manual?</i>	1	-1
<i>Does the board have standing committees that function regularly?</i>	2	0
<i>Do board members receive their meeting information at least three days before each meeting?</i>	2	0
<i>Does the board have and enforce a conflict of interest policy?</i>	3	0
<i>Are board members actively involved in fund raising?</i>	3	0
<i>Do all board members contribute to the organization annually?</i>	3	-2
<i>Does the board annually evaluate the head staff person, in person and in writing?</i>	3	-3
<i>Is the board involved in strategic planning on a consistent and regular basis?</i>	2	0
<i>Is time set aside at each board meeting for ongoing orientation about the organization's work?</i>	2	0
<i>Does the board annually approve the budget and then monitor it on a regular basis?</i>	3	-5
Total of column score Add each column up and put the answer here →		
TOTAL SCORE—BOARD OF DIRECTORS Add total scores from Yes and No columns and put the answer here →		

SCORING ANALYSIS:
44-34 Excellent
33-22 Very Good
21-13 Adequate
Less than 13 – You need help now!

BOARD ATTENDANCE POLICY (Sample)

This policy is a sample that should be modified to suit the nature and needs of the corporation.

Purpose

This policy is intended to support full contribution of all board members. All board members receive a copy of this official policy. The policy is reviewed once a year and maintained in each member's Board Manual. The policy has been reviewed and authorized by the board (see signature and date below).

Definition of a Board Attendance Problem

A board-attendance problem occurs if any of the following conditions exist in regard to a board member's attendance to board meetings:

1. The member has two un-notified absences in a row ("un-notified" means the member did not call ahead to a reasonable contact in the organization before the upcoming meeting to indicate they would be gone from the upcoming meeting).
2. The member has three notified absences in a row.
3. The member misses one third of the total number of board meetings in a twelve-month period.

Suggested Response to a Board-Attendance Problem

If a board-attendance problem exists regarding a member, the Board Chair will promptly contact the member to discuss the problem. The member's response will promptly be shared by the Chair with the entire board at the next board meeting. In that meeting, the board will decide what actions to take regarding the board member's future membership on the board. If the board decides to terminate the board member's membership, termination will be conducted per this policy (or the process may specified in the organization's bylaws). The board will promptly initiate a process to begin recruiting a new board member.

(For example, the termination process might include that the Board Chair will call the member with the board-attendance problem and notify him or her of the board's decision to terminate the member's membership per the terms of the Board Attendance Policy. The Chair will request a letter of resignation from the member to be received within the next two weeks. The Chair will also request the member to return their board manual back to the agency by dropping it off at a specified location over the next two weeks. The board will vote regarding acceptance of the member's resignation letter in the next board meeting.)

Board Chair's Signature Indicating Board Authorization _____

Date _____

(Board Policy Last Revised: [insert date])

WHAT IS A CONFLICT OF INTEREST?

Conflict of interest is difficult to define, yet many people think they know it when they see it. The legal definition of conflict of interest, usually set out in state laws governing nonprofit corporations, is very specific and covers relatively few situations. Most conflicts fall into a gray area where ethics and public perception are more relevant than statutes or precedents.

Conflict of interest arises whenever the personal or professional interests of a board member are potentially at odds with the best interests of the nonprofit. Such conflicts are common: A board member performs professional services for an organization, or proposes that a relative or friend be considered for a staff position. Such transactions are perfectly acceptable if they benefit the organization and if the board made the decisions in an objective and informed manner. Even if they do not meet these standards, such transactions are usually not illegal. They are, however, vulnerable to legal challenges and public misunderstanding.

Loss of public confidence and a damaged reputation are the most likely results of a poorly managed conflict of interest. Because public confidence is important to most nonprofits, boards should take steps to avoid even the appearance of impropriety.

SAMPLE CONFLICT OF INTEREST POLICY

The standard of behavior at the _____ Nonprofit is that all staff, volunteers, and board members scrupulously avoid any conflict of interest between the interests of the _____ Organization on one hand, and personal, professional, and business interests on the other. This includes avoiding actual conflicts of interest as well as perceptions of conflicts of interest.

I understand that the purposes of this policy are: to protect the integrity of the _____ Organization's decision making process, to enable our constituencies to have confidence in our integrity, and to protect the integrity and reputation of volunteers, staff and board members.

Upon or before election, hiring or appointment, I will make a full, written disclosure of interests, relationships, and holdings that could potentially result in a conflict of interest. This written disclosure will be kept on file and I will update it as appropriate.

In the course of meetings or activities, I will disclose any interests in a transaction or decision where I (including my business or other nonprofit affiliation), my family and/or my significant other, employer, or close associates will receive a benefit or gain. After disclosure, I understand that I will be asked to leave the room for the discussion and will not be permitted to vote on the question.

I understand that this policy is meant to be a supplement to good judgment, and I will respect its spirit as well as its wording.

COMMUNICATE WHAT YOUR ORGANIZATION IS ABOUT

The Facts 101 are the basic facts about your organization.

- What's your mission?
- How long has the organization been around?
- How many people have benefited from your work?
- How big is your budget?
- What are your sources of funding?
- Your plans for growth?
- Your dreams for the future?

Fact sheets are good for conveying the Facts 101, usually in the form of a simple handout with bullet points that you can walk through or allude to. The goal is to educate your guests about your organization's work. You want them to know what you're doing. You're credible. You're not going away. Their trust would be safe with you.¹

CREATE UNDERSTANDING ABOUT HOW YOUR BOARD OPERATES

A Board Member must be recruited with the knowledge and understanding of their responsibilities.

The responsibility begins with the Nominating Committee to bring candidates that have the qualities and skills the organization is seeking; therefore the organization must have a clear sense of where it is now, where it is going and how it is going to get there. The Nominating Committee should do a profile of each existing board member to see what ages, interest group, professions and skills are represented and where the gaps are, and work to fill those.

A recruitment/orientation session includes:

- Mission statement & By-laws
- Organization chart
- Strategic Plan or goals
- Tour of the organization
- Most recent annual report
- History of organization
- Narrative of services provided
- Financial Reports for a couple of years
- List of duties and committee responsibilities for all Board Members
- List of meeting dates, times and places.
- Any financial expectations (dues, event expenses, assessments)

(After recruitment and orientation, provide new member with Board Roster of addresses and phone numbers, the last six months of Board minutes.)

¹ http://www.benevon.com/resources/model_overview_section3

BOARD AND ADVISORY BOARD CODE OF CONDUCT

Board members must represent the interests of the organization above personal interests, and must not allow membership on other boards or groups to supersede the role of a board member of this organization.

Individual board members should act only as a full board and not unilaterally unless instructed by the full board to do so.

Individual board members should only speak for the full board when the full board has sanctioned their doing so. Typically the board president and the executive director are authorized to speak for the organization. It is not appropriate to speak to the media independently.

Individual board members must support the decisions of the full board in public, even if they disagreed when those decisions were made. Should they feel so strongly about an issue that they feel they must speak out publicly, they must leave the board and work for change from the outside.

Individual board members will keep their hands on the organization, but not in it. This is done through appropriate performance monitoring by the board.

Individual board members will recognize the board's continuing need for ongoing leadership development and play an active role in the process of identifying potential new board members.

Board members must avoid conflict-of-interest situations. Should they or a family member be considered for employment by the organization, they will withdraw from deliberating and voting on that issue. They will also reveal other relationships, interests and holdings which could potentially result in a conflict of interest.

Board Letter of Commitment

I agree to serve on the _____ Board of Directors. As a member of this board,

I commit to act in the best interests of the vision and mission of the organization, and to uphold the values of the organization;

I commit to put the organization's best interests above my own;

I commit to act in accordance with the bylaws and policies of the organization;

I commit to participate in at least one committee;

I commit to prepare for, attend and participate in board meetings (held ____ times per year), special meetings and committee meetings;

I commit to participate in board functions such as special events;

I commit to hold confidential matters in confidence.

I understand that failure to live up to these commitments may result in my removal from the board.

Signed: _____ Date: _____

THE TWELVE BEST PRACTICES OF HIGHLY PERFORMING BOARDS²

1. The board and key agency staff agree on the core values that will guide the agency's mission and implementation.
2. The board plans ahead and pays attention to the strategic direction needed by the agency to insure continuous success and improvement.
3. The board is committed to excellence and is willing to take an appropriate amount of risk to be among the best.
4. The board and the executive director agree on how they will know when the agency is successful and use a key set of data in tracking program and financial performance.
5. They have a clear, complete board job description.
6. The board's membership is appropriate to the agency's mission and core values and includes lots of "boundary spanners."
7. Their members work effectively as a team.
8. Board meetings are spent on the issues that "matter most."
9. The board has an active "board development" committee.
10. There is an annual assessment of their performance.
11. The board is committed to helping chief staff officers succeed.
12. They combine having fun as a group with making a real difference in the community.

² Improving Nonprofit Boards – Board Self-Evaluation Questionnaire, Version I
Seattle University, Executive Masters in Not-for-Profit Leadership Program, 2000