THE PRESIDENT’S FIRST 100 DAYS

Hit The Ground Running

Playbook for Success
Building a Team
Using the Resources
Advancing the Mission

Bill Pawlucy, CAE & Bob Harris, CAE
Hit The Ground Running
**FOREWORD AND ABOUT BILL PAWLUCY, CAE AND BOB HARRIS, CAE**

You are the incoming president. It is to be hoped that we caught you in time. The time to start planning is at least sixty days before your installation. There’s a lot to be done - from planning to appointments, this guide intends to be of help.

**Hit the Ground Running – What Does it Mean?**

- To begin a venture with great energy, involvement, and competence.
- To immediately work very hard and successfully at a new activity. “If elected, they promise to hit the ground running in their first few weeks of office.”
- To be ready to work immediately on a new activity. “His previous experience will allow him to hit the ground running when he takes office in the chamber, association or society.”

**Traction or Slippage**

The intent is to give you enough information that you’ll start the year with traction. Your plans, aims and ideas will be solidly planted on the ground and others will quickly notice you as a president who intends to advance the organization.

The opposite is slippage. If you put it off, you’ll try to prepare after the installation in your first or second month. You might inform others that you didn’t have time for the first meeting, you’ll make committee appointments in a month or so, you have no clear plan of work, etc. Well, if you meet quarterly, you’ve slipped behind by three months.

We designed this guide to provide you with traction at the start of your term and plenty of momentum to last the year.

**Why 100 Days?**

It will take about 100 days to set your course for a successful presidential term. It is to be hoped that your first 100 days will include about two months before you take office (60 days of preparation and study) and the first 40 days of office (your initial board meeting).

By identifying it as just 100 days, it’s manageable. Others will see what you anticipate and join force with you. Use 100 days as your first benchmark for achievements. After all, in most cases, a presidential term is just 365 days.

**Opinion Welcome**

The authors want to hear about your successes and challenges. Were there surprises you did not anticipate? Did you have a great term as president? What would you suggest to presidents who follow you?

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**About the Booklet – Hit the Ground Running**

It is our belief that part of the greatness of North America is the success of nonprofit organizations. To promote and continue their success, we want to see you be successful in your presidency. The booklet can be shared, copied and adapted to help other incoming presidents. The only thing we ask is proper credit and attribution.
The Tips

The authors have many years of seeing the best and worst of associations, chambers and other nonprofits. To illustrate many of the chapters, tips are included.

The Appendix

By providing templates and samples in the appendix, as president you can immediately apply some of the ideas. You’ll find more examples at the website of Bob Harris at [www.nonprofitcenter.com](http://www.nonprofitcenter.com).

Format

The booklet is divided into four sections to help you understand and organize the year. They include:

People – The team you call upon to ensure a successful presidency.

Communications – The image and messages you convey as the president.

Planning – Your preparations to achieve your goals and advance the organization.

Resources and Structure – The organization’s resources and structure to allow you to succeed.
About the Authors

Bill Pawlucy, CAE has spent over 25 years in the customer service field in both the for-profit and nonprofit arenas. With almost 15 years of experience in the nonprofit world where he has served as a volunteer leader, led several nonprofits and sat in on many board meetings, Bill brings a wealth of knowledge to nonprofit executives.

He currently serves as President of Association Options (www.associationoptions.com), a leading nonprofit advisory, consulting and training company based in the Twin Cities of Minnesota. Bill is responsible for delivering quality training and analyses to nonprofit organizations and associations. Before serving as President, Bill has owned and sold a healthcare certification accreditation company, served as an executive for TD Ameritrade (building a sales channel in the nonprofit world) and as a key executive in two of the worlds largest nonprofit management companies.

As a volunteer, he has served as President of the Delaware Valley Society of Association Executives (DVSAE). He also served as a director of the New Jersey Society of Association Executives (NJSAE). Notably, Bill also served as a CAE Commissioner for ASAE and now serves as a member of the ASAE CAE Action Team. Bill has been involved in customer service training for the past ten years in markets domestically and abroad. In his previous position, he served as manager of operations, Poland for Blockbuster Video International. He was involved in the startup operations for the Taiwan and Poland headquarters.

An honors graduate of Seton Hall University, Bill holds a master’s in public administration, with a concentration in nonprofit organization management. He holds a bachelor’s degree in international business and finance from Temple University and has earned the designation of Certified Association Executive (CAE) from the American Society of Association Executives. Bill is also a recent graduate of the U.S. Chamber of Commerce University of Delaware Institute for Organizational Management, which is aimed specifically at the education of nonprofit executives. He is also on the faculty for the US Chamber of Commerce.

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He is on the faculty for the US Chamber of Commerce. He has authored several books on association management. To evaluate organizations he created the Association Self-Auditing Process, which has been used by 10,000 organizations. He has worked with King Abdullah’s Center for Excellence in Amman, Jordan to assist business associations in 2006.

He has worked for Hyatt Hotels of Florida for nearly 25 years. His website has hundreds of pages of FREE management tips and templates that he will reference today. (www.nonprofitcenter.com)

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The formula for success in any nonprofit organization or association is for a symbiotic relationship between both staff and the volunteer leadership. Once this harmony is established, there is then only one team dedicated to advancing the mission and vision of the organization/association. In this chapter we discuss why people matter and how respect and cooperation is the main ingredient.
Gather your Team

Similar to a change in a political administration, one of the first things to do is gather your team. The year ahead will go by quick, with many unexpected twists and turns. You will want to rely on a team of volunteers, experts, staff, etc., who support your aims and term of leadership.

For example, while you may have an interest in an highly successful conference or new legislation, you probably don’t personally have the expertise in every area. Other areas you’ll need help might be more uncomfortable, such as a poorly performing chapter or a member grievance.

You should not try to handle every situation on your own. Use your team to help in areas in which they have expertise and experience. You’ll not only be a stronger president but will be facilitating leadership opportunities for others.

TIP: Read the chapter in Good to Great about “Who’s on the Bus?” Not only do you want to surround yourself with the best team, but you may have to be brutally honest about asking some people to leave the team. The start of your term is the time to evaluate and align needs and people.

Helpful Tips

TIP: Turn to the immediate past president for counsel (or current president if you’re doing your preparations before your term). Share your ideas and find out what he or she thinks and advises. Similarly, hold a discussion with the chief paid executive. Both have experience in governance and management that can get you off to a great start.

Conduct an Orientation

Don’t neglect board orientation because you think the board of directors heard it all last year. An orientation is a great opportunity to communicate goals, achieve buy-in, and develop strategies. It also delineates the distinction in the roles of the board and staff.

Since it is not a formal meeting setting, it allows for open discussions amongst board and staff. Thus, not only imparting knowledge but also provide time for getting to know each other and exchanging ideas.

Many presidents use this time to “float” their ideas for board buy-in. Receiving enthusiastic support is encouragement to advance on your plan of action. If support is lukewarm, you’ll have time after orientation to explore alternatives for advancing the mission and goals.

The orientation is the time and place to carefully review the board book or leadership manual. Make sure that everyone understands the organization’s mission statement.

TIP: Need help in planning orientation? Turn to staff who has experience in this area. Also consider some guest speakers at your orientation, such as an industry guru to talk about trends, an attorney to talk about protocol, and/or a CPA to discuss finances. You don’t have to plan and conduct the orientation alone.
Inventory Committees

Committees are an essential work force in the organization. The bylaws will identify the committees, the appointment process and the president’s authority related to committees.

Start by inventorying the existing standing and ad hoc committees. Identify what exists and then honestly consider how committees will work during your term. The bylaws may give you (or the full board) the authority to appoint and dissolve committees, to clarify their charges, and to align their work with your goals. Committees will require significant time and attention.

The goal of a committee is to do work on behalf of the board and to bring a solution forward through the committee. Committees also serve as a proving ground for potential new leaders.

TIP: Consider whether volunteer service on a committee is pleasant, rewarding experience, or one that leads to frustration and disappointment.

Remember that committees work for the board and do not have a life of their own. Unless specially charged or authorized, committees don’t have the power to speak for the organization, to contract on its behalf, or to spend funds. If you hear a committee chair sit down with his or her committee and say, “So, what do you guys want to do this year,” then you know they have not fully comprehended the purpose statement and current year work charge.

In general, the adage for committees is, “Committees Recommend, the Board Reviews and Approves, and Staff/Volunteers Implement.” You want to be careful that committee work does not take up valuable board time.

Thus, you want to consider if you want more or fewer committees? Does each committee have a clear purpose statement so that all participants understand exactly what is expected?

There is a trend to reduce committees to just the essential. Often an organization aligns their standing committees with the major goals in the strategic plan. Or keeps only the necessary committees, such as finances, audit and nominations.

After all, committees require board and staff time, so if they don’t have a clear purpose of existence, maybe you want to combine some committee or rely more on task forces to accomplish short, focused projects.

TIP: Ad hoc committees and task forces are appointed for short-term projects. In today’s busy environment, many volunteers are willing to serve on a task force to get the job done and disband, as opposed to a year-round standing committee. This provides a volunteer the opportunity to serve but not make a long-term commitment; the gratification is usually more immediate.

Appoint Committee Chairs

You’ll have to decide if you want to keep the existing chairs or appoint new ones. Have you identified the right people to advance your aims through the committee process? Are they willing to serve?

By appointing a vice chair, you’ll have a system of back up in case the chair is unable to complete his or her term. Some organizations appoint committee co-chairs for this purpose.

TIP: You might ask your incoming vice president to appoint the vice chairs of the committee as a way to maintain a smooth transition. Thus, as your term comes to an end and the incoming president takes over, the vice chairs will be part of the incoming team.
Build Staff Relations

The staff has the institutional knowledge for the organization - meaning that while the volunteer leadership may transition each year, the staff generally remains consistent. They have a vested interest in managing the organization with excellence.

As president, you’ll bring in new ideas and hopes to the organization, while the staff focuses on administration and management requirements. It will require your good governance balanced with the staff’s management expertise, to ensure a great presidency.

From the start, recognize the distinction in board – staff roles. Nearly every board has a director who slips into feeling it is his or her duty to manage the office and staff duties. This is called “micromanagement” and should be discouraged by the president.

In general, the board has four broad responsibilities:

- Governance of the Organization/Corporation
- Policy and Position Development
- Strategic Direction and Vision
- Fiduciary Oversight

**TIP:** Take time to break bread with the staff. It is possible that you will serve an entire year and never have the chance to meet the staff in a relaxed setting - such as lunch. Make it a priority to get to know the staff. You’ll be amazed how hard staff work when they know you personally.

People Performance

In your role as president, along with the board, have a responsibility to evaluate the performance of the chief paid executive. The process can go awry if it is not done according to policy and processes.

For example, do you appoint a committee to measure CEO performance? Generally, it’s not a responsibility of the entire board, but that often depends on size of the board. What is more important is ensuring that there are written job descriptions and objectives against which you can measure. Finally, find a measurement template that covers the unique aspects of nonprofit management skills.

**TIP:** When it comes to the performance of staff, that is a responsibility of the chief paid executive and not the board of directors. The president may have to explain to board members that the relationship between CEO and staff is not one in which the board should interfere without good reason.

In contrast to measuring the CEO’s performance, there is opportunity to improve the board of directors by conducting an evaluation. There are guides available to query and improve the board’s effectiveness. The questions tend to center on understanding the mission, access to adequate information, format of meetings, relevance of discussions for advancing the strategic plan, etc.

**TIP:** Conducting a performance review of the board is a responsibility of the president or a task force. It should not be perceived as an initiative by the CEO (for political reasons.)

Develop a Ladder of New Leaders

While the focus is on you as incoming president, you’ll want to change the focus to be on those who will follow you. Assess whether the organization has a good leadership succession ladder. Are there plenty of volunteers waiting in the wings to follow your presidency?
Make leadership identification and recruitment a priority for increasing volunteer resources.

TIP: From time to time, ask your president elect or vice president to step in for you. Maybe you need to miss a meeting and allow him or her to learn to chair a meeting. Or you can call for the incoming president’s help in doing interviews. You want to provide opportunities for those behind you to be comfortable in the chief elected position.

Your focus on enhancing leadership opportunities and developing new leaders will be one of the most long-lasting benefits of your term. The adverse is a president who doesn’t think about success, and the administration following yours is characterized as being short on volunteers and ready-leaders.

TIP: Stretch for potential leaders. Break out of the tradition of just looking at the leadership succession ladder for workers. Turn to members at-large, committee participants, thought leaders and young leaders to ask them to be on your “team.” You may create non-official roles for volunteers; not every leader has to be a member of the board of directors.

Looking Inward

There are many unique traits that make up a great leader. No two leaders are the same. Though some traits might be common to leaders in nonprofit organizations:

Steward – See yourself as a steward of the organization; nobody owns it. You are simply the person selected and elected to advance its mission and goals.

Facilitator – You have an opportunity to make things happen. You are now positioned to facilitate greatness.

Ethical – You promote the highest standards and ethics so that people never question you and turn to you for counsel.

Consensus Builder – Without being heavy handed, you offer good ideas and seek to build consensus to see their fruition.

Thought Leader – You’re in a position, that with resources, ideas and research, you are considered a thought leader to whom people respect and turn to.

Good Delegator – You know you achieve more by asking for help, delegating projects and sharing the limelight, than trying to do it all yourself.

Friend – You intend to leave your presidency with new friends and to maintain the important relations with whom you started your term. Leadership is not about making friends, but you want to be positioned to be a friend to the many lives you will have an opportunity to touch.

Enthusiastic – You’ve heard, enthusiasm is contagious. Your enthusiasm will influence others to work for the organization.

TIP: Take an inventory of your leadership traits and style. Start your term with strong characteristics that people will respect. In your presidential role, you'll have the chance to develop new traits that will stay with you a lifetime. Be true to yourself.
In this chapter we dive deep into the importance of communication in any organization. The emphasis on a health environment for staff and volunteers is tantamount to a healthy and productive relationship. Also, managing the message of the organization and tying it in with the mission statement is key. Ethics, decision-making and other key ideas are covered as well.
Create a Healthy Environment

One job of the president is to ensure there is an environment that promotes respect and encourages open dialog among volunteers and staff. Make it your commitment to promote open communications.

Regarding communications, inform others as to your communications preferences and style. If you prefer written reports, tell your colleagues and hold them accountable. Maybe you desire a staff conference call every other week. Or, e-mail and attachments fits your needs best to monitor progress in the organization during your term.

You want to set the tone for meetings that are transparent and open. Members and others don’t like to think that you are holding secret meetings in which they have no right to access. After all, most dues paying members can be considered your stakeholders.

Make it a practice to encourage and facilitate open and fair dialogs. The president does not dominate the discussion but rather guides it to ensure that all perspectives are considered at the right time and place. You want people to leave meetings with a positive attitude - motivated to help the organization.

Two Ears and One Mouth

You’ve heard it before; we have two ears and one mouth for a reason - to encourage us to listen twice as much as we talk.

Opinions count, even if they are counter to what you believe should be the proper course of action. There are many reasons the leadership is made up of diverse individuals, representing a cross-section of the organization’s constituency. Good listening skills and a willingness to encourage healthy, open dialog will produce better outcomes.

TIP: One of your board members has a personal agenda that is counter to the organization’s mission and values. What do you do? If you create an environment of open discussion of the issues then everyone should disclose any problems, solutions and conflicts they may have. Use the first board meeting to set the stage, disclose any potential conflicts of interest and to determine the best strategies to work with your board.

TIP: Wisdom comes not from speaking too much but from constantly listening and monitoring. A true leader knows how to hear the unheard. Reading body language is equally important as listening to words.

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could be heard by the human ear. The great master told him to go back and listen more.

The prince was perplexed but did as the great master said. He sat for days on end and listened. When he returned he told the great master that he heard the sun shining, the flowers opening, the grass drinking the morning dew and other sounds unheard. Through the great master’s tutelage he learned to hear the unheard and lead intuitively and look beyond the surface of an issue or problem.

As the president, listen carefully to your board and staff. The ability to notice and translate the meaning of actions and words is truly a gift and one that will break down barriers and make the work of the board and staff rewarding.

Manage your Message

As you write that first president’s message, or address members at the annual meeting, you want to communicate a consistent message at the start of your term, throughout the term, and as you wrap up your term.

For example, is your emphasis on legislative participation and political victories? Or maybe you want to focus on membership growth, satisfaction and retention. Or, maybe you have a goal of fund raising to relocate to a new office building.

The point is to be clear at the start of your term what your message will be, and deliver newsletter articles, agenda and achievements that clearly support your original message.

Members respect the president who says what he or she is going to do, sets out to do it and wraps up the year by saying, “We did what we said we’d do for you.”

TIP: The organization’s website is a good way to publish a clear message of the board with you as the president taking responsibility for achieving that vision. Continuously update the progress both on the website and when speaking with the constituency of the organization. Be remembered both for your words and by their results.

Mission Statement

The most important description of the organization should be described in the official mission statement. The mission should identify the organization, which it represents and what it offers. For example: “XYZ association is the premier representative for ABC professionals, promoting excellence through education, advocacy and ethics.”

Contemporary mission statements are memorable, short and distinguishable from other organizations. The time to update a mission statement is usually at the strategic planning retreat.

TIP: Can’t find the mission statement? Check IRS Form 990 that requires submission annually of the organizations “Statement of Purpose.”

Emphasis on Ethics

There is more scrutiny on nonprofit organizations and their boards than ever before. Part of it results from the corporate scandals and failures of multinational businesses.

More recently, the IRS and Congress have renewed focused on whether nonprofit organizations are fulfilling their mission according to the law. Even the media, members, prospects and competitors are carefully watching your association.
For these reasons, you may want to spend some time on the organization’s principles, ethics and conflicts of interest. In your role as president, you will be the leader in promoting and enforcing values.

An example of a conflict of interest would be a board member voting on an issue that he or she secretly knows there will be some personal economic benefit. Maybe the motion is to offer educational courses and the board member does not reveal that he or she would like to be the one selected to teach the courses for the organization. The discussion may have been different if disclosure was made and the member offered to excuse himself from the vote.

Many organizations have adopted a “values statement” that guides the board and staff with stated principles. These statements commonly include bulleted principle statements that describe the importance of diversity, perseverance, member responsiveness, influence in the community, transparent operations and leadership development, for instance.

TIP: The IRS is asking nonprofit organizations if they have a conflict of interest statement on Form 990, the annual information return. You can set the tone of your year by describing what would be considered a conflict for board or staff and requiring disclosure if they arise.

It’s Not about Popularity

While you may be the nicest man or woman on the planet, when it comes to leading the organization there will be times when being a nice guy has no bearing. If you try to please every person at the board table all the time, you’ll be stretched thin.

You won’t be able to please all the people all the time; that’s not your role. Leadership will require tough decisions, some of which that might upset people. But you’re working for the future of the organization, not trying to increase friends.

In fact, you may have fewer friends as you end your term because you were a president who required accountability. What is important to measure is whether you improved the organization, added value and advanced the mission and goals during your term.

TIP: When you have to make tough decisions, such as dropping a committee or disciplining a board member, try to focus your discussion and attention on the position and not the personality. For example, you may want to discuss the position of the committee that has not accomplished its tasks, as opposed to referring to the person by name or personality.

Making Tough Decisions

Be decisive and make tough decisions when necessary. Members, stakeholders, staff and the directors will look to you for leadership – after all, that’s why you were elected – to lead the organization.

Consensus building is a good way to ensure that a decision made by the board is one that can be lived with in the long term and for all the board members to support regardless of their individual view on the issue. But, there will be moments when the president needs to bring clarity to an issue or make a final decision that may not be popular but needs to be made.

There are too many presidents who don’t take the reins when necessary, thus appearing weak. There is also a difference between making decisions and serving in a dictatorial position. The well-balanced leader will gain support of his board no matter what decision is made.

TIP: Some of the best presidents are those who hold their opinion for last. They don’t want to influence outcomes but prefer to
encourage a fair and open dialog, and then offer a wrap up of the conversation - including their valued input - before the vote is taken.

Read the Communications

There are presidents who understand the importance of communication, and those who fail. Our favorite is the president who says to the staff, “I’ll be available anytime you need me during my term of office.” The opposite is the president who is missing in action throughout the year. You never want to be described as “MIA.”

As silly as it sounds, you need to thoroughly read every newsletter. Be aware of the website and its contents. You’ll stay informed and have a way to understand what’s on members’ minds by reading their messages.

Minutes are another item you’ll want to read carefully. They are a legal record of your meetings and you want to be sure what occurred is accurately stated. Finally, plan to read staff and committee reports carefully.

TIP: If you feel there are too many reports, then advise committees and staff of the format and frequency that you wish to receive them. If there are too few reports, as the president you can start the year by indicating what reports you expect to receive from board, committees and staff, and in what format (faxed, e-mailed, attachments, mailed, etc.)

Travel Requirements

There are likely some reasons you will be expected to travel. Review the travel schedule with staff. For example, there may be national training opportunities, required visits to the capitol, and the need to visit chapters.

Plan your annual calendar with enough time to fulfill travel commitments. In nearly every case, your travel will benefit the organization by learning new skills, gaining new information, and communicating with new persons. Don’t shy away from the responsibility – yet don’t take advantage of it by overspending in areas the board would object to (i.e. in-room movies, alcohol, class of service).

Discuss at the start the extents of travel. Find out what is reimbursable and what is not. If a spouse or guest accompanies you, what is the policy on registration or reimbursement? What is the budget for presidential travel?

TIP: The staff is neither your travel agency nor credit card. Make arrangements at the start as to who will make reservations, preferred methods of payment or reimbursement, whether you will be bringing guests, etc.

Cultural Expectations

Cultural standards are expectations of volunteer leaders developed over time, which may not be written in the bylaws or other governing documents.

For example, if the organization has a political action committee (PAC) it is common to expect board members to take a lead in being significant contributors. The problem occurs when a board member has not been informed of the cultural expectations and in turn cause some strife for not taking action that the rest of the board considers “normal.”

Here are some other examples of cultural expectations that many organizations hold dear but seldom put into writing:

Professional attire is expected at official functions and/or board meetings.
Directors of the board are expected to serve as ambassadors when attending chapter and member meetings; arrive early.

Members of the board are asked to help raise funds by asking members to join, encouraging suppliers to underwrite sponsorships and/or contributing to the PAC.

Open communication is respected and it is asked that blind copies of e-mails among board members are not hidden from the president and chief paid executives.

Directors set the example for timely reports, follow-through and accountability.

Each director visits at least two chapters per year.

TIP: Consider the established cultural expectations in your organization and write them down as a part of an orientation guide for new volunteers. It will help them understand the culture and expectations of being an active volunteer. If for some reason a director is uncomfortable with the expectations, talk to them about other ways to fulfill the duty. For example, if their company prohibits them from contributing to a PAC, ask if they can help in another area that benefits the organization.

Express Gratitude Often

The two simple words of “Thank You” are some of the most important words a successful president will utter.

You will have volunteers and staff working for the organization that put a great deal of passion into what they do. Expressing gratitude in various forms is saying, “I appreciate you and the work that you do for this organization.”

Along with an ongoing approach to express gratitude, you will probably end your presidency with an awards or recognition ceremony. Awards such as “Member of the Year” and “President’s Merit Award” should be on your mind from the start. Keep a file of the awards you are expected to present and the standards you will use to select worthy recipients.

TIP: Think in advance how you will be thanking your team of volunteers and staff. You might find a way that matches your theme. For example, if government affairs your top priority, maybe your state capitol has a gift shop with items such as the state symbol on coasters, lapel pins, etc. A trophy or specialty shop can design special recognitions to reflect your year’s theme and outcomes.
As a volunteer leader taking on the role as the chief volunteer officer, planning should begin long before your term as President or Chair. Goal setting, the importance of the first board meeting, identifying quick successes and avoiding common mistakes will make for a productive and successful first year in office. Also, using the strategic plan as a guide will provide the best roadmap.
Start Long Before your Term

Most incoming presidents know well in advance when their term starts because they have served a year as the president elect or the vice president. The preparation you undertake before your installation ceremony will effect your term’s outcomes and achievements.

Ideally, the incoming president has had a year to plan. If you wait until just weeks before taking office to prepare, you can lose your entire first quarter of the presidential year.

Too often we have heard president’s say at their first board meeting, “I’ll announce my committees by the next meeting,” or “I’ll make sure my plan of action is available at our second board meeting.”

Why wait? Prepare at least 60 days before your first meeting so that the team, information and traction are there for a successful term of office.

TIP: Once you are in office, you will lose the free time you had to prepare for your term. You cannot anticipate what crisis will require your attention when you might have hoped to draft your first president’s message or plan for your board meeting.

Set Realistic Goals

Every president brings desires and goals to the table. It is normal to want to leave a legacy for which your term is remembered. Approach your legacy with caution.

The most successful presidents are not those who create a list of goals, but the person who understands his or her responsibility is to advance the organization’s goals. If a strategic plan exists, it becomes easy to continue working on the plan that was probably adopted by a prior board. The organization’s goals do not change with successive presidents.

The best way to set goals is to consider how they fit into the existing mission statement and strategic plan. Don’t be the president that surprises the board and staff by setting priorities that do not sync with existing goals. This will cause resentment and resistance as you disregard the existing plan and disrespect the work of prior leaders.

The president’s job is not to build an empire but to be the consummate leader at advancing the mission and goals to best serve the needs of members. You want to be remembered for staying the course and serving the community by sticking to the current direction with course corrections based on environmental scans such as new challenges and opportunities.

TIP: A realistic number of goals in a strategic plan are just three to seven. Some presidents start the year with a laundry list of “good ideas.” The most successful organizations stick to their purpose (mission statement) and focus on their core competencies (goals). With this information, you can consider if your personal plan or existing strategic plan is on target, too long or too short.

The Importance of your First Board Meeting

Your first official meeting of the board will set a tone for the rest of the year. Through this white paper, you have done plenty of homework to build a team and gather key information.

Imagine the president who walks into his or her first meeting, arriving late, the room is set up poorly, the agendas are inaccurate and there is no clear message.
Contrast that to a president who arrives early, ensure the right people are at the table, protocols are followed, and a clear message is delivered about desired outcomes and working as a team.

Perception will become reality. Remember that most of your team members are volunteers - they have the choice to work hard or to coast through the year. They’ll take their cues from you. Similarly, staff will be interested in your initial actions and messages.

It cannot be understated how important that first board meeting will be to you in preparing for and communicating your plan and expectations.

TIP: Manage your message through preparation for each meeting. Listen, learn and confirm through discussions with your team of volunteers, staff, committees, and chapters. Reemphasize to them what needs to happen to advance the organization’s goals. Thus, when you get to the board meetings, there should be no surprises - you should be able to stay on task in accomplishing the plan of work outlined at your first meeting and aligned with the strategic plan.

Identify Quick Successes

You might want a strategy of identifying and producing some immediate achievements. Consider what is practical and possible in your first 100 days.

Your leadership team and staff may buy-in to your list of short-term achievements and help ensure quick successes. Quick successes keep everyone energized and focused. Long-term goals are harder to see progress and to track.

For example, you may notice the membership growth is nearly reaching a milestone, say 1,000 members. Be ready to work hard to reach that milestone and celebrate the results early in your term.

Pick some items that will be quick successes that will build momentum and loyalty for your year ahead. As you select them, let people know you have a 100 days plan, commit to them by writing them down and getting enthused about the opportunities for immediate successes.

Inventory Benefits and Services

An incoming president has the opportunity to begin a process of evaluating the services of the organization - determining if there is value to maintain them or to modify them in some fashion. Also, it is not out of the question to “barbecue the sacred cows” that are draining volunteer and staff time but not contributing to the overall value proposition of the membership.

The key in this type of evaluation is step gently as there are past leaders that have initiated these programs. When a “sacred cow” is identified, the president may want to contact the leader who put the program in place and determine together if there is a real need for it any more or if a modification could make it more valuable. This team-based approach provides for a more collegial atmosphere and continues to build upon strong prior relationships with those that have shaped the organization in the past.

For the benefits that are maintained and offered to members, ask that the board use the benefits. It is perceived as hypocritical by members if the board recommends or endorses benefits but does not use them. Board members should be leaders in knowing about and using the benefits and services of the organization.

TIP: When it comes to programs, activities, benefits and services, some volunteers feel it is their job to add to the list of member offerings. Consider sometimes “less is more.” It may be smarter, using fewer resources, to offer two or three highly relevant member services, than to offer a package of a dozen irrelevant, fluff, benefits.
Dust off the Strategic Plan

The reason the section is titled, “Dust off the Strategic Plan” is because too many organizations create a plan and then let it collect dust on a shelf.

The organization should have a strategic plan. If it does not, then it should be an immediate task of your administration - to set clear goals and strategies for achieving them.

The plan is your roadmap - identifying priorities in the immediate and long term. A good plan also offers strategies and projects to be undertaken over several years. Most plans cover a period of three to five years.

Seldom is there a reason for an incoming president to come up with a list of his or her own projects. It should guide the successive presidents.

Review the plan with staff, checking off what has been accomplished, and making notes about what is in the plan that you can achieve in your term of office. Some of those goals may require several years, others will be easy to achieve.

TIP: If no plan exists or it is outdated, discuss this with the board and make a commitment to draft a strategic plan during your term of office. A good legacy is to be the president responsible for creating a dynamic long-term plan for the association.

Performance Measures

There are many ways to measure performance. There are audits conducted by professionals such as a legal audit, financial audit or governance and operations audit. And, there are performance measures that can be monitored by the president, board and staff.

For example, consider these benchmarks and how your organization measures up:

- What percentage of members do you have compared to the entire population of prospects?
- What is the member retention rate; percentage of renewals each year?
- What percentage of your budget is derived from dues, compared to non-dues?
- What percentage of your annual operating budget is set aside in a saving reserve for emergency or future projects?
- What is the most relevant, valued member benefit and what is its impact on retaining and recruiting members?
- What is the size of the board of directors; is the governance structure appropriate for achieving the mission and goals?
- Is the strategic plan advancing; how much has been accomplished and how much remains in the designated time period?

There are comparative studies, benchmarks and operating ratios that can be acquired to compare and contrast your organization. A priority during your term is to have confidence that the organization is comparable to or excels when measured against similar nonprofits.

Calendar and Meetings

Rely on your calendar from the start. You, and everyone else, have a busy schedule. You will want to identify and save the key dates during your term of office. It
would be very embarrassing to miss the annual meeting or a board meeting because you did not protect the date.

TIP: Watch out for holidays! You don’t want to schedule a meeting on Mother’s Day if the board would find that an awkward weekend to meet, for instance. Also watch for religious holidays and official voting dates. If you do not consider these in advance, chances are you’ll waste time on rescheduling meetings with conflicts.

Just as important as protecting dates is the value of an hour. Make sure that meetings start and end on time. If people are late for your meetings, have a sidebar conversation about how inappropriate that is for achieving the work and respect the board.

Meeting Agendas

The president is responsible for the agenda, though you’re likely to have plenty of help from staff. Craft an agenda that covers what needs to be achieved during the meeting. If you leave items off and add them, you’ll find it difficult to stop directors who also want to add work to your agenda. Thus, a well-crafted agenda is a skill of a good president.

If you find yourself without important business to add to the agenda, ask yourself if it is really necessary to hold the meeting. Similarly, instruct your committee chairs to create agendas; and if they have no reason to meet, they should not call meetings for the sake of scheduling a meeting. Volunteers will resign quickly if they feel their time is wasted.

Draft an agenda so that it flows. Place difficult or controversial topics in areas when the meeting has energy and clarity, adding upbeat topics in between. Caution: The bylaws or your adopted rules of order may prescribe agenda format.

TIP: A consent agenda is a tool to streamline meetings and reduce reports. It allows for a single motion to review the routine, mundane and/or non-controversial issue. If you are not familiar with the consent agenda concept, ask the board and staff for help.

TIP: Figure the minimal value of the meeting you called by multiplying the number of volunteers time their hourly worth of $50, times the length of your meeting. Thus a meeting of 20 board members for three hours equals $3,000 (exclusive of preparation, travel and actual meeting costs.)

Common Mistakes

The list is long --- this guide is to help you avoid the mistakes. Here are just a few we’ve seen incoming presidents make:

- Planning late or thinking planning will not make a difference.
- Not building a team – thinking you can do it all yourself.
- Thinking presidency means being the chief staff executive – wrong, they are very distinct roles with both being essential.
- Not understanding the resources – thinking the resources are yours for the spending.
- Asking half way through your term, “Do we have a strategic plan?”
- Injecting your personality into everyone’s good intentions.
- Petering out before your term ends; finding priorities more important than the organization in which you took the presidency.
- Over-delegating and not being engaged enough to impact change.
As the President or Chair, being informed and knowing the environment both within your profession and industry along with the competitive landscape is critical. Know your organization better than anyone else and use that information to help guide board decisions that are in alignment with the strategic plan and the fiscal resources of the organization.
Scan the Environment

A critical success factor is understanding the constituency you are serving. Performing a quick scan either through a member needs and satisfaction survey or other means to gauge the pulse of members is key to doing a good job. Note: Sometimes it is said that the board is the worse decision making body because they are out of touch with reality as they govern at a higher level.

Some presidents lose touch with members, chapters, etc. during the process of governing. Some think a relationship with staff is all they need. Thus, you should purposely allocate time to visit chapters, hold focus groups with past presidents, and call on key decision-makers. They will be honored you asked for their opinions.

To formally conduct an environmental scan, you may use the SWOT process. It is a discussion and review of the organization’s Strengths and Weaknesses, followed by Opportunities and Threats; hence the acronym SWOT. If the organization has undergone a SWOT analysis in recent years, ask for and review a copy to see how things have changed or stayed the same.

TIP: When you travel on business or personal time, consider if there is a member or stakeholder to visit while you are there. Schedule a lunch and listen to what they have to say. Your constituency will never lie as they are trying to get the most out of the organization, and they will be honored the president took the time.

TIP: For added input, you appoint an advisory task force of constituents to whom you can turn for advice throughout the year: for example, a Council of Past Presidents, a Suppliers Council, or a Future Leaders Committee.

Review Organizational Documents

The nonprofit organization is guided by key documents. Many of them are legal, prescribed by state and federal government. Others are culturally or adopted over time, such as leadership manuals and policies.

Ask for and read them for understanding. In the role of president, you may have to rely on or reference the documents. The paid staff will be able to provide and explain the documents and their purposes. You may also call on the counsel of an attorney, accountant or insurance agent to understand the documents.

- Leadership Manual or Board Book
- Bylaws
- Article of Incorporation
- Mission Statement and/or Statement of Purpose
- Policies or the Policy Manual
- Strategic Plan
- Budget and Financial Reports
- Marketing Plans
- IRS Tax Documents (Public Records)
- Staff Job Descriptions
- Pending Contracts
TIP: You may want to prioritize what you read and their importance to the organization. The mission or statement of purpose is linked to the federal government, IRS. The state government approves the articles of incorporation. And the bylaws are a document informing the membership and stakeholders how the organization will be governed.

The Play Book

Most answers to leadership questions are found in the board book or leadership manual. Your team should rely on it as if it was their playbook.

For example, a new board member is able to get up to speed on an issue because it includes recent minutes. Or board members understand the official processes of the organization because there is a section on policies.

A board book should be comprehensive, giving volunteer directors the information they need to be good board members.

TIP: Create a board book that includes tabs for easy reference and a section to insert minutes from each meeting. Ask directors to maintain their own board manual, keeping it up-to-date and bringing it to each board meeting.

About Policies

An organization adopts policies – an important role of the board. Policies are the wisdom of prior boards indicating how best to govern and manage the organization. They help to interpret and frame the bylaws and articles of incorporation.

They are found in the board meeting minutes as motions. More practically, they should be included as a policy manual.

For instance, the bylaws may require “an annual review of the finances by an independent authority.” The board may have adopted a policy that reads, “Annually, the board will adopt an Audit Committee to select a CPA who will conduct an audit of the organization’s finances.”

In order to avoid making decisions over and over again, establishing policies will help make for a more efficient board and meetings.

Policies also provide staff with board approved guidelines in which to manage. For example, a member cancels their registration prior to the annual meeting. A staff member gets a call and doesn’t really know how to respond. This creates an e-mail nightmare with the board working on a policy for that special case.

What typically happens in these cases is that the decision is made but there is no written policy. The next time it happens, the same process follows, thus wasting time because a policy was not adopted when the issue arose the first time.

A comprehensive policy manual is the key in maximizing efficiency and providing latitude for staff to make decisions.

Note: Policies are not procedures. Procedures are administrative responsibilities, developed by staff. For example, procedures identify steps for backing up computer data or for processing a new member.

TIP: An easy way to collect and document your policies and procedures is to review past minutes and note each board action as it relates to a certain area or topic. Any items that did not get a full vote should be listed in the document as pending and voted upon during a board meeting.
Financial Considerations

Besides people and volunteer resources, the next most important aspect is likely to be finances. The budget and financial reports will guide you as to the expectation and priorities.

It is not unusual for the incoming president to “inherit” a budget. If the budget is adopted before you take office, then that’s what you will use as a guide to income and expenses. Though, you may consider a budget to be somewhat flexible and if your programs and goals require funding, the treasurer and board may make amendments.

Here are some items to look for in the budget:

• Dues revenue amounts compared to non-dues (alternate) sources of income. Can either the dues or non-dues be increased during your term?

• Comparative line items between income and expenses. Are the programs making adequate profit, holding their own or losing money?

• Risk management issues. Review the expense line items for accounting, audits, legal and insurance to make sure there is adequate protection of the organization.

• Presidents expense line-item. Check to see if there are any funds allocated for your travel and expenses. If so, determine how the funds are intended to be spent and the expectations to be reimbursed.

TIP: Use the budget to check for risk management. For example, what does the insurance line item cover? Is there funding for legal counsel if the board needs it? How much is allocated for an accountant to conduct an audit?

Other financial documents you should review prior to taking office include a copy of the latest IRS tax return (form 990) and the most recent audit conducted by an independent CPA.

The organization has many key documents with clues and cues for governing the association. For example, the bylaws give authority for appointing committees. The budget identifies priorities for generating income and spending funds.

If the organization has a board leadership manual, get a fresh copy and sit down with a pen and highlighter. Read every page so you understand the governing documents. Make plenty of notes as to the authority and limitations described for the position of the president.

TIP: A yellow-highlighter may turn out to be your favorite desk tool. As you read key documents such as bylaws, minutes and policies, carefully review and consider their importance. The president is not in a position to say, “I didn’t know that.”

Inventory Risks

One role of the board and president is to protect the organization. The board has the fiduciary responsibility to represent and protect member interests. The board is the steward of the organization at this point in time, in an organization that might be decades or centuries old --- and shall have a long future.

In a business it’s called “risk management.” Discuss with staff if they feel there are any apparent risks. Ask the same of your executive officers. Your goal is to eliminate or minimize potential risks.

For example, are the appropriate safeguards in place to avoid embezzlement of funds? Does the board understand antitrust avoidance? Does the organization have a relationship with a CPA and attorney? What insurance coverages exist and are they sufficient? Is the intellectual property protected? Are required filings and reports properly handled?
TIP: If you are not familiar with risk management for a non-profit, you can rely on the counsel of legal, accounting and insurance professionals.

Resources

If it was your own company, you’d know where to find excellent resources. But because it is a non-profit organization, we have identified many proven sources of help.

This is a small sampling of the resources identified with excellent resources for the president of a non-profit organization.

Organizations
- ASAE and the Center for Association Leadership - ASAECenter.org
- US Chamber of Commerce – USChamber.org
- American Chamber of Commerce Executives – ACCE.org
- BoardSource – BoardSource.org

Publications
- Fast Company – FastCompany.com
- Good to Great – JimCollins.com
- Execution, The Discipline of Getting Things Done
- The Five Dysfunctions of a Team: A Leadership Fable
- E-Myth Revisited – E-Myth.com
- The Perfect Board – ThePerfectBoard.com
- Your Director Hat – YourDirectorHat.com
- Association Self Audit Manual – NonProfitCenter.com
- Board Responsibilities (laminated guide) – NonProfitCenter.com
- 7 Measures of Remarkable Associations – ASAECenter.org
In order to map out the process for critical functions, on the next few pages we map out the strategic planning process, a list of critical operating documents and suggested training programs. Please contact us at billpawlucy@gmail.com for more information or for training assistance. Also, you will find board coaching and training documents at www.associationoptions.com/boardcoach.html.
<table>
<thead>
<tr>
<th>Leadership Training Programs – Suggested Training Modules</th>
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<tr>
<td><strong>Level 100</strong></td>
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| **Topics** | • Rich history and founding of nonprofits.  
• Societal benefit and economic impact.  
• Unique terminology.  
• IRS designation implications.  
• Organizational structure and subsidiaries.  
• Governance styles, structure and board duty.  
• Q & A - Discussions  
• Case Studies/Examples | • Board responsibilities (10)  
• Legal principles (3)  
• Protecting the nonprofit (risk management)  
• Scrutiny on boards and Sarbanes Oxley  
• 7 Principles*  
• Meeting best practices; agendas, minutes, etc.  
• Planning a board retreat.  
• Board resources  
• The Pres.-Exec Dialog  
• Q & A - Discussions  
• Case Studies/Examples | • Facing trends and challenges.  
• Mission, vision and values  
• Goal setting and strategic planning. (long term)  
• Business plan (short term)  
• Performance measures in nonprofits.  
• Best use of committees.  
• Leadership development and nominations.  
• Finances and resources.  
• Outsourcing and consultant relations.  
• Q & A - Discussions  
• Case Studies/Examples | • Environmental scan (industry spokesperson or staff.)  
• Budgeting, finances and audits (CPA)  
• Antitrust-Legal Issues (Attorney)  
• Rules of Order (Parliamentarian)  
• Insurance coverages (Agent)  
• Crisis Management (PR)  
• Government Affairs (Lobbyist)  
• Selling Membership (Specialist)  
• Coalition Building (Specialist)  
• Operations (Harris) |

| **Supplemental speakers.** | Organizational Overview by Staff  
|---------------------------|--------------------------------|-----------------------------|--------------------------------|
| **Leadership** | CPA, Attorney Parliamentarian Review of the Board Book Chairperson Skills  
**Staff Specialists** | **Panels, Roundtables, Special Sessions** |

*Confidentiality, Business Mindset, Members First, Its a Team, etc.
Terminology is another area that makes for a well-versed board president or chair. The following pages define key words that are important for a leader to be aware of such as quorum, consent agenda, rules of order, Sarbanes-Oxley and more. This is not
Accreditation – A program of compliance with standards applicable to organizations (certification applies to the qualifications of individuals.)

Ad Hoc Committee – A temporary committee with a narrow focus; disbanding upon completion of tasks. (See Task Force, Standing Committee.)

Advertising - Advertising includes any message that promotes or markets something that is intended to elicit a response. Advertising may trigger unrelated business income tax (UBIT.) Advertising income should be distinct from sponsorship income.

Advocacy – The process of influencing a decision making body on issues important to the organization. Related terminology includes Lobbying and Grassroots Advocacy.

Affinity Program – The board may recommend as preferred or sponsored program to the members. It should be mission related. (See Endorsed Programs)

Agenda – An agenda guides meetings. To add business to the agenda, identify the protocols, deadlines and channels. It is seldom expeditious to add items to an agenda when the meeting is in progress.

Antitrust – When two or more people in the same industry or profession get together to discuss business practices, there is a possibility of violating antitrust laws. Penalties can exceed millions of dollars.

Apparent Authority – A Supreme Court case cautions board members to be mindful of how they represent themselves with the organization. Follow lines of authority when speaking for or acting on behalf the organization. The safest response to media questions, “I can’t speak for the organization but I can give you my personal opinion.”

Articles of Incorporation - The articles are filed with a state agency, outlining the governance of the organization. Most organizations are incorporated as a not-for-profit legal entity.

Association – A membership organization with a purpose of serving or helping the community it represents.

Association Management Company (AMC) – A firm that manages more than one nonprofit organization.

Attendance – Attendance requirements are addressed in the bylaws. Due diligence and duty of care require that directors be in attendance when decisions are made. A director should allocate adequate time and resources to fulfill responsibilities.

Audiences – Organizations have multiple internal and external audiences. The approach to communications and public relations requires strategic use of technology, recognition of personal preferences for receiving communications, branding, and clear, crisp messaging.

Audit - An assessment of the finances and financial operations conducted by an independent and objective person (CPA.) In the format of an audit, review or compilation as required by board policy on a periodic basis. An audit committee has oversight for the process.

Audit Committee - An audit committee is an operating committee of the board of directors charged with oversight of financial reporting and disclosure.

Authority – Authority for the board’s responsibility for the organization (corporation) can be found in the articles of incorporation. The bylaws further describe directors’ relationship to and expectations of the board. Be sure not to exceed one’s authority as established in articles, bylaws and policies. Never assume authority as a director that has been granted to the chief elected officer and/or executive director.
BHAG – Big, hairy audacious goal. In *Good to Great* author Jim Collins offers that successful organizations set a goal that makes them *stretch* to achieve it.

Board Book (Leadership Manual) – The assembly of documents provided to volunteer leaders so they can perform their duties based on comprehensive knowledge about the organization.

Board Development – A planned approach to attracting and developing volunteer leaders to govern and guide an organization. Identifying future leaders is a responsibility of a board.

Board Liaisons – Directors may be assigned to a committee to serve as a resource and communications conduit between board and the committee.

Brand Platform – The mission, vision and values statements combine to make up the organization’s brand platform. The brand should distinguish an organization from similar organizations and communicate its purpose.

Branding – Marketing and communication initiatives to increase awareness of the organization, its image and purpose.

Budget – An itemized summary of estimated income and expenditures for the year. Directors are responsible for monitoring financial performance.


Business Plan – A document based on the long-term strategic plan that breaks down assignments and interim performance measures for the current year; also called a program of work or action plan.

Bylaws – A document stating the rules of governance as adopted by the board. Bylaws describe the relationship between the board of directors and its members and stakeholders. Amendments often require ratification by the membership.

Certification – A process of measuring competencies of individuals. Common certifications in nonprofit organizations include CAE - certified association executive, CMP - certified meeting professional, CFRE – certified fund raising executives, and CEM – certified exhibition manager.

Chamber of Commerce - An association of businesses organized to protect and promote business interests; usually designated as a 501(c)(6) organization by the IRS.

Charitable Deduction - An itemized income-tax deduction for donations of assets to IRS designated organizations, i.e. foundations.

Code of Ethics – Appropriate behaviors defined by a culture; expressed in the form of a code of ethics or standards. Ethics generally apply to the membership while “guiding principles” or a Values Statement applies to the board of directors and staff.

Collaboration – Organizations partner with entities having mutual interests. Directors should be aware of allied and competitive organizations, and how partnerships might evolve. Avoid creating a silo or isolation. Many organizations align with a *cause* to better position themselves.

Committees – Subsets of the board and membership organized to advance the work of the board and its strategic goals. Successful committees have a statement of purpose and current year explicit charges. A board should avoid doing committee work at the board table.

Confidentiality – Most of the work of the board should be treated with confidentiality. Do not assume that it is OK to disclose board actions and discussions without knowing the proper channels and carefully crafted messages.

Conflict of Interest – Directors must avoid real or perceived conflicts of interest. For example, if the board is voting on buying insurance, and a director’s spouse is an insurance agent, the potential conflict should be disclosed before or during the discussion and vote.
### Consent Agenda
Non-controversial and non-action items are organized apart from the main agenda items, and approved by a single motion to expedite topics and discuss more substantive topics.

### Copyright
A legal protection afforded to original works. Indication through a copyright notice that the organization owns the intellectual property. © R Harris 2010

### Cultural Expectations
While the bylaws and articles give authority for the board to act, over time cultural expectations also guide directors. For example, it may be expected that directors dress for the role or that meetings start and end on time; directors may be asked to serve as ambassadors or to help raise funds. See Rules of Engagement.

### D and O Insurance
Liability coverage for directors and officers to defend against liability created by their decisions or actions; may cover additional persons, i.e. committee chairs, CEO, etc.

### Designation
Nonprofit organizations are assigned a designation by the IRS; most commonly referenced as a “501(c)#.” All 501(c) organizations file some format of IRS Form 990.

### Digital Distractions
The concept of volunteer leaders more engaged by technology than the business at the board.

### Dishonesty Bond
An insurance policy that covers losses caused by dishonest employees. Also called a surety bond or fidelity bond.

### Documents
A director has access to nearly all organizational documents with exception of personnel records. Maintain a leadership manual to organize and store documents integral to governance. Treat documents with confidentiality; they are distributed for the purpose of governance and may be the intellectual property of the organization.

### Due Diligence
The expectation that a board member exercises reasonable care and follows the business judgment rule when making decisions.

### Dues Notices
IRS requirement to inform members of the non-deductibility regarding charitable contributions (other than 501(c)(3) organizations) and direct lobbying expenses.

### Duties
Legal obligations applicable to directors, including Duty of Care, Obedience and Loyalty.

#### Duty of Care
The expectation that a board member exercises reasonable care when making decisions. Similar to Due Diligence.

#### Duty of Loyalty
The expectation that a board member remains faithful and loyal to the organization. Loyalty is sometimes misunderstood in the case where directors are selected from federated or affiliated organization but must be loyal to the parent corporation.

#### Duty of Obedience
The expectation that a board member remains obedient to the governing documents of the organization as well as its mission and goals.

### Effective Leadership
Commit to being an effective leader at the onset. Envision achievements that will create a legacy of leadership for the board of directors. Don’t miss the opportunity to work as a team and become a highly effective board.

### Emergency Preparedness Manual
The book of key documents and information stored outside of the office that would be referenced during or after a crisis.

### Endorsements
Some boards select preferred programs and services to recommend to members. Most endorsements result in royalty income.

### Environmental Scan
A process by the board to assess internal and external impacts on the organization through trend analysis, surveys and the process of a SWOT (strengths, weaknesses, opportunities and threats.)

### Evaluation
A process to continually measure performance against metrics identified in documents such as the budget, program of work, committee commitments and the strategic plan.
Ex Officio - A person serving on a board or committee due to his or her position rather than through elections, generally with no authority to vote.

Executive Committee – A subgroup of the board of directors with authority for making decisions in the interim between board meetings. Often made up of the board’s chair, vice chair, secretary, treasurer and past chair. Sometimes an executive director serves in an ex officio capacity.

Executive Director – The chief paid staff position. The title has evolved from executive director to executive vice president or president and CEO (chief executive officer). The position has ultimate responsibility for management, administration and personnel. Chambers of commerce prefer the title of president to describe the executive director.

Executive Session – A closed-door session of the board with no staff or guests present.

Exempt – A designation by the IRS that an organization does not have to pay federal income tax. Determination of the 501(c) designation. See UBIT for exceptions to tax exempt exceptions.

Federated Structure – An organizational structure composed of a national or parent umbrella organization with state and local affiliates.

Fiduciary Responsibility - A duty of the board members to ensure that financial resources of an organization are sufficient and handled properly. Describes a legal or ethical relationship of confidence or trust regarding the oversight of money and property of the organization.

Financial Statement – A comprehensive report of the income and expenses of the organization, as well as assets and liabilities. Presented in a structured, consistent manner for easy review and acceptance by the board.

Form 990 – See IRS Information Return.

Foundation – An organization designated as 501(c)(3) that can accept charitable contributions (unlike 501(c)(6) organizations.) Associations and chambers of commerce often have a subsidiary foundation.

GAAP (General Accepted Accounting Principles) - The accounting principles set forth by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants (AICPA) that guide the work of accountants in reporting financial information and preparing audited financial statements.

Goals – A set of statements that the organization intends to achieve. In the strategic plan goals support the mission statement. Generally, nonprofit organizations set 3 to 7 broad goals. The strategies serve to advance the goal areas.

Governance – The authority of a board to act for and establish policies that will affect well being and future of the organization. (Management is the responsibility of staff and not the role of the board.) Governance has its roots from the word “steering.”

Governance Review – An evaluation of the effectiveness of items related to governance, i.e. board of directors, meetings, committees, governing documents, organization, structure, etc.

Governing Body - The body authorized by the articles and responsible for financial oversight, policy development and strategic direction.

Governing Documents – The documents that grant authority and limitations for governance and management; the bylaws, articles of incorporation and policies. See Hierarchy of Governing Documents.

Grassroots Advocacy - Advocacy is generally led by a lobbyist and/or a government affairs committee. Grassroots advocacy involves members and stakeholders to build a ground swell of support to influence government. Especially responsive to the adage, “all politics is local.”

Group Return - A Form 990 filed by the parent organization for reporting on the subordinates or local chapters.
Hierarchy of Governing Documents – Each document represents a level of authority: (1) mission statement – relation to national government; (2) articles of incorporation – state government; (3) bylaws – relation to members; (4) policies – an interpretation of the governing documents; (5) strategic plan – long term vision for the organization; (6) budget – annual forecast.

Independent Contractor - A person who provides services but who is not treated as an employee for employment tax purposes.

Insurance – Board insurance coverage is referred to as “D & O” - directors and officers’ liability. Common insurance coverages for nonprofit organizations include D & O, general liability, meeting cancellation and a fiduciary bond to cover fraud or acts of dishonesty.

Investments – Organizations adopt and rely on a conservative investment schedule for reserves and savings. There is no limitation to the amount of savings a nonprofit may have.

IRS Information Return – The IRS requires nonprofit organizations to file an annual information return; also known as Form 990 or a variation. The document is a public record.

Job Descriptions - The roles and responsibilities for board members, officers, committees and staff set in writing.

Knowledge – The concept of knowledge-based governance suggests that directors make decisions based on data and evidence, not gut reactions of the moment. Access to organizational data, trends and documents is key to effective board service. Many boards agree upon metrics or performance measures to monitor and evaluate programs.

Leadership Development – A board role is to develop future leaders. Programs should be in place for recruitment, orientation and ascension to officer positions.

Leadership Manual – A manual or notebook providing the complete information necessary for directors to understand and fulfill their responsibilities. There is a trend to post the leadership documents on a secure website for board access, creating a virtual leadership manual.

Letter of Determination – A public document from the IRS indicating that the organization is exempt from paying federal income tax.

Management – The responsibility for supervising and implementing administration, operations, risks, personnel, etc. Overseen by an executive director and a responsibility of the staff team - not the board of directors.

Metrics – Standards agreed upon by the board to measure performance and progress in the organization.

Micromanagement – A reference to volunteer leaders who pay more attention to management than they do to governance and visionary efforts.

Mission Statement – A statement aligned with the IRS Statement of Purpose to communicate the purpose of the organization. Often a single sentence answering “who we are, who we serve and what we offer.” Along with the mission statement, the brand or public image includes a logo, tagline, vision and values statements.

Non Profit – A designation by a state government agency, usually the Division of Corporations. The legal reference is “not-for-profit.” Nonprofit does not mean the organization cannot make a profit. An organization must produce streams of revenue to support its mission and programs.

Non-Dues Revenue – Membership organizations usually rely on a combination of non-dues dues revenue. Forms of non-dues revenue include advertising, education, sponsorships, interest, rent, exhibits and royalties. An entrepreneurial approach is necessary to create non-dues streams of income.

Organization Documents – The primary governing documents, include the statement of purpose (mission), articles of incorporation, bylaws, policies, strategic plan...
and budget. Duty of obedience would suggest directors must read and follow the intent of the documents.

Organizational Chart – A depiction of the key elements of the organization, including hierarchy, authority and appropriate lines of communication.

Orientation – A process to inform volunteer leaders about the organization, roles, responsibilities, resources, culture, expectations and strategic direction; recommended to occur annually.

Performance Measures – See Metrics.

Performance Review – A responsibility for conducting strategic reviews to monitor and enhance areas of performance, i.e. board, committees, programs, executive director, etc.

Personnel Manual – A handbook for employees to understand responsibilities.

Policy – A policy represents the wisdom of the board to guide future leaders and to interpret the bylaws and articles. Policy adoption is a responsibility of the board.

Policy Manual – A notebook or manual referencing the policies adopted and amended by the board of directors over time. Many organizations sunset their policy manual periodically.

Political Action Committee - A committee formed to raise money and make contributions to the campaigns of political candidates. Strictly regulated by state or federal agencies.

Positions – A stated position or resolution representing the organization’s efforts to protect and advance the community. Positions tend to be external (government affairs efforts) while policies are internal (governance and management issues.)

Price Fixing – An agreement amongst competitors to adjust prices or impact the market place. Exchanging prices among competitors may violate antitrust laws.

Procedures Manual - A book for documenting and maintaining the administrative and management processes related to staff.

Professional Society – A nonprofit organization seeking to further a particular profession or the interests of individuals engaged in that profession.

Public Records – Nonprofit organizations have specific records that must be made available upon request to the public; mostly IRS documents that include Form 990, the application for exemption and the letter of determination. Fines may apply for denial of requests for public records.

Publications – Organizations communicate with members and stakeholders through newsletters, websites, social media, etc. Directors should read all information thoroughly to be aware of the issues and events being communicated. Publications may be supported by advertising or sponsorship.

Quorum - The minimum number of persons on a board or committee (usually a majority) who must be present to conduct business; prescribed in the bylaws.

Record Retention – A guide and policy for retaining and destroying organization records.

Request for Proposal (R-F-P) – A document defining expected terms of vendors; circulated to compare prices and services for the purpose of selecting a vendor.

Reserves – An organization maintains a fund for use in a crisis or opportunity. Generally a standard is to have an amount in savings equal to half of the annual gross revenue.

Restraint of Trade - An action or condition that tends to prevent competition in business, as the creation of a monopoly or the limiting of a market. See antitrust.

Retreat – An annual or periodic meeting of the board of directors to focus on the future of the organization and its overall well being. Often resulting in a strategic plan.
Revenue – A variety of revenue sources generate income. Organizations increasingly rely on non-dues revenue. Directors monitor revenue through the budget and may be asked to assist with fund raising.

Risk Management – The processes and safeguards in place to protect against potential risks, i.e. antitrust violations, discrimination, crisis, etc.

Royalty – A payment for the use of the name, logo or lists belonging to the organization.

Rules of Engagement – The expectation of directors above and beyond the governing documents. For example, arriving on time, serving as an ambassador at events, contributing to fund raising, chairing a committee. Also known as Cultural Expectations.

Rules of Order – The rules of parliamentary procedure detailing the processes used by the board to make decisions and advance the agenda. Often referenced in the bylaws as Roberts Rules of Order. Directors should familiarize themselves with the procedures and protocols of meeting conduct.

Sarbanes Oxley – A set of standards for for-profit public companies adopted in 2002. Many of the standards apply to nonprofit boards as a result of changes to IRS Form 990 in 2008, i.e. audits, whistle blower, conflicts of interest, compensation, public records, etc.

Self-Dealing - An illegal financial transaction between a nonprofit organization and volunteers. Also see Conflict of Interest.

Speaking for the Organization – Lines of authority and governing documents indicate who may speak for the organization. Directors should not assume their position allows them to represent themselves as a spokesperson for the organization. See Apparent Authority.

Sponsorship - A qualified sponsorship according to the IRS is a payment for which there is no expectation that the business will receive a substantial return benefit. Sponsorship is generally tax-exempt income. Advertising usually triggers unrelated business income tax (UBIT.)

Staff Liaisons – Committees may be assigned a staff member to serve as a resource and communications conduit. See also Board Liaisons.

Standing Committee – A permanent committee of the organization identified in the bylaws and serving the entire length of the board’s term (as opposed to the short term nature of an ad hoc committee or task force.)

Strategic Plan – A written document of short and long term goals for the organization. The process of strategic planning is an opportunity for directors and staff to best position the organization and plan for its future.

Strategies – An element of the strategic plan that offers programs and initiatives that advance specific goals.

Style Guide (Manual) – The book or manual that prescribes proper use of the organization’s logo, brand and communication standards.

Subsidiary – A nonprofit organization may have subsidiaries or related organizations to achieve its goals and increase income, including political action committee, for-profit corporation and/or a foundation. Directors must understand the relationship of the parent board of directors to related organizations.

Subsidiary Agreement – A document detailing the relationship of the parent organization and any subsidiaries or related entities.

Succession Plan – A document that describes the board’s options should the chief paid officer (executive director) depart in a planned or unexpected manner.

Sunset – A planned review and phase out or update of a policy or process.

SWOT Process – An analysis of the organization’s strengths and weaknesses (internal) and opportunities and threats (external.)
**Task Force** – A temporary committee to accomplish a narrowly defined task. Also known as an **ad hoc committee**. Both are distinct from a standing committee.

**Tax Exempt Status** – Organizations receive tax exempt status (exemption from paying federal income tax) by applying to the IRS. Chambers of commerce and associations are generally assigned 501(c)(6) status. Foundations are designated as 501(c)(3) organization.

**Term Limits** – A limit on the number of years or terms a director can serve as prescribed in the bylaws. Often 2 three-year terms or 3 two-year terms.

**Time Commitment** – Volunteer leaders’ time is a valuable contribution to an organization. Directors should allocate adequate time to properly govern. Respect time by starting meetings on time, ensuring that meetings have substantive discussions, and showing appreciation to volunteers.

**Trade Association** – A nonprofit organization formed to provide services to members, promote education and professional standards, and influence governmental agencies through lobbying. It is estimated that the US has 150,000 trade associations. See also 501(c)(6).

**Unrelated Business Income Tax (UBIT)** – A mechanism for the IRS to determine if income received is outside of the mission statement. Common triggers for UBIT, if a profit is shown, are advertising, rent and royalties.

**Values Statement** – The principles that guide board and staff, for example transparency, diversity and integrity. The mission, vision and values statements combine to form the **Brand Platform**.

**Vision Statement** – An inspirational expression of what success will look like in the long term. For example, the organization will be the primary resource representing 100 percent of the potential members by 2020. Or, “ending a disease so there is no longer a need for the organization.”

**Whistleblower** – A person who reveals wrongdoing in an organization to persons of authority, such as the officers or board of directors. A policy should be in place to process a whistleblower.

**Young Leaders** – A board’s succession often relies on attracting young and diverse leaders. The board and a nominating committee must identify and invite future leaders. Many organizations have initiatives directed at “emerging leaders” and “young professionals.”

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**Notice**: Be sure to rely on legal, accounting and insurance counsel in the governance and management of an organization.
DEDICATION

This book is dedicated to the tireless work of the leaders and staff of associations in the United States and abroad. Without their efforts, many individuals, companies and professionals would not be able to grow as well as they could in our economy. Also, those patients who benefit from better care, service and advocacy on their behalf due to the healthcare associations around the world.

We also dedicate this book to our families who have allowed us to take the time to work on the concepts in this book. Thank you Dana, Noah, Nicholas and my little one Emma.

We hope that this book touches many nonprofit volunteer leaders as they prepare on their journey to make better their community, profession or industry.

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