



TO: Patrice Todisco, Interim Executive Director, Freedom's Way Heritage Association, Inc.
Meg Bagdonas, Board President, Freedom's Way Heritage Association, Inc.

FROM: Ellen Greenberg, MSOD, The Nonprofit Center

RE: Follow-up to our session on May 13, 2014

DATE: May 19, 2014

It was a pleasure to present the session on a nonprofit board's roles and responsibilities. I hope that the information shared will prove helpful in moving the board of the Freedom's Way Heritage Association and the organization, forward on a stronger footing.

I am following-up with what I saw and heard at our session and read in the materials I reviewed in advance of the session as needing particular attention by the Board. Obviously, it is the Board's responsibility to continue that work and leverage the interest and commitment of the group to move the work forward.

Before I get to my list, however, I want to remind you of something I mentioned during our time together. We at The Nonprofit Center operate from a platform of best practices: when we talk to a board about its roles and responsibilities, we are speaking about what are best practices in board governance. Obviously, it is each individual board's decision to determine where it wants to be, *and where it has the resources to be*, on the continuum of good, better, best practices. But the board needs to have itself and the organization somewhere on that continuum. Utilizing the work done in the latter part of the day related to areas of focus and planning next steps will move you further along on that continuum.

Here is my list of what I see as needing your attention, in no particular order.

- Policies
 - Remember that an organization's **bylaws** are a key policy that guide a board and by which a board *must* abide. As I mentioned in the session, these should be reviewed on a regular and periodic basis. You might want to consider removing or starting to adhere to the policies that are currently in your by-laws but not followed through with in practice.
 - While I did see **conflict of interest** policy in your by-laws. Consider reviewing the conflict of interest policy now (the Board Best Practices manual has sample documents that you could use as a guide), and then make plans to review, revise (as needed), and enforce your conflict of interest policy yearly, ensuring that every board member is able to honor his/her legal and fiduciary responsibilities, putting the best interests of the organization ahead of all others and not serving to protect his/her own interests.
 - As discussed, another area to consider is the creation of a **succession plan**, both for board members and for the President/CEO of the organization.

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- And, in order to continuously evaluate how the board and the President/CEO are performing, consider **creating evaluation processes** both for the board and for the President/CEO. Have a clear and comprehensive process for this review that is agreed to by the board, the President/CEO, and that is known by the full board and the results of which are shared with the full board.
- Finance/Revenue
 - As discussed, it's always a good idea to identify what **financial information** the Board needs and in what form so that it is able to perform the necessary financial oversight of the organization. Once the content and form have been established, be sure that all members of the Board understand how to make sense of the data. And, since you have people on the board who are well versed in the financial information required, consider working with them to create an opportunity for other board members to build their skills. Going forward, make financial education a regular part of orientation for all new board members. And, as the organization grows and its financials become more complex than they are now, revisit this conversation as needed.
 - Related to the point above, the board should find a mechanism, within the time constraints required, to formally review and approve the **annual 990 form**.
 - In the conversation about finances and sustainability, I mentioned the importance of having a **diversified and balanced income strategy** using the four sources of income that we discussed—foundations, corporations, individuals, and earned. This is the path to long-term sustainability for the organization. I recommend that this too is an area that can be addressed as part of a strategic planning process.
 - Related to executing fiduciary responsibilities, as mentioned, a best practice is to have 100% of the board making a **financial contribution** to the organization. Consider creating a policy that requires everyone to contribute something (perhaps a sliding scale that allows people to give what they feel they can afford or, as we discussed, a “give or get” policy).
 - Something to consider, is to get all board members to **execute their other individual fundraising responsibility**. It is important that the Board work to create a culture of philanthropy that encourages every board member to participate in cultivating donors and, ultimately, raising money. Board members must understand the *why* of fundraising so that they can become engaged in fundraising. Understanding that the bulk of fundraising activity is *not* asking individuals for money but is cultivating relationships and deepening donors' loyalty to the mission goes a long way in helping board members take on this all important responsibility. And, of course, giving people the tools and support to do so is equally important.
- Governance
 - Going forward, be sure to **strategically build the board**. Determine what you need on the board in order to ensure that there is the right array of “assets” on the board to accomplish your on-going and strategic goals. Consider creating your own **board profile** (sample in the back of the workbook) to help in this strategic recruitment process. Once you have done your gap analysis, think creatively and strategically as to where best to find candidates. Then, be honest--warts and all--in explaining the organization to candidates.
 - A **strong committee structure** serves a board well by making it more efficient and effective. Here are a few suggestions to move towards a more efficient and effective board. Identify those areas of *on-going governance work* where a committee is truly needed. Then populate each committee *strategically* (akin to building the board strategically), with both board **and** non-board members. Carefully and intentionally select the right person to chair. Make sure that each committee has a clear charge, an annual schedule of meeting times,

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- annual goals, and is held accountable for its work. Remember: the goal is to have each board member serving as a working member of only one committee so that all are available to assist the committees that do fundraising and board development.
- Create a solid **orientation program** for new board members, remembering that a good orientation program educates a new board member about both the organization *and* the job of being a board member.
 - As mentioned, continue to focus on how you can further use your **board meetings** to do the real work of a board rather than as an opportunity to collect data. I recommend that you continue to shift the structure of your meetings to discuss the implications of data presented, to address strategic issues, challenges and successes that the data reveal. When you distribute reports in advance of a board meeting in a timely manner, board members can read them and then come to the board meeting to discuss the strategic questions the data raise. The agenda can then be a series of strategic questions.
 - As the Management Plan moves forward, seriously consider engaging in a comprehensive **strategic planning process** that moves beyond yearly plans/goals/objectives. And as mentioned, you can use this as an opportunity to review your current mission statement and determine whether or not the current mission statement needs to be revised to accurately reflect the direction in which the board sees the organization heading.
 - In addition to what we talked about regarding holding **strategic meetings**, and this is something I did not mention during our time together, you could include in your board meetings “mission moments.” A mission moment is a five minute, at most, “story” of what a board member did since the last board meeting that shared the mission, in any way, with another person not already part of Freedom’s Way Heritage Association’ community. A board member, or two, can be assigned for each board meeting or folks can simply volunteer to “share” at a board meeting. Mission moments accomplish several things; they: encourage people to be an ambassador; help board members practice their talking points; keep the mission alive in between board meetings; and remind board members that their job as board member doesn’t just happen at board meetings but is a 24/7 position.

This list may seem long, but most items on the list are easier rather than harder to accomplish, so I encourage you not to be overwhelmed. And the list may get longer—or shorter—as you add the items from your lists. Do not expect any of this to happen overnight. But at the same time, don’t let this stop you from starting and moving forward. With the right people and commitment at the table, this is all doable. Slow and steady will win this race!

Naturally, if The Nonprofit Center or I can be of any assistance to you as you move on any of the above items, or anything else as you move forward, please do not hesitate to call.

Please let me know if you have any questions.

Sincerely,
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