

**Nonprofit Board**

**MEMBER MANUAL**

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## **Charter Documents**

### **Articles of Incorporation**

Include a copy of the articles of incorporation establishing the nonprofit corporation.

### **IRS letter granting 501(c)(3)**

Include a copy of the IRS letter granting 501(c) (3) status to the organization.

## **Strategic Plan**

### **Strategic Plan Document**

Include a copy of the most recent strategic plan.

## **Board Organization/Operations**

### **Board Bylaws**

Include a copy of the bylaws that govern the operation of the board.

### **Code of Ethics and Code of Conduct**

Include a copy of the code of ethics and conduct for the organization. Usually a copy can be found in the organization's policy manual.

### **Board Meeting Attendance Policy**

Include a copy of the attendance policy for board meetings. Here's an example:

This policy is intended to support full contribution of all board members. All board members receive a copy of this official policy. The policy has been reviewed and authorized by the board.

A board-attendance problem occurs if any of the following conditions exist in regard to a board member's attendance to board meetings:

- The member has two un-notified absences in a row ("un-notified" means the member did not call ahead to a reasonable contact in the organization before the upcoming meeting to indicate they would be gone from the upcoming meeting).
- The member has three notified absences in a row.
- The member misses one third of the total number of board meetings in a twelve-month period.

If a board-attendance problem exists regarding a member, the chair of the board will promptly contact the member to discuss the problem. The member's response will promptly be shared by the chair of the board with the entire board at the next board meeting. In that meeting, the board will decide what actions to take regarding the board member's future membership on the board. If the board decides to terminate the board member's membership, termination will be conducted per this policy (or the process may specified in the organization's bylaws). The board will promptly initiate a process to begin recruiting a new board member.

### **Guidelines for Recruiting, Orienting, Informing and Removing Members**

Maintain an up-to-date list of potential board candidates, including the particular skills they can bring to the organization. This is often done by the Nominating Committee or the Board Development Committee.

Prospective board members should meet with the board chair and the chief executive, hear an overview of the organization and receive relevant organizational materials describing the organization's products or services, receive a board member job description and a board member

application form. The prospective new member should hear about how the organization orients new members. Provide names of several board members whom the prospective new member might contact with any questions.

Identify if there are any potential conflicts of interest with the candidate, e.g., is he or she on the board of a competing organization, a vendor of the organization, etc.

Invite the prospective new member to a board meeting. Notify current board members that a potential new member will be attending. Consider name tags to help the potential new member be acquainted with board members. Introduce the member right away in the meeting and, at the end of the meeting, ask the potential new member if they have any questions. Thank them for coming.

Shortly after the meeting, call the prospective new member to hear if they want to apply for joining the board or not. If so, solicit their completed board member application and provide all applications to the board for their review and election.

Notify new members (those who have been elected) and invite them to subsequent board meetings and the board orientation.

## **Guidelines for Evaluation Executive Director**

List the guidelines to be used to evaluate the executive director. Include any performance appraisal instruments (documents) to be used.

## **Board Organization and Membership**

Include a list of the members of the board.

## **Roles and Responsibilities of Board**

Describe the roles and list the responsibilities of the board.

## **Job Descriptions of Board Officers and Other Members**

### **Board Committees**

List the subcommittees of the board. Here is an example list:

#### **Fundraising Committee**

The Fundraising Committee's job is not simply to raise money. Instead, the Fundraising Committee is responsible for overseeing the organization's overall fundraising and, in particular, the fundraising done by the board. To accomplish this, its responsibilities are:

To work with staff to establish a fundraising plan that incorporates a series of appropriate vehicles, such as special events, direct mail, product sales, etc.

- To work with fundraising staff in their efforts to raise money
- To take the lead in certain types of outreach efforts, such as chairing a dinner/dance committee or hosting fundraising parties, etc.
- To be responsible for involvement of all board members in fundraising, such as having board members make telephone calls to ask for support, and
- To monitor fundraising efforts to be sure that ethical practices are in place, that donors are acknowledged appropriately, and that fundraising efforts are cost-effective.

#### **Finance Committee**

The Finance Committee (often called the Budget and Finance Committee) tasks are:

- To review budgets initially prepared by staff, to help develop appropriate procedures for budget preparations (such as meaningful involvement by program directors), and on a consistency between the budget and the organization's plans

- To report to the board any financial irregularities, concerns, opportunities
- To recommend financial guidelines to the board (such as to establish a reserve fund or to obtain a line of credit for a specified amount)
- To work with staff to design financial reports and ensure that reports are accurate and timely
- To oversee short and long-term investments, unless there is a separate investments committee
- To recommend selection of the auditor and work with the auditor, unless there is a separate audit committee, and
- To advise the executive director and other appropriate staff on financial priorities and information systems, depending on committee member expertise.

### **Board Development Committee**

In some ways the most influential of all the committees, the Board Development Committee (sometimes called the Nominating Committee or the Committee on Trustees) is responsible for the general affairs of the board. While the specific tasks of this committee vary greatly from organization to organization, they usually include some or all of the following responsibilities:

- To prepare priorities for board composition
- To meet with prospective board members and recommend candidates to the board
- To recommend a slate of officers to the board
- To conduct orientation sessions for new board members and to organize training sessions for the entire board, and
- To suggest new, non-board individuals for committee membership.

### **Program Committee**

The Program Committee is often comprised of board members who are most familiar with the approaches and operations of the organization's programs. Depending on its make-up and programs, this committee's most common responsibilities are:

- To oversee new program development, and to monitor and assess existing programs
- To initiate and guide program evaluations, and
- To facilitate discussions about program priorities for the agency.

### **Executive Committee**

The Executive Committee is comprised of the board officers; others include committee chairs; and some choose other configurations, such as the board officers and the Fundraising Committee chair.

### **Audit Committee**

The role of the Audit Committee encompasses interviewing auditors, reviewing bids, recommending selection of an auditor to the board, receiving the auditor's report, meeting with the auditor, and responding to the auditor's recommendations. For many organizations, the annual audit is the only time the organization's financial systems are reviewed by an independent outsider, and as a result the auditor's report is an important mechanism for the board to obtain independent information about the organization's activities. On smaller boards, the functions of the Audit Committee are managed by the Finance Committee.

### **Personnel Committee**

The functions of the Personnel Committee include drafting and/or revising personnel policies for board approval, reviewing job descriptions, establishing a salary structure, and annually reviewing staff salaries, and reviewing the benefits package. In some organizations the board's Personnel Committee also acts as a grievance board for employee complaints. Because difficulties can arise if many less serious complaints are brought directly to the board rather than to the staff



## Board Member Biographies

Include a brief biographical sketch of each board member.

## Board Calendar

Board Activity	Approximate Date
Fiscal year begins	January (fiscal-year timing is often specified in the Bylaws)
Conduct Board Self-Evaluation	March-April (before evaluating chief executive)
Evaluate Executive Director	April-May (after completion of last fiscal year)
Review and update board policies and personnel policies	April-June (concurrent to board and chief evaluations)
Conduct first board retreat	April
Begin recruiting new board members	April-May (in time for June/July elections)
Conduct strategic planning	May-June-July
Elect new board members	June-July (per By-Laws)
Establish Executive Director's goals for next year	August
Hold annual meeting	July (per By-Laws)
Establish Executive Director's goals for next year	July-August-September
Develop fundraising plan	July-August-September
Conduct second board retreat	August (in time to orient new board members soon after they join the board)
Conduct fundraising plan	August - December

## Programs/Products and Marketing

### Description of Programs, Products and Services

Describe the programs, products, services and marketing efforts of the nonprofit organization.

### Brochures, articles, etc.

Include copies of brochures, articles and other collateral that helps explain the programs of the nonprofit.

## Finance/Fundraising

### Yearly Budget

Include a copy of the annual budget.

### Financial Statements

Include a complete set of the most recent financial statements.

### Fundraising Plan

Include a copy of the most recent fundraising plan for the nonprofit organization.

## **Personnel**

### **Organization Chart**

Include a copy of the nonprofit's organization chart.

### **Key Staff**

Include a list of the names and titles of the key managers and staff of the nonprofit organization.