

# BOARD ROLES & GOALS

for Associations - Chambers - Nonprofits

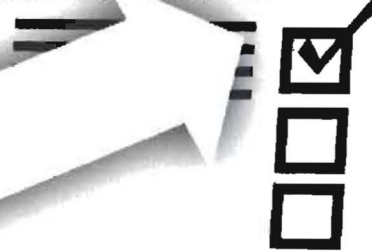
The Responsibilities  
of Volunteer Leaders

Setting Strategic  
Direction and Goals

## GOALS



## BENCHMARKS



Guide for effective  
Association, Chamber  
and Non-Profit governance

**RCH CAE**  
Robert CHarris, CAE

# Leadership Resources – 2010 - 11

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## Pre-Session Leader Quiz

### 1. Our Mission Statement

- ☐ I can state it from memory.
- ☐ It needs to be updated.
- ☐ Does it really matter?

### IRS Designation?

501(c)(3) ☐

501(c)(6) ☐

Other \_\_\_\_\_

### 2. Finances

- ☐ I know the size of our budget to within: \$500\_\_ \$5,000\_\_ \$50,000\_\_ \$500,000\_\_
- ☐ I know how much we have in reserve-savings. Yes\_\_ No\_\_ \$\_\_\_\_\_
- ☐ I know our budget's largest revenue streams.
- ☐ Ratio of budget income: dues \_\_ % *versus* non-dues \_\_% (=100%)

2a. **Antitrust** is a worry for the big guys only? ☐ Yes ☐ No ☐ Duh?

### 3. Board Staff Distinction

- ☐ The board has one employee.
- ☐ The board has multiple employees whom we evaluate and assign bonuses.
- ☐ Micromanagement seems natural and we should oversee the office.
- ☐ The CPA/Attorney works for: the board ☐ the CEO ☐.

### 4. Membership Market Penetration

- ☐ I'm satisfied with the percentage of members we have compared to the total market potential of prospects: Yes\_\_ No\_\_
- Our membership represents % of the prospects: About: 25%\_\_ 50%\_\_ 75+%\_\_

### 5. Member Benefits and Services

- ☐ The benefits and services are relevant and offer high return on investment (ROI)
- ☐ Our "golden handcuff" benefit is: \_\_\_\_\_

### 6. To Protect the Organization we Have:

- ☐ CPA to conduct independent financial: Audit ☐ Review ☐ Compilation ☐
- ☐ Rely on the governments' "volunteer immunity" statute (Who needs insurance?)
- ☐ Insurance: D & O ☐ General Liability ☐ \$ Bond ☐ Meeting Cancellation
- ☐ Have legal counsel available.

### 7. What are your **top 3 goals** during your term of office?

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# Scrutiny on NonProfit Organizations

## IRS Policy Focus

In 2009 the IRS redesigned *Form 990 – Return of Organization Exempt from Income Tax*. The form includes a focus on policies.

### Refresher on Policies

The purpose of a policy is to interpret the broader governing documents: the bylaws, articles of incorporation and purpose statement. The board adopts policy as motions recorded in the meeting minutes.

The policies are transcribed from the minutes so they can be archived and referenced in the organization's policy manual. They represent the wisdom of current board to be passed along to successive volunteer leaders.

Policy	Actual Question	Recommendation
<b>Record Retention</b> (Part VI, Sect B, 14)	Does the organization have a written document retention and destruction policy?	Ideally, contact a CPA <i>and</i> attorney for record retention schedules. Carefully review it and add documents particular to the organization, for instance, continuing education records or grievance files. (Be sure to consider state requirements in addition to federal.)
<b>Whistleblower</b> (Part VI, Sect B, 13)	Does the organization have a written whistleblower policy?	Adopt a policy that encourages staff and volunteers to come forward with credible information on illegal practices, without retribution. The statement may also be included in a personnel manual.
<b>Conflicts of Interest</b> (Part VI, Sect B, 12)	Does the organization have a written conflict of interest policy? If yes, are the officers, directors or trustees, and key employees, required to disclose annually interests that could give rise to conflicts? Does the organization regularly and consistently monitor and enforce compliance with the policy? If yes, ... how is this done?	Board should discuss the concept of conflicts of interest, how to give notice to leaders and its application through the year. The discussion should result in a COI policy applicable to volunteer leaders and staff. Some organizations ask at every board member while reviewing the agenda if any director has a conflict of interest to disclose.



<b>Policy</b>	<b>Actual Question</b>	<b>Recommendation</b>
<b>Audit and Audit Committee</b> (Part XI, 2)	Were the organization's financial statements audited by an independent accountant? If yes, does the organization have a committee that assumes responsibility for the oversight of the audit, review or compilation ... and its selection of an independent accountant?	Seemingly broad enough to allow for a choice of an audit, review or compilation. Indicates need for a subgroup of the board to serve as the audit committee. A policy might indicate that the "finance committee also serves as the audit committee," especially in organizations with limited volunteers.
<b>Meeting Minutes</b> (Part VI, Sect A, 8)	Does the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: (a) the governing body; (b) each committee with authority to act on behalf of the governing body?	While most organizations are careful to record appropriate board meeting minutes, this IRS question may expand a policy so that committees must keep minutes.
<b>Public Records</b> (Part VI, Sect C, 18)	IRS Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990 and 990-T (501c3s only) available for public inspection. Indicate how you make these available. Describe in Section O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.	This question promotes transparency and public awareness. The board should consider what is required to be public (distinguished from what should be treated with confidentiality) and establish policy and processes for compliance.
<b>Compensation</b> (Part VI, Sect B, 15)	Did the process of determining compensation of the following persons [for CEO, Executive Director, or top management official] include a review and approval by independent persons, comparability data and contemporaneous substantiation of the deliberation and decision?	To ensure that compensation is comparable to other nonprofit organizations in the region --- and commensurate with the mission and goals of the organization --- many organizations turn to their national and state society of association executives or chamber executives.

## 7 Errors in Developing Policies

Avoid these errors as the board delves into policy development.

1. **Amending the Bylaws** – Don't be swayed by the volunteer who says, "We need to get that in our bylaws." Let the bylaws remain as a broad governing document; the policies should interpret the bylaws but not be included in them.
2. **Conflicting Documents** - Policies should not conflict with the existing governing documents. View policies as the wisdom of the board in interpreting the bylaws and articles.
3. **Asking the Board to Approve Dozens of Policies** – It can be a mistake to ask the board to sit for hours to review and adopt policies. Assign policies to a committee or staff to review and make recommendations. The board makes the final motion and adoption. Hint: Let policy discussions arise naturally, for example the audit policy may occur when the budget is approved and the line item to fund an audit, review or compilation is discussed.
4. **The Minutes Archival System** – Some executive directors say, "We don't have a policy manual but I can tell you exactly when it was adopted." After meetings or annually, transcribe policies into a manual. Hint: When transferring the policy, reference the date of the meeting in which it was adopted or amended.
5. **Environmental Scan** – Your board is not the first to discuss a conflict of interest policy. Conduct an environmental scan of other associations to determine what they adopted; rely on the resources at ASAE, ACCE, NCNA and their local organizations; and utilize legal and accounting counsel.
6. **Policy Mania** – A good number of policies in a nonprofit is 25 to 50. If the organization has a manual exceeding 100s of statements, or is out-of-date, consider a sunset review. Appoint a task force to review and recommend policies to add or delete.
7. **It Doesn't End with Policy** – Nearly every policy results in *procedures*. For instance, a policy on conflicts of interest will result in the need for procedures to educate the board annually, create and distribute a disclosure form, and to properly record conflicts in the minutes.

# # #

Bob Harris, CAE, offers free nonprofit templates and tips at [www.nonprofitcenter.com](http://www.nonprofitcenter.com). He's been called the Martha Stuart of association management for developing and sharing best-practices.

## Roles and Responsibilities

Board members have significant responsibilities for guiding and governing the organization. Their role is significantly different from that of administrative staff. In recent years, there is more scrutiny on boards of directors to make sure they are fulfilling duties.



**"I didn't say anything during the meeting,  
but I don't agree with the rest of the Board  
on this issue."**

## Purpose of the Board

Directors should know the “big picture” of the board’s major functions. Most organizations rely on the board to fulfill **four fundamental roles**. (These roles vary significantly from the functions of the executive directors and management staff.)

**Governance** – Through the authority granted in the articles of incorporation and bylaws, the board is responsible for governing the organization.

Governance is a broad oversight and is not considered a function of management or administration (staff roles.)

**Policy and Position Development** – The board reviews and develops policy and positions that will guide the organization and its stakeholders. *Policies* are adopted for the recurring and critical issues that arise, in the form of a motion, to guide future boards and staff. *Positions* tend to relate to governmental platforms.



**Visionary** – The board sets the course for the organization well into the future. Though a director may term limitations in the sense of number of years or number of terms, there is a need to think beyond one’s term in order to guide the organization and the community it represents. Evidence of being visionary is a reliance on the strategic plan, including a clear mission and vision.

**Fiduciary** – The fiduciary duty is a relationship of confidence or trust between two or more parties. The board has responsibility to protect the organization and its resources.

IRS Official Definitions	
Governing Body	Executive Director
The group of persons authorized under state law to make governance decisions on behalf of the organization and its shareholders or members.	The person who has ultimate responsibility for implementing the decisions of the governing body.

### Board, Staff or Committee Function?

Who is Responsible?	Board	CEO/Staff	Committee
1. Approve the annual budget.	✓		
2. Make staff hiring decisions for other than the Exec. Dir.		✓	
3. Develop (review) programs or services.		✓	✓
4. Assess the performance of the board			
5. Encourage and enforce board accountability.			
6. Assess the performance of the executive director.			
7. Approve the 990 tax report for submission to the IRS.			
8. Establish policies.			
9. Set the agenda for the Board meetings.			
10. Monitor income and expenses on a daily basis.			
11. Select the auditor/CPA.			
12. Revise the organization's mission statement.			
13. Exercise fiduciary oversight of the organization.			
14. Identify, recruit and select new Board members.			
15. Create a fundraising plan.			
16. Create a strategic plan.			
17. Create a business plan of action.			
18. Engage in day-to-day management of the organization.			
19. Create organization positions and resolutions.			
20. Create organization procedures.			
21. Renew insurance coverages.			
22. Budget for staff education.			
23. Identify future volunteer leaders.			
24. Appoint committees.			

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## The Governing Documents (4)

What are my “governing documents?” There are four that create the framework for a nonprofit organization.

Board members should be asked to read the governing documents. The corporate concept of “duty of obedience” requires adherence to these documents.

### Mission Statement

The mission statement --- or statement of purpose --- is the single most important governing document. It is the justification for the IRS issuing tax-exempt status to the organization.

The mission statement guides the board and staff, and informs members, prospects and other organizations as to the reason for your existence. A mission statement is generally reviewed and updated when the strategic plan is developed. The trend is for a short, memorable statement that identifies the organization, the membership it serves, and what it offers.

### Articles of Incorporation

The articles of incorporation (sometimes referred to as the charter or constitution) are the primary rules governing the management of a corporation, and are filed with a state or other regulatory agency. State legislatures may amend the law periodically; thus staff must monitor changes to state corporate law.

### Bylaws

A bylaw is a rule governing the internal management of the organization. Bylaws cannot supercede local, state or federal laws.

#### Duty of Obedience

requires the board to act in accordance with the organization's rules and policies, and in furtherance of its goals as stated in the mission statement, articles of incorporation and bylaws.

#### Relationship of the Governing Documents

*Each organizational document has a specific relationship to a governing or membership body.*

Statement of Purpose  
(Mission Statement) > IRS

Articles > State

Bylaws > The Membership

Policies > Interpretation of all the Above

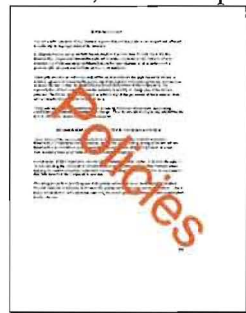


The founding directors draft the initial bylaws under the authority of its articles of incorporation. Bylaws generally cover topics such as membership categories, how directors are elected, how meetings are conducted, standing committees, and descriptions of responsibilities.

The general membership typically must ratify amendments to the bylaws. The IRS requires that amendments to the governing documents be submitted annually (use Form 990.)

**Policies**

A policy interprets the governing documents and is usually maintained in the form of a policy manual; for example, a policy on investing the organization’s savings. The policy development process includes the identification of recurring issues and the best alternatives selected by the board.



Policies can be adopted or changed by the board without involving the general membership. The authority and rationale for policies are always found in the meeting minutes. Consider policies as the *wisdom* of the board passed on to future leaders and staff.

In closing, these four governing documents should be in a format that are easily read and understood by the board so that they may fulfil their responsibilities.

# # #

**Create a Leadership Manual**

**What documents you expect to review in the board’s leadership manual or on-site “board room.”**

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# The Governing Documents

## Hierarchy of Governing Documents

Guide to the hierarchy, origin, purpose and application of the seven governing documents for exempt organizations in the USA. Listed in order of hierarchy. *Be sure to rely on authorities for counsel, including the IRS, the state Division of Corporations, legal, accounting and insurance professionals.*

Document	Linkage	Source and Purpose
<b>Mission Statement</b>	Federal Gov't.	A brief statement of the purpose of an organization. The mission statement guides the actions of the organization, spells out its overall purpose, provides a sense of direction and guides decision making. Mission statements often answer three questions. (1) Who are we, (2) whom do we serve, (3) what do we offer? The IRS requires submission of the <b>statement of purpose</b> for all <b>exempt organizations</b> on <b>Form 1023</b> or <b>1024</b> . Thereafter, it is submitted annually on IRS <b>Form 990</b> . If the mission is vague or lost, review Form 990 to determine what was submitted or find the original application for exemption. The preamble to the bylaws and articles of incorporation may identify the mission. Enhancements to the mission may occur at the strategic planning retreat. [Activities outside the mission statement may cause <b>unrelated business income tax (UBIT.)</b> ]
<b>Articles of Incorp.</b>	State Gov't.	A legal document filed with state government setting forth the purposes and regulations of the organization. At the time of founding, most exempt organizations register as a <b>not-for-profit corporation</b> . States have varied regulations. Many states post the articles or supporting information on their official government website. Annual filing is usually required.
<b>Bylaws</b>	Board and Members	The rules adopted to govern and regulate internal affairs. Bylaws generally include, for instance, procedures for meetings, committees, elections, amendments, board duties and member categories. Most organizations require amendments to be ratified by the membership. The bylaws should remain broad in scope with more detailed information adopted as <b>policies</b> .
<b>Policies</b>	Board and Staff	Policies express the wisdom of the board of directors for current and future leaders to follow the preferred methods for achieving the mission and decision making. They must be consistent with the bylaws and articles. All policies are adopted or amended as motions and recorded in board minutes. At least annually, policies should be transcribed from the board minutes into a policy manual. Policies should distinct from the staff 's day-to-day operating <b>procedures</b> .
<b>Strategic Plan</b>	Board, Committees, Staff and Members	A document developed to identify long-term (often 3 to 5 years) goals, strategies and tactics. The plan should align objectives with resources and organizational capacity. A strategic plan generally includes an affirmation of the mission (and supporting statements such as <b>vision</b> and <b>values</b> ), a description of long-term goals, fresh strategies or means to achieve the goals, and may include tactics and performance indicators. It is the guide for successive leaders. It should be reviewed for progress at least annually.
<b>Annual Budget</b>	Board, Committees and Staff	The statement of estimated income and expenses for the year. It is drafted annual by a budget committee, elected treasurer and staff; and approved and monitored by the board of directors. A <b>chart of accounts</b> is a supporting document explaining the purpose and source of budget line items.
<b>Business or Action Plan</b>	Board, Committees and Staff	The break down of the strategic plan to identify current year <b>tactics</b> , assignments, deadlines and interim <b>performance measures</b> . Often aligned with the organization's committees and staff members or departments. Development of a business or action plan is a staff responsibility, often taking the form of a template or spreadsheet to monitor progress.



## Essential Documents - Systems

	Document	Maintenance
IRS Documents Public Record	IRS Form 1023 or 1024	The application to determine qualification for exemption from federal income tax. For instance, 501(c)(6) designation. If it is lost, check with the person who originally filed the request with the IRS. A public document.
	IRS Form 990	Filed annually and maintained as a public document. Retain a copy at the headquarters office to respond to public requests.
	Letter of Determination	Issued by the IRS to indicate tax exempt status. A public document. The IRS helpline is 877/829-5500.
Unique Position or Brand Platform	Mission Statement	The purpose of the organization in a short statement with PR and positioning value. If vague or lost, review the most recent IRS Form 990 to determine what was submitted; also the IRS application for exemption (Form 1023 or 1024). Review preamble of the bylaws and articles. Amendments to the mission should occur at the strategic planning retreat.
	Values Statement	The guiding principles of the leadership and staff (not to be confused with a membership code of ethics.) Developed at the strategic planning retreat.
	Vision Statement	The long-term, inspirational, desired outcome for the organization. What will success look like? Reviewed and adopted at the strategic planning retreat.
Governing Documents	Articles of Incorporation	Issued by state government; indicates corporate status, i.e. not-for-profit. May require annual filing or renewal.
	Bylaws	The document describing the relationship between the organization's board of directors and its membership or stakeholders.
	Policies	Interpretation of the bylaws and articles adopted as board policies.
Operating Manuals	Policy Manual	The board adopted policies transcribed from meeting minutes into a policy manual. May be sunset and updated through a committee review. Should be reviewed at least every 5 years to be sure it is current and understood by volunteers.
	Personnel Manual	The employee handbook communicating job details and responsibilities. Created by an HR specialist or labor lawyer. Templates may be available from Soc. of HR Managers; state chamber of commerce or state department of labor.
	Leadership Manual	The documents necessary for volunteer leaders to fully understand and execute their roles and duties. Presented as notebook or virtual manual on-line.
	Procedures Manual	Documentation by staff of the steps and best-practices for every activity, event and process. Developed by each staff member based on job responsibilities.
	Style Manual	A brief manual indicating the preferred styles, official logo and colors, typeface preferences, etc. to brand the organization.
	Emergency Manual	The key documents protected away from the office, as well a communications and business continuity plan. Local and state emergency management officials may provide templates and resources for creation.

## Responsibilities of the Directors

### 1. Determine and Articulate the Mission and Purposes

A statement of mission and purposes should articulate the organization's goals, means, and primary constituents served. It is the board of directors' 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 description and undertake a careful search process to find the most qualified individual for the position. The board also selects the board attorney and CPA.

### 3. Support the Chief Executive and Assess 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 the chief executive's performance. [CEO is responsible unless the actions of the board prevent the CEO from performing his or her job.]

### 4. Ensure Effective Organizational Planning

As stewards of an 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. The board should work in partnership with the chief executive and development staff, if any, to raise funds from the community.

### 6. Ensure Effective Resource Management

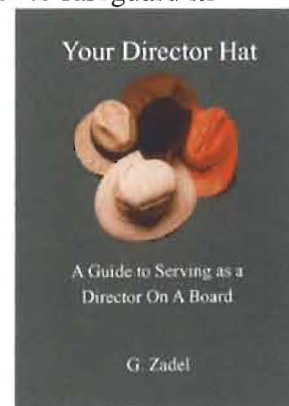
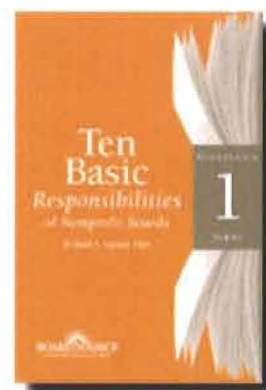
The board, in order to remain accountable to its donors, the public, and to safeguard its tax-exempt status, must assist in developing the annual budget and ensuring that proper financial controls are in place.

### 7. Determine, Monitor and Strengthen Programs And Services

The board's role in this area is to determine which programs are the most consistent with an organization's mission, and to monitor their effectiveness.

### 8. Enhance the Organization's Public Image

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; 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 board 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 achievement and reach consensus on which areas need to be improved.

# # #

From Ten Basic Responsibilities of Nonprofit Boards. Washington, DC: BoardSource, formerly the National Center for Nonprofit Boards, Adaptation.

## Association Life™



**Board Myth #1 - Upon their election, members will transform into effective directors without orientation or training.**

## Duty of Obedience, Loyalty & Care

Under well-established principles of not-for-profit corporation law, a board member must meet certain standards of conduct and attention in carrying out his or her responsibilities to the organization. Several states have statutes adopting some variation of these duties, which would be used in court to determine whether a board member acted improperly. These standards are usually described as the duty of care, the duty of loyalty, and the duty of obedience.

- ☐ **The Duty of Obedience**...forbids acts outside the scope of corporate powers. The governing board of the organization must comply with state and federal law, and conform to the organization's charter, articles of incorporation and bylaws.
- ☐ **The Duty of Loyalty**...dictates that officers and directors must act in good faith and must not allow their personal interests prevail over the interests of the organization.
- ☐ **The Duty of Care**...requires directors and officers to be diligent and prudent in managing the organization's affairs. The individuals charged with governing must handle the organizational duties with such care as an ordinary prudent person would use under similar circumstances.

☐ **Duty of Confidentiality?**

☐ **Duty of Curiosity?**

☐ **Duty of Oversight?**



## Distinguishing Mission, Vision & Values

Every organization has a mission statement. (Most organizations have submitted the mission statement to the IRS as a requisite for receiving a federal income tax exemption.) Fewer organizations have a vision or values statement.

The statements guide the board, staff, efforts and allocation of resources. They have a public relations value. They may be fine-tuned periodically for relevance --- usually in conjunction with the strategic planning process.

**Mission Statement** – The mission statement is the foundation of the organization. It identifies who is served, how and why. The statement should be one or two, precisely worded sentences. A good mission statement answers, “Why does the organization exist?”

- ❑ “As the voice for health care, our mission is to advance the interests and meet the needs of our members, enabling them to provide the highest quality and most cost-effective services throughout the state.”
- ❑ “The mission of the Chamber of Commerce is to facilitate the progressive development of our business community through economic development, advocacy and workforce development.”

*Mission, Vision, Values make up the organization's brand platform and public image.*

**Vision Statement** - An inspiring statement answering: "What do we want to be in the long-term if we had unlimited resources?" Think of the vision statement as an image of the organization if it fully carries out its mission and strategic plan.

- ❑ “The organization will be the premier source of consumer and member information to guide the profession to be most highly respected, best positioned and profitable.”

**Values** - Core values are consistent with the mission, informing others of the organization's guiding principles maintained by board and staffs. It is better to adopt value statements than to amend the mission, vision or bylaws. They are often enumerated or bulleted, for example:

- *Excellence: The highest professional and ethical standards will govern our work and our relationships with others.*
- *Leadership: We will act decisively on behalf of our membership and the industry.*
- *Collaboration: We are committed to listening to a variety of viewpoints and to building consensus within the industry.*
- *Innovation: We will continually explore new avenues to provide better service to our members.*

Mission, Vision & Value Statements.doc

## Focus on What Matters

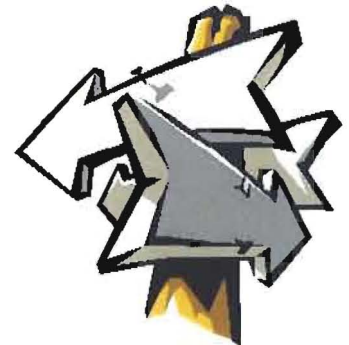
*"Focus on what matters,"* was the recommendation to incoming presidents by Joel Singer, Executive VP of the California Association of REALTORS®.

The phrase should be the mantra for every president, regularly asking, "Does this activity or discussion *matter* to the big picture of governing the organization?"

Distractions will occur during every president's term. They come in the form of verbose board members clamoring for attention, or a poorly defined project taking on a life of its own. Use this advice to *focus on what matters*.

### Preparing to be President

1. **Read Governing Documents** - The authority of the president comes from the governing documents. Read the articles of incorporation, bylaws and policies to understand expectations and limitations. To ignore or misunderstand governing documents leaves a president at a disadvantage among directors who have studied them.
2. **Build the Team** - Get to know the executive officers, directors and staff. Ask them to help advance a plan of action. When a director gets out of hand, the team will help correct the situation.
3. **Realistic Outcomes** – Trying to do too much leads to failure. Identify projects that can be accomplished and fit within the mission and strategic plan. Write the *inaugural* president's message by communicating the successes members can expect. Write the final president's message by summarizing how these goals were achieved.
4. **Rely on the Mission** - A mission statement frames the purpose for the organization's existence. All activities and discussions should fit within the mission statement. Promote its awareness by keeping it at the bottom of agendas, the wall of a conference room, or read aloud at the start of meetings.
5. **Follow the Plan** - The strategic plan is an organizational roadmap, developed through consensus of the board. The plan identifies what matters --- serving as a primary guide for the president.
6. **Envision Success** - Avoid short-term thinking (month to month) in favor of envisioning what success will look like at the end of the year. With the end in mind, stay focused on what matters and pay less attention to distractions.



## Performance as President

7. **Understand Rules of Order** - Rely on meeting protocols to maintain order. Knowing the basics of parliamentary procedure gives the president the advantage with outspoken board members.
8. **Reign in Verbose Directors** - Some directors will offer ideas with gusto, ignoring what's on the meeting agenda. Be firm with directors by suggesting, "That is an idea we can consider but its not on today's agenda, let's discuss it after this meeting."
9. **Craft Agendas** - It is an art and science to draft an effective meeting agenda. From convening the meeting to adjournment, it should advance the board in achieving results. The president who crafts a good agenda (not leaving it up to staff) will be better prepared for the meeting.
10. **Consider the Board Table** – The president's seat at the table should be positioned to see and hear everyone. Don't give up the prime position or ignore boardroom set up. It is best to have the executive officers sitting to the right and left of the president, with the executive director close at hand to serve as a resource.
11. **Manage Committees** – Committees work for the board. If they initiate projects on there own (without the direction of the president) they become distractions. Manage committees by ensuring that they have a statement of purpose and current year assignments. Create lines of communication with committees --- and avoid the temptation to do committee work at the board table.
12. **Ban Micromanagement** - The president's role is governance; the executive director's role is management. Micromanagement occurs if the board quits being visionary and starts focusing on minutiae and administrative tasks. If it helps to keep the board focused on what matters, get a gavel and a sign, "We're in the Weeds!"

Avoid being side tracked. *Focus on what matters* to advance the organization's mission and goals.

# # #



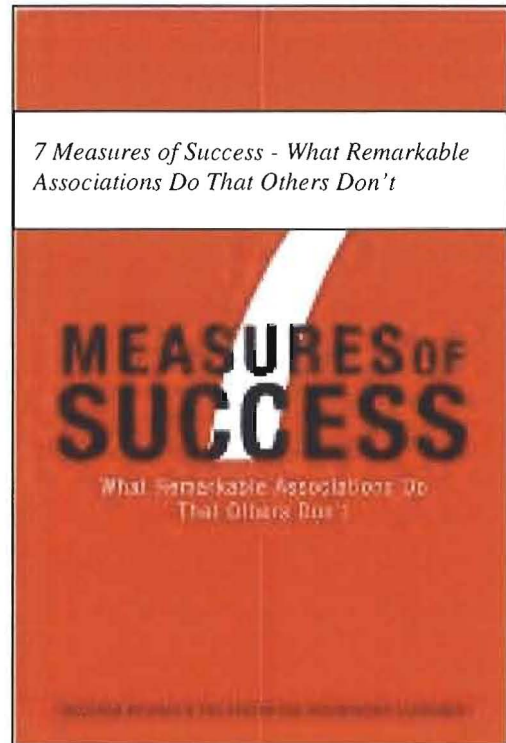
Note: Bob Harris provides free tips and templates at [www.nonprofitcenter.com](http://www.nonprofitcenter.com). Elected officers can download *The First 100 Days – Preparing to be President*.



## Traits of Successful Nonprofits

### Seven traits of successful nonprofit organizations:

1. **Customer Service Culture**- “We’re here to serve you,” “Every day, every member.”
2. **Alignment of Products and Services with Mission** – Mission is consistent with deliverables of benefits and features.
3. **Data-Driven Strategies** – Information gathering and analysis; evidence-based decision making.
4. **Dialog and Engagement** – Internal and external dialogs among stakeholders, volunteer leaders and professional staff.
5. **CEO as Broker of Ideas** – CEO communicates and encourages visionary thinking.
6. **Organizational Adaptability** – Responsive to change, able to adapt, not limited by structure and culture.
7. **Alliance Building** – Beneficial partnership and collaborative efforts.



7 Measures of Remarkable Assocs 3-07.doc

## Board Self Evaluation

# BOARD

## EVALUATION

Board evaluation is an approach to improving *governance* --- with the intent to maintain a high performing board. The chief elected officer (not staff) leads the process. Input will be treated with confidence.

Indicate your understanding of and offer recommendations for these governance aspects.	Very Comfortable	Somewhat Comfortable	Somewhat Uncomfortable	Very Uncomfortable	Not Sure N/A
<b>Mission and Strategic Direction</b>					
1. Board efforts advance the mission, vision, values and goals.					
2. The strategic plan portrays an image of the organization in 3, 5 or 10 years.					
3. Meetings and agendas are organized to achieve the mission and goals (and avoid operating matters.)					
Comments:					
<b>Governing Documents</b>					
4. Board understands and upholds all governing documents.					
5. Policies are adopted and followed to guide current and future leaders					
Comments:					
<b>Leadership, Succession and Transparency</b>					
6. Board selection process is transparent and ensures leadership succession.					
7. Board orientation and self-assessment is sufficient.					
8. New ideas and people are respected.					
Comments:					
<b>Budgeting, Finances and Infrastructure</b>					
9. Board adopts annual budget and is engaged in monitoring finances.					
10. Reserves/savings and investment strategies are appropriate					
11. Financial reports are clear, accurate and timely.					
12. Annual audit and auditor's recommendations are reviewed.					

Indicate your understanding of and offer recommendations for these governance aspects.	Very Comfortable	Somewhat Comfortable	Somewhat Uncomfortable	Very Uncomfortable	Not Sure N/A
Comments:					
<b>Professional Staffing and Structure</b>					
13. Board delegates authority, policies and resources for CEO to manage organization.					
14. CEO performance is assessed.					
15. Staff relations are professional and collegial.					
16. Structure of organization is highly effective.					
Comments:					
<b>Risk Management – Protection</b>					
17. Fiduciary duties are understood, including duties of care, obedience and loyalty.					
18. Perceived and real conflicts of interest are disclosed.					
19. Antitrust violations are strictly avoided.					
20. Discussions and documents are treated with confidentiality.					
21. It is clear who speaks for the organization and that only those persons can delegate authority.					
22. Insurance and risk management measures adequately protect the organization.					
Comments:					
<b>Committees, Counsels and Task Forces</b>					
23. Committee structure benefits board productivity and advances strategic goals.					
24. Board does not conduct committee work at board meetings.					
Comments:					
<b>Benefits, Programs and Services</b>					
25. Board is familiar with majority of association programs and services.					
26. Programs and services are periodically reviewed to ensure relevance to members.					
Comments:					
<b>Overall</b>					
27. Serving on the board is a gratifying experience.					
Comments:					

Board Evaluation Guide, TNEA 7-09

## Memo to Nominating Committee

To: **Nomination Committee Chair**

From: Chairman of the Board

Re: Qualifications of the Board Members

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Let me address your responsibilities as the nominating committee. The bylaws state that you are to identify, evaluate and recommend qualified candidates to serve on our Board. As chairman I take that responsibility very seriously; your input will effect our organization in the short and (very) long term.

Here are the **minimum qualifications** I am asking that you consider before we nominate anyone to serve on our Board.

- ☐ Unyielding commitment to make our association the absolute best for serving our members.
- ☐ Ability to work as a team member, accept compromise and to support all decisions of the board.
- ☐ Dedication to really achieve the goals set in our mission, bylaws and strategic plan<sup>1</sup>.
- ☐ The resources, time and employer support (if applicable) to be fully engaged in the business of our association by attending meetings, accepting committee appointments, contributing to our efforts, etc.
- ☐ Willingness to disclose any potential or perceived conflicts of interest and a commitment that the association is where his or her loyalty lies.
- ☐ Experienced leadership and the ability to think strategically.

The **personal characteristics** I want you to consider include:

- ☐ Enthusiasm to serve and promote our association
- ☐ Flexibility in scheduling, thinking and acceptance of ideas.
- ☐ Integrity and a noticeable passion for excellence.
- ☐ Entrepreneurial spirit and understanding the finances of a business.
- ☐ Genuine passion for our mission and members.
- ☐ Accountability for follow-through on projects and personal responsibility.

---

<sup>1</sup> Be sure you have a copy of our mission statement, bylaws, strategic plan and conflict of interest form with you when you approach prospective board candidates.

# BOARD MEETING PRACTICES

## Before, During and After Board Meetings

A compilation of practices offered through the ASAE Executive Section listserv in March 2010.

### Before the Board Meeting

1. Provide the board book and background information at least two weeks in advance of the meeting.
2. Rely on the chair to promote (or enforce) advance reading of the book --- when topics arise that were obviously provided in advance, he or she should point out, “the answer is in the information you were provided.”
3. Use a behavioral analysis tool at the start of the year to help directors understand the varied personalities and get to know each other.
4. Stay in touch with stakeholders (members) – don’t let the board think they represent the views and needs of members unless they really do.
5. Distribute a chart or guide explaining board rules of order; or use *ABCs of Parliamentary Procedure* published by Channing Bete (about \$1).
6. Be sure the room and table are conducive to board discussion; a hollow square or open-U is best.
7. Use tent cards to remind and familiarize directors who have forgotten names; on the back or bottom of tent cards use the space for mission statement or antitrust avoidance statement.
8. Assign seats using name tent cards to mix up the dynamics; be sure officers take their places at the head of the table.
9. Rely on an organizational chart to depict appropriate hierarchy, flow of information and decision making processes.

*“You’ll know you got it right by the degree of engaged discussion.”*





10. Post the mission, vision and values in the boardroom or display it on an easel at the meeting.
11. If the board meeting is two days or two parts, reconvene the second part with a recap of what was achieved and what still must be addressed.
12. Provide a guide for key issues and what is expected as outcomes: For example, “Up for discussion” “Information only” “Requires action” “Economic impact” etc.
13. Hire a parliamentarian to keep discussions on track; or at a minimum rely on a parliamentarian to teach rules of order at the board’s orientation.
14. In advance of the meeting, discuss agenda items with the appropriate officers. ***“Use all the brainpower for something that actually matters.”***
15. Identify the responsible positions or names next to agenda items; share it well in advance so directors can properly prepare for the meeting.
16. Advise directors of the proper channels, protocols and deadlines for adding items to the agenda; avoid agenda surprises squeezed into “new business.”
17. Organize agenda topics by strategic goals; each committee report falls under the respective goal.
18. When providing advance board, only bring extra copies of the agenda to the meeting -- - relying on board members to have read the packet in advance – not *expecting* staff to bring extra packets.
19. Provide enough time for *meaningful* discussions --- not just reports checked off a list.
20. More effective than a timed agenda is a good chair who keeps things moving by not being fearful of cutting off discussion. (But don’t *obsess* about time – you don’t want to skip over important issues because time elapsed.)
21. “Front load” the agenda with the most important issues so you don’t run out of time.
22. Terminology: If the organization has a unique set of terms or acronyms, include the list and meanings at the board table.
23. ★ Identify “action items” with a star so directors can see what requires the most attention on agendas.
24. Conduct a conference call prior to the meeting to try to dispense with administrative tasks and help the directors understand the larger issues at hand.



25. Staff reviews the financial report with the treasurer in advance.
26. Prepare a brief “rule of engagement” or “code of conduct,” identifying board expectations but not stated in the bylaws. For instance, we respect new ideas, nobody should dominate discussions, the boardroom is the proper place for deliberation, everyone should be willing to take on extra tasks, we start and end on time, etc.
27. Identify a MEGA-ISSUE on every agenda; one in which the chair and executive director have selected the burning issue to advance or resolve at this meeting.
28. Include a *BHAG* on every agenda.<sup>2</sup>
29. Discourage digital distractions; when board members turn to text messaging and the Internet --- it’s a sign that they are not engaged.
30. Strategically organize the agenda – more difficult decisions interspersed with “low hanging fruit.” Spend the most time on issues with strategic value for the organization.
31. Add “*Good Governance Rules*” at the top of the agenda, for example:
  - Meetings start on time;
  - Please stay within time allocations;
  - Keep it simple;
  - Max. discussion time is 10 per topic in general;
  - One speaker at a time;
  - When further discussion or research is needed, topic will be postponed;
  - Don’t do committee work at the board table.



### During the Board Meeting

32. Use a consent agenda. Use a consent agenda. Use a consent agenda.
33. Project the agenda and background materials on a screen with a laptop and LCD projector; keeping board members looking up and everyone on the same page. Too often board members are shuffling papers and looking down at text messages.
34. Provide a decision-action grid to help the board understand the available actions.

Board Action Grid

<p><b>Decide/Choose</b></p> <p>The Board of Directors will make a <u>decision</u> on a <u>recommendation</u> or <u>choose</u> among options generated internally or by committee/staff.</p>	<p><b>Approve, Accept, Endorse, Validate</b></p> <p>The Board of Directors will <u>approve a recommendation</u> or <u>course of action</u> that has policy, strategy, brand, or material budget implications.</p>
<p><b>Understand</b></p> <p>The Board of Directors will <u>better understand</u> a critical issue, perspective, or dynamic that is critical to Board level responsibilities.</p>	<p><b>Guide</b></p> <p>The Board of Directors will <u>provide guidance</u> to Committees and staff as it relates to established strategy, policy, brand, or budget.</p>

<sup>2</sup> *Good to Great's* “Big Hairy Audacious Goal”

35. Start and end meetings on time; hang a clock on the wall; appoint a volunteer to serve as timekeeper.
36. Find ways to address questions through a process of values and performance measures (create a matrix to determine the importance of discussions.)
37. When board books are used, the chair needs to remember to point out the page number with the transition of each new topic. When the board book is a PDF document, use the page numbering feature to make it easy to find information.
38. Take frequent breaks – don't allow an overly ambitious chair to forget the need to stretch and refresh with breaks every 60 to 90 minutes. It improves outcomes.
39. State the conflict of interest policy and start the meeting by asking, "Everyone has seen today's agenda, is there anyone who wants to make not of a potential conflict of interest?"
40. Use a *dashboard* to report on performance measures that the board should monitor; minimize the traditional reports about what has occurred since the last meeting.
41. Agree upon specific performance measures --- positioning the board to be objective rather than subjective.
42. Make note of the antitrust avoidance statement and record such in the minutes.
43. Keep a flip chart in the room in case an issue needs development through graphics and problem solving.
44. Invite local members as guests (with rules for addressing the board) if your meetings rotate to chapters and components
45. Use the tentcards to signify a desire to address the discussion by turning the tentcard on end (vertical.)
46. Serving food? Provide high-energy, low-carb snacks to avoid the afternoon sluggishness associated with a big meal.
47. When providing a meal break, use a separate room so directors have a chance to stretch and get away from the work setting.
48. Always include caffeine and chocolate at the board table.
49. Promote the boardroom as the safe place for deliberation; cautioning *against* rehashing meetings in the parking lot or by email.



50. Envision and anticipate significant results and share the vision, “Today our goal is to achieve a significantly positive outcome and implementation for the initiatives we’ve been considering.”
51. Consider application of *Policy Governance* to clarify roles, processes and ends’ statements (reference: *Carver Policy Governance*.)
52. Make it acceptable to simply have a “conversation” without making a decision. Develop an agreed upon process to explore an issue that will get a sense of the board’s interest without undertaking the full deliberation and decision.
53. Assign new ideas to a “parking lot” for future consideration.
54. Be sure the board chair understands the role of *facilitating* the meeting; calling on members who may be quiet and quieting members who may dominate.
55. Rearrange name tentcards after the break to change the meeting dynamics.
56. Invite a guest speaker to each board meeting to offer education (i.e. parliamentary procedures, accounting principles, industry updates, etc.)
57. Add two extra seats at the board table and ask directors to strategically invite select future leaders to observe.
58. Give every board member a chance to lead – share assignments and help them develop leadership skills by asking various directors to make reports, lead a discussion, etc.
59. Use the flipchart to track and document decisions as the meeting progresses. A flipchart can be used to quiet a verbose director by asking them to, “organize and outline your ideas on the flipchart at the front of the room.”
60. At meal breaks divide the board into three strategic groups assigned to tables so they meet different persons at each meeting (i.e. east, west, central or big, medium, small, etc.)
61. Wrap up meetings with a summary of what was accomplished offered by the chair or executive director.
62. Once a year the board makes a big deal of staff appreciation by serving the lunch to the staff members in attendance.



## After the Board Meeting

63. Identify **action items** in the minutes in **bold** – similar to the action items that were noted on the corresponding agenda.
64. Work must not end when the meeting adjourns. Use the time between meetings to continue work.
65. The CEO prepares talking points or highlights immediately after the meeting to help directors communicate the achievements and issues from the recent board meeting.
66. Create a PowerPoint to identify highlights, actions and outcomes at the last meeting.
67. Distribute an evaluation or use SurveyMonkey for a 3-question survey – How effective do you think this meeting was? How can we improve governance?
68. At the end of the chair's term conduct a confidential board self-assessment and solicit ways to improve governance.
69. *Celebrate!* Board members are there because they want to do a great job --- celebrate their small and big achievements after each meeting.
70. Distribute minutes promptly; recognizing that volunteers gave of their valuable time, thus they deserve to see the minutes.
71. Don't post minutes to a *public* website, instead post a summary of board actions.
72. When distributing minutes electronically (email attachment) be sure they are a PDF format and not a Word document.
73. Do not add "attachments" to the minutes; let minutes stand on there own --- filing support documents in other locations.
74. Maintain everything at a shared board governance website page; password protected.
75. Require committees to keep minutes, too. Provide them with a simple committee minutes template.

*"It is about the content of the agenda, if you get that right everything else falls into place."*

*Board Meeting Practices 3-10.doc*

*bob@rchcae.c*



# Effective Committees

## I Survived a Year on a Committee!

Last year I *cringed* when I was asked to serve on a committee. Before I said “yes,” I was determined to learn how to be a *good committee member*. You see I’ve served on committees that wasted my time, had no clear purpose and succumbed to egos and politics.

Now that my year of service has ended I can say, “I survived a year on a committee!” Let me share how I approached my committee work:

### Committee Survival Tips (10)

**Purpose** – My first question was “What’s the purpose of the committee?” I wanted to ensure a good reason existed for our committee. (I’m in favor of eliminating or merging unnecessary committees.)

**Charges** – Now that I knew its purpose, I wanted to be sure the committee had received a clear work assignment. What did the incoming board chair communicate to the committee’s chair about expectations and outcomes? The clearer the charge --- the more likely our success.

**History** – I knew our standing committee was not new to the organization. So I asked the committee chairman about last year’s records. I wanted to know what had been accomplished and what work was pending. The staff gave us the prior “committee notebook.” It explained rationales and helped us avoid redundant discussions. We made a commitment to help future committees by taking good notes and keeping all of our drafts and minutes in a similar notebook.

**Performance Measures** – At our first meeting I asked how we would measure performance. I suggested we include accountability (who, when) and quantifiability (how many, how much) to gauge progress during our term. Everyone agreed and we achieved all of our aims within the year.

**Linkage** – Committees usually serve at the pleasure of the board. Thus, we asked how we would be expected to keep the board informed of our ideas and progress. Did they expect written reports? Would a board liaison attend our meetings? Would a staff member be assigned to our committee? We respected protocol by asking questions at the onset and viewing the organizational chart that showed hierarchy and information flow.



**Vice Chair** – We were told our committee had a chairman and he would schedule meetings, set agendas, etc. He inadvertently missed our second meeting and we sat there with no leadership, nearly wasting three hours (multiplied by 12 persons). We suggested that the chairman appoint a vice chair that would serve as a backup and could be a potential future committee leader.

**Timeline** – We set a schedule for the year. How often would we meet in person and by phone? What mid-year goals did we need to accomplish to stay on schedule? We developed a committee calendar and stuck to it.

**Alignment** – I knew a committee could not operate in a vacuum. We were part of a larger structure that included other committees, policies, a mission statement and probably a strategic plan. We asked for a copy of the strategic plan to ensure that our work fit inside the long-term goals. The mission statement was a reminder to stay on task; we read the mission at every meeting and included it on the bottom of the agenda.

**Meeting Agendas**– We promised that meetings would not waste our time. To that end, the chairman suggested distributing our agenda 14 days before meetings. It helped me prepare, anticipate discussions, and reminded me of items I had offered to do but had forgotten.

**Minutes and a Final Report** – We agreed to keep meeting minutes and distribute them promptly. This served as a reminder of our plans and progress. The staff appreciated receiving the minutes and shared them with the board chair to keep him apprised. At the end of the year, we assembled all the agendas, minutes and supporting documents to create a committee notebook for next year's group.

Not all committee experiences are so positive. Use these tips to educate your committees.

# # #

## Committees Review

**Introduction:** Committees work for the board to advance the mission and goals. Their authority comes from either the bylaws (standing committees) or the appointment by the current term president. Committees do not have authority to act on their own, speak for the board or contract on behalf of the association. Every committee requires staff time to maintain, monitor and assist.

In recent years, organizations have downsized committees that were not effective or had minimal return on investment. Quite often an organization will align all committees with the goals in the strategic plan. Committees that do not easily align may be eliminated or merged with other committees.

**Purpose:** The purpose of the committee review is to determine if committees are effective and offer a ROI. Are there committees that have existed but no longer know their purpose? Do all committees generate income and resources, or are they a cost to the association? Should any committees be merges, transitioned to a task force (called upon only as needed.)

The first two columns identify the committee, chair person and staff liaison. The third column questions the authority to exist – was it appointed as a current year task force or is it specified in the bylaws? The fourth column asks if the purpose statement or mission statement exists and is clear to the committee? The final column calls for the recommendations to keep, eliminate, revamp or merge.

Committee	Chair Staff Liaison	Authority to Exist (bylaws, appointed, task force?)	Purpose and Clear Mission Statement?	Recommendations: Phase Out/Eliminate Combine/Merge Revamp/Redesign
Executive		Bylaws	Described in bylaws.	Continue as required by bylaws.
Finance				
Membership				
Programs				
Legislative				
PAC				
Nominations				
Governance				
Trade Show				
Scholarship				
Training/Educ				
Past Presidents				
Life Ach. Award				
Golf Tourn.				

## Committee Minutes Template

(Note: IRS Form 990 asks if “committees with authority” keep minutes.)

Date: \_\_\_\_\_ Name of Committee: \_\_\_\_\_

Chairman: \_\_\_\_\_ Ex officio and/or Liaison: \_\_\_\_\_

Committee members present:

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Type of Committee: \_\_\_\_\_ Standing \_\_\_\_\_ Special/Task Force/Ad Hoc

Motions Made and Outcomes (include exact wording):

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Economic Impact/Resource Needs:

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Interface with Another Committee? \_\_\_\_\_ Yes \_\_\_\_\_ No

Report Submitted to: \_\_\_\_\_ Date: \_\_\_\_\_

List any Attachments/Supporting Documents (staple)

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Signature: X \_\_\_\_\_ Position: \_\_\_\_\_

## Committee Meeting Evaluation

### Self-Evaluation & Meeting Feedback<sup>3</sup>

Feedback and Input to Improve Governance and Board Meetings	Very Comfortable	Somewhat Comfortable	Somewhat Uncomfortable	Very Uncomfortable	Not Sure N/A
1. Meetings agendas and room set ups are conducive to achieving meaningful results.					
Comments					
2. Committee focuses on goals that support the mission statement.					
Comments					
3. Chairman encourages and respects diverse viewpoints and new ideas.					
Comments					
4. Lines of authority and responsibility are clearly distinct between the committee, board and staff (staff is utilized as a valued resource.)					
Comments					
5. Outcomes are relevant to members and advance the mission statement.					
Comments					
6. Discussions focus on the future solutions rather than discussions of the past.					
Comments					

Committee Meeting Evaluation 11-09

<sup>3</sup> The purpose of the feedback form is to make steady improvements in our committee work. Thank you for your time and feedback. If you'd prefer your comments be confidential, please return your survey to the committee chair.

# Strategic Direction - Planning

## Terminology of Planning

# Strategic Planning Terminology

### STRATEGIC PLAN

A process and resulting document to guide the organization. A roadmap for the leadership, staff and committees.

Some of the best plans are only a few pages. Format it so it is easy to read and serves as a PR document.

### MISSION

The mission statement is the reason for the organization's existence; its purpose.

Crisp and short; easy to articulate and clearly understood.

### VISION

Vivid description and aspiration to describe how the organization desires to be perceived.

For example, "the most credible resource and united voice of the industry."

### VALUES

Guiding principles for the organization.

For example: integrity, customer focus, transparency and diversity.

### GOALS

The core competencies and desired outcomes.

Identify 3 to 7 realistic, well-stated goals for the organization.

### STRATEGIES

The programs and projects for achieving the goals.

Be realistic, yet creative, in setting ways to advance the goals.

### TACTICS

Identification of deadlines, delegation and key performance measures.

Precise aspects of the plan; often identified *after* the planning team has concluded their efforts.

### ACTION PLAN

A detailed document to support the broader strategic plan.

Create a business plan or matrix to monitor progress of the plan.

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## Planning Process – Before, During, After



Notes. **Capacity Analysis** refers to organization's resources and ability to achieve its mission and goals. Goals and strategies *must* be realistic, achievable, and measurable. **Integration** with budget and committees is critical. Additional resources available free at [www.nonprofitcenter.com](http://www.nonprofitcenter.com). For strategic planning, board orientation and seminars contact Bob Harris, CAE, at 850/570-6000 or [bob@rchcae.com](mailto:bob@rchcae.com).

*Strategic Planning: Before, During, After 1-10.doc*



## Strategic Plan Scorecard

This **Scorecard** encourages leadership and staff to evaluate the current strategic plan. Each question covers a key aspect of a plan. Use school-based grading scale of A to F, including +/- (i.e. C-).

Alignment	GRADE
The plan should align with key elements in the organization – budget, committee work, board agendas, staff departments, chapters, etc. Some plans are developed at a retreat but never integrated — leaving the plan as a stand-alone document. <i>Rate how well the plan is integrated and aligned within the organization.</i>	
<b>Elements</b> A plan has key elements: (1) mission, (2) vision, and/or (3) values statements, (4) goals, (5) strategies and (6) actions and/or performance indicators. <i>Rate the existence of these elements and their perceived quality.</i>	
<b>Clarity</b> The plan should be easy to understand, apply and monitor. Some of the best plans are communicated in just a few pages. <i>Rate the ease in reading and using the plan as a guide.</i>	
<b>Span</b> A plan generally covers 3 to 5 years. Annually it should be reviewed for progress. <i>Rate if the plan's usefulness has lapsed or it is still an effective roadmap with annual reviews.</i>	
<b>Prioritization (long-term)</b> Everything cannot be achieved in the first year of the plan. If the plan covers three years, for instance, then priorities should be determined. <i>Rate the effectiveness of prioritizing goals and strategies over the span of the plan.</i>	

Action/Deployment (Short Term)	GRADE
To delegate and trace the work, many organizations transform the strategic plan into a 12-month action or business plan for staff and committees. It may take the form of a matrix or table setting assignments, accountability and deadlines. <i>Rate how well the strategic plan has been transformed into an action plan to guide current year efforts.</i>	
<b>Goals</b> Strategic plans frequently set just 3 to 7 goals (sometimes considered "core competencies.") Each goal should be supported by several strategies to achieve the goal. <i>Rate the number of goals and whether or not they are supported by clear strategies. Are any major programs missing from the plan?</i>	
<b>Awareness</b> Appropriate stakeholders should be aware of the strategic plan. Has the plan been converted into a promotional brochure, on-line document and/or used in the newsletter? <i>Rate how well the plan has been communicated to stakeholders (i.e. members, allied organizations, government, chapters, suppliers, etc.)</i>	
<b>Social Responsibility</b> Most nonprofits are organized to advance a cause or support a community. This should be evidenced in the mission, stated values (i.e. ethics, standards, and stewardship) and through effective programs of work. <i>Rate whether or not the organization maintains a recognized role in community enhancement and societal benefit.</i>	
<b>Extra Credit!</b> What elements make your organization's plan exceptional?	

© Strategic Plan Scorecard 12-08.doc - Bob Harris bob@rhcac.com 850 570 8000

## Capacity Analysis

<i>1. Finances - Resources</i>	<i>Notes</i>	<i>Yes</i>	<i>No</i>
a. Annual Budget - Income	\$	<input type="checkbox"/>	<input type="checkbox"/>
b. Largest Income Line Items		<input type="checkbox"/>	<input type="checkbox"/>
c. Ratio of Dues to Non-Dues Income	%	<input type="checkbox"/>	<input type="checkbox"/>
d. Reserves, Goal and Policy	\$	<input type="checkbox"/>	<input type="checkbox"/>
e. Rent or Own HQ		<input type="checkbox"/>	<input type="checkbox"/>
<i>2. Organizational Structure</i>			
a. Subsidiaries (Foundation, PAC, For-Profit)		<input type="checkbox"/>	<input type="checkbox"/>
b. Affiliations (Parent/Chapter)		<input type="checkbox"/>	<input type="checkbox"/>
<i>3. Governance</i>			
a. Board Size, Term Limits		<input type="checkbox"/>	<input type="checkbox"/>
b. Leadership Development, Emerging Leaders		<input type="checkbox"/>	<input type="checkbox"/>
c. Committee Alignment with Goals		<input type="checkbox"/>	<input type="checkbox"/>
d. Standing Committees		<input type="checkbox"/>	<input type="checkbox"/>
e. Ad Hoc Committees & Task Forces		<input type="checkbox"/>	<input type="checkbox"/>
f. Bylaws, Articles, Policies		<input type="checkbox"/>	<input type="checkbox"/>
g. Meeting Agendas, Consent Agenda, Meeting Minutes		<input type="checkbox"/>	<input type="checkbox"/>
<i>4. Strategic Plan</i>			
a. Mission, Vision, Values Statements – Image		<input type="checkbox"/>	<input type="checkbox"/>
b. Goals and Strategies Developed		<input type="checkbox"/>	<input type="checkbox"/>
c. Business Plan, Action Plan, Program of Work		<input type="checkbox"/>	<input type="checkbox"/>
<i>5. Membership (R, R, B, S)</i>			
a. Market Share – Member Penetration	%	<input type="checkbox"/>	<input type="checkbox"/>
b. ROI – Value Proposition – Most Valuable Benefits		<input type="checkbox"/>	<input type="checkbox"/>
c. Golden Handcuff Benefit and Tangible Benefits		<input type="checkbox"/>	<input type="checkbox"/>
d. Survey Frequency – Needs & Satisfaction		<input type="checkbox"/>	<input type="checkbox"/>
<i>6. Communications, Publishing, Branding</i>			
a. Website Performance		<input type="checkbox"/>	<input type="checkbox"/>
b. Publications		<input type="checkbox"/>	<input type="checkbox"/>
c. Social Media		<input type="checkbox"/>	<input type="checkbox"/>
d. Positioning, Relevance, Causes		<input type="checkbox"/>	<input type="checkbox"/>
<i>7. Risk Management – Protecting the Organization</i>			
a. Insurance (D&O, general liability, surety bond, meetings)		<input type="checkbox"/>	<input type="checkbox"/>
b. Audit, Review or Compilation + Committee		<input type="checkbox"/>	<input type="checkbox"/>
c. Conflict of Interest Statement		<input type="checkbox"/>	<input type="checkbox"/>
d. Antitrust Avoidance Measure		<input type="checkbox"/>	<input type="checkbox"/>
e. Board Access to Attorney and CPA		<input type="checkbox"/>	<input type="checkbox"/>
<i>8. Professional Workforce</i>			
a. Experience and Longevity		<input type="checkbox"/>	<input type="checkbox"/>
b. Professional Development Opportunity		<input type="checkbox"/>	<input type="checkbox"/>



## Strategic Plan – Member Brochure Samples

### MISSION

The Tennessee Chiropractic Association promotes and protects the art, science, philosophy and practice of chiropractic.

### VISION

The TCA recognizes the chiropractic profession as the first choice in wellness-based health care and will work to promote access for all Tennesseans.

### VALUES

- Patient Care
- Diversity
- Trust and Integrity
- Leadership
- Collaboration

### GOALS

- **Membership Growth, Service, Benefits and Education** – Serve the needs of members by providing meaningful benefits, services and education programs which support retention and recruitment.
- **Public Awareness of the Chiropractic Health Paradigm** – Promote public awareness of the chiropractic profession by creating a positive image and presence for chiropractic professionals by improving both the internal and external marketing and communication efforts.
- **Be A Model Association** – Maintain a highly effective governing board and organizational infrastructure that serves the needs of the members and is recognized.

### STRATEGIC DIRECTIONS

#### I. Membership

- Maintain an annual retention rate of 90%.
- Grow the membership at a minimum of 6% per year with the goal of 80% market penetration.
- Examine the feasibility of developing a TCA independent physician association (IPA) to serve TCA members.
- Consider developing a TCA practice management service.
- Develop a member assistance/office audit service to help doctors practice more efficiently and effectively.
- Create a New Doctor Service Center.
- Take our Chiropractic Therapy Assistant (CTA) program to the national level.

#### II. Public Awareness

- Internal - Improve internal communications among leaders, district members and staff by developing systems and technology to keep everyone informed.
- Diversify technology to meet communication preferences of varied member segments.
- Create a timeline of association highlights over the previous 75 years.
- External - develop a package of essential marketing tools and tips for members to use in promotion of their practice to the local community.
- Develop and invest in a long-term strategy for communicating TNCHIRO and other messages to the public.
- Identify the resources, talent and costs associated with a long-term public awareness plan including ways in which it would be funded.

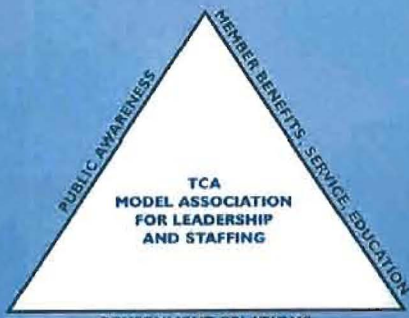
#### III. Government Relations

- Maintain a strong lobbying presence on Capitol Hill.
- Monitor and protect changes to the Chiropractic Practice Act and related rules and regulations.
- Anticipate and act on all chiropractic legislative opportunities.
- Increase doctor involvement and participation in political action funding with the goal to make TCA PAC an annual leader in political fundraising in Tennessee.

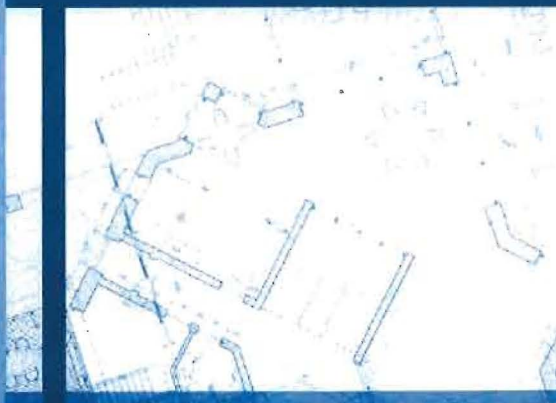
#### IV. Be A Model Association

- Maintain an infrastructure that serves the needs of members and is recognized as a national model of excellence.
- Maintain financial stability and seek new revenue sources.
- Create a Policies/Procedures Manual which serves as an organizational guideline for volunteers and staff.
- Set a strategic path for the long-term financial stability of the TCA and

## TNCHIRO.com



## TENNESSEE CHIROPRACTIC ASSOCIATION



# Strategic Plan to 2012

# Strategic Plan



## MISSION

**"To Serve as Your Advocate and Resource for Real Estate in Northeast Florida"**

## VISION

**"To be the Association of Choice for the Real Estate Professional"**

### Strategic Goal #1

#### The Voice and Advocate of Realtors®

Government Relations and Public Awareness

#### Strategies

1. Government Affairs
  - Collaboration with Northeast Florida Regional Chambers and Associations
  - Create Member/Public Awareness of Economic Impact of Politics to Promote RPAC
  - Local, State, National Monitoring and Influence
  - Affordable Housing Priorities and Initiatives
  - Create Relationships with Smaller Boards
  - Home Retention Legislation
  - Monitor & Support National Health Insurance Benefits in Congress
2. Communications/Public Relations
  - Primary Voice for Homeownership
  - Create a Long Range Marketing/Communications/Public Relations Plan on the Role and Value of a Realtor® and NEFAR

### Strategic Goal #2

#### The Realtor® Knowledge Center

Education, Professional Development, Resources and Knowledge in Real Estate

#### Strategies

1. Annual Future Forecast Report
2. Repurpose & Repackage Existing Content
3. Deliver Education Services to other Boards
4. Protect Intellectual Rights
5. Communication Technology
6. Develop the NEFAR Housing Institute as a Consumer/Public Service

#### BHAG – Project 2009-2014

NEFAR to take a leadership role in the community by offering assistance to homeowners and members of the public who are experiencing foreclosure, short sales, bankruptcy or other real estate concerns due to their economic situations. NEFAR shall create a "Housing Institute" as a public service to provide consumer education and assistance.

### Strategic Goal #3

#### Successful Realtor® Operations

Member Growth, Benefits and Services

#### Strategies

1. Increase Member Involvement
2. Leadership Development Academy- Develop Future Leaders Desiring to Move Up

### Strategic Goal #4

#### The Model Association

Leadership, Staff Resources and Structure

#### Strategies


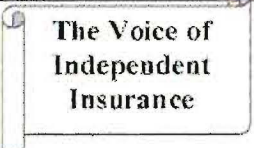


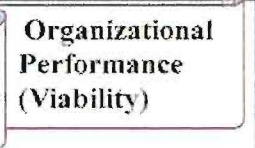





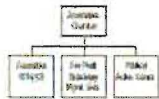
1. Review of Area Council Structure, Funding and Operations
2. Leadership Succession and Training with Intent to Govern & Advance Up
3. Staff Professional Succession Plan
4. Headquarters Office & Location
5. Maximize Use of Past Presidents

## VALUES

- Future Focused
- Instill Excellence
- Consumer Focused
- Promote Diversity
- Encourage Ethics/Integrity



## Plan Alignment

				
<b>Goal</b> 	Advocacy and Government Affairs	Membership Growth, Benefits and Services	Professional and Workforce Development	Governance and Management
<b>Strategies</b>	<ul style="list-style-type: none"> <li>Government Affairs</li> <li>Consumer Awareness</li> </ul>	<ul style="list-style-type: none"> <li>Benefits and Services</li> <li>Recruitment and Retention</li> <li>Member Awareness and Involvement</li> </ul>	<ul style="list-style-type: none"> <li>Education and Information</li> <li>Recruitment and Retention</li> </ul>	<ul style="list-style-type: none"> <li>Personnel</li> <li>Finance and Resources</li> </ul>
<b>Income Alignment</b> (\$800,000 +/-) 	-	35% Dues 30% Programs - NASC	12% Conference 25% Education	-
<b>Committees</b> 	Trusted Choice Legislative PAC Public Relations	Membership Dev. Young Agents	Technology Agency/Profession Development Annual Convention Farm/Rural Agents	Technology Executive Nominating Finances/Audit Board Dev. Strategic Planning
<b>Staff/Departments</b> 	Government Affair Contracted Lobbyist	Membership Staff	Education Staff	Executive Director Bookkeeping Office Manager
<b>Dashboard – Metrics</b> 	1. Successfully passing law. 2. Members visiting the Hill. 3. Growth of PAC by % annually. 4. Member involvement in Gov't Affairs Committee.	5. Retention rate at 90%. 6. Market share/potential members. 7. Addition of relevant benefits. 8. Profitability of Svc Corp.	9. Member attendance at events; % growth. 10. Profitability 11. Satisfaction surveys.	12. Staff longevity. 13. Adequate training of future leaders. 14. Budget goals and audit. 15. Savings reserve.
<b>Subsidiaries</b> 	Political Action Committee	NASC Service Corp.	Foundation	Foundation



## Principles of Strategic Board Governance

What form of governance does the board utilize? What elements of Strategic Governance can be applied to our leadership processes?

- ☐ Clear *mission*<sup>4</sup>, *vision* and *values* statements guide leaders and staff.
- ☐ The *strategic plan* is the driving force for agendas, board discussions and the focus of successive leaders.
- ☐ The goals and strategies are translated into a more precise (tactical) *business* or *action plan* by staff.
- ☐ *Performance measures* are the basis for gauging progress.
- ☐ The *chief elected officer* charges committees with work from the plan. Committees have access to the board through a director or staff liaison if they are chaired by other than board members. *The board of directors does not do committee work at the board table.*
- ☐ When *non-strategic discussions* arise, a member of the board or staff is empowered to query the relevance of the discussion.
- ☐ *Board members* are responsible to each other – taking pride in their follow-through and achievements while serving in the leadership role.
- ☐ The *strategic plan* is revisited annually, and updated every three to five years.

***We Are A Strategic Board!***

- The Board of Directors will act in a strategic manner, focusing agenda items, discussion, and all efforts on the future vision and not the past.
- The strategic plan, goals, mission, vision and values will drive the Board.
- When non-strategic issues arise, they will be delegated to staff or appropriate committees – not be undertaken by the Board. Issues that arise outside of the strategic plan are not appropriate for Board work.
- The governing style of the Board of Directors will optimize diversity, teamwork, pro-activity, self discipline, the long view, customer focus, win-win deliberation, full participation, and maximum empowerment of subordinate groups of the organization.



<sup>4</sup> Statement of purpose.



## Commitment to the Strategic Plan

After developing the strategic plan, there is a need to commit to its purpose and success.

*Immediate steps* after the planning retreat:

- Circulation of the final *draft* for review.
- At an upcoming board meeting, adoption of strategic plan as the official mission, goals and strategies, by a motion of the board.
- Promotion of the plan to members, prospects and stakeholders.
- Monitoring and reporting on the plan by appointing a “Strategic Plan Champion” or several “Goals Champions.”
- Review and alignment of committees, with clear and specific charges assigned to committee chairs; each year.
- Annual evaluation of strategic plan’s progress at the board’s retreat.
- An update of the plan every three to five year.

With these steps in place, *the board agrees to govern itself in a strategic manner:*

1. Respect for the mission statement and set goals --- avoiding “mission drift” where discussions and proposals simply don’t fit in the strategic plan (lack of resources, trying to be all things to all people, etc.)
2. Reliance on the strategic plan’s goals and strategies to drive the board agendas, discussions, delegation and the work of the board and committees.
3. Linkage between board and committees working to advance the plan; committees having been assigned precise performance measures, targets and goals by the board.
4. Empowerment by board members and staff that if non-strategic issues arise at the board table, it is OK to query how that is relevant to the mission and strategic direction.
5. Accountability for the commitments made by leadership and staff to complete efforts in a timely and high quality manner.

Signature\_\_\_\_\_ Date\_\_\_\_\_

Strategic Plan Commitment Form 10-09

## Template for Chapter Planning

1)	<b>Mission Statement</b> - A required statement that should align with the statement of purpose in IRS Form 990 and the bylaws; also give consideration to national, state, regional affiliate missions. It should answer express who we are, who we serve and what we offer; be easily articulated and motivating. Usually one sentence. Compare and contrast the mission with related and respected organizations.
2)	<b>Vision Statement</b> - An optional <sup>5</sup> statement but an important element in communicating strategic direction. An inspiring statement describing where the organization desires to be. The mission, vision and values help distinguish an organization from others with similar purposes.
3)	<b>Values Statement</b> – Another optional statement but a part of the internal and external images. Values are the guiding principles of the board of directors and staff. Often expressed as bulleted key words or brief statements. Typically 3 to 8 values.
	<ul style="list-style-type: none"> <li>•</li> <li>•</li> <li>•</li> </ul>
4)	<b>Goals</b> – The goals are broad priorities for the organization, for example “Growth and Expansion,” or “Economic and Workforce Development.” Most strategic plans include 3 to 7 carefully selected goals relevant to stakeholder needs and available resources. <sup>6</sup> <i>Goals should be SMART: Specific, Measurable, Attainable, Realistic, and Timely.</i> Goals are <u>not</u> likely to change from year to year if they are correctly identified in the strategic plan (the <i>strategies</i> will change with fresh ideas and new initiatives.)
	1)  2)

<sup>5</sup> Together, the mission, vision and values statements make up the organization’s brand platform.

<sup>6</sup> The mission, vision, values inform stakeholders/members of the relevance of the organization.

3)
4)
5)
6)
7)
8)
9)
<p>5) <b>Strategies</b> - Within each goal are strategies, initiatives, projects and priorities that will advance the goal. For example, the “Growth and Expansion” goal may include strategies that suggest creating of 3 new chapters in 24 months, hiring a staff person to focus on expansion, and maintaining chapter stability through leadership training<sup>7</sup>. (Report this format to create strategies for each goal.)</p>
a
b
c
d
e
f
<p>6) <b>Tactics and Performance Indicators</b> - To accomplish the goals and strategies, the plan should include accountability and performance measures. Identify who (i.e. committee, volunteers, and staff) will be in charge of the tasks, how success will be measured and the interim dates and deadlines. Be as precise as possible to ensure that progress is monitored and work is accomplished. (<i>a.k.a. KPIs – Key Performance Indicators.</i>)</p> <p>Many organizations leave the tactics up to committees and the staff action plan, rather than undertaking it at the strategic planning retreat. (Report this format to create tactics for each goal.)</p>

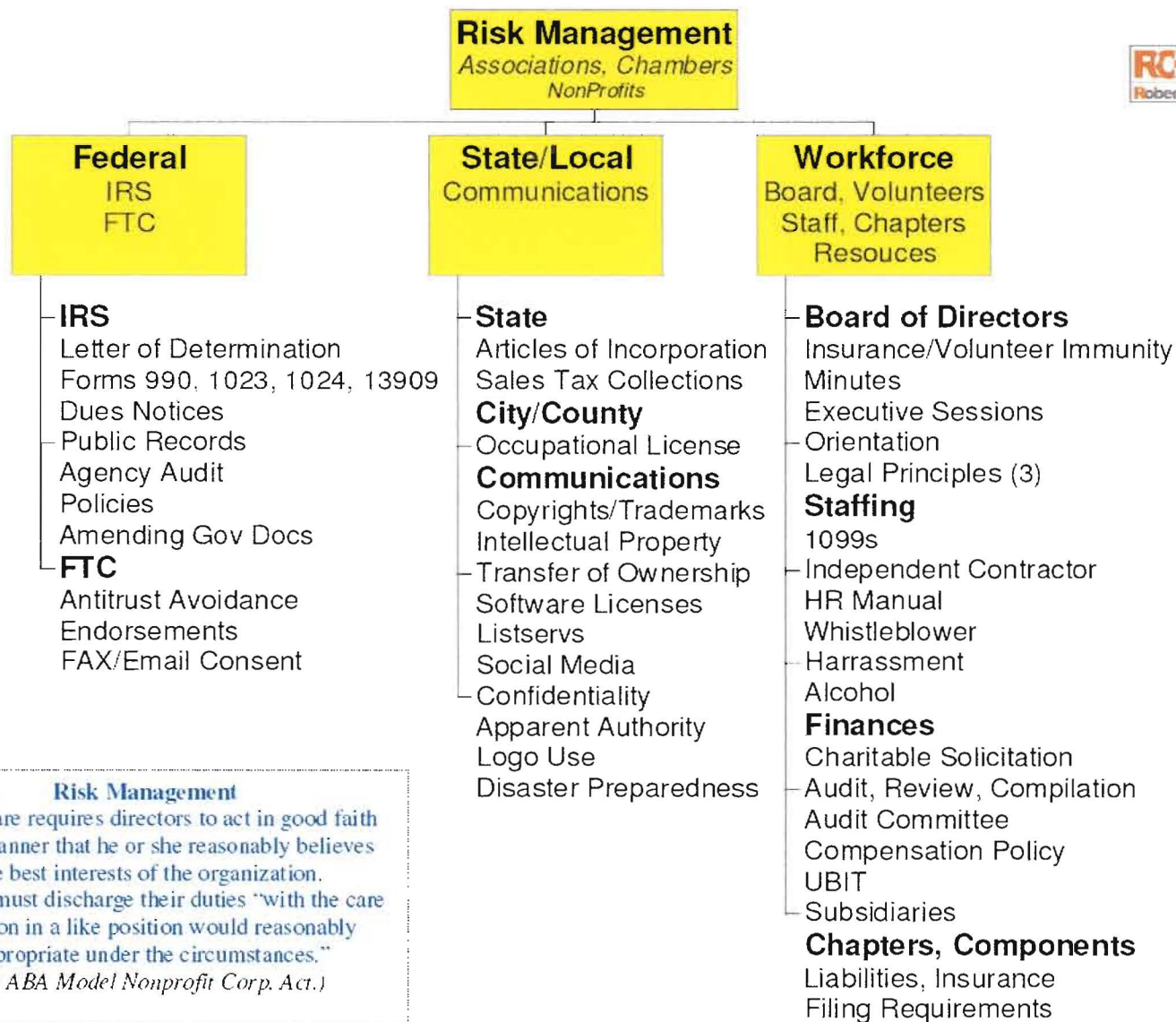
<sup>7</sup> The most common association/chamber goals include: membership, advocacy, education, public relations, economic/workforce development, tourism, organizational efficiency.

i
ii
iii
iv
v
7) <b>Duration</b> – Determine the duration of the plan; are you planning for two, three, four or five years? <i>Be realistic; national organizations usually plan 4 to 5 years; smaller organizations are more flexible, and may plan for 2 or 3 years.</i>
Years _____
8) <b>Plan Champion</b> – Will a member of the board be appointed to monitor and report on the plan's progress?
Name of Plan Champion _____
✓ <b>Stay on Track</b> – To stay on course, review the plan annually and undergo/repeat a full planning session every 3 years.

Notes:

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**Risk Management**

Duty of Care requires directors to act in good faith and in a manner that he or she reasonably believes to be in the best interests of the organization. Directors must discharge their duties "with the care that a person in a like position would reasonably believe appropriate under the circumstances."  
(Reference ABA Model Nonprofit Corp. Act.)

## Risk Management Discussion

1. You paid an artist to create a great logo for 2009 convention. You want to use it the second year with some minor changes – who owns the logo?
2. The board chairman appoints several committees and authorizes them to take actions on behalf of the board. Do the committees need to keep minutes or not?
3. You ask a committee to help you sell \$15,000 in sponsorships. They write in their promotional brochure or minutes, “we are seeking advertisers totaling \$15,000 to support the organization.” What’s the problem with this statement?
4. Outside the expo you hear 3 members talk about charging higher prices. One of them says she’s raising her rates and the other two are nodding in agreement. What should you do?
5. One of your chapters brings t-shirts to sell at the convention. Should they collect sales tax?
6. You create a Facebook page supplement your own website in hopes of raising interest from non-members. Someone you don’t know adds a comment about one of your supplier members “ripping off her company.” Somebody posts a copyrighted article on the Facebook page you created for the organization. What are the problems?
7. The Weather Channel says a storm might strike in 5 days. Your keynote speaker cancels and 20% of the exhibitors pull out. Members are calling about refunds. Cancellation is imminent. What type of insurance do you rely on to keep the organization whole?
8. To sell memberships you buy an industry list including fax numbers. You fax them all a solicitation to join. Any problems?
9. You announce in your newsletter that the organization is considered a respected expert and thus the Board has endorsed a new product. What steps did you take before the endorsement?
10. You mail member dues renewals. What disclosures are required if you are not a 501c3 organization?

**Bonus Question** – Identify at least 3 steps you take to *reduce liquor liability*.

#1 – intellectual property, transfer of ownership, copyright, registration; #2 - IRS policies, minutes; #3 – UBIT; #4 – antitrust avoidance; #5 – sales tax collection/reporting; #6 – social media, antitrust, copyright infringement, apparent authority; #7 – convention cancellation insurance; #8 Fax – junk, opt-out, #9 – FTC on endorsements; #10 – IRS dues notices.

## Organizational Performance – Volunteer Questions

Volunteer leaders aim to serve with *excellence*. That starts with knowing as much as possible about the organization. But how does a volunteer know what questions to ask? This form does not provide every *answer* --- but it does identify the right *questions*.

# ORGANIZATION PERFORMANCE

	Excellent Performance	Average Performance	Below Average Performance	Not Applicable
<b>Finances and Budget</b>				
1. Budget clear, easy to read and compare, current				
2. Ratio of dues to non-dues income satisfactory				
3. Diversity of income streams				
4. Amount of savings (%) to the operating budget.				
5. Investment policy maintained.				
Comments:				
<b>Organizational Structure</b>				
7. Organizational chart useful representing hierarchy and communication channels.				
8. Appropriate subsidiaries established (i.e. PAC, Foundation, For-Profit)				
Comments:				
<b>Governing Body</b>				
1. Board size appropriate for the mission and work				
2. Clear distinction between board and staff				
3. Governing documents are in good order.				
4. Board avoids committee work at the board table				
5. Plan for developing new leaders				
6. Effective communication of board roles and responsibilities; training				
Comments:				
<b>Strategic Plan</b>				
1. Mission, vision and values are clear; promoted.				
2. Plan guides the board and committees.				
3. Business or action plan developed for current year activities; interpreting the strategic plan				
4. Performance indicators or metrics set to monitor advancement of the plan.				
Comments:				

	Excellent Performance	Average Performance	Below Average Performance	Not Applicable
<b>Professional Staffing</b>				
1. Professional development budgeted for staff.				
2. CEO/Staff compensated appropriately.				
3. Succession plan understood.				
4. Longevity of staff appropriate				
Comments:				
<b>Risk Management – Protection</b>				
1. Insurance coverage is adequate.				
2. Audit and audit committee in place.				
3. Antitrust violations are strictly avoided.				
4. Discussions and documents are treated with confidentiality.				
5. Policies adopted to protect against risk.				
Comments:				
<b>Membership, Benefits and Services</b>				
1. Growth rate and pace are adequate (trends)				
2. Industry/Community diversity is represented				
3. Retention rate is satisfactory.				
4. The market share of members (percentage) is appropriate				
5. Members use array of benefits and find them relevant				
6. Benefits and services are packaged and marketed effectively.				
7. A “golden handcuff benefit” exists to retain members				
Comments:				
<b>Committees (Standing, Ad Hoc, Task Forces)</b>				
1. Distinction between standing, ad hoc and task forces				
2. Each committee has a purpose statement				
3. Each committee has current year tasks and metrics				
4. Board and committees have linkage				
5. Committees have plan for succession and leadership				
Comments:				
<b>Technology, Website and Publications</b>				
1. Organization is on leading edge in technology use				
2. Website is respected resource for members and stakeholders.				
3. Publications are contemporary, relevant, respected – serve as the face of the organization				
Comments:				

	Excellent Performance	Average Performance	Below Average Performance	Not Applicable
<b>Overall</b>				
<ul style="list-style-type: none"> <li>Our organization is operating at maximum performance</li> </ul>				
Comments:				

Association Performance Eval 2-10.doc



## The Ideal Member – More than a Dues Check

Every association has a star-member; someone who stands out because of their contributions to the association. Someone who understands and advances the mission, serves on committees, visits the capitol and recruits members.

How do you communicate these desired traits among members? Start by identifying what your organization believes is the ideal member. Then communicate the description (or pledge) in new member packets and the newsletter.

CAE's Bob Harris and Bob Hall offer this template for communicating the ideal member.

### Preamble

I take pride in my membership in this organization. Its achievements and goals can impact my career, life and personal gain. It has been successful because of thousands of members and volunteer leaders before me.

I understand that through the association we create a dynamic force that one individual cannot achieve alone.

Thus, as a member I understand the need to invest myself and work together for our mutual interests --- and that the vast majority of accomplishments are the result of teamwork, not individual action.

### Traits

I pledge that I will be an ideal member by:

- Investing time to help fulfill the mission
- Taking advantage of the opportunities and programs to better my organization and myself.
- Staying informed about available resources and by reading the association's materials.
- Volunteering my unique knowledge, resources and experience to the organization; and knowing when I'm too busy to be a volunteer.
- Promoting the association to others in my industry/profession, so as to expand the power of unity.
- Keeping contact information current to enable the association to fully utilize my membership for the common good.
- Promoting the highest principles in the profession/industry.

The Ideal Member	
I pledge that I will be an ideal member by:	
<ul style="list-style-type: none"><li>• Investing time to help fulfill the mission</li><li>• Taking advantage of the opportunities and programs to better my organization and myself</li><li>• Staying informed about available resources and reading the association's materials</li><li>• Volunteering my unique knowledge, resources and experience to the organization, and knowing when I'm too busy to be a good volunteer</li><li>• Promoting the association to others in my industry/profession, so as to expand the power of unity</li><li>• Keeping contact information current to enable the association to fully utilize my membership for the common good</li><li>• Promoting the highest principles in the profession/industry</li><li>• Treating staff with professional respect, recognizing that paying dues does not make them my employee</li><li>• Respecting the volunteer leaders for their contributions --- even if I might not agree</li><li>• Maintaining professional, transparent, collegial relationships with fellow members</li><li>• Offering timely input on issues and policy development, including responding to calls for action and surveys</li><li>• Supporting the association's advocacy efforts with my time and dollars</li><li>• Understanding and participating in elections and nominator opportunities</li><li>• Ensuring that dues payment is a part of the culture and budget of our organization</li><li>• Recognizing that the members are the association---it is not something separate from us or a resource from which we buy services---and that without our investment and participation the association cannot be achieved</li></ul>	
Signature _____	Date _____
<b>Create an Ideal Member Pledge</b>	

- Treating staff with professional respect; recognizing that paying dues does not make them my employee.
- Respecting the volunteer leaders for their contributions --- even if I might not agree.
- Maintaining professional, transparent, collegial relationships with fellow members.
- Offering timely input on issues and public policy development, including responding to calls for action and surveys.
- Supporting the grassroots advocacy efforts with my time and dollars.
- Understanding and participating in elections and governance opportunities.
- Ensuring that dues renewal is a part of the culture and budget of my organization.
- Recognizing that the members are the association—it is not something separate from us, or a business from which we buy services—and that without our investment and participation the advancements cannot be achieved.

Signature X\_\_\_\_\_ Date\_\_\_\_\_

### **Summary**

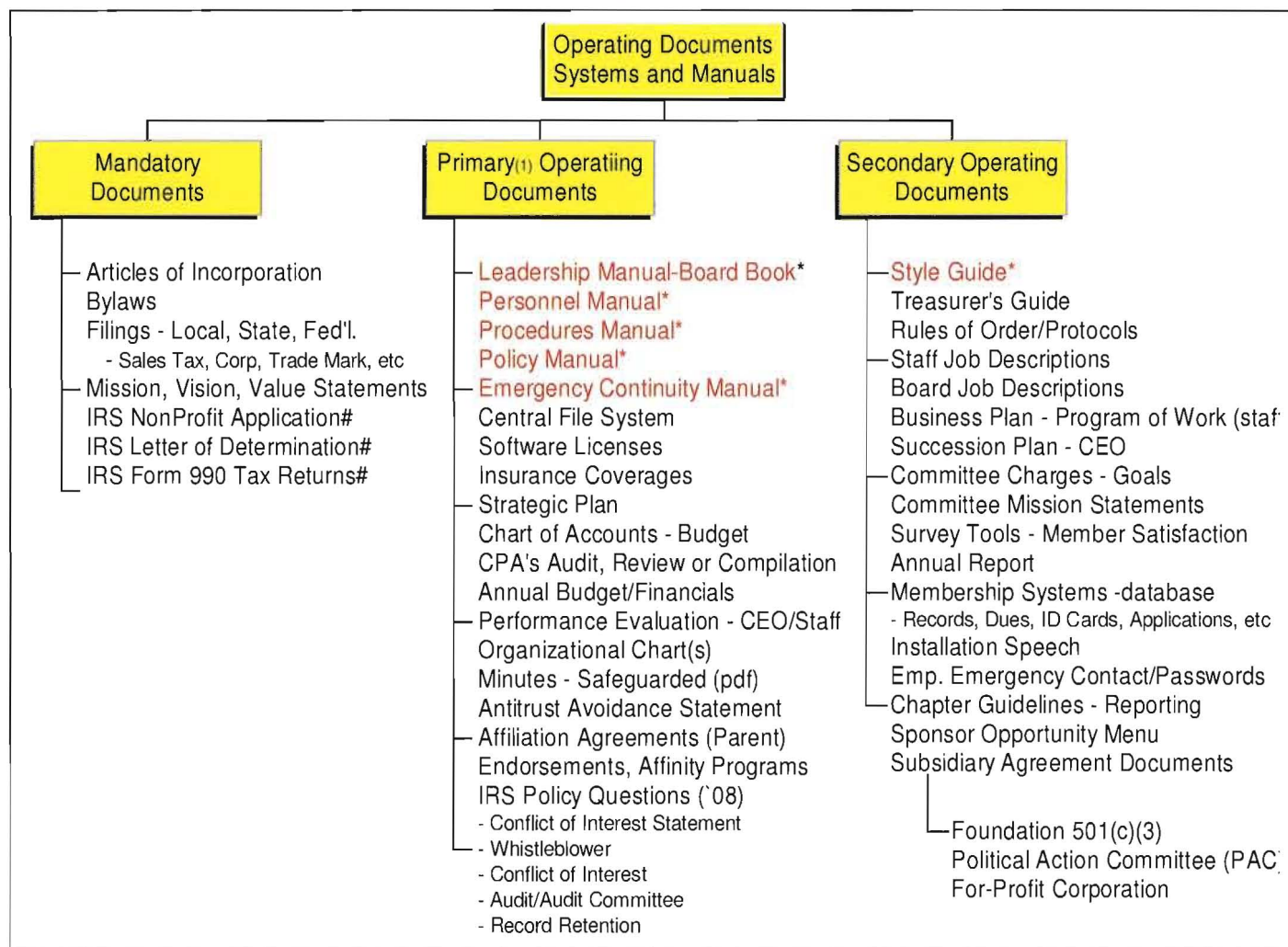
Many members think that paying dues is the depth of being an ideal member. Sharing this list will give them ideas to enhance their value to the association.

# # #

*Note:* The authors can be contacted at Bob Harris, CAE at [bob@rchcae.com](mailto:bob@rchcae.com) and Robert A. Hall, CAE, at [bob@aahks.org](mailto:bob@aahks.org).

## Operating Framework – Business Model

A framework promotes efficiency, systems, policies, risk management and development of training manuals. Systems remove uncertainty and discretion – promoting excellence in member service while minimizing risk. **Let systems drive the organization to free-up staff time to focus on mission, goals, members and stakeholders.**



Footnote 1 – Indication of primary and secondary refers to the order in which the documents are likely to be created; it does not mean that secondary documents are less important than primary or mandatory documents. \* Indicates recommended operating manuals. # Indicates public record documents; IRS help-line 877 829 5500.

## Six Operating Manuals in Associations

Operating manuals ensure that an organization delivers consistent customer-member service based upon best-practices. Manuals are used by leadership and staff for training and reference.

An organization without manuals is at a disadvantage. Time is wasted on figuring out how the event was last accomplished and files are scattered in an office with time required to find them.

How were events held in the past? What policies have been adopted? What do I tell the board about their responsibilities? Similar to the highly efficient franchise business, the manuals and templates save time and increase confidence in the organization.

There are six manuals common to associations and chambers of commerce.

### The Franchise Model

Across the country the most successful businesses are often franchises (as opposed to independent businesses.)

Two elements of a franchise that drive success are 1) a strong brand or logo, and 2) a set of operating manuals, templates and checklists for employees.

In the book, *E-Myth Revisited*, author Michael Gerber suggests that all businesses consider an informal franchise model<sup>8</sup>.

Specifically, the tasks and activities that are recurring or cyclical are identified. Staff members document how each activity is carried out. (For example, how is a new member processed, step by step? Or what are the steps for successfully selling sponsorships or advertising.)

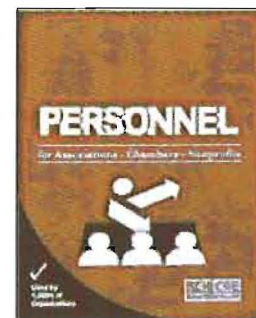
## The Six Manuals

### Personnel Manual

Also known as the HR manual, it details, formalizes and communicates employee expectations and regulations. For example, it details items such as sick leave, vacation time, issuance of office keys, overtime, dress code, sexual harassment, credit cards, and filing complaints.

Personnel manuals are based on state and federal laws and should be prepared by a labor-law specialist and/or attorney<sup>9</sup>.

Do not consider borrowing a personnel manual from a colleague in another state, as the HR laws are different. Do not combine the personnel manual with any other manual.



<sup>8</sup> Not the legal definition, rather the model of a well managed franchise.

<sup>9</sup> A quick way to determine if the personnel manual is up-to-date is to check for a Whistle Blower clause; a policy question on the new IRS Form 990.



## Procedures Manual

The procedures manual describes what the organization believes is the best way of conducting every process.

It documents every activity through bulleted or enumerated lists. A new executive director, and staff members, quickly understands the purpose and value of the written steps.

It is entirely staff driven and not a responsibility of the board. The manual insures consistent operations, quality controls, and standardized procedures, while reducing risk. It might also be called an operations manual, standard operating procedures (SOP) or best-practices manual.

One way to create a procedures manual is by drafting a table of contents of all major responsibilities (guided by job descriptions and the annual calendar).

Document processes or steps as they occur in the office in a consistent format (template) for adding to the manual. (For example, the meeting planner sold, billed and processed sponsorships today – what were the steps?) Within months the operating manual will be assembled and serve as the most valued document for organization<sup>10</sup> sustainability.

## Policy Manual

Policies represent the wisdom of the board for current and future governance needs.

The manual archives the board-approved policies. *Without* the manual, the policies tend to exist only as motions in prior minutes --- or get buried in the bylaws, (which should remain broad in scope; not littered with policies.)

Policies may arise spontaneously in a board discussion, “We need to adopt a policy on that....” or be directed to a committee or staff to research and recommend a policy. *All* policies are recorded as motions in the board minutes.

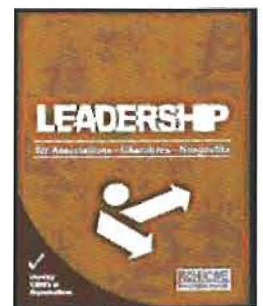
If no policy manual exists, take the last five years of minutes, highlight the motions that read as policies, create a table of contents, add the policies, and then present the manual to the board for adoption.

If the bylaws are cluttered with policies, review them with the intent of moving policies into the policy manual. When entering new policies, annotate the date of adoption so that the board meeting minutes can be referenced. Be sure to include the policies referenced in the IRS Form 990<sup>11</sup>.

It is best not to combine a “Policies and Procedures” manual. The procedures manual is staff driven and focuses on operations. The policy manual is board driven and focuses on governance.

## Leadership Manual

Also known as the board book, it is a guide for volunteers. It is distributed at board orientation or upon installation. Sections may include history, bylaws,



<sup>10</sup> For the 1-page framework of the mandatory, primary and secondary documents and systems in an association or chamber, email [bob@rchcae.com](mailto:bob@rchcae.com) with the subject line, “Operating Framework.”

<sup>11</sup> Visit [www.irs.gov](http://www.irs.gov) for the current Form 990.



strategic plan, committees, org-structure, budget, responsibilities, staffing and calendars, for example.

Some organizations maintain a leadership manual as a virtual document on their website, protected by password. Others distribute it as a CD or memory stick. Staff members should be familiar with the contents of the leadership manual.

### **Style Manual**

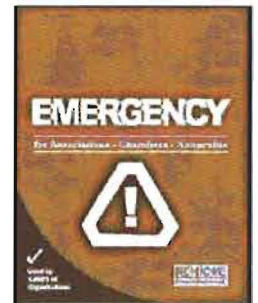
The style manual or communications guide is used to describe the appropriate (and inappropriate) uses of the organization's logos, key words, PMS color, preferred typeface, etc. Its purpose is to maintain a consistent image and brand.

It may include sections on appropriate communications, lines of authority, and who speaks for the organization. It should serve as a guide for staff, chapters, webmaster and printers.

### **Emergency Manual**

The emergency notebook protects the documents of the organization, recommends a communications plan and promotes business continuity if the office is damaged or destroyed.

It contains the critical documents that would take months to replace and has a communications plan for staff and leadership. It may take the form of a virtual document so long as it is stored on a server *outside* of the office. If it is created as a notebook or CD, be sure it stored off-site and all parties know where it can be found in case of a disaster (i.e. at the office of the attorney, CPA or a bank safety deposit box.)



### **Summary**

The manuals promote understanding and efficient operations. In smaller associations, six manuals may be too large a task and unnecessary – possibly combining manuals (i.e. the leadership manual could be combined with the policy manual.) Prioritize the most pressing needs for improvement and sustainability; then begin to update or create the six manuals.

## IRS 501(c) Designations

	<b>Type of Organization</b>
<b>501(c)(1)</b>	Corporations Organized Under Act of Congress (including Federal Credit Unions)
<b><u>501(c)(2)</u></b>	Title Holding Corporation For Exempt Organization
<b>501(c)(3)</b>	Religious, Educational, Charitable, Scientific, Literary, Testing for Public Safety, to Foster National or International Amateur Sports Competition, or Prevention of Cruelty to Children or Animals Organizations
<b>501(c)(4)</b>	Civic Leagues, Social Welfare Organizations, and Local Associations of Employees
<b><u>501(c)(5)</u></b>	Labor, Agricultural, and Horticultural Organizations
<b><u>501(c)(6)</u></b>	Business Leagues, Chambers of Commerce, Real Estate Boards, Etc.
<b><u>501(c)(7)</u></b>	Social and Recreation Clubs
<b><u>501(c)(8)</u></b>	Fraternal Beneficiary Societies and Associations
<b>501(c)(9)</b>	Voluntary Employees' Beneficiary Associations
<b><u>501(c)(10)</u></b>	Domestic Fraternal Societies and Associations
<b>501(c)(11)</b>	Teachers' Retirement Fund Associations
<b><u>501(c)(12)</u></b>	Benevolent Life Insurance Associations, Mutual Ditch or Irrigation Companies, Mutual or Cooperative Telephone Companies, Etc.
<b><u>501(c)(13)</u></b>	Cemetery Companies
<b><u>501(c)(14)</u></b>	State Chartered Credit Unions, Mutual Reserve Funds
<b>501(c)(15)</b>	Mutual Insurance Companies or Associations
<b>501(c)(16)</b>	Cooperative Organizations to Finance Crop Operations
<b>501(c)(17)</b>	Supplemental Unemployment Benefit Trusts
<b>501(c)(18)</b>	Employee Funded Pension Trust (created before June 25, 1959)
<b><u>501(c)(19)</u></b>	Post or Organization of Past or Present Members of the Armed Forces
<b><u>501(c)(20)</u></b>	Group Legal Services Plan Organizations
<b><u>501(c)(21)</u></b>	Black Lung Benefit Trusts
<b>501(c)(22)</b>	Withdrawal Liability Payment Fund
<b><u>501(c)(23)</u></b>	Veterans Organization (created before 1880)
<b><u>501(c)(25)</u></b>	Title Holding Corporations or Trusts with Multiple Parents
<b><u>501(c)(26)</u></b>	State-Sponsored Organization Providing Health Coverage for High-Risk Individuals
<b><u>501(c)(27)</u></b>	State-Sponsored Workers' Compensation Reinsurance Organization

## About Bob Harris

There are more than one million nonprofit organizations in the USA. Bob has studied thousands of associations, chambers and charities to develop best practices.

His career started in Washington, DC with Presidential Classroom. Later he built an association management company in Tallahassee.

He is on the faculty for the US Chamber of Commerce. He works with associations and chambers in Amman, Jordan, to develop King Abdullah's *Mark of Best Practice* recognition.

He has authored books on association management. To evaluate organizations he created the Association Self-Auditing Process, which has been used by 20,000 organizations.

Recognitions include lifetime achievements and recognition for professional development.

He has worked for Hyatt Hotels of Florida for 25 years.

He's been called the Martha Stewart of association management for his willingness to share tips and templates. His website has hundreds of pages of FREE management tips and templates that he will reference today. ([www.nonprofitcenter.com](http://www.nonprofitcenter.com))

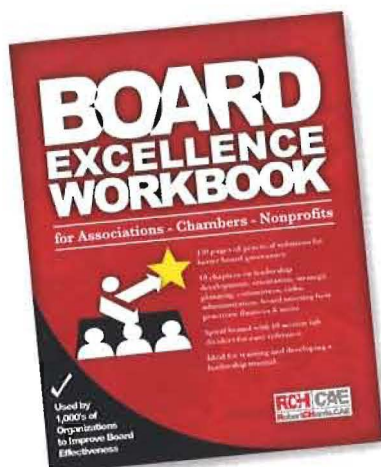
### **Bob's career passions are demonstrated in two principles:**

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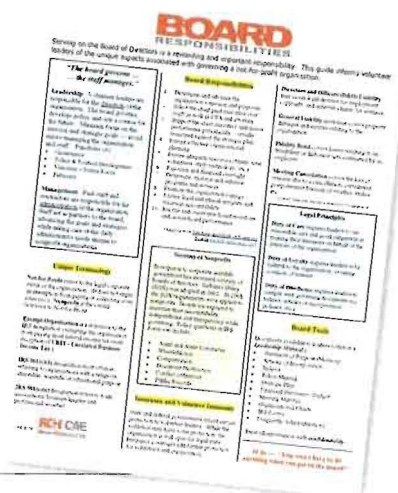
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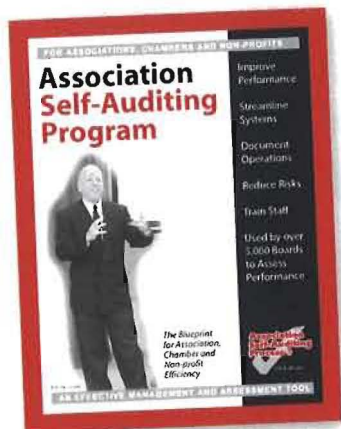
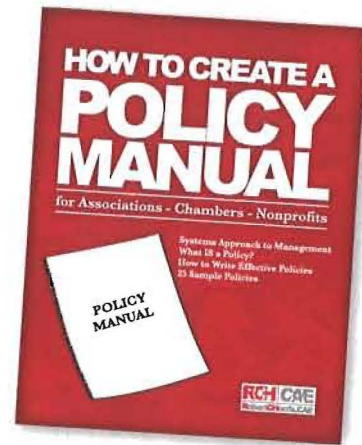


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