

2023

ELEVATE YOUTH TRAINING SERIES

Dr. Jennifer R. Madden

THE RESEARCH SUGGESTS

2023 ELEVATE YOUTH CAPACITY BUILDING TRAINING SERIES

- July 18th — Nonprofit Management Fundamentals
- July 25th — Fund Development Strategy
- August 8th — Grant Writing Fundamentals
- August 22nd — Management & Leadership Fundamentals
- September 19th — Design Thinking/Human-Centered Design Fundamentals
- October 17th — Design Thinking Techniques
- October 24th — Strategic Planning FUNdamentals



ABOUT ME

Dr. Jennifer R. Madden

Dean, School of Business & Professor of Management
Paul Barber Chair of Design & Innovation
Linfield University

President, Leverage Point Development

Education: Case Western Reserve University
PhD — Weatherhead School of Management
MNO — Master of Nonprofit Management
BA — Economics & American Studies

Certified Fraud Examiner (CFE)

Emotional and Social Competency Inventory (ESCI) Accredited
2022 & 2020 John A. Yankey MNO Outstanding Teacher of the Year

Gifts: *Design Thinker, Strategist, Collaboration Maker, Solution Finder, Bring Ideas to Fruition*

Author: *Inter-Organizational Collaboration by Design (Routledge Critical Studies in Public Management Series)*



Linfield University, McMinnville, OR



IRSPM Conference, Rome, Italy



Farm, Luxor, Egypt



Mkhomazi Wilderness, Lesotho ("Wakanda")



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NONPROFIT MANAGEMENT FUNDAMENTALS

Dr. Jennifer R. Madden

THE RESEARCH SUGGESTS



next steps on the
JOURNEY

- 2. *Fund Development Strategy (7/25)*
- 3. *Grant Writing Fundamentals (8/8)*
- 4. *Management & Leadership Fundamentals (8/22)*
- 5. *Design Thinking/Human-Centered Design Fundamentals (9/19)*
- 6. *Design Thinking Techniques (10/17)*
- 7. *Strategic Planning FUNdamentals (10/24)*



*Nonprofit
Management
Fundamentals
(TODAY!)*

next steps on the

ELEVATE YOUTH CAPACITY BUILDING JOURNEY...



“To Go” Toolbox

- *Sample Board Manual*



Nonprofit Management Fundamentals

- *The Role of Nonprofit Boards*
- *The Role of the Executive Director*
- *Building a Better Board:*
 - *Skill Identification*
 - *Advisory Boards*
 - *On-boarding / Orientation*
 - *Clear Terms of Engagement*
 - *Utilize time effectively*
 - *Effective Committees*
 - *Provide Resources & Support for Board Capacity Building*

AGENDA: STRATEGIC PLANNING FUNDAMENTALS

- A. The Role of Nonprofit Boards
 - Top 10 Responsibilities
 - Basic Board Member Duties
 - Types of Governing Boards
- B. The Role of the Executive Director
- C. Building A Better Board
 - Best Practices
 - Board Development
- D. “To-Go” Toolbox
 - Sample Board Manual

toolbox



Core Concept &
Toolbox Icon



Chat Storm



A

The Role of Nonprofit Boards





NONPROFIT BOARDS

- Many names:
 - Board of Directors
 - Trustees
 - Governing Board
- Same Responsibilities...

10 BASIC BOARD RESPONSIBILITIES (ACROSS 3 ROLES)



► *Role 1: Setting
Organizational Direction*

1. Determine mission and purposes.
2. Ensure effective planning.
3. Build a competent board.

► *Role 2: Ensuring Necessary
Resources*

4. Ensure adequate financial resources.
5. Enhance the organization's public standing.
6. Select the chief executive.
7. Support and evaluate the chief executive.

► *Role 3: Providing Oversight*

8. Monitor and strengthen programs and services.
9. Protect assets and provide financial oversight.
10. Ensure legal and ethical integrity.

10 BASIC BOARD RESPONSIBILITIES (ACROSS 3 ROLES)

► Role 1: Setting Organizational Direction

1. **Determine mission and purposes.** It is the board's responsibility to create and review a statement of mission and purpose that articulates the organization's goals, means, and primary constituents served.
2. **Ensure effective planning.** Boards must actively participate in an overall planning process and assist in implementing and monitoring the plan's goals.
3. **Build a competent board.** All boards have a responsibility to articulate prerequisites for candidates, orient new members, and periodically and comprehensively evaluate its own performance.

10 BASIC BOARD RESPONSIBILITIES (ACROSS 3 ROLES)

► Role 2: Ensuring Necessary Resources

4. **Ensure adequate financial resources.** One of the board's foremost responsibilities is to provide adequate resources for the organization to fulfill its mission.
5. **Enhance the organization's public standing.** The board should clearly articulate the organization's mission, accomplishments, and goals to the public and garner support from the community.
6. **Select the chief executive.** Boards must reach consensus on the chief executive's responsibilities and undertake a careful search to find the most qualified individual for the position.
7. **Support and evaluate the chief executive.** 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.

10 BASIC BOARD RESPONSIBILITIES (ACROSS 3 ROLES)

► Role 3: Providing Oversight

8. **Monitor and strengthen programs and services.** The board's responsibility is to determine which programs are consistent with the organization's mission, and to monitor their effectiveness.
9. **Protect assets and provide financial oversight.** The board must assist in developing the annual budget and ensuring that proper financial controls and risk management policies are in place and operational.
10. **Ensure legal and ethical integrity.** The board is ultimately responsible for adherence to legal standards and ethical norms.

10 BASIC BOARD RESPONSIBILITIES (ACROSS 3 ROLES)

Where are the board strengths and pain points?



► *Role 1: Setting Organizational Direction*

1. Determine mission and purposes.
2. Ensure effective planning.
3. Build a competent board.

► *Role 2: Ensuring Necessary Resources*

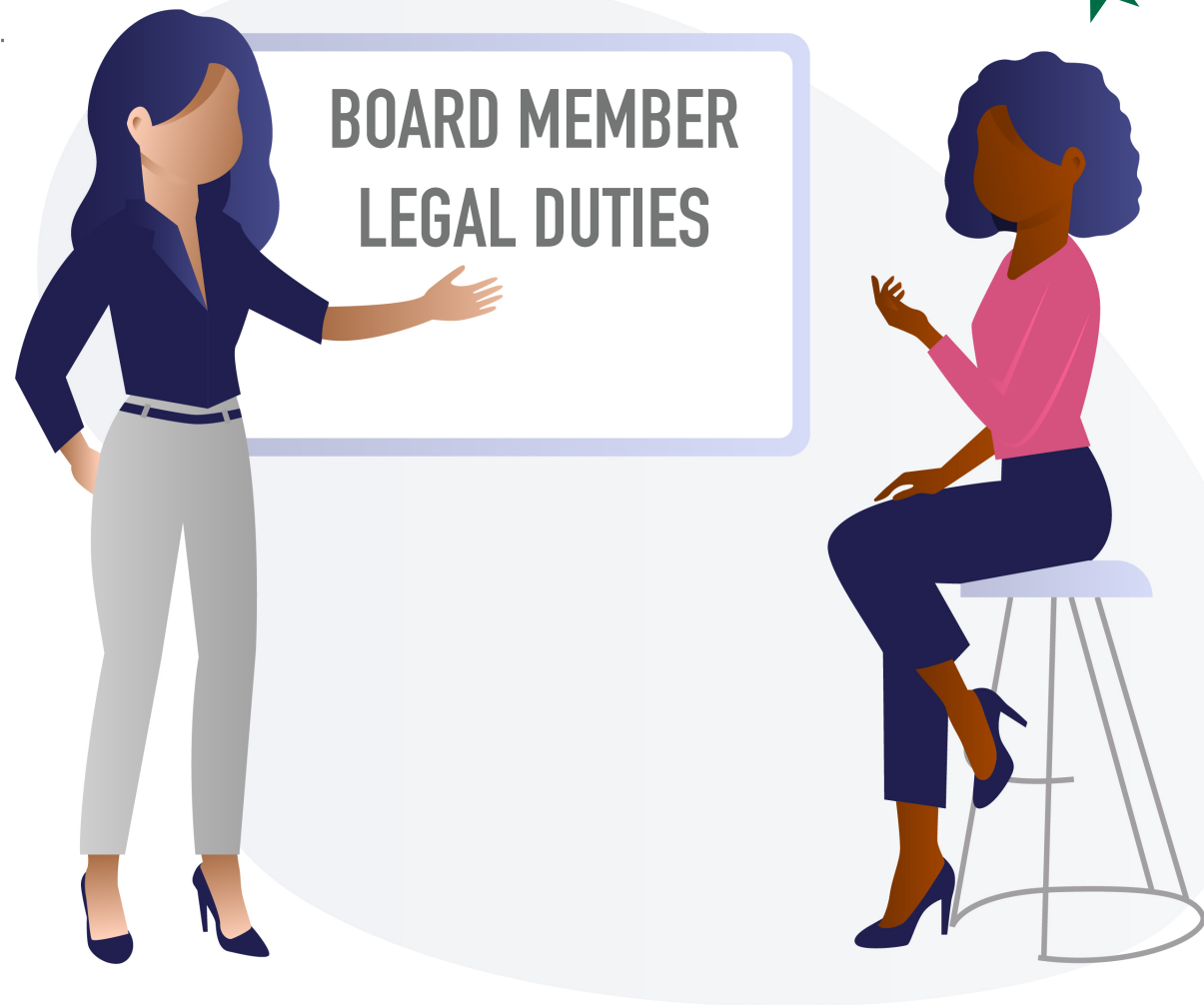
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5. Enhance the organization's public standing.
6. Select the chief executive.
7. Support and evaluate the chief executive.

► *Role 3: Providing Oversight*

8. Monitor and strengthen programs and services.
9. Protect assets and provide financial oversight.
10. Ensure legal and ethical integrity.

BASIC BOARD MEMBER DUTIES

- Legal Responsibilities
 - Internal Revenue Service (IRS) Form 990
- Exercise due diligence (“Duty of Care”)
- Interests of the nonprofit comes first (“Duty of Loyalty”)
- Ensure compliance of laws and mission (“Duty of Obedience”)





TYPES OF GOVERNING BOARDS

- Elected
- Self-Perpetuating
- Appointed
- Hybrid
- Notable
- Advisory Councils

ELECTED BOARDS

- Common in member-serving and advocacy organizations
- Elected by the membership
- Terms may be brief
- Skills may be uneven



SELF-PERPETUATING BOARDS

- New members selected by existing members
- Founding board members
- Create a relatively stable situation
- Need to maintain a variety of skills and diversity



APPOINTED BOARDS

- A model for public organizations
- Members selected through appointment
- May serve as ex officio
- May lack the commitment

Ex officio board members are not necessarily elected or appointed, rather they agree to serve in position because the organization needs their expertise or influence in that position.



HYBRID BOARDS

- Hybrid boards — include mix of selection methods



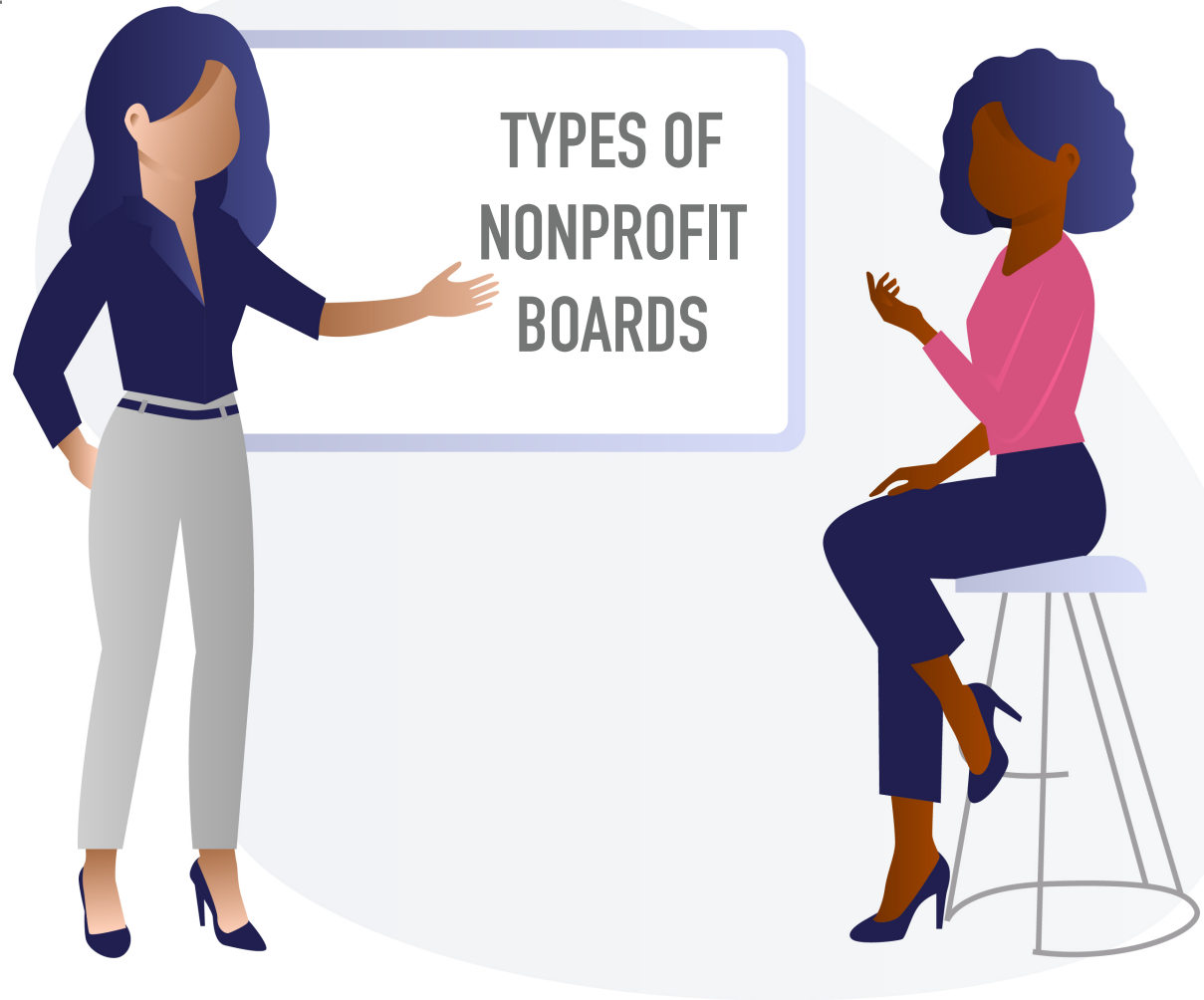
ADVISORY COUNCILS

- Have no legal responsibility
- Parameters set by guidelines
- May or may not be established in bylaws
- Provide technical assistance/expertise
- Serve as advocates



WHAT TYPE OF GOVERNING BOARD DOES YOUR ORGANIZATION HAVE?

- Elected
- Self-Perpetuating
- Appointed
- Hybrid



**TYPES OF
NONPROFIT
BOARDS**



QUESTIONS?



B

The Role of the Executive Director



MOYERS 10 CEO/ED RESPONSIBILITIES

- 1. Commit to the mission
- 2. Lead the staff and manage the organization
- 3. Exercise responsible financial stewardship
- 4. Lead and manage fundraising
- 5. Follow the highest ethical standards, ensure accountability, and comply with the law
- 6. Engage the board in planning and lead implementation
- 7. Develop future leadership
- 8. Build external relationships and serve as an advocate
- 9. Ensure the quality and effectiveness of programs
- 10. Support the board

Source: Moyers, R. (2013) Boardsource. Cited in: Worth, M.J. (2019). Nonprofit Management: Principles and practice (5th ed.). CQ Press, pp. 243-244.

THE BOARD & THE CHIEF EXECUTIVE OFFICER

- Who leads the organization?
 - Extreme scenario 1
 - CEO manipulates the board, orchestrates board meetings, and relegates the board to the role of a rubber stamp for his or her initiatives
 - Extreme scenario 2
 - Board micromanages the organization and usurps the authority of the CEO





THE BOARD & THE CHIEF EXECUTIVE OFFICER

- Partnership between the board and the CEO as ideal
- Different views on exactly how this partnership should be constructed and operated

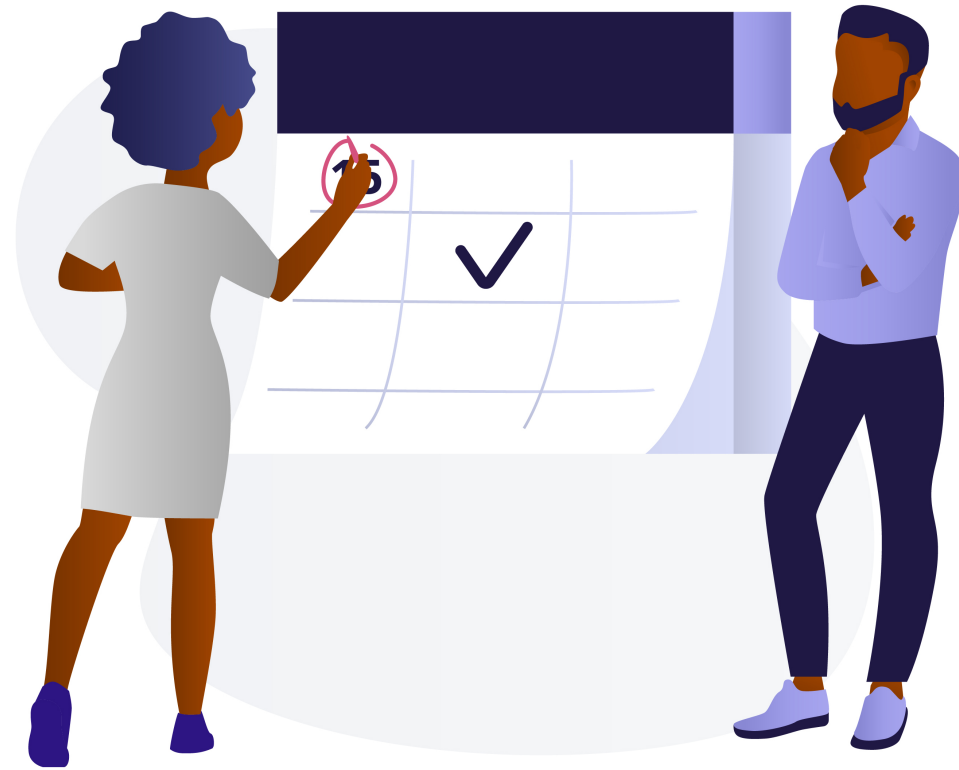
THE BOARD & THE CHIEF EXECUTIVE OFFICER

- Establish a clear line between the board's responsibility for policy making and the executive's responsibility for implementation
- Board and staff relationship
- Process of governance





QUESTIONS?



C

Building a Better Board



NONPROFIT BOARD EFFECTIVENESS BEST PRACTICES

- Responsive
- Partnerships
- Mission driven
- Strategic thinking
- Culture of inquiry
- Independent-mindedness
- Transparency
- Commitment
- Integrity
- Sustaining resources
- Results-oriented
- Intentional board practices
- Continuous learning
- Revitalization

TYPE OF FOCUS BOARDS WANT TO DEVELOP

- ✓ Working board
- ✓ Board for credibility
- ✓ Board with relevant experience
 - Board to safeguard the organization mission
 - Fundraising board
 - High-Performing board



WORKING BOARDS

- ▶ Hands-on roles by volunteers
 - ▶ Raise and manage funds
 - ▶ Make program decisions

BOARD DEVELOPMENT: SKILL IDENTIFICATION

- ▶ Clearly identify the skills your board members have in order to reveal the skills you need...
 - ▶ What are the long term goals of your organization?
 - ▶ What are the skills you need to achieve those goals?
- ▶ What's missing?

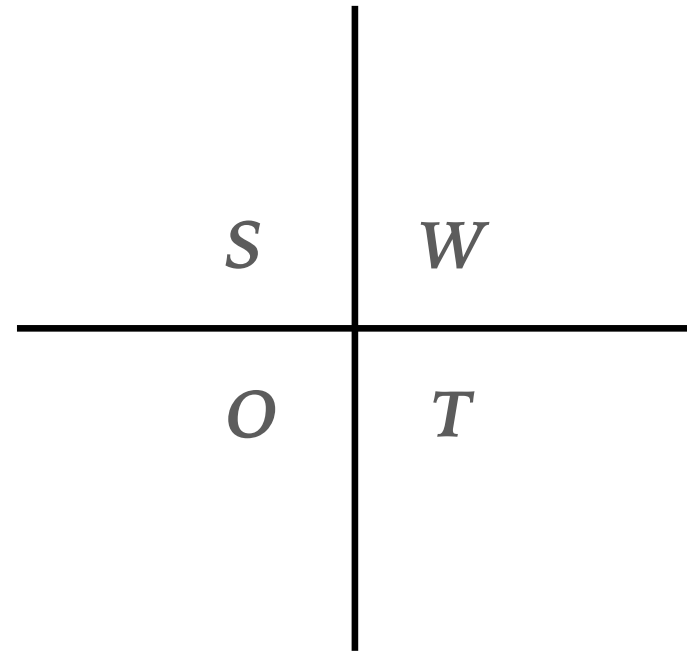
- ▶ **Pro Tips:**
 - ▶ Create a Board Matrix
 - ▶ Personal Skills Assessment (via SWOT Analysis)

BOARD MATRIX EXAMPLE

Industry knowledge / experience	Director A	Director B	Director C	Director D	Director E	Director F	Director G	Director H
Industry experience								
Knowledge of sector								
Knowledge of broad public policy direction								
Understanding of government legislation / legislative process								
Technical skills / experience	Director A	Director B	Director C	Director D	Director E	Director F	Director G	Director H
Accounting								
Finance								
Law								
Marketing experience								
Information technology								
Public relations								
Experience in developing and implementing risk management systems								
Human resource management								
CEO / senior management experience								
Strategy development and implementation								

★ PERSONAL SWOT ANALYSIS

- ▶ Vision
- ▶ SWOT
 - ▶ Strengths & Weaknesses
 - ▶ Opportunities & Threats



BOARD DEVELOPMENT: ADVISORY BOARDS

- Have no legal responsibility
 - Parameters set by guidelines
 - May or may not be established in bylaws
 - Provide technical assistance/expertise
 - Serve as advocates
 - Can serve on committees
-
- **Pro Tip:** Advisory board is a wonderful pool for possible board member recruitment and sustaining prior board of director involvement

BOARD DEVELOPMENT: ON-BOARDING / ORIENTATION

- Once elected, acquaint new board members with:
 - Other board members, board culture, and governing rules
 - Staff responsibilities and accomplishments
 - The organization's programs, sites, and budget
 - Orient new directors with a Board Mentor

- **Pro Tips:**
 - Create a Board Manual
 - Board Commitment Form

(Name of Organization)

**Sample
Board Member Commitment Form**

The Board of Directors exists to secure and promote the financial, legal and ethical well being of the organization and to ensure that it fulfills its mission.

As a member of the Board of Directors of [name of nonprofit], I understand that I have a *duty of care* to always work in the best interests of the organization, a *duty of loyalty* to put the good of the organization first and avoid any conflicts of interest and a *duty of obedience* to be faithful to the central goals of the organization and follow its governing documents.

In furtherance of these commitments and responsibilities I will put forth my best individual effort to:

- Attend, fully prepare for, and diligently participate in board meetings, committee meetings and special events.
- Make an annual personal financial contribution at a level that is commensurate with my financial means.
- Actively participate in helping to develop resources for the organization.
- Act in the best interests of the organization, and excuse myself from discussions and votes where I have a conflict of interest.
- Strive to keep abreast of trends, issues, and current developments that may affect the organization.
- Stay informed about what is going on in the organization, asking questions and requesting information as needed. I will participate in and take responsibility for making decisions on issues, policies and other board matters.
- Actively voice my opinions and concerns, and open-mindedly consider everyone else's opinions and concerns, in all board decision making. I will trust that we all share a constant passion for this organization's mission.
- Exercise my authority as a board member only when acting in a meeting with the full board or when appointed by the board.
- Represent the organization in a positive and supportive manner at all times.
- Bring a sense of humor and active listening to my participation in meetings.

- Work collaboratively with staff and other board members as partners toward achievement of our goals.
- Strictly maintain the confidentiality of all privileged or sensitive information provided to me to safeguard the organization's reputation and integrity, as well as the privacy rights of individuals and donors connected with the organization and the Board. I accept this principle as one that should survive my period of board service.

If I do not fulfill these commitments to the organization, I will expect the board chair to discuss my responsibilities with me.

.....

In turn, I expect the organization to be responsible to me in the following ways:

- Providing me with regular financial reports and analyses and updates on significant organizational and personnel activities.
- Providing me with opportunities to discuss important organizational issues with the board chair and executive director as appropriate.
- Offering me opportunities for professional development as a board member.
- The staff and board members will respond in a straightforward fashion to questions that I feel are necessary to carry out my responsibilities to this organization. Board members and staff will work with me in good faith toward achievement of our goals.

If the organization does not fulfill its commitments to me, I can call on the board chair to discuss the organization's responsibilities.

I certify by my signature that I understand the foregoing expectations that accompany my board service and will do my best to live up to them as a member of the Board of Directors of (Name of Organization).

Name

Signature

Date

Note: Subsequent to its adoption by the Board of Directors, this Statement will be provided to all continuing and prospective Directors-nominees as appropriate.



BOARD MEMBER COMMITMENT: EXPECTATIONS FROM BOARD MEMBER

1. ATTENDANCE. Attend, fully prepare for, and diligently participate in board meetings, committee meetings and special events.
2. CONTRIBUTION. Make an annual personal financial contribution at a level that is commensurate with my financial means.
3. PARTICIPATION. Actively participate in helping to develop resources for the organization.
4. NONPROFIT FIRST. Act in the best interests of the organization, and excused from discussions and votes where there is a conflict of interest.
5. KNOWLEDGEABLE. Strive to keep aware of trends, issues, and current developments that may affect the organization.
6. INFORMED. Stay informed about what is going on in the organization, asking questions and requesting information as needed. Participate in and take responsibility for making decisions on issues, policies and other board matters.



BOARD MEMBER COMMITMENT: EXPECTATIONS FROM BOARD MEMBER

7. VOICE. Actively voice opinions and concerns, and open-mindedly consider other opinions and concerns. Share a constant passion for mission.
8. AUTHORITY. Exercise authority as a board member only when acting in a meeting with the full board or when appointed by the board.
9. REPRESENTATION. Always represent the organization in a positive and supportive manner.
10. LISTENING. Bring a sense of humor and active listening to my participation in meetings.
11. COLLABORATION. Work collaboratively with staff and other board members as partners toward achievement of goals.
12. CONFIDENTIALITY. Strictly maintain the confidentiality of all privileged or sensitive information provided to safeguard the organization's reputation and integrity, as well as the privacy rights of individuals and donors connected with the organization and the Board.

BOARD MEMBER COMMITMENT: EXPECTATIONS FROM NONPROFIT ORGANIZATION



- Provided with regular financial reports and analyses and updates on significant organizational and personnel activities.
- Provided with opportunities to discuss important organizational issues with the board chair and executive leadership as appropriate.
- Opportunities for professional development as a board member.
- The staff and board members will respond in a straightforward fashion to questions that are necessary to carry out responsibilities to this organization.

BOARD DEVELOPMENT: TERMS OF ENGAGEMENT

- Board Recruitment
- Bylaws provide guidance
- Set up clear terms of engagement for your board members
 - Term Expectations
 - Officer Positions
 - Minimum Contribution or Give/Get Policy
 - Mandatory committee participation and board meeting attendance
- **Pro Tips:**
 - Establish a policy where 100% of the Board contributes to the organization and mandatory meeting attendance

BOARD DEVELOPMENT: UTILIZE TIME EFFECTIVELY

- Provide detailed reports ahead of time
- Use a committee structure to do work outside the board meeting
- Send all committee minutes and reports at least 1 week ahead of the board meeting
- Annual retreat

- **Pro Tip:** Make productive use of board members time through robust committees



BOARD COMMITTEES ARE ESSENTIAL

BEST PRACTICES: STRATEGIES FOR EFFECTIVE COMMITTEES

- Identify Important Committees
- Elect/Select Committee Chairs
- Meet Monthly
- Agenda and work of the Board of Directors is driven by the Committees
- Committee reporting prepared and board engagement for meetings
- Committee members must commit to being responsive and active in the work
- Committees can identify other supporters (outside of the board members) to participate on committee work (board members attend board meetings)

BOARD DEVELOPMENT: PROVIDE RESOURCES & SUPPORT

- ▶ Ensure Board members have access to relevant information that they understand
- ▶ Offer board members opportunities for growth (e.g., trainings, networking)
- ▶ Ensure financial reporting is meaningful to the board

- ▶ **Pro Tip:** Free Resources are Available
 - ▶ <https://www.nonprofitready.org/>
 - ▶ <https://learning.candid.org/>
 - ▶ <https://www.propelnonprofits.org/>
 - ▶ <https://www.councilofnonprofits.org/>
 - ▶ <https://publiccounsel.org/>

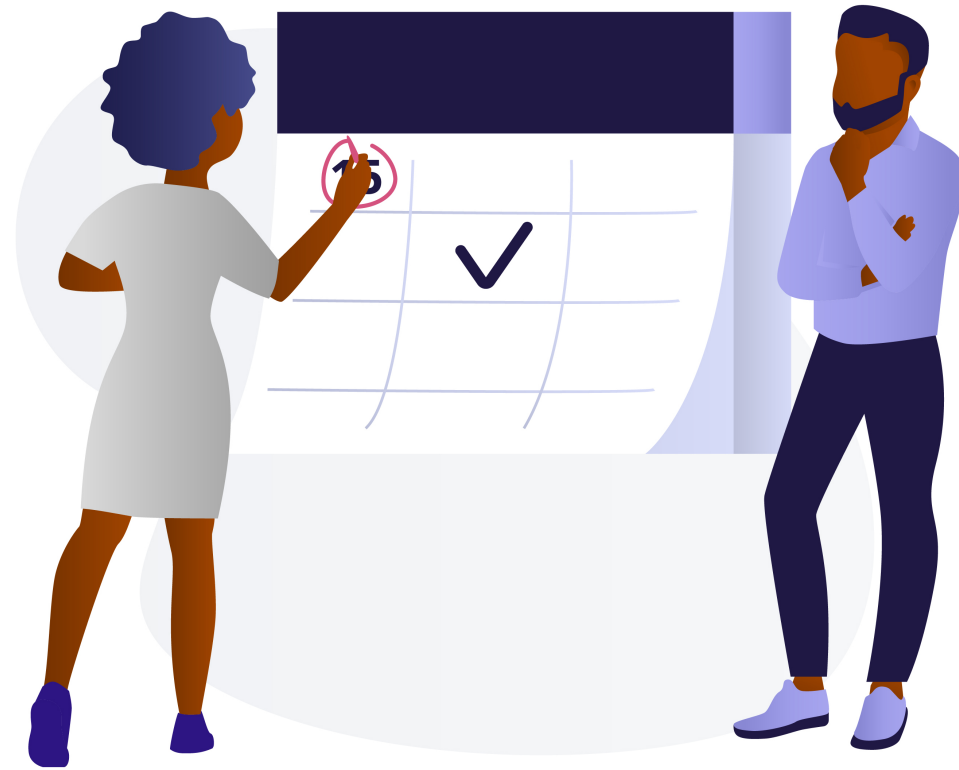
WHY THIS WORK IS SO IMPORTANT RIGHT NOW?

- Boards can add significant value to nonprofit organizations.
- Highly effective organizations with the greatest mission impact require high-performing boards.





QUESTIONS?





ACTION STEPS:

TO DO NEXT 3 DAYS

TO DO NEXT 3 WEEKS

TO DO NEXT 3 MONTHS



D

Sample
Board
Manual

toolbox





Next in the Capacity Building Training Series

Tuesdays 10:00 AM to Noon

July 25th — Fund Development Strategy

**August 8th — Grant Writing Fundamentals*

August 22nd — Management & Leadership Fundamentals

September 19th — Design Thinking/Human-Centered Design Fundamentals

October 17th — Design Thinking Techniques

October 24th — Strategic Planning FUNdamentals

*(*1:00 pm to 3:00 pm)*



Thank You!
Dr. Jennifer R. Madden

