

How To Be An Effective Board

For the Behavioral Health Services Association of SC
January 28, 2017

Presenter: Ben Bullock, SC Assoc. of Nonprofit Organizations



But FIRST!

Nonprofit Excellence is a Journey, Not a Destination
Start the Journey Now for Your Organization





2003



2016



Agenda

Board Member Roles and Responsibilities

The Board/CEO Relationship

Effective Committee Structures



Whose Role Is It?

- Approves long range goals?
- Who provides input on long range goals?
- Deals with rogue or ghost board members?
- Monitors achievement of goals and objectives?
- Prepares a preliminary budget?
- Finalizes and approves budget?
- Hires CEO?
- Employs other staff?
- Settles discord among staff?
- Recruits new board members?
- Plans agenda for board meeting?
- Signs legal documents?
- Settles a clash between committees?



Guiding Principles & Best Practices

Nine Focus Areas

Mission & Strategic Direction

Governance

Legal & Ethical Accountability

Financial Management & Stewardship

Operations & Evaluation

Human Resources

Fundraising

Marketing Communications

Information Management



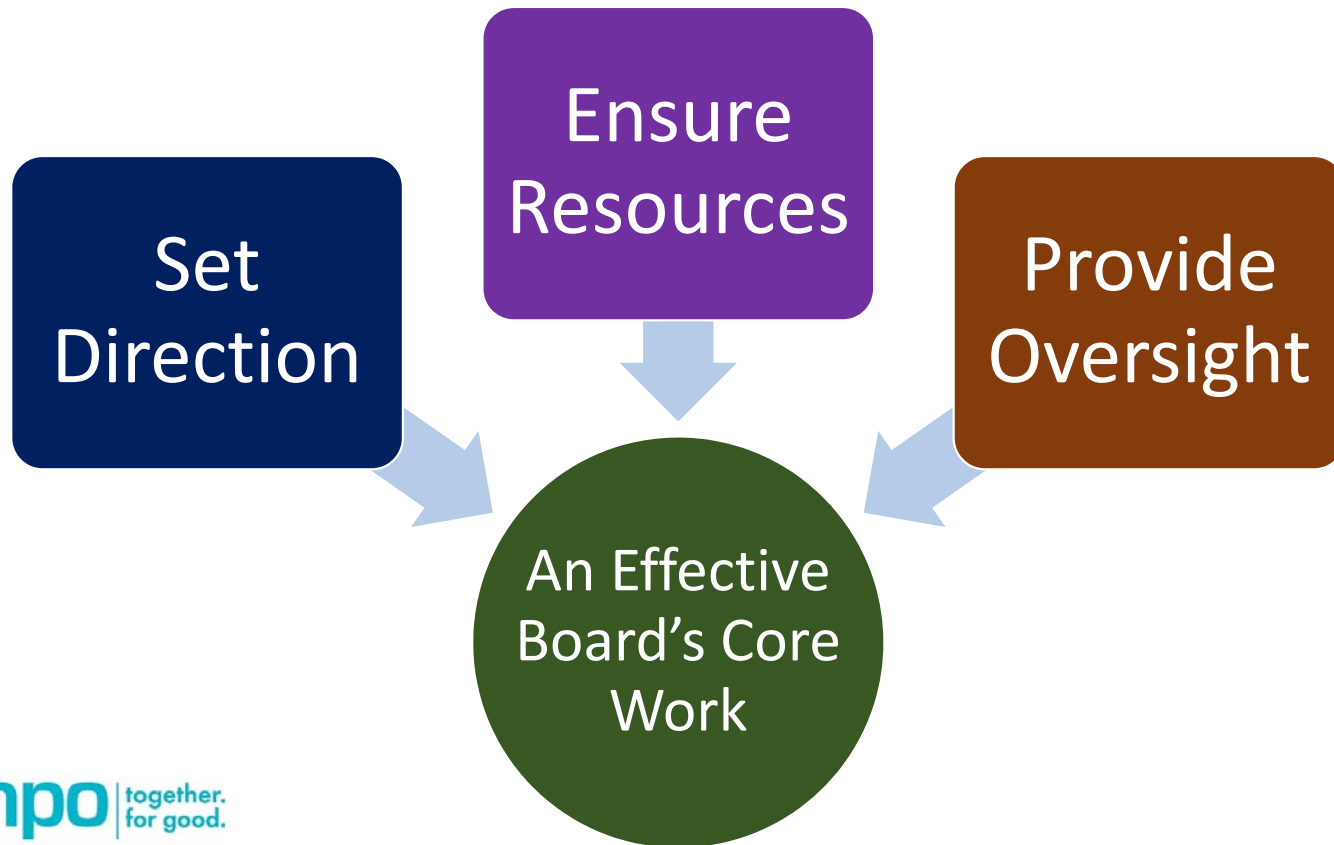
Board Governance

SCANPO Guiding Principle #2

Nonprofit boards govern by providing **high-level vision and leadership** to ensure sound stewardship of organizational assets and resources.



Board Responsibilities



Board Responsibilities

Set Direction

- Determine mission and purpose
- Ensure effective planning

Ensure Resources

- Ensure adequate financial resources
- Select the chief executive
- Build a competent board
- Enhance the organization's public standing

Provide Oversight

- Monitor and strengthen programs and services
- Protect assets and provide financial oversight
- Ensure legal and ethical integrity
- Support and evaluate the chief executive

Ten Basic Responsibilities
of Nonprofit Boards, 2nd Edition,
BoardSource, 2009.





“The health of the relationship
between a
Chief Executive Officer
and the
Board of Directors
is equal to the health of the
organization.”

Monroe Free, CEO,
Greenville Habitat for Humanity,
2015 SCANPO Nonprofit
Excellence Award Recipient.



Board/CEO Relationship

• The Board:

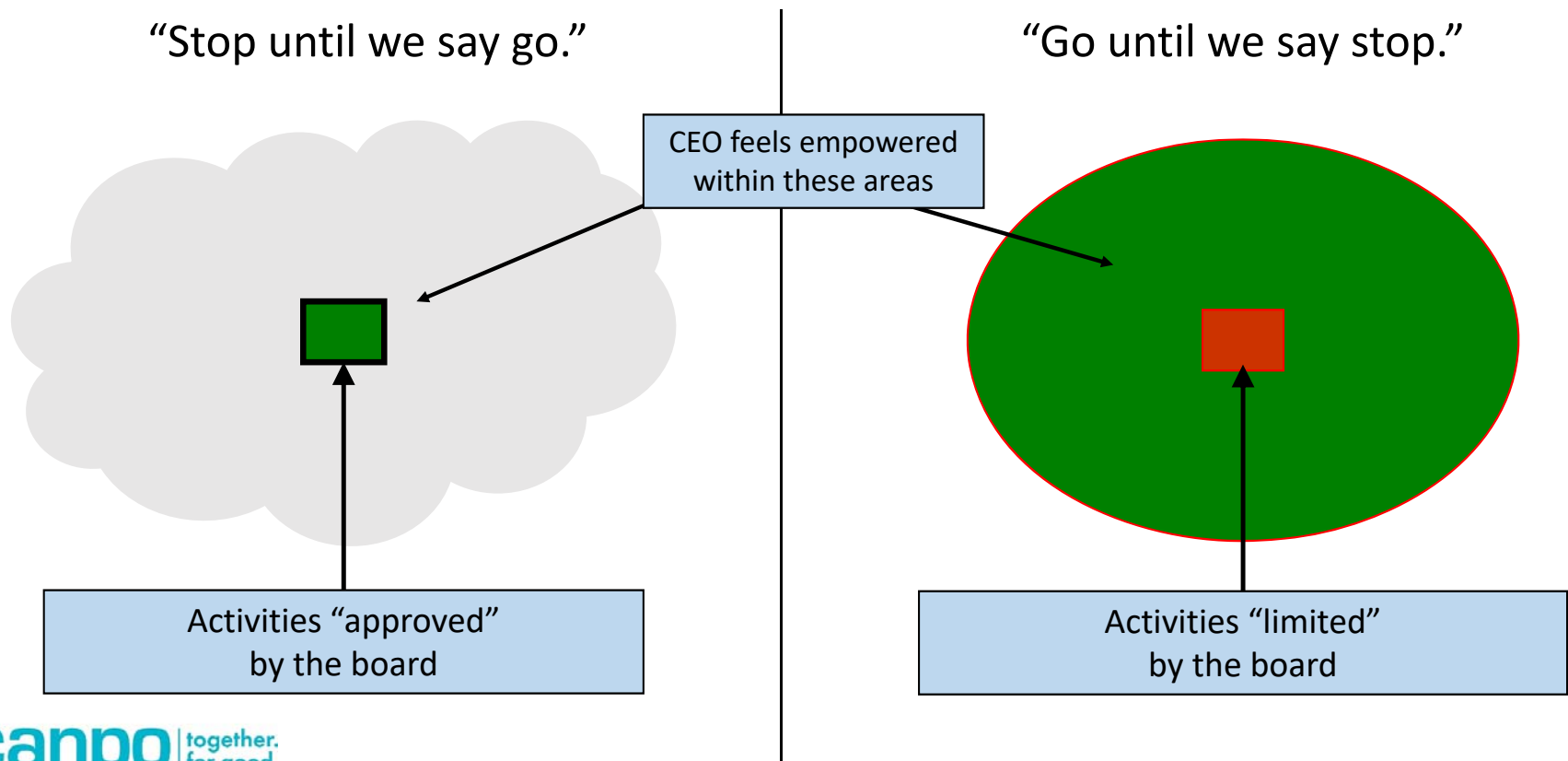
- Understands the Executive Director's role
- Sets clear performance goals and expectations
- Provides regular feedback and **encouragement**

• The CEO:

- Achieves organization's mission and board defined strategic goals.
- Operates within boundaries set by law, regulation, ethical expectations and board policies
- **Communicates** process and progress to the board.



Benefits of Setting Boundaries



Board Chair – The Conductor



By HikingArtist.com



Board Member Roles

Collectively as a board

Represents the **community's interest**
within the organization

Governs with a **Consensus Voice**



Board Member Roles

Individually as a Volunteer

Represents the **organization's interest**
in the community

- Passionate about the mission
- Contributes and assists in raising funds
- Provides connections to supportive community contacts
 - Volunteers for the organization
 - Reports to the Executive Director



Board Member Roles in Fundraising

Make a **personal annual gift**.

Help **thank donors**.

Help **identify prospective donors** and open the door with introductions.

Attend public events and bring prospects and friends

Source: Fired Up Fundraising



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Committee Structure



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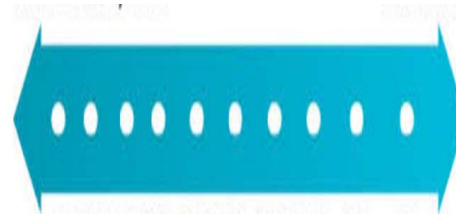
- **Purpose** – to handle issues too large or complex for full board.
- **Function** – gather information, discuss, decide and recommend.



Committee Authority

Advisory

Committees recognize board majority vote as the only decision making authority, unless delegated.



Respected

Board recognizes and honors that committee recommendations come from research and reflection.

Typical Committees

Executive

Governance

Fundraising

Finance



A Word About Governance



“Board governance is recognized as highest level in organizational structure and used to craft written policies that express the agreed upon will of the collective board that defines appropriate CEO’s behavior and what the organization should achieve.”

Tommy , Board Chair, Greenville Habitat for Humanity,
2015 SCANPO Nonprofit Excellence Award Recipient.



Governance Committee Roles

Review/Edit/Recommend Board Policy

Identify/Nominate New Board Members

Orient New Board Members



Effective Board Meeting Tips

Set meeting dates for a year

Consider a consent agenda

Don't meet without a quorum (request RSVP)

Stay on topic – allocate time

Focus on strategic dialogue toward decision making
vs show-and-tell.

Chair remains neutral

Use Executive Sessions

Have a good time



A Productive Board

Knows it is accountable and governs

Knows when to be “hands off”
and when to be “hands on”

Pays attention to governance issues

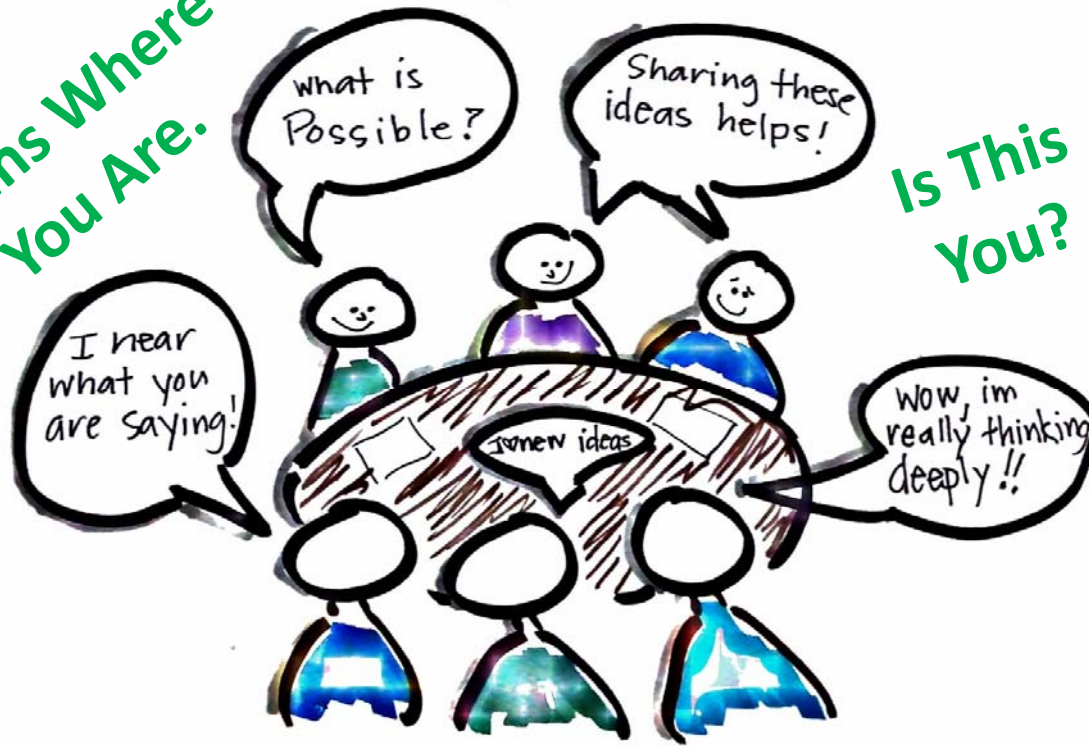
Follows basic boardroom etiquette

Makes board training a priority at every meeting



An Effective Board

Begins Where
You Are.



Is This
You?

