

ninety-nine girlfriends

COLLECTIVE GIVING FOR IMPACT: PORTLAND & SW WASHINGTON

BOARD BASICS LEARNING LAB

GOALS

- Introduce members to the roles and responsibilities of nonprofit boards
- Provide tools and benchmarks for effective board service
- Share information about how to find the right board for you
- Answer questions about local boards

AGENDA

6:30	Mix and Mingle
6:40	Welcome and Overview
7:00	Panel Discussion
7:30	Board Fundamentals – Fundraising and conflicts of Interest
7:45	Joining a Board

PANELIST PROFILES

DEBBIE ELLIOTT worked with Nike for 19 years in leadership positions across the company's global supply chain. She has a deep interest in social justice, international affairs, and foreign cultures. She consulted at Mercy Corps to design and implement a Human Resource system to track 5000+ employees worldwide. She is Board President of the Portland Farmers Market. Debbie has a B.A. from UCLA in Civil Engineering and a Masters in Cultural Geography from California State University Northridge where she also taught geography.

DEBORAH EDWARD, a former nonprofit executive, was the founder of the Austin Children's Museum and founding director of Greenlights for Nonprofit Success, a support center for Central Texas nonprofits. Deborah has been involved in the arts in Portland, Sacramento, Austin and Prague. She has taught philanthropy and nonprofit management at the University of Texas and the University of Portland. She co-chairs ninety-nine girlfriends' Member Education Committee and Executive Committee.

EMIELLE NISCHIK Emielle (pronounced Emily) is the Director of Development and Communication for College Possible Portland. She holds an MPA and a certificate of nonprofit management from Portland State University. She has served on boards and committees for the United Way of the Treasure Valley, the Portland Business Alliance, the American Cancer Society, and Hosteling International. She recently co-led ninety-nine girlfriends' Education & Lifelong Learning grant review team. Her greatest joy and challenge is being mama to two children and teaching them to love all the outdoor adventures.

JUDE LIEBERMAN Jude attended Pitzer College and received an MBA from Portland State University, with a focus on sustainable business, social enterprise and marketing. She was a founding or early member of young professionals boards for Greater Than (formerly "I Have A Dream Oregon) and Oregon Environmental Council. She is on the ninety-nine girlfriends' Coordinating Committee and the Leve advisory board. Combining passion for handmade goods and giving back, she recently started Golden Lining: a pop-up shop for good.

KATHY MASARIE is passionate about many things, especially her Women of Vision and Change group, her neighborhood, her biking group, her Artist Way group, her church community, and now ninety-nine girlfriends. She supported parents and professionals initially as a pediatrician and now as the founder of Family Empowerment Network at www.family-empower.com. She offers talks, classes, workshops, a bimonthly newsletter and has co-authored books that guide self-led parenting group.

KIRSTEN BRADY Kirsten Brady is a community volunteer active in Portland. She has a history of working with start-up nonprofits as well as established organizations. Kirsten has been President of Board of Directors for Childpeace Montessori School, Project Lemonade and Stand for Children - Oregon Chapter. She currently sits on the board for Project Lemonade, Stand for Children and Period. Kirsten holds a B.A. in Psychology with a minor in Social Work. She is a member of the ninety-nine girlfriends' Member Engagement Team.

SUSAN EHRMAN Susan is Director of Development at World Oregon. She is a founding member of ninety-nine girlfriends and brought to Portland her knowledge of women's collective giving circles from her work in Charlotte, NC with the Women's Impact Fund. She has been a board member of Planned Parenthood and a founding board member for Playing for Others. She holds a B.A. from Macalester College. She is active in hospice care and end-of-life issues and loves being at her family cabin on the Deschutes River.

10 BASIC RESPONSIBILITIES OF NONPROFIT BOARDS

1. Determine the organization's mission, values and purpose.
2. Select the chief executive.
3. Support the chief executive and assess his or her performance.
4. Ensure effective organizational planning.
5. Ensure adequate resources.
6. Manage resources effectively.
7. Determine, monitor, and strengthen organization's programs and services.
8. Enhance the organization's public standing.
9. Ensure legal and ethical integrity and maintain accountability.
10. Recruit and orient new board members and assess board performance.

From the Ten Basic Responsibilities of Nonprofit Boards Booklet, www.boardsource.org

KEY DUTIES OF A NONPROFIT BOARD MEMBER

THE DUTY OF CARE

The duty of care describes the level of competence that is expected of a board member, and is commonly expressed as the duty of "care that an ordinary prudent person would exercise in a like position and under similar circumstances." This means that a board member owes the duty to exercise reasonable care when he or she makes a decision as a steward of the organization.

THE DUTY OF OBEDIENCE

The duty of obedience requires Board members to be faithful to the organization's mission and the rules/laws of the Federal and State governments. They are not permitted to act in a way that is inconsistent with the central goals of the organization.

THE DUTY OF LOYALTY

The duty of loyalty is a standard of faithfulness; a board member must give undivided allegiance when making decisions affecting the organization. This means that a board member can never use information obtained as a member for personal gain, but must act in the best interests of the organization.

TYPES OF BOARDS

AREA	CORPORATE/PROFIT BOARD	NONPROFIT ADVISORY BOARD	NONPROFIT GOVERNING BOARD
FOCUS	Financial results	Advice re organizational direction	Mission
FINANCIAL OVERSIGHT	Reviews financial metrics of performance, P&L, stock prices Short-term goals very important	--Suggests sources of revenue -- No direct responsibility for financial stability	-- Responsibility to make sure funds are being allocated appropriately -- Direct responsibility for financial stability
BUDGET	Managed by staff	May provide input	Approves the budget
COMPENSATION	Small board- paid governance	Can be small or large, stipends sometimes	Often large board- unpaid governance
FUNDRAISING	Not applicable	Raise funds as volunteers – e.g. as friends	Raise funds as directors – e.g. as leaders
BOARD-STAFF RELATIONS	Committees re audit, compensation, governance	Gives input	Committees re development, investments, finance, ad hoc committees
PERSONNEL	Committees involved in compensation	Encourage and support staff informally	Hire and evaluate the Executive Director
LIABILITY	For intentional wrongdoing or being oblivious	Liability to negligence is as a volunteer	Ultimate liability for negligence (e.g. larger damages possible)
MEETINGS	Annual meeting	Discussions around programs	Regular meetings spelled out in bylaws
REPRESENTATION	Shareholders	Voice for key organization	Mission and constituents

CRUSH CONFLICT OF INTEREST

This quiz is based on a Canadian exercise to spot potential conflicts of interest that could occur in a nonprofit. If the situation presents a conflict, circle the gavel; if okay, circle the trophy.

CONFLICT?	CRUSH IT !	WIN-WIN!
A board member votes to renew the organization's office lease in a building that he owns.		
The part-time Executive Director takes on a paid personal contract to develop a fundraising program for a similar organization that competes with your organization for funds in the same community.		
The vice president's wife has bid on a contract to evaluate the organization's programs. The board awards her the contract after the vice president discloses his financial interest to the board and abstains from voting on the contract award.		
A board member who is also a service user is placed at the top of the waiting list for services, ahead of others who applied for the services earlier than the board member.		
The board president accepts a \$500 check made out in his name, in recognition of a conference presentation he delivered on behalf of the organization.		

The organization purchases a computer system from a board member's business after receiving 3 less competitive quotes.



The Executive Director is given an honorarium for helping another nonprofit develop its personnel policies, using her organization's policies as a model. She discloses the honorarium to the board and makes a donation to the organization in the same amount as the gift.



WHOSE JOB IS IT ANYWAY?

Board	Exec Dir	Responsibilities
		1. Ensure needs of members/clients are met by program staff.
		2. Determine organization mission and purpose(s).
		3. Support the Executive Director and review his/her performance.
		4. Assign tasks or jobs to program staff.
		5. Develop and administer procedures related to personnel, budget and physical facilities.
		6. Assess Board's performance.
		7. Make a personal financial commitment and contribution to the organization.
		8. Ensure effective organizational planning by setting long-term strategy.
		9. Establish policy.
		10. Raise funds to support organization (secure sponsors, solicit donations, etc.)

Who's on first? Distinguishing between management and governance

Two distinct leadership roles

Governance	Management
The "what" issues	The "how" issues
Stewardship: Ensuring the organization acts in the best interest of its stakeholders, now and in the future.	Execution: implementing the aspirations and vision of the organization.
Determining mission, policy and strategy	Developing strategy, Implementing policy and strategy, developing procedures, setting operating plans, delivering services
Hiring and overseeing CEO	Hiring and supervising staff
Monitoring performance and ensuring accountability	Measuring performance
Serving as external advocates & champions for the organization	Communicating clearly and regularly with the board

Governance is a team effort based in reciprocity and mutual accountability

When is it an issue for the board?

1. Is it big?
2. Is it about the future?
3. Is it core to the mission?
4. Is a high-level policy decision needed to resolve a situation?
5. Is a red flag flying?
6. Is a watchdog watching?
7. Does the CEO want and need the board's support?

HELPFUL RESOURCES FOR BEING AN EXEMPLARY BOARD MEMBER

Blue Avocado - a monthly blog by nonprofit guru Jan Masaoka

<http://www.blueavocado.org/>

Some good examples:

“The Governance Support Model for Nonprofit Boards”

<https://blueavocado.org/board-of-directors/the-governance-support-model-for-nonprofit-boards/?highlight=governance%20support>

“What’s the Point of a Nonprofit Board Anyway?”

<https://blueavocado.org/board-of-directors/what-s-the-point-of-a-nonprofit-board-anyway/>

Board Café – a series of short articles about board issues that can be purchased in book form or read online

<http://www.compasspoint.org/board-caf%C3%A9-home>

BoardSource – the national association that focuses on nonprofit boards

www.boardsource.org

Guidestar – the national IRS resource about all things nonprofit

www.guidestar.org

Governance as Leadership by Chaitt, Ryan and Taylor

<http://www.boardsource.org/Bookstore.asp?Item=161>

Mass Nonprofit News: “Four Ways to Enhance Nonprofit Stewardship”

<http://www.massnonprofit.org/expert.php?artid=2419&catid=22>

Nonprofit Association of Oregon - workshops, tools and a helpline

<http://www.nonprofitoregon.org>

Nonprofit Quarterly –, Subscribe or peruse the articles index online.

<http://www.nonprofitquarterly.org/>

Public Sector and Healthcare Niche “The Crucial Difference between Governance and Management”, by Ron Mitchell

<https://www.inphilanthropy.org/sites/default/files/resources/Crucial%20Difference%20Between%20Governance%20%26%20Management-AKT%20LLP-2011.pdf>