



# Board of Director’s Manual

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## Welcome Letter from Family Promise of Brevard Executive Director

Dear Board Members,

Welcome and congratulations on becoming a member of the Board of Directors for our Family Promise Affiliate. You have taken an important leadership role in an organization which helps families overcome homelessness and, in the process, brings people together, to meet community needs.

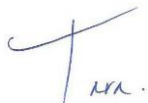
As a board member, your ideas, skills, knowledge, and dedication will guide our organization and will determine, in large measure, our strength and success. Both individually and as a group, board members lead the way to a financially stable Affiliate which empowers families, engages community, and elevates opportunities to address and end family homelessness.

As a member of a nonprofit Board of Directors, you will define goals, make policy decisions, raise funds, allocate resources, and represent our Affiliate, in the community. In your work as a board member, you will make new friends and gain the satisfaction that comes from working together in a shared mission.

Ultimately you have a role in our shared aspiration to change the future for children through our community-based programs. You have a role in changing how we address, and end, homelessness in this county.

Again, welcome, from our staff at Family Promise of Brevard, and thank you for choosing to serve our community together. We look forward to working with you.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tara", with a stylized flourish above the name.

Tara Pagliarini, MSW  
Executive Director  
Family Promise

## Section I: Introduction to the Board of Directors

*“Never doubt that a small group of thoughtful, committed citizens can change the world; indeed, it's the only thing that ever has.”*

*-Margaret Mead*

### Chapter 1: Overall Responsibilities

The continuing growth of Family Promise of Brevard affirms the spirit and ingenuity of hundreds of compassionate people who see community needs and organize to do something about them. The Board of Directors works together to govern and support our mission to help families experiencing or at risk of experiencing homelessness achieve stability.

You have accepted the opportunity to become a member of the Board of Directors. Your role is to work with the board, to assure we serve families at risk of or experiencing homelessness well and in a financially responsible manner. As a board member, you will want to fully understand the collective responsibilities of the board and the individual responsibilities of board members. The purpose of Chapters 1 and 2 is to briefly describe those responsibilities, as they pertain to a Board of Directors of a Family Promise Affiliate.

#### *Legal Structure and Authority*

The Board of Directors\* gives our Affiliate the legal structure and authority to make decisions, set policies, approve budgets, hire professional staff, raise funds, manage finances, and develop long-range plans. Many board activities can be delegated. However, fiduciary, legal, and ethical responsibilities for the Affiliate cannot be given away to any other entity—these belong to the board.

*\*“Board Chair” is used throughout this publication for two reasons: 1) “Board member” avoids confusion between a Board Director and the Director; and 2) the word “board member” implies stewardship, or the responsibility of being entrusted with the care of the Affiliate.*

#### *Many Functions, One Board*

Our board has many functions to perform and many tasks to complete; however, all its work may be categorized into two distinct roles, **leadership** and **oversight**.

Leadership includes establishing goals, doing strategic planning, and establishing policies and programs which move the Affiliate forward.

Oversight includes monitoring the program and carrying out the fiduciary responsibilities of the board. Most functions of the board include elements of leadership and oversight. For example, the board leads in setting fundraising goals; the board is also responsible for overseeing, or monitoring the fundraising campaign, to be sure it is done ethically and cost-effectively.

All boards have similar responsibilities within those two roles:

**Governance.** The board has legal, fiscal, and moral responsibility for the well-being of the Affiliate. The board ensures compliance with all federal, state, and local laws, regulations, and requirements pertaining to nonprofits.

The board develops and adopts policies which govern all aspects of our Affiliate. All policies are determined by the desired ends or outcomes: what good is to be done, by whom, and at what cost? Policies should be reviewed bi-annually; to assure they are in line with current best practice. Your Regional Director can provide the most up-to-date policy templates.

**Planning.** The board understands and advances Family Promise's mission. It develops long-range goals and objectives to successfully fulfill that mission. The board evaluates our Affiliate's effectiveness in reaching its goals and incorporates evaluation information into its planning process. The Board Chair and executive director will coordinate planning sessions, as needed. As outlined in the [Affiliate Agreement](#), the board should meet annually with the Regional Director, to evaluate programming and complete the [Affiliate Health Metrics](#).

**Fundraising.** The board is responsible for procuring the resources needed for our Affiliate to fulfill its mission. Board members are committed to personal giving according to their individual means. The board develops a fundraising plan and members actively participate in carrying it out. Members contribute names to the mailing list, write notes to potential donors, and solicit donations in person. The board oversees all fundraising activities to assure that all efforts are ethical, legal, and cost-effective.

**Personnel.** The board selects, supports, evaluates, and, if necessary, dismisses the executive director. The board's responsibility is to oversee, but not control, the executive director's work. The Human Resources Committee sets policies such as work hours and vacation pay, but the chair of the board is the liaison between the board and the executive director. Your Regional Director can connect you with the most up to date salary and compensation information available, to help our Affiliate attract and retain the best staff for our Affiliate.

**Financial Management.** The board is responsible for the financial integrity and performance of our Affiliate. The board approves an annual budget, which has the dual purpose of assuring our Affiliate operates within its means and those programs and projects are identified and approved for the coming year. It monitors revenue and expense in accordance with the approved budget and makes policy regarding all financial procedures. The board contracts with a certified public accountant to perform an annual audit or a financial review. [Here's a link to a helpful checklist](#), to determine when you're ready for an audit. It's also recommended an Affiliate hire an outside person or company for external financial support as needed. Family Promise has a preferred vendor relationship with Jitasa, but an Affiliate is free to choose an appropriate company or individual. The executive director will also work with the board and bookkeeper, to make sure financial records are kept in order and financial controls followed. The board handles any investments of Affiliate funds.

**Public Relations.** The board develops and implements a public relations plan, to project a positive, consistent, and accurate image of Family Promise, in the community. The executive director is the official spokesperson to the media with backup from the board chair.

**Board Evaluation.** The board evaluates the effectiveness of our Affiliate and the fulfillment of board roles. To do so, the board may use various formal and informal approaches, including questionnaires, statistical surveys, ad hoc reports, discussions, and anecdotal information. The Board and executive director should connect with the Regional Director to review Affiliate Health Metrics and receive training every 24 months.

## **Chapter 2: Individual Responsibilities**

*“Leadership, that elusive but ever-so-important quality, is what empowers an organization, gives it purpose and strength. Leadership consists of perceiving the direction to take, explaining it in a way that arouses the desire to follow, and then with commitment taking the path so others will follow.”*

*-Fisher Howe*

Like other board members, you want to do your job effectively. But you may be wondering, “What exactly is it that I’m supposed to do?” Many people become board members without any preparation and with little or no orientation to the organization they’ve agreed to serve. Since there is nothing quite comparable to membership on a nonprofit board, confusion about the role of the board and the expectations of each individual board member is understandable.

The collective functions and responsibilities of the board are fulfilled through the team efforts of the board members. Board members are also entrusted with individual responsibilities as part of their commitment to board service. The Chair of the Board should articulate those individual expectations so that all nominees and directors understand what is being asked of them. When individual expectations have been clearly articulated, the performance of incumbents eligible for re-election can be more easily assessed.

In addition to the written outline below, you’re encouraged to watch the [Board Overview Training video](#)

### *Specific Responsibilities*

As a member of the board, you will be expected to fulfill these responsibilities:

- Understand, support, and contribute to the development of our Affiliate’s mission and programs.
- Prepare for and actively participate in board, committee, and special meetings. Ask timely and substantive questions. Support majority decisions.
- Serve on at least one board committee.
- Give an annual financial gift according to personal means and assist in fundraising, particularly through personal influence with corporations, individuals, and foundations.

- [Understand financial statements.](#) Exercise prudence in the control and transfer of funds. Ensure proper financial controls exist.
- Implement and abide by term limits for board members.
- Ensure recruitment is always active.
- Nominate new members who support our Affiliate's mission and can make significant contributions to the work of the board and the progress of the Affiliate.
- Follow trends in fields of interest to Family Promise.
- Avoid even the appearance of conflict of interest that might embarrass the board or the organization. Disclose any possible conflicts to the board immediately.
- Be willing to accept a leadership role on the board (committee chair or officer).
- Serve as an ambassador of Family Promise in the community.
- Review the [Board Job Descriptions](#), to assure responsibilities are being met.

### *Qualities and Skills*

All board members should have an enthusiastic commitment to our Affiliate's mission to help families experiencing or at risk of experiencing homelessness achieve independence. Although it is important to have professional expertise on the board, it is equally important all board members possess the human qualities which lend themselves to board work - patience, fairness, enthusiasm, and the desire to work as part of a team.

The board should be composed of people from varying ages and occupations. Members should represent the diverse backgrounds of the community, Affiliate stakeholders and include members with lived experience of homelessness. Members of the board will need to be open-minded and inclusive, in their dealings with one another. The board should be committed to Diversity, Equity, Inclusion and Access (DEIA) best practices. Personal integrity is a given: even the appearance of impropriety or an undisclosed conflict of interest can be devastating to our Affiliate. Board members need to be good listeners who bring their ideas, but not their individual agendas, to the table.

Membership on our Affiliate board provides you the opportunity to develop a shared vision with other board members, work as a team to make that vision a reality and find joy in the relationships you form with your team members. In doing so, you will have the opportunity to make a difference in the lives of other people and in your own life as well.

### **Chapter 3: Key Stages of Board Development**

Family Promise of Brevard's board, like the boards of other nonprofit organizations, has gone through several stages of development. Our Affiliate board began as a grassroots core group committed to developing an Affiliate and evolved into a formal Board of Directors with legal and financial responsibility for an operating Affiliate. Our board evolved to govern several programs and a new model, a staff larger than 10, and an annual budget exceeding \$1M.

Understanding the stages our board has gone through will help you recognize and respond to changes which occur, as our board evolves.

### *The Start-up Board*

In the start-up stage, the core group/board actively pursues Affiliate creation. There is no staff, and the core group/board members manage and implement the process of Affiliate development, including recruiting volunteers, identifying facilities for shelter and programming such as a Day Center, host sites or static site. Responsibilities also include preparing budgets and raising money. The members are a grassroots group in which all activities are hands-on. Eventually, they incorporate, formalize their roles, and hire the first executive director.

### *The Working Board*

In the second stage, an executive director is hired to manage the program and the board is no longer involved in day-to-day operations. The board remains an active, working board—there is insufficient staff to handle all Affiliate activities. Board members may help with writing grant proposals and newsletters, bookkeeping, public speaking, and other activities. A working board must have enough board members who are willing to do what needs to be done. The board is in transition to maturity, when new board members are recruited for the purpose of building a diverse, functioning board.

### *The Mature & Governing Board*

On a mature board, the board members work with the executive director, who has assumed the role of executive director and is responsible for all aspects of operation. Additional professional staff, supervised by the executive director, operate the Affiliate as well as additional programs. Board members provide leadership: they continue to set policy, actively raise funds, determine long-range goals and objectives, and evaluate the board's own performance and that of the Affiliate. At maturity, the Affiliate is a well-established, respected organization which continues to identify and respond to the needs of its guests and its community.

### *Flexibility and Change*

Boards are always evolving. While the three stages of board development are clearly identifiable, they are fluid, not concrete, and some boards take a somewhat different path to what has been described above. The important thing to know is board members need to be flexible and willing to accept change as the Affiliate grows and changes.

Frustrations can sometimes be avoided, if board members and staff realize when the board is not acting "as it should," it may not have evolved to the stage where a particular expectation can be fulfilled. For example, many boards are not ready to do strategic planning until the Affiliate has reached stability, and the board begins to see opportunities and challenges for further growth. At that point, usually between years one and three, strategic planning can determine goals and objectives for the Affiliate for the next several years.

Although some boards do long-range planning earlier than this, if the board doesn't seem ready, it may be that the stage for this activity is yet to come.

## **Section II: Building the Board**

*"Virtually every significant social idea in this country has been nurtured in the nonprofit sector."*



## Chapter 4: Board Membership

To build a strong board, recruit intentionally, recruit with diversity and overall program growth in mind.

You will want to attract people with professional skills, those who raise funds, and get things done through their contacts and personal influence. Take the necessary time to complete our board roster with people who can give our Affiliate the help we need to move it forward.

[This Board Development tool](#) will help you grow your membership, in a healthy way.

### *Needed Skills for the Board*

It will be helpful to have individuals with the following skills or experiences on the board: legal, accounting, fundraising, public relations, human resources and lived experience with homelessness. You may have some of this expertise already, but if you don't, you might look for it as you recruit new board members. Also look for senior-level business executives that represent your community's major corporations—they can help you with fundraising and community contacts.

While it is a good idea to look for prospects in host and support sites, you do not need to choose people because they represent a particular site. Each host/support site is represented during regularly scheduled host/support site meetings. If you do recruit board members from participating sites, you can ask clergy for suggestions. But be up-front and specific about the kinds of people and skills you are looking for.

A note about primary host/support site coordinators is pertinent here. As committed as these individuals are to our Affiliate, they cannot be elected to the board because of the inherent conflict in the dual roles. The conflict lies in the different relationships of the coordinator and the board to the executive director: coordinators report to the executive director; the board employs and evaluates the executive director. **Coordinators can become board members only if they relinquish their coordinator positions during their terms on the board.**

It is best if your board is small enough that members feel involved, but large enough to cover all the responsibilities. Eleven to nineteen people supply good professional representation. An uneven number is important, so a majority exists, in the event of a close vote.

### *Recruiting Board Members*

Recruitment takes time and thoughtful planning. It is good to remember that identifying prospective board members is an **ongoing activity**. **Term limits must be enforced, thus continual recruitment is needed, to maintain a healthy Affiliate.**

Even when the board is full, keep an active list of potential recruits, to interview when positions become available. When a particularly interested and qualified individual comes to your

attention, provide the name to the Governance Committee whether there are vacancies or not.

Recruiting new board members usually includes the following steps:

1. **Assess our needs.** The entire board should participate in an assessment of skills, talents, experience, and representation, on the current board. Chart the demographic composition and the skills of your current board members. Then list the talents, skills, and experience needed, as well as what representation is needed to diversify the board. Brainstorm possibilities and achieve consensus about board needs. This consensus may help to avoid misunderstandings later if the Board Development Committee does not recommend a current board member's favorite candidate.
2. **Identify prospects.** The Board Development Committee (three to five members appointed by the chair, often headed by the vice chair), knowing the board's needs, begins to seek recommendations from current board members, community contacts, public affairs departments of major companies, and any board match programs in the community. The committee accepts recommendations from clergy and lay people in the Affiliate. Most clergy members are familiar with their communities; they may be able to refer excellent prospects within and outside their sites.

Again, remember that the board does not need to be composed of representatives from host or support sites. However, if there are people with professional skills and contacts in those sites, it's great to consider them: They'll know more about our Affiliate and have a vested interest in serving it.

Consider how you would feel if approached for a position on a board. Make sure to create a packet, either printed or online, that includes promotional materials, your budget and fundraising plans, board guidelines, and any press on our Affiliate. This signals both that this is a professional organization and that being on the board is a serious commitment. Ensure a smooth, organized and intentional new-member orientation and on-boarding process.

All nominations must go through the Board Development Committee. Confusion and misunderstandings can result when, without notice, individual board members who are not on the Board Development Committee bring forth nominations at a full board meeting.

3. **Interview prospects.** Usually, two members of the Board Development Committee and the executive director, if possible, interview prospects at an informal meeting, perhaps over coffee, lunch or a video conference, if meeting in-person is difficult. If a current board member has recommended a candidate, they also attend the meeting; in some rare cases (after checking with the Board Development Committee and the full board) a current board member might meet alone with a particularly prestigious, busy, and highly sought-after prospect. At the meeting, interviewers share Affiliate program information, detail board member expectations and responsibilities, answer questions, and gather information about the prospect's background and interests. If the candidate is interested in board service, you can provide a board application and explain the nomination process.

No offers should be made at the initial meeting. After the meeting, if the interviewers are confident a candidate will make a dedicated board member, the committee nominates the candidate, to the full board, for a vote.

4. **Invite participation.** When a nominee is accepted, the chair should send a letter of welcome. Letters should include information about the orientation process and term length. (New board members either fill the unexpired term of a board member who has left or begin their tenure with a new term.) Enclose a list of current board members and their affiliations as well as a list of board meeting dates.
5. **Provide orientation to new members.** [Here's a link to our orientation resources.](#) Orientation gives new board members the information needed to do a good job and the opportunity to meet other board members. All new board members should receive a copy of this manual either a digital or print copy, as well as a notebook or access to a digital file prepared for our local Affiliate which includes the prior year's meeting minutes, treasurer's reports, by-laws, and so on. You'll find a complete list of the materials to be shared, in the above orientation link.

If you have several new board members coming on board at once, hold a group orientation, at the Day Center or one of your program locations. Whether orientation is held for a group or an individual, it should include the following:

- Welcome from the chair
- Summary of Affiliate programs and current activities, by the executive director
- Description of committees and current activities, by each committee chair (or the board chair)
- Arrangements for visiting the Firehouse or program site if orientation is not held there. A digital tour is appropriate until an in-person visit can be arranged
- Summary of materials in the board notebook.

As soon as a new board member joins the board, they should become part of the team. The new board member was recruited for needed skills, so the board has an idea of how this person can serve our Affiliate. Be sure new board members understand why they are needed and integrate them into the appropriate committee(s) as soon as possible. Also try and connect them with volunteer opportunities with a host site or support organization, so they can become more deeply connected with our Affiliate's program and mission.

### *Special Situations*

Most of the time, the steps outlined in this chapter will work well, and the candidates recommended by the Board Development Committee will be elected by the full board. However, very occasionally, after the Board Development Committee has interviewed and recommended a candidate, the board may decide that the candidate is not the right person for the job. This

potentially awkward situation can be limited by carefully screening candidates before deciding whether to interview them and by including other possibilities besides board membership during the initial interview. This reality is why boards should continually work to recruit new committee members.

At the initial interview, the idea of overall service, including but not limited to board membership, should be discussed. Other possibilities for service should be explored—for example, the candidate might provide expert advice or counsel to the Affiliate in an area like accounting, law, or public relations. Or the candidate's interests and skills might be especially appropriate for a board committee. Whether a candidate is invited to join the board or not, the chair should let the prospect know immediately by letter. The letter should always invite participation in our Affiliate based on the discussion at the interview.

Another situation you will encounter is that from time to time, a board member will leave the board before the end of his or her term. Personal life changes, such as a new job, illness in the family, or a move to another geographic area, may precipitate a resignation. The board member should submit a letter of resignation to the chair, and the chair, in turn, should acknowledge and thank the outgoing board member at a board meeting. If a board member leaves the board because of a personal or philosophical conflict with board members or board policies, the chair will arrange a private meeting to try to resolve or defuse the problem for the benefit of the departing board member and our Affiliate.

## **Chapter 5: Board Officers**

All members of our board are leaders of our Affiliate. As board members of a nonprofit organization, you answer to the public. Although the officers of your board have special responsibilities, each board member is responsible for the performance of the group.

### **Board Chair Job Description**

1. Serves as chief volunteer of the Affiliate.
2. Understands, supports, and advances Family Promise's mission.
3. Develops the vision of the Affiliate and the goals to be achieved.
4. Understands the collective responsibilities of the Board and communicates regularly with the Committee Chairs.
5. Plans, organizes, and presides over board meetings.
6. Runs meetings with efficiency and consideration for others' time.
7. Calls meetings of the Executive Committee, as necessary.

8. Delegates responsibilities to Trustees commensurate with their abilities and is considerate of the talents of others.
9. Attempts to establish an effective team by creating an enjoyable environment for Trustees to interact in.
10. Serves as an ex officio member to at least one Board Committee.
11. Suggests nominees to the Board and appoints the Chairpersons of Committees, in consultation with other Board Members.
12. Creates ad hoc Committees, when necessary, appoints Chairs and Members.
13. Develops a fundraising strategy with the Board and participates in carrying it out.
14. Assures that the Board actions are done in accordance with Affiliate's priorities and governance concerns.
15. Along with other Board Members, approves the annual budget.
16. Speaks on behalf of the Board or appoints a representative.
17. Selects, supports and oversees work of the executive director and serves as the board liaison to the executive director.
18. Establishes a good working relationship with the Director and communicates with the executive director on a regular basis.
19. Works in partnership with the executive director to make sure Board resolutions are carried out.
20. Formally evaluates the performance of the executive director with Board Members.
21. Evaluates the performance and effectiveness of the Affiliate in achieving its mission.
22. Performs other responsibilities assigned by the Board.
23. Participate in monthly Board Chair calls facilitated by the Regional Director.

### **Vice Chair Job Description**

1. Performs Chair's responsibilities in the absence or incapacity of the Chair.
2. Participates closely with the Chair, to develop and implement officer transition plans.
3. Works in partnership with the Chair, to fulfill the Affiliate's responsibilities.
4. Chairs at least one major Committee.
5. Serves on the Executive Committee.

### **Board Secretary Job Description**

1. Assumes responsibilities of the Chair in the absence or incapacity of the Board Chair, Chair-Elect, and Vice Chair.
2. Prepares and distributes correspondence regarding Board business, meetings of the Board and meetings of a committee.
3. Prepares and distributes minutes that correctly reflect all actions taken at Board meetings and include action statements, timelines and responsibilities.
4. Is sufficiently familiar with legal documents (articles, by-laws, IRS letters, etc.) to note applicability during meetings.

5. Assures that all legal documents and official papers are organized and stored, transfers documents to the next secretary.
6. Serves on the Executive Committee.

### **Board Treasurer Job Description**

1. Chairs the Financial Committee.
2. Understands financial accounting for nonprofit organizations.
3. Assists in the preparation of the annual budget.
4. Ensures that bills are paid, transactions are accurately recorded, and banking is managed promptly and accurately.
5. Ensures that financial policies are followed.
6. Works with the executive director and staff/consultants to ensure that appropriate financial reports are made available to the Board for approval.
7. Prepares financial documents and provides regular financial reports to the Board.
8. Oversees preparation and distribution of financial audits by a certified public accountant and presents the annual audit to Board Members.
9. Serves on the Executive Committee.

### **Chapter 6: Board and Staff**

The volunteer board and the paid staff of our Affiliate will need to create a good working relationship. It will be necessary for both board and staff to understand their different roles. Most books on nonprofit management say the board governs, and the staff manages. But good governance and good management are intertwined and depend upon the joint efforts of board and staff. To approve good policy, the board needs the knowledge and input of the executive director and key volunteers. To manage effectively, the staff needs the parameters set by a board that fully understands our Affiliate's mission and priorities.

The board is legally responsible for our Affiliate. The board must:

- Define the mission and set the direction
- Raise/ensure sufficient funds
- Approve policies and budgets
- Monitor financial health
- Elect new members and officers
- Hire, support, and evaluate the executive director

The executive director is employed by the board to manage the Affiliate. [Please use this Executive Director Hiring Overview](#) for further information about the role and responsibilities of the Affiliate's executive director. Consult this [Family Promise Advisory on Benchmarking Salaries](#).

The key to clarity and a successful board and staff alliance is, first and foremost, a good working relationship between the chair and the executive director. As the two organizational leaders, their

vision and goals for our Affiliate need to be “in sync.” They should work together, to create meeting agendas, ensuring there are no surprises between them. If they take the time to get to know and respect each other, they can become a leadership team that effectively channels the energies of the board into the work that matters most to the advancement of the Affiliate’s mission.

Second, staff/board alliances are strengthened when the chain of command is observed. It is good to remember that while individual board members may ask the executive director for information or assistance related to committee work, the chair is the liaison to the executive director, and the chair should be consulted if a board member wants to request a significant block of the executive director’s time.

And finally, staff/board alliances flourish when board members treat staff members as partners in a high calling, and vice versa. When the partnership works—when there is mutual respect, shared vision and purpose, careful planning, and good communication—the sky’s the limit. When the partnership fails—through misunderstanding of roles and relationships, absence of a shared vision, or poor communication—the organization cannot thrive, and may not succeed.

### *Supporting the Staff*

In a Family Promise Affiliate, the board has a unique relationship with the executive director to work together to fulfill our mission through strategy, fundraising, and relationship building.

Supporting the staff extends to supporting the volunteers that are the heart of our Affiliate. Volunteering for an occasional shift at a site is a good way for board members to show support for volunteers, recognize the work of host sites, and learn more about our Affiliate.

## **Chapter 7: Strong Committees, Effective Board**

It is easy to poke fun at the idea of committees—maybe you have heard that “an elephant is a horse designed by a committee” or that “a committee keeps minutes and wastes hours.” But on a well-run board, committees do most of the work. Committees distribute the workload and focus members with the right expertise on the right subject. In committees, members have time to

debate and arrive at consensus, interact informally, use their talents and experience, and develop the team spirit so essential to an effective board.

Strong committees are crucial to board success, but they cannot supplant the responsibilities of the full board. Committees outline ideas, options, and recommendations, but the full board must approve all action generated in committee. For example, the Development Committee should not decide to run a golf tournament and expect the board's cooperation without its approval. The Human Resource Committee should not approve the executive director's request for a new staff member without the full board's informed decision.

### *Kinds of Committees*

The board has two kinds of committees, standing and ad hoc. Standing committees focus on major function areas and have ongoing responsibilities. These committees are Governance, Finance, Development, and Congregational Growth. The Executive Committee is also a standing committee, but it does not have ongoing responsibilities; it meets to conduct emergency business that cannot wait until a full meeting of the board.

Ad hoc committees are created for specific needs. They complete their tasks and then disband. Here are some examples of ad hoc committees:

- Special Events: organizes a fundraiser or a volunteer recognition event
- Housing Task Force: explores options for providing extended temporary housing and support services
- Firehouse Task Force: helped us to renovate a Firehouse as new base of operations

### Committee Job Descriptions

Whether standing or ad hoc, committees need written job descriptions. The following descriptions summarize the responsibilities of each of the standing committees and can be the basis for more detailed committee descriptions for your Affiliate.

#### *Board Governance Committee*

- Operates consistently
- Assesses the board's membership needs
- Cultivates, interviews, and recommends candidates to the board at annual election and throughout the year to fill vacancies
- Recommends slate of officers for annual election
- Maintains accurate information on board members and keeps current board list
- Develops board notebooks and keeps information up to date
- Plans and conducts orientation for new board members
- Assesses needs for board training and seeks opportunities for continued board development.

**Note:** The Board Governance Committee holds the key to board success because it has the responsibility for building your board. Recruiting members who offer your board the right skills and contacts is an ongoing process. The committee should meet immediately after each annual meeting to begin its work for the next year. Much committee activity is through recruitment calls and individual interviews.



### *Finance Committee*

- Works with executive director to draft annual budget; submits budget recommendations to board
- Recommends financial and investment policies
- Ensures that bookkeeping, banking, and accounting responsibilities are competently handled
- Provides regular financial reports to the board
- Works with Development Committee to ensure that budget goals are also realistic fundraising goals
- Recommends and works with accounting firm to perform annual audit
- Ensures that financial reports are submitted to appropriate entities in a timely manner (for example, IRS Form 990, employee tax reports).

**Note:** Per our by-laws, the chair of the Finance Committee becomes the next incoming Board Treasurer. At least one member should have accounting experience.

### *Development Committee*

- Plans, supports, monitors, and evaluates Affiliate's fundraising program; develops annual goals:
- Enlists the support of all board members in three key activities:
  - Personally contributing to the Affiliate;
  - Reaching potential donors through business and personal contacts; and
  - Participating in fundraising activities
- Maintains up-to-date donor database, until adequate staff is able to take over these duties
- Cultivates individual donors
- Reports to full board at each board meeting.

**Note:** The full board is ultimately responsible for securing financial resources to ensure the viability of the Affiliate. This responsibility cannot be delegated to the Development Committee. The Committee's job is to develop fundraising plans, enlist the full participation of the board, and ensure that fundraising goals are met.

### *Human Resource Committee (\*in development)*

- Develops and recommends human resource policies, reviewing them annually or bi-annually
- Recommends salary ranges, salary adjustment rates, and benefits for all staff positions
- Reviews executive director's job description annually, to ensure it remains current
- Works with Affiliate executive director to recommend new staff positions
- Identifies and creates opportunities for staff development

**Note:** At least one member of the Human Resource Committee should have experience in human resources. The executive director hires, supervises, and evaluates other staff members.

### *Congregational Growth Committee*

- Develops and implements a yearly plan to recruit and retain congregations to support the hosting needs of our rotational shelter.

- Keeps updated lists of congregations: hosts, support, and those being recruited, to include points of contact, contact information, and congregational leadership.
- Meets regularly as a committee to assess the needs of the rotational network.
- Attends coordinator meetings to provide support and guidance.
- Works with the Program Director to develop a Speaker's Bureau for congregations and ensures that those speaking on behalf of Affiliate (board members, other volunteers, former guests) have correct information to present publicly
- Coordinates annual meetings with the leadership/coordinators of host and support congregations to discuss the health of the relationship and future goals.
- Oversees host and support agreements, annual training requirements.
- Keeps Family Promise informed of success stories and events suitable for publication in Family Promise's newsletter and other publications.

**Note:** At least one member of the committee should have experience in the faith sector. As our Affiliate grows and changes, some responsibilities will be taken over by staff.

#### *Executive Committee*

The Executive Committee is composed of the board chair, vice chair, secretary, and treasurer. Its purpose is to take necessary actions on time-sensitive decisions that cannot wait until the next board meeting. The Executive Committee should also take responsibility for conducting the annual performance review of the executive director.

A note of caution: Avoid using the Executive Committee to make decisions on issues that can and should be decided by the full board. Few matters are urgent enough that they cannot wait for the next board meeting.

These two examples show an appropriate and an inappropriate use of the Executive Committee:

1. **Appropriate action**—A board resolution is required to apply for a government grant; the next board meeting is after the deadline for the application. An appropriate action of the Executive Committee might be to issue approval of the application on behalf of the board.
2. **Inappropriate action**—The executive director wants to hire a new staff member whose salary and benefits are not in the current budget. The executive director presents the need, which is real, and describes an exceptional job applicant. However, it is inappropriate for the Executive Committee to hire new, unbudgeted staff. The request will have to go through the Human resource and Finance committees and then to the full board. It's important to remember that inappropriate use of the Executive Committee will diminish the role and consequently the motivation of the full board.

#### *Additional Committees*

In addition to the standing committees listed above and ad hoc committees, some Affiliates consider additional standing committees. Be judicious in creating any new committees.

### *Forming the Committees*

The board chair appoints committee chairs and members to standing committees and creates ad hoc committees as needed. A committee should be a team with a good mix of skills and perspectives. Most committees should include individuals who are not board members, but who have needed skills. For example, on the Public Relations Committee, you may want to include a public relations specialist who is not on the board. In any case, each committee should be chaired by a board member to ensure the committee's ongoing attachment to the board. The board chair serves on all committees ex officio, or by virtue of the position. The executive director contributes to most, if not all, committees.

Committee size depends on the amount of work involved, the needs of the board, and the availability of volunteers. For most committees, three to five members are sufficient. Terms of committee service run from annual meeting to annual meeting, but members often remain on the same standing committee for a few years. To ensure fresh perspectives and generate new ideas, add new members, or change committee composition in some way each year.

### *Leading the Committees*

Each committee needs a chair to be the organizer and to serve as liaison to the board. The board chair appoints committee chairs with the leadership skills to organize the committee's workload. The chair empowers the committee by:

- Helping the members define their goals and objectives
- Planning and conducting meetings
- Getting to know the unique talents of each committee member
- Ensuring the committee has the information it needs to do its job
- Communicating with members regularly to monitor and coordinate activities
- Keeping the group focused and accountable for its assignments
- Communicating regularly with the board chair about progress
- Communicating with the full board through committee reports
- Recognizing the contributions of each member.

### *Conclusion*

You will want to remember the title of this chapter, "Strong Committees, Effective Board." Strong committees make the board effective by streamlining the work, creating an organization that hums with efficient activity. Committees know what to do and have carefully thought-out plans on how to do it. The right people are doing the right jobs at the right time. Everything is being communicated and coordinated through regular reports at board meetings.

## **Chapter 8: Making Meetings Work**

A good meeting energizes participants, helps develop team spirit, and moves our Affiliate forward in visible ways.

Running a good meeting is a skill all board members need. Regular attendance and participation hinge in large measure on well-planned and well-executed meetings.

### *Conducting a Good Meeting*

Good meetings depend on the following:

- Thorough preparation
- A carefully planned agenda
- Deliberate attention to time keeping
- The availability of necessary information
- An assertive chair or meeting leader who focuses participants on the issue at hand

Board meetings should engage the interest and attention of board members, by concentrating on substantive issues. Many boards get bogged down in micro-management, discussing trivial items such as the menu for the special dinner event, rather than analyzing the Development Committee's plan to raise \$30,000 in corporate gifts. The details should be left to committees.

The chair and executive director plan the board meeting agenda, allotting sufficient time to all business items. The chair confers with committee chairs prior to each board meeting to determine the time needed for reporting, discussion of any recommended actions, and voting. It is not necessary for every committee to report at every meeting. The chair and executive director use their discretion in dividing the available time to maximum benefit. The agenda and any handouts should be distributed seven to ten days in advance so that board members have time to review the information in preparation for the meeting.

Board meetings should ordinarily run no more than two hours. The key to keeping meetings moving is for committee chairs and other reporters to be well prepared and able to speak concisely. Handouts (sent in advance) listing the main points of a report are helpful in keeping everyone focused on the issues.

While the meeting must move along, discussion should not be limited too much, particularly if there are differing views on a subject. If more time is needed to come to a workable decision, an item can be tabled until a subsequent meeting, or sent back to a committee for re-framing.

### [A Typical Agenda for a Board Meeting](#)

Being a part of a Board is an investment of time and energy, and the best boards are made of people with different gifts and talents. This is a list of recommendations to maximize the effectiveness of your board meetings.

**At least a few days before, up to a week before each board meeting, the Board Chair-with input from the Executive Director- emails to all board members:**

- ✓ Agenda
- ✓ Information about issues for discussion & voting
- ✓ Financial information
- ✓ Committee reports- needs this information from the Committee Chairs

**If you are discussing the following in a particular meeting, ensure you email out the related documents:**

- ✓ Annual budget
- ✓ Audit report
- ✓ Strategic plan

**Within a few days after each board meeting, the Secretary/Board Chair emails the board of directors in a timely fashion:**

- ✓ Minutes
- ✓ Notice of next meeting
- ✓ Reports provided-even if emailed pre-board meeting

**At each board meeting, the Board of Directors reviews:**

- ✓ Treasurer reviews financial reports: Balance Sheet and Profit & Loss YTD
- ✓ Any marketing updates (articles, radio features, etc.)- supplied by the marketing/development committee
- ✓ Any important operational updates- presented by the executive director or other key staff as appropriate

**Quarterly, the Board of Directors reviews:**

- ✓ Financial report

**Regularly, as appropriate:**

- ✓ Memo from executive director summarizing current activities, accomplishments, and needs
- ✓ Update material for board handbook (can be done electronically)
- ✓ Advance copies of publications, brochures, or promotional material
- ✓ Annual report
- ✓ Policies and Procedures (review annually)

**Making Board Meetings Work: Tips**

- ✓ **Have clear purposes before you begin:** What do you want to accomplish? Why are we having this meeting? Is it an agenda item to discuss, vote on or to present? Answer these questions first. Relate agenda items to the larger goals of the organization.
- ✓ **Prepare an agenda:** We recommend a consent agenda. An example can be provided. Distribute copies of the agenda and ask if it meets everyone's approval. Stick to it. Everything on the agenda should have purpose: for a decision, for the board's information, or to get advice. [Please review the Consent Agenda 101 for more information.](#)
- ✓ **Find a pleasant, neutral space to meet:** Make sure you have enough chairs. Natural lighting is preferred. Refreshments are optional and should not become the focus of the meeting but enhance the productivity of the meeting. Ensure everyone can see each other. Meeting at a table helps to keep it a "formal" board meeting. Ensure the room is not too hot or cold.
- ✓ **Set a time limit:** Everyone wants to know when it's time to go home. How long is your meeting? We recommend no more than one hour, 1.5 hours maximum. Does your meeting meet at a time/date that is convenient for a wide variety of people- in different industries, working/not working, and various ages? This should be the same for

committee meetings- they should be on a regular schedule and meet at the same location; how will you engage new members if not?

- ✓ **Choose a leader:** Someone must lead the meeting. Usually, the Board Chair leads the meeting, but not always. Who will lead in their absence? Without guidance, the discussion will be vague, pointless, and frustrating.
- ✓ **Encourage input from everyone:** Unless full participation is expected, the meeting will become a forum for those two or three people who love to talk.
- ✓ **Take minutes:** Give someone the responsibility; typically, this is the Secretary. Be sure you have a clear record of decisions that are made and who will be responsible for implementing them. It should have been clear before the meeting where the decision points are.
- ✓ **Supply name tags** for everyone at every meeting – then when new people are introduced, they will not feel uncomfortable if they cannot remember everyone’s name.
- ✓ **Make a chart of frequently used internal and external acronyms and post it** on the wall at every meeting. Or at least include with your board books. This will help people that are unfamiliar with the acronyms still be able to know what the others are discussing. Why not give them a handout you ask? Because people may lose them or not bring them to each meeting.
- ✓ **Avoid one-way presentations from staff.** If there is normally a regular report on the agenda, be sure that such presentations need a response from the board. If not, add these reports in a packet for the attendees and just ask if there are any questions for the record. Review the [Sample Board Conversation Starters](#) for more information.
- ✓ **Have at least one strategic, important issue** facing the organization as an open-ended discussion on the agenda– whatever concerns are keeping the leadership awake at night. See our “Sample Board Conversation Starters” document in the Board Overview section of our website.
- ✓ **Encourage all questions** While respecting opposition, this can create authentic disagreements. In these circumstances, remind the group of their diversity in perception and how this is a good thing. Try to find a chance to be encouraging at every meeting.

### Annual Planning Sessions:

- ✓ **Consider an annual survey of the board members.** National Family Promise has a template. Talk to your Regional Director.
- ✓ **Board Retreats, strategic planning, or some other special meeting:** The above suggestions all apply to these types of meetings, especially having a facilitator. Talk more about your options and plans with your Regional Director.

### Section III: Board Responsibilities

*“A good board member is a nonprofit’s best public relations vehicle. By virtue of knowledge, enthusiasm, and personal monetary commitment, he or she reflects the mission, character, reputation, and stability of the organization throughout the community.”*

*-Elizabeth Fentress*

## Chapter 9: Governance

Your Board of Directors has legal responsibility for the Affiliate. As a board member, you do not need to know everything about nonprofit law to fulfill this responsibility, but you do need to know the basics of incorporation, by-laws, and taxes as they apply to nonprofit organizations. In a fiduciary sense, you and other board members answer to the public, the people you serve, the contributors to the Affiliate, and, of course, to your own conscience.

### *Your Governing Documents*

First, be aware of our governing documents—the Articles of Incorporation and the By-laws. Our Articles of Incorporation are submitted to our state’s Secretary of State to charter our Affiliate, as a corporation within our state. They lay out the purpose of the Affiliate.

The By-laws go a step beyond the Articles. They spell out how our Affiliate is to be governed. You will want to know what’s in the By-laws and the procedure for changing them. Keep an up-to-date copy in your board notebook for easy reference.

### *Staying Tax Exempt*

As a nonprofit organization, our Affiliate is granted exemption from federal and state income taxes. In addition, contributions made by supporters within certain limits are tax deductible to the donor. Sales tax exemption is granted by the appropriate agency in your state.

To maintain this status, you must continue to show the IRS and the requisite state agency that you are operating as a public service for charitable purposes. IRS Form 990, a financial report, is filed annually. A copy of your 990 must be made available to the public on request.

Most states also require a copy of your 990 and/or other financial documentation to be filed annually with the state agency that regulates charitable solicitations.

**Note:** Nonprofits are not exempt from paying payroll taxes. As employers, they are responsible for the employer portion of all required federal, state, and local payroll taxes.

### *Maintaining Good Records*

Maintaining good records and carefully attending to organizational details ensures your Affiliate’s compliance with state and federal requirements. Filing important papers in a secure place assures that the board will be able to locate historical, legal, and financial information about the Affiliate.

Store all your original legal paperwork (*Articles of Incorporation, Application for Nonprofit Status, By-laws*, and so forth) in a master notebook. (The secretary may keep the notebook, or it can be stored in a secure place at the Day Center.) File master copies of board meeting minutes and all financial reports in a secure place. Make backup copies of computer files.

### *Policy Notebook*

The board develops and refines policies and procedures that define and set parameters for all aspects of Affiliate operation— program, human resource, public relations, development, finances, board administration, and others. For example, human resource policies are developed on all aspects of employment, such as vacation, sick time, holidays, working hours, and benefits. Financial policies are defined regarding check writing, authorized signatures, investments, and

petty cash. Policies will develop on program issues, such as use of the van for transporting guests.

Keep a notebook of all policy and procedure decisions. Be sure to date all policies and policy changes.

### *Liability*

Everyone wants to know, “What’s our liability risk?” The good news is that all 50 states have volunteer protection laws that grant board members immunity from liability in some cases. Consult with your attorney and your insurance agent to fully understand board liability issues.

The Volunteer Protection Act of 1997 (Public Law No. 105-19) gives volunteers immunity from lawsuits in most cases if they act in a prudent manner and in good faith. The volunteer must be acting within the scope of their responsibilities and, if required or appropriate, have the proper license or certification to perform the actions. For a volunteer to be found liable, the plaintiff would have to prove willful misconduct, negligence, recklessness, or flagrant indifference by the volunteer. There may be costs associated with defending the volunteer or financial liabilities. The law does not protect volunteers operating a vehicle or under the influence of drugs or alcohol. For further information about this law, contact Family Promise or the [Nonprofit Risk Management Center](#).

Our Affiliate must carry general liability insurance to protect itself from risks associated with its program and property. In addition, Directors & Officers (D&O) insurance is necessary as protection against any suits involving board actions. Both types of insurance are available at a Family Promise group rate. To minimize risks, assure coverage is appropriate. [Church Mutual is a Family Promise preferred vendor](#) and is selected as our insurance provider.

### *Avoiding Conflicts of Interest*

To govern well, board members must avoid conflicts of interest, or situations in which a board member’s personal or professional concerns may affect their ability to make decisions in the best interests of the Affiliate.

For example, if a board member or friend or relative of a board member has something to gain from an action taken by the board, such as winning a transportation or printing contract, the board member in question must inform the board and excuse themselves from discussion and voting on that action. Not to do so would violate the board member’s responsibility to maintain the public’s trust.

Another practical example might be the conflict of a board member who is also an executive director of another agency. If there are funding decisions that affect both agencies, this board member’s first consideration needs to be the support of our Affiliate as a member of its board.

Following these general rules will avoid potential conflicts of interest:

1. A board member’s loyalty is always first to our Affiliate.
2. Board members never accept or offer favors or gifts from anyone or to anyone who does business with our Affiliate.
3. Any possible conflicts of interest must be disclosed to the board chair immediately.



4. Board members must abstain from discussion and voting on any issue involving a potential conflict of interest.

Make sure to have a [Conflict of Interest Policy](#) and up-to-date [Conflict of Interest forms](#) on file, disclosing any potential conflicts.

## **Chapter 10: Strategic Planning**

### *What Is Strategic Planning?*

Strategic planning is the process for creating our Affiliate's future. We define where we want to take our Affiliate, how we will get there, and how we will measure our success. The process is not static; the plan changes to embrace new ideas and meet different challenges. A strategic plan, once created, is not for putting on the shelf to gather dust; it is for using, evaluating, revising, and eventually doing again. The full board participates in strategic planning, although a special committee may be formed to decide how to do the planning. Work with our Regional Director, to determine your Affiliate's readiness for strategic planning.

A strategic plan, in contrast to a daily plan or even a short-range annual plan, [has these elements](#):

- Reviews and refines the organization's mission
- Focuses on long-range goals and objectives (three to five years)
- Recognizes what is going on in the environment outside of the organization
- Identifies the organization's strengths and weaknesses
- Includes details on implementing the plan
- Is conducted by an outside facilitator with the organization's Board of Directors and executive director, with input from the Affiliate constituents
- Results in a working document, including goals, objectives, action steps, budget forecasts, and human resource requirements

## **Chapter 11: Human Resources**

The board hires, supervises, and evaluates the executive director. The executive director, as the chief staff person, hires, supervises, and evaluates all other staff members of the Affiliate. The executive director and the Human Resource Committee make recommendations to the board regarding staff needs. But the executive director is responsible for personnel management within the Affiliate.

### *The Executive Director's Job*

Your executive director supports all aspects of our Affiliate, combining skillful program administration with effective case management. They must have the ability to work with a broad range of constituents, from homeless guests (guests) and social service agencies to the religious sites that make up our Affiliate. The executive director's job calls for highly developed interpersonal skills, the ability to train and empower others, a broad understanding of the social service delivery system, and strong administrative abilities.

Family Promise helps to train and support your executive director by:

- Providing one-on-one training to ensure that the executive director understands all aspects of the job and is ready to train volunteers at each host site
- Arranging matches between new and experienced executive directors so that new executive directors have a mentor available - whenever possible, a new executive director should visit a nearby Affiliate to see the program firsthand
- Consulting by telephone (or at on-site meetings, if necessary) to answer questions and discuss issues
- Participate in monthly calls facilitated by your Regional Director
- Provide content and connection via the Family Promise Community Site

The Family Promise national conference, held every 18 months, provides a wonderful opportunity for your executive director to develop new skills and meet with Affiliates and national representatives from across the country. Relationships that begin at the national conference continue when your executive director returns home, and these relationships will benefit your executive director's work and the entire Affiliate. **You should include conference expenses for your executive director in your annual budget.** (The conference is an excellent opportunity for board members as well and includes specialized workshops on board issues.) Look for additional opportunities for ongoing staff development—in many communities, nonprofit assistance organizations offer training in nonprofit management at very low cost. Especially watch for workshops and seminars that will help the executive director develop needed skills and community contacts.

A good working relationship with the chair of the Board of Directors will be the most important means of support for the executive director. The chair and the executive director should establish a regular schedule for keeping each other up to date on all important activities, goals, and issues.

### *Covering Off-Hour Emergencies*

Because the executive director is responsible to so many constituents (guests, volunteers, sites, board members, social service agencies), the job can be very demanding. Executive directors work a full 40-hour week, plus they are on-call for emergencies during their “off-hours.” Before our Affiliate starts operation, a plan should be worked out for emergency coverage during the executive directors off hours. This may include rotating on-call coverage among board members, staff, or others designated to do so. The executive director can still be available in the case of an extreme emergency, but the initial call should be fielded by someone else who can determine what if any action is needed.

### *Evaluating the Executive Director*

The Executive Committee must conduct regularly scheduled performance appraisals of the executive director. Family Promise recommends that initial appraisals be scheduled at three, six, and twelve months after employment begins, with annual reviews thereafter.

The purpose of regular performance appraisals is to:

- Acknowledge and support the executive director’s achievements and strengths
- Acknowledge needed areas for growth and develop a plan for continued training
- Set mutually agreed upon goals for the next year
- Strengthen the organization by improving management

There are many ways to write a performance appraisal. An appraisal should include:

- A review of the job description and assessment of performance specifically related to the job description
- A review of the year’s accomplishments
- A summary of achievements and job strengths
- A description of areas for improvement and a plan for developing needed skills

### *The Evaluation Process*

The evaluation process should include these steps:

- The executive director submits a written self-evaluation to the chair. The evaluation should include a list of accomplishments, a report on progress and obstacles in meeting goals, and any areas that need improvement.
- The chair submits copies of the self-evaluation to members of the Executive Committee.
- The committee meets to review the self-evaluation, to rate the executive director’s performance according to board expectations, and to make a salary adjustment. Possible ratings are outstanding (exceeds expectations), satisfactory (meets expectations), or needs improvement (does not meet expectations).

- The chair and the executive director discuss the committee's written evaluation and goals for the coming year. They both sign and date the evaluation.

The performance appraisal should be as objective as possible. It should consider the same responsibilities outlined in the executive director's job description.

If areas of concern about the executive director's performance are uncovered during the evaluation process or at any time, the Executive Committee may choose to recommend a probationary period. If a probationary period is recommended, the committee must carefully document its findings and its prescriptive plan for improvement, complete with details on what must be accomplished and within what time frame. Then the chair and the executive director should meet periodically to review progress on the plan. All documentation should be signed and dated at each meeting. In the event of the difficult decision to terminate employment, there must be a clear paper trail showing that the board made its expectations clear and that these expectations were not fulfilled within the time agreed.

Generally, the evaluation process will benefit all who participate. Board members will gain a greater understanding of how and why the executive director handles certain situations in certain ways. On the other hand, the executive director will acquire a better idea of the board's expectations and the steps to be taken to meet them.

## **Chapter 12: Fundraising**

Fundraising is a high priority and a fundamental responsibility of the Board of Directors. Although fundraising will become a partnership of board and staff in a mature Affiliate, the overall responsibility for the success or failure of fundraising efforts always lies with the board.

### *A Job for Every Board Member*

Board members undertake different fundraising responsibilities, depending on their skills and contacts. All board members should show personal commitment through their own annual contribution. Board members with writing skills can write letters and grants. Good networkers can find key people and provide introductions. Everybody should be responsible for cultivating donors. All board members can write personal notes on appeal and acknowledgment letters. The most reluctant fundraisers, should there be any, can try a few small fundraising tasks; after those are accomplished, larger responsibilities will follow.

Members of the Board of Directors should fulfill these fundraising responsibilities:

- **Make personal contributions.** An annual, personal donation is an act of commitment, no matter the dollar amount.
- **Establish and maintain a donor list.** The donor database is the heart of fundraising efforts; keep it up to date.
- **Write grants.** Establish a calendar of grants and due dates. Create a task force to write and submit grants. Engage board members in writing letters of support to accompany proposals. For a mature Affiliate with sufficient staffing, grant writing often becomes the responsibility of the director or other staff member.

- **Identify and cultivate individual prospects.** Board members are the peers of prospective donors—individuals, company executives, and foundation representatives. If you believe in the Affiliate, you will want to give friends and acquaintances the opportunity to support it.
- **Present Family Promise to the public.** At presentations to sites and service clubs, identify prospective donors. Let your presentations pave the way for financial requests.
- **Write personal notes on annual appeal letters.** Add personal notes to people you know. The experience of other Affiliates shows that notes like this increase the possibility of giving four or five times!
- **Organize special events.** Special events are time-consuming to plan and run, and they may not be a good source of income, at least until you have got a good donor base. However, they are fun, and they may help you to publicize the Affiliate. Connect with your Regional Director for the most up-to-date information.
- **Strategic planning.** Support strategic planning. Making a case for financial support is infinitely easier when Affiliate plans are well-conceived and the path to the future is clear.

Fundraising is hard work—it takes time, planning, persistence, and salesmanship. Timidity and lack of determination will not get the job done. Board members must set a goal and earnestly encourage one another to meet it; achieving your goal as a team will bond your board members like nothing else. So, proceed with optimism and confidence. Remember that your success provides the fuel your Affiliate needs to achieve its mission—independence for families experiencing homelessness in your community.

#### *The Development Committee*

While all board members participate in fundraising, the chair needs to appoint a strong Development Committee to design the fundraising plan for our Affiliate. Please connect with your Regional Director for the most up-to-date information.

#### *Fundraising Basics*

When you ask people for money, keep in mind that a nonprofit is not a business. Nonprofits furnish products and services to help people, not to make a profit. Therefore, nonprofits live or die according to the donations they receive.

There is no shame in asking for money for a worthy cause. If your prospect does not want to contribute, they will say no, just as you would do in similar circumstances. Here are some fundamentals of fundraising that can help you do the asking and contribute to your board's fundraising success:

- People give because they want to give. You do not have to twist anybody's arm.
- Most people do not give unless they are asked. If you are looking for a big donation, you must ask for a big donation.
- People give money to make the world a better place. Emphasize how your Affiliate affects people's lives.

- People give to successful programs and programs with a good possibility of success. Emphasize what your Affiliate has done and will do. Describe the success of Affiliates across the country. Mention the cost-effectiveness of the program.
- People give money to people, especially to those they respect. Convey your own enthusiasm for the program. Mention other volunteers who are working with the Affiliate that your potential donor would know.

### *Feelings About Asking and Giving*

Giving money is often a pleasure. Giving to a cause connects givers to something larger than themselves—they feel part of a community that shares their interests, ideals, and hopes for the future. Giving makes people feel good—after all, they have done their part to make a difference.

Even though giving is usually a positive experience, most people do not give to causes unless they are asked. They respond to annual fund drives and special appeals; they do not often decide to research an organization and contribute unasked.

Although many people like to give money, many people dislike asking for it. As a board member, when you are hesitant to ask, you might think about your own giving and the way that giving makes you feel. Remember the good work the Affiliate is doing and consider the good work it can do in the future. If you believe in the work and the potential of our Affiliate, you will be able to ask people for money to support it. In asking, you will be giving them the opportunity to help others and to feel good about themselves.

## **Chapter 13: Financial Management**

Board members who participate in raising money for our Affiliate are likely to be diligent in accounting for it! While your board should have a financial expert or businessperson as treasurer with ultimate responsibility for financial management, all board members should understand where the money goes and be responsible for it.

The board oversees four basic financial functions: budgeting, bookkeeping and accounting, investing, and an annual audit.

### *The Budget*

The budgeting process is part of the planning process. Once you know what you want to do—by defining your goals and objectives—you can estimate what it is going to cost. The budget should be tied to a plan and be forecasted accordingly. The budget estimates revenue (income) and expense. Within each of these two categories are numerous line items, each with an estimated dollar amount. Your Regional Director can provide you with a sample budget for either a rotational or static-site shelter model.

The annual budget must be prepared and approved ahead of the fiscal year. This usually occurs during the fourth quarter since most Affiliates use a fiscal year of January 1 through December 31. The Finance Committee prepares the budget, with input from the executive director regarding Affiliate expenses and resources. As a critical exercise of its fiduciary responsibility, the full board must discuss and approve the budget. Through participation in developing the

budget, board members not only set financial limits and boundaries but also explicitly understand their role in generating sufficient revenue to reach their goals.

Once approved during the fourth quarter, the annual budget becomes the benchmark from which to measure revenue and expense. Financial reports showing actual versus budgeted line items are very important for understanding the Affiliate's financial picture and for further planning. However, the word "final" never really applies to a budget.

Changing conditions and new information always affect the budget. The Finance Committee develops a process by which the budget is regularly reviewed, modified or amended, and re-approved as necessary.

### *Bookkeeping and Accounting*

Paying bills, recording transactions, submitting payments for employees' withheld taxes, and other bookkeeping tasks may appear to be routine, but they are critical to our Affiliate's financial health. Checks and balances must be implemented to ensure that financial impropriety cannot occur. Good bookkeeping makes accounting easier and your audit far less expensive. Your Regional Director can provide you a template for a complete Financial Controls Policy.

The treasurer is responsible for overseeing preparation of the monthly treasurer's report. A bookkeeper or accountant may prepare the accounts, preferably using accounting software to create financial reports tailor-made to the board's wishes.

### *Investment*

All funds not immediately required should be kept in an interest-bearing account. You may want to consider money market accounts, U.S. government bond funds, or short-term Certificates of Deposit (CDs). Look for investments that are insured.

It is a good idea to have written policies on the investment and use of funds not immediately needed for operating expenses. Be clear about how your Affiliate's assets are to be cared for and under what circumstances they may be used.

### *Audit*

State requirements for professional audits vary; have an accountant or a lawyer check your state's requirements. Many funders will ask to see an audit before making decisions about donating to your Affiliate. But the need for an audit goes beyond state or donor requirements—an audit can affirm the validity of your financial procedures and highlight ways that your procedures could be improved. In short, an audit is an important oversight tool that can save our Affiliate money in the long run. Our Affiliate may also consider a financial review over a full audit. To determine what is best for our Affiliate, check out this tool, to help you determine [To Audit or Not to Audit](#).

The board should choose an auditor who has experience with nonprofit organizations. The board reviews the audit and votes on its acceptance at a board meeting. You may also consider a financial review, from an accounting firm. A financial review can be a less expensive option than a full audit.

### *Responsibility for Financial Management*

The treasurer and the Finance Committee take the major role in the development of policies and procedures regarding finances. In the beginning phases of Affiliate operation, they also handle much of the detail work. However, it is the responsibility of every board member to read and understand financial statements and to ask questions about the financial status and procedures of the Affiliate. It is simply too important to leave the financial well-being of the Affiliate to a few. Your Regional Director can connect you with resources, to help you understand the financial statements and reports, if any board member needs a refresher course.

### **Chapter 14: Public Relations**

A good public image is critical to the success of our Affiliate. If people in the community have accurate, positive information about Family Promise, your fundraising, program development, and board member recruitment will be easier. The more people know about the work of Family Promise, the more you will attract contributors and other supporters.

Public relations encompass all the methods and techniques used to communicate your message to various audiences: newsletters, brochures, presentations, annual reports, social media, websites, and broadcast media. Building good public relations is a process. It happens gradually, with a steady stream of consistent, positive messages about our Affiliate's achievements and its contributions to the community. Public relations, for better or worse, is going on all the time. Make it for the better!

As a board member, you have an unlimited opportunity to speak informally about the Affiliate in positive terms that will win people to your cause. The executive director is the primary spokesperson to the media, with backup from the chair of the Board of Directors.

The Public Relations Committee develops a plan which covers public speaking and print, radio, television, and electronic media. You need a board member with public relations experience to chair this important committee. The committee should develop working relationships with media representatives from local newspapers, magazines, radio, and television.

#### *Public Relations Tips*

1. Designate the **executive director, with backup from the board chair, to speak to the press.**
2. Tell a **consistent story**, including the information that Family Promise is a national program with Affiliates operating in many states. Family Promise can provide you with its most recent press kit to assure that your information is up to date.
3. Emphasize how the **program helps families in your community**, that your Affiliate provides comprehensive support to assist families experiencing homelessness.
4. Make any public relations or media presentations on behalf of the entire Affiliate; individual sites may be featured but should not initiate their own PR efforts because you want **consistency and credit to all involved.**
5. **Discuss how the program is an organization rooted in the faith community but is not a faith-based organization** drawing volunteers from a wide range of **faith communities**



**and community host sites** that share the desire to help families experiencing homelessness achieve independence.

6. Mention **what sites** are involved, naming the communities where they are located.
7. ALWAYS protect the **privacy and confidentiality of guests**, by ensuring any visits to the host site or Firehouse are cleared at least a day in advance and that media representatives do not speak to guests before obtaining their consent through the executive director. *Many guests are cooperative about talking with the media because they feel it is a way they can contribute to the program. But, it's important to understand not all graduates, even if they are employed by our Affiliate or on the Board of Directors, feel comfortable to share their stories and the decision should be theirs.*
8. Remember that the way media people feel about you will influence the way they portray the Affiliate and the work you are trying to do. **Always be helpful** to reporters and editors so that you will build your reputation as an honest, reliable resource. If you are asked a question you cannot answer, say so, then get back to the person as soon as possible with an answer.
9. **Establish regular contacts** with the media. Get to know the reporters and editors assigned to your news area and keep them informed of the important aspects and milestones of your program.
10. When the media contact you, make sure you **have all the facts** about your local Affiliate and Family Promise at your fingertips. Contact Family Promise for up-to-date information. You might also invite reporters to contact Family Promise directly for information about the national scope of the Family Promise program.
11. **Send copies** of newspaper clips, Affiliate newsletters, and any other printed or electronic pieces **to Family Promise** for possible publication in Family Promise's newsletter and other publications.
12. **Do not overlook** the possibility of including information about Family Promise on local **websites**. Most host and support sites have their own websites, and host/support sites may put up a page about Family Promise or see if you can add information to a community site focusing on nonprofits or services for families. If you develop your own site, link it to Family Promise's. Remember to provide Family Promise with your website address; we will create a reciprocal link on the National website.
13. **Utilize social media**. In the ever-changing technological era, social media has become a communications venue that is here to stay. Use websites like Facebook, YouTube, Twitter Instagram and the like, to begin building your online community. Connect with "like- minded" organizations and those doing Diversity, Equity, Inclusion and Access (DEIA) work, along with Family Promise, participating sites, volunteers, and other Family Promise constituents.

## **Chapter 15: Board Evaluation**

Is our board doing its job? Is our Affiliate fulfilling its mission as well as it might? Board members should ask questions that help them continuously improve their working process and, more importantly, our Affiliate's ability to serve the community.

Annually, the board evaluates the job performance of the executive director —the board should also assess its own performance. **Connect with your Regional Director, to schedule a program review.**

A review gives board members a chance to step back from their day-to-day concerns and reflect on their own participation and the progress of our Affiliate, renewing each board member’s understanding of board roles and responsibilities and providing valuable feedback and insights to the whole group.

***Building Family Promise...***

*“The best way to find yourself is to lose yourself in the service of others.”*

*-Mahatma Gandhi*

Family Promise offers Affiliates a variety of partnerships and resources, to help your Affiliate grow. They are outlined in our [Benefits of Affiliation](#).

Affiliates, both developing and operating, are also encouraged to join our [Community Site](#), a resource and idea-sharing space. The site offers discussion groups for a range of Affiliate staff and board roles. The resource section also has a variety of tools and templates, in the following categories:

- Affiliate Marketing Materials
- Board Development & Management
- Fund Development Resources
- Financial Literacy Curriculum
- Operations Support
- Workforce Development Resources
- Virtual Classroom