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BEST PRACTICES TOOLKIT 2005

COMMUNITY-BUILDING STRATEGIES FOR WORKING WITH INDIVIDUALS AND FAMILIES; ORGANIZATIONS; COMMUNITIES/NEIGHBORHOODS; AND PUBLIC/PRIVATE INSTITUTIONS

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**A SUMMARY OF BEST COMMUNITY BUILDING PRACTICES
COMPILED BY THE
NATIONAL COMMUNITY DEVELOPMENT INSTITUTE**

INTRODUCTION

This document has been prepared by the National Community Development Institute for the purpose of sharing best practices in the field of community building. A “best practice” is a technique or methodology that, through experience and research, has proven to be the best path to a desired result. A commitment to using the best practices in any field is a commitment to using all the knowledge and technology at one's disposal to ensure success.¹ The main criteria for determining whether a program, approach, strategy or tool qualifies as a best practice are innovation, effectiveness, ethical soundness, relevance, efficiency, cost-effectiveness, policy impact, replicability and sustainability.²

Based on an extensive review of the literature, it has been determined that the best practice for community initiatives to eliminate economic and social disparities is to target interventions at four key levels: (1) individuals and families (clients), (2) organizations (service providers and other non-profits), (3) neighborhoods/communities and (4) public/private institutions (government, health industry, academia and philanthropy). Therefore, the best practices in this document are grouped into these four areas.

First, this document presents best practices for serving individuals and families. These practices are organized into three categories: Family Support, Housing Services and Wealth Creation/Enhancement. Second, we summarize the best practices for building organizational capacity, which are grouped into two categories: Culturally-Based Capacity Building and Organizational Development. Third, we present best practices for working in neighborhoods and communities. These practices are grouped into three areas: Asset-Based Community Development, Community Building and Resident Engagement/Empowerment. Finally, we summarize the best practices for engaging public and private institutions in the community building process. These practices are grouped into three categories: Public Engagement, Mobilizing and Leveraging Resources and Policy Advocacy.

¹TechTarget Network, CIO Decisions, *Best Practices*, November 20, 2000, Websource: http://whatis.techtarget.com/definition/0,289893,sid9_gci498678,00.html

² Information & Knowledge for Optimal Health (INFO) Project, *Best Practices*, Websource: <http://www.infoforhealth.org/practices.shtml>

BEST PRACTICES FOR INDIVIDUALS AND FAMILIES

The simple premise underlying the Making Connections initiative of the Annie E. Casey Foundation (AECF) is that “Children do well when their families do well, and families do better when they live in supportive neighborhoods”.³ Thus, the best practices for improving conditions for children, youth and families focus on serving the entire family unit and engaging families in building strong communities.

In this section, we present three best practice strategies for interventions at the individual/family level: (1) Family Supports, (2) Housing and (3) Employment Services.

Family Support

“Family support” is defined by Family Support America (FSA) as...

1. *A set of beliefs and an approach* to strengthening and empowering families and communities for the optimal development of children, youth, and adult family members;
2. *A type of grassroots, community-based program* designed to prevent family problems;
3. *A shift in human services delivery* that encourages public and private agencies to work together; and
4. *A movement for social change* that urges all – policymakers, program providers, parents, employers – to take responsibility for improving the lives of children and families.⁴

The following “Principles of Family Support Practice” have been adopted by FSA: (1) work together with families based on equality and respect; (2) support the growth and development of all family members; (3) use family members as resources to their own families, other families, programs and communities; (4) strengthen the cultural, racial, and linguistic identities of families and their ability to function in a multi-cultural society; (5) embed programs in communities and contribute to the community-building process; (6) advocate with families for services and systems that are fair, responsive, and accountable to the families served; (7) work with families to mobilize formal and informal resources to support family development; (8) be flexible and responsive to emerging family and community issues; and (9) model the principles of family support in all program activities.⁵

³ Technical Assistance Resource Center, Annie E. Casey Foundation, *Meeting the Housing Needs of Families*, p. 2, Websource: <http://www.aecf.org/publications/pdfs/tarcguides/housing.pdf>

⁴ The Learning Center, Family Support America, *About Family Support: Definition*, Websource: http://www.familysupportamerica.org/content/learning_dir/about_fs.htm

⁵ *Ibid.*, *Principles of Family Support Practice*, Websource: http://www.familysupportamerica.org/content/learning_dir/principles.htm

AECF defines “family strengthening” as giving parents the opportunities, relationships, networks and supports to raise their children successfully, which includes involving parents as decision-makers in how their families meet community needs. It’s three main strategies to strengthen families are: (1) *providing economic opportunities* that enable parents to secure adequate incomes and accumulate savings including job development, employment training, wage supplements and asset-building strategies; (2) *developing social networks* in the community that provide neighbor-to neighbor support and help family members feel more confident and less isolated; and (3) *providing services and supports* that are accessible, affordable, neighborhood-based, family-centered, and culturally appropriate including high-quality schools, health care, housing assistance and affordable child care.⁶

The Family Support Network of Illinois (FSNI) published a “Best Practices Checklist” for providing services to families. In summary, the checklist states that (1) programs should be culturally competent, family-centered, flexible, and respectful of cultural, economic, social and spiritual differences; (2) services should be easy to find, easy to use and accessible; and (3) families should be encouraged to express their needs and participate in deciding how those needs will be met.⁷

Summary of Best Practices for Family Support

Families

- Work with the entire family and use family members as resources.
- Strengthen the cultural, racial, and linguistic identities of families and their ability to function in a multi-cultural society.
- Encourage families to express their needs and participate in deciding how those needs will be met.

Organizations

- Develop community-based, family resource centers that provide services and support in the areas of housing, economic development, health care and education.
- Implement programs that are culturally competent, family-centered, accessible, flexible, and respectful of cultural, economic, social and spiritual differences.
- Model the principles of family support in all program activities.

Communities

- Embed programs in communities and contribute to the community-building process.

⁶ Op. Cit., Technical Assistance Resource Center, p. 3

⁷ Family Support Network of Illinois, *Family Support Best Practices*, Websource: <http://www.familysupportnetwork.org/FamilySupportBestPractices.htm>

Systems

- Advocate with families for resources, services and systems that are fair, responsive, and accountable.

Housing Services

FSA published a policy statement describing the relationship between family support and community economic development. It states that...

“Without assistance in building their own economic capacity..., many families do not develop the sense of their own strengths that is at the heart of family support...Community economic development has a long history as a means of providing family support, although it may not always be recognized as such...Community economic development augments family support in many tangible and non-tangible ways, creating assets that serve as the basis for building a strong community.”⁸

Housing is a critical problem for millions of low-income families. Many of those in need are the homeless, including families who live in shelters, in transitional housing, or on the streets. Millions of others, who do have a place to call home, are in unsafe, substandard housing. Those with the worst housing needs pay more than half of their income for rent or live in seriously substandard housing. These households consist mainly of adults who weave in and out of the labor force, working at very low wages, forced to choose between paying rent or paying for food, clothing, medical care, and transportation. The crisis in affordable housing creates its own corollary crisis in family well-being, education, and health. Unsafe and overcrowded housing makes parenting difficult and places enormous stress on parent-child relationships.⁹

To meet the housing crisis in low-income communities, AECF is utilizing the following promising approaches to help families obtain decent, affordable housing and to promote homeownership to build families' assets and strengthen neighborhoods:

1. Nonprofit collaborations and consolidations to help communities acquire the financial resources and staff expertise necessary to deal with complex, inner-city neighborhood development.
2. Nonprofit purchase or development of affordable housing to acquire dwellings that have been abandoned or whose federal subsidies have expired.
3. Lease-purchase housing (or rent-to own) to provide homes for low-income families by allowing a portion of the monthly rent to go toward a down payment for the purchase of the property.
4. Constructing new human service facilities to increase community centers and charter schools.

⁸ Op. Cit., The Learning Center, *Family Support and Community Economic Development: Why Get Involved in Community Economic Development*, Websource:

<http://www.familysupportamerica.org/lcenter/showtopic.php?action=viewcat&categoryid=4>

⁹ Op. Cit., Technical Assistance Resource Center, p. 9

5. Incorporating support services into housing developments to assist the victims of domestic violence or persons with mental health or substance abuse problems.
6. Establishing local intermediaries to help local housing developers build and preserve affordable housing.
7. Community banks to specifically meet the lending and deposit needs of a particular community.
8. Tenant organizing and advocacy to get resources, new policies and broaden public support.¹⁰

Wealth Creation/Income Enhancement

Several best practices have been identified for working to create wealth and income for individuals and families. They are Employment Services, Asset Development and Wealth Creation/Income Enhancement.

Employment Services

Work is essential to the health and well-being of children and families. Increasing socioeconomic status, for example, has a strong correlation with positive long-term outcomes for children. In the most basic sense, income and benefits from work enable families to invest in the well-being of their children: from simply providing adequate nutrition and shelter to obtaining services that might otherwise be beyond their means, such as quality health care. Family-supporting wages enable families to accumulate savings sufficient to purchase homes and to better prepare for and cope with economic downturns or unexpected demands on their earnings, such as the care for aging relatives.

And the ability to provide for one's family plays a critical role in feelings of self-worth and resourcefulness, essential pillars of every strong family. A community of wage earners supports local markets and businesses that provide conveniently located and affordable goods and services, ranging from groceries to auto repair shops to building supplies. These communities also offer such vital benefits as higher levels of civic participation, a safer and more stable environment, and beneficial role models for children.¹¹

To meet the employment crisis in low-income communities, AECF is utilizing the following "promising approaches" to connect people to living wage jobs with career opportunities:

- Sectoral employment partnerships to leverage changes in employment practices within specific industries to benefit low-income workers.

¹⁰ Ibid., p. 8

¹¹ Technical Assistance Resource Center, Annie E. Casey Foundation, *Connecting Families to Jobs*, p. 8, Websource: <http://www.aecf.org/publications/pdfs/tarcguides/jobs.pdf>

- Engaging employers in workforce development and job training to customize recruitment and training strategies and supportive services to ensure that workers remain employed.
- Job retention and advancement opportunities to provide opportunities for continuous education and training and post-placement supports.
- Strategies for the harder-to-employ to reach people where they live, provide “soft skills” training, create public jobs and provide support services.
- Transportation strategies to move jobseekers who have become disconnected from job markets because of where they live.
- Making work family friendly to develop worker-friendly workplace policies.¹²

Asset Development

Although many low-income families strive to save, the lack of asset accumulation among the working poor is an issue of growing national concern among policy makers, researchers, educators, and advocates. Research indicates that significantly more families live in *asset poverty* than income poverty. The lack of assets among low-income families can significantly undermine their economic security and opportunities for advancement.

Assets are critical to enabling low-income families to build the personal and financial resources to achieve and maintain self-sufficiency. Assets can help insure these families against the risk of major life events, such as divorce, unemployment, retirement, illness, death or accidents that can cause significant financial hardship. Assets also enable individuals and families to obtain education and training, purchase a home and plan for their children’s future. In this way, assets help families to not only get ahead, but to pass on opportunities to future generations.¹³

There are two main strategies for increasing the assets of individuals and families: Individual Development Accounts (IDAs) and Microenterprise:

- *IDAs* are a policy tool to enable low-income families to build assets and achieve economic well-being. IDAs are matched savings accounts similar to Individual Retirement Accounts (IRAs). IDA savings are restricted to post secondary education and training, home ownership and business capitalization.¹⁴
- *Microenterprise* is a strategy that enables individuals to achieve economic self-sufficiency by establishing their own businesses. These types of businesses are usually started with less than \$35,000 and employ five or fewer people. Additionally, many of them start as part-time or home-based businesses.¹⁵

¹² Ibid., p. 6

¹³ The Finance Project, Economic Success Clearinghouse, Websource: <http://www.financeproject.org/irc/win/assetdev.asp>

¹⁴ Same as 13, Websource: <http://www.financeproject.org/irc/win/ida.asp>

¹⁵ California Association for Microenterprise Opportunity, Websource: <http://www.microbiz.org/html/faq.htm>

Financial Literacy

Research shows that most Americans have inadequate knowledge regarding personal finances and basic financial subjects such as credit cards, taxes, savings and investments. Since few people receive financial literacy training, most individuals learn to manage their money by trial and error. Today, more than ever, consumers are challenged in making sound financial decisions for themselves and their families.

The following definition of financial literacy has been taken from a major study on the subject:

“Personal financial literacy is the ability to read, analyze, manage, and communicate about the personal financial conditions that affect material well being. It includes the ability to discern financial choices, discuss money and financial issues without (or despite) discomfort, plan for the future, and respond competently to life events that affect everyday financial decisions, including events in the general economy.”¹⁶

The typical financial literacy program covers the following topics:

- Developing a spending plan
- Working with checking and savings accounts
- Understanding credit and your credit report
- Accessing credit
- Understanding financial institutions
- Understanding paychecks and taxes
- Setting financial goals

Many organizations and people recognize the importance of providing financial literacy programs, including government agencies, nonprofit organizations, banks, policy makers and associations of financial professionals. Without financial training, many low-income Americans will not be able to afford their own home, attend college or save for retirement. Since the late 1990s, there has been a proliferation of financial literacy programs provided by a diverse group of individuals and organizations, including employers, the military, state cooperative extension services, community colleges, faith-based groups and community-based organizations.¹⁷

¹⁶ Lois Vitt, Project Director, et al., *Personal Finance and the Rush to Competence: Financial Literacy in the U.S.*, A National Field Study Commissioned and Supported by The Fannie Mae Foundation, Institute for Socio-Financial Studies, Middleburg, VA, 2000. Websource: <http://www.nefe.org/pages/whitepaper2002symposium.html#foot1>

¹⁷ The Federal Reserve Bulletin, *Financial Literacy: An Overview of Practice, Research and Policy*. November 2002. Websource: <http://www.federalreserve.gov/pubs/bulletin/2002/1102lead.pdf>

BEST PRACTICES FOR ORGANIZATIONS

“The literature on capacity building states that before individuals and organizations can gain control and influence and become players and partners in community health decision-making and action, they may need resources, knowledge, and skills above and beyond those they already bring to a particular problem. For example, people and organizations in the community might need technical assistance and training related to developing an organization, securing resources, organizing constituencies to work for change, participating in partnerships and coalitions, conflict resolution, and other technical knowledge necessary to address issues of concern to the community.”¹⁸

In this section, we present two best practice strategies for interventions at the organizational level: (1) Culturally-Based Capacity Building and (2) Organizational Development.

Culturally-Based Capacity Building

There is a broad consensus in the literature that race and culture are very important variables in the capacity-building process. In virtually every field, there is a popular demand for “cultural competency” in the delivery of health and social services for diverse communities.

Cultural competency is commonly defined as having the knowledge, skill and values to work effectively in diverse communities and to adapt institutional policies and professional practices to meet their unique needs.¹⁹ By and large, cultural competency pertains to a single provider or group of providers delivering accessible and beneficial services to diverse populations.

Beyond cultural competence, however, there is the fundamental question of building capacity for social change in communities of color. Culturally-based capacity building is a data-based model developed to address this vital community-building issue in communities of color.

¹⁸ Centers for Disease Control and Prevention, *Principles of Community Engagement, Part 1 - Community Engagement: Definitions and Organizing Concepts: Insights from the Literature (CapacityBuilding)*, 1997 [citing Fawcett SB et. al., Using Empowerment Theory in Collaborative Partnership for Community Health and Development, American Journal of Community Psychology, 1995;23\(5\):677-697, Websource: http://www.cdc.gov/phppo/pce/part1.htm](http://www.cdc.gov/phppo/pce/part1.htm)

¹⁹ National Center for Cultural Competence, Georgetown University Center for Child and Human Development, *Definition and Conceptual Framework of Cultural Competence*, Websource: <http://gucchd.georgetown.edu/nccc/framework.html#lc>

Culturally-based capacity building is defined as providing *transformational* technical support and training services for individuals, organizations and communities in their unique cultural contexts.²⁰ To be culturally-based, the capacity-building process must be rooted in the cultural dynamics of communities, based on social equity principles, shaped by the voice of the community and focused on social transformation.

The four core principles underlying the culturally-based capacity-building process are:

- *Work from the community:* Honor indigenous wisdom and value community assets. Listen to and learn from the community.
- *Work with the community:* Form authentic partnerships with the community. Co-design and customize the capacity-building process. Ensure that residents are the primary agents of the social change process.
- *Work to inform the community (as a co-learner):* Learn with and about the community on a continuous basis. Engage residents in developing their own learning agenda to address the root causes of community problems.
- *Work to transform the community:* Assist organizations to plan and implement evidence-based programs to improve social conditions. Provide culturally-based, technical support and training services in six core areas: community engagement; organizational/infrastructure development; cross-cultural/cross-sector relationship building; community development; organizing and advocacy; and community-based research and evaluation.

Organizational Development

To achieve social equity in communities of color, it will be necessary to develop sustainable community organizations with the management, financial, and technical expertise to effectively address chronic social problems. The following functions are generally accepted in the management services field as the core capacities for building a sustainable organization.²¹

1. Organizational Identity (Vision, Mission, Values, Strategies and Niche): Defining the basic purposes, strategic aims, operating principles, core functions and unique role of an organization.
2. Leadership and Governance: Developing effective boards that govern with vision, competence, and compassion.

²⁰ Frank J. Omowale Satterwhite, *The Case for Culturally-Based Capacity-Building in Communities of Color*, Unpublished paper presented at Stanford University, Department of African and African American Studies, December 3, 2005, p. 6

²¹ Frank J. Omowale Satterwhite, *Building Capacity for Social Change in Communities of Color*, National Community Development Institute, January, 2004, pp. 3-4, unpublished paper.

3. Organizational Planning: Developing long-term and short-term plans to achieve the strategic goals of an organization.
4. Finance and Fundraising: Developing a feasible resource development strategy and sound fiscal management practices.
5. Systems and Infrastructure: Establishing policies and procedures in the areas of human resources, office operations, facility management and technology to support the ongoing functioning of an organization.
6. Human Resources: Recruiting, training, and maintaining an effective staff team.
7. Program Development/Management/Evaluation: Developing and implementing program planning, management and evaluation systems.

BEST PRACTICES FOR COMMUNITIES/NEIGHBORHOODS

“During the past two decades, researchers have provided evidence supporting the notion that the social environment in which people live, as well as their lifestyles and behaviors, can influence the incidence of illness within a population. They have also demonstrated that a population can achieve long-term...improvements when people become involved in their community and work together to effect change.”²²

In this section, we present three best practice strategies for interventions at the community/neighborhood level: (1) Asset-Based Community Development, (2) Community Building and (3) Resident Engagement/Empowerment.

Asset-Based Community Development

Instead of focusing on a community's needs, deficiencies and problems, asset-based community development helps them become stronger and more self-reliant by discovering, mapping and mobilizing all their local assets.²³ ABCD focuses on community strengths and how to use these assets to improve social conditions. For example, a typical needs assessment may ask, "What is the problem?" In contrast, the ABCD method asks, "What are the strengths of a community and how can they be used to foster community improvement?" According to McKnight and Kretzmann, who created and popularized ABCD, each community has a unique combination of assets upon which to build its future – that is, a vast array of untapped talents and resources that have not been catalogued or utilized in the community-building process.²⁴ These community assets include: (1) local residents, (2) local voluntary associations, clubs and networks, (3) local institutions, (4) physical assets and (5) economic assets.²⁵

²² Centers for Disease Control and Prevention, *Principles of Community Engagement, Part 1 - Community Engagement: Definitions and Organizing Concepts*, 1997 citing Institute of Medicine, *The Future of Public Health*, National Academy Press, 1988 and Hanson P, *Citizen Involvement in Community Health Promotion: A Role Application of CDC's PATCH Model*, *International Quarterly of Community Health Education*, 1988-89;9(3):177-186, Websource: <http://www.cdc.gov/phppo/pce/part1.htm>

²³ Co-Intelligence Institute, *Asset-Based Community Development*, Websource: <http://www.co-intelligence.org/P-assetbasedcommdev.html>

²⁴ Kretzmann J and McKnight J, *Building Communities from the Inside Out: A Path Toward Finding and Mobilizing a Community's Assets*, Institute for Policy Research, Northwestern University, 1993, pp. 1-11, Websource: <http://www.northwestern.edu/ipr/publications/community/introd-building.html>

²⁵ Kretzmann J, McKnight J, Dobrowolski D, and Puntenney S, *Discovering Community Power: A Guide to Mobilizing Local Assets and Your Organizational Capacity*, A Community Building Workbook from the Asset-Based Community Development Institute, School of Education and Social Policy, Northwestern University, pp. 1-2, 2005, Websource: <http://www.northwestern.edu/ipr/abcd/kelloggabcd.pdf>

Community Building

The National Community Building Network (NCBN) defines community-building as “a comprehensive, principle-driven approach to economic and social revitalization that highlights relationships and partnerships among residents and others who care about the community. This approach builds on community assets and aspirations; strengthens a community's problem-solving capacities; and creates new relationships, more responsive institutions, new community resources, and empowered residents”. NCBN promotes the following core principles reflecting best-practices in the community-building field:²⁶

- Integrate community development and human service strategies
- Start from local conditions
- Build on community strengths
- Support families and children
- Foster broad community participation
- Forge partnerships through collaboration
- Require racial equity
- Value cultural strengths

Resident Engagement/Empowerment

It is widely acknowledged throughout the community-building field that resident engagement and empowerment should be at the heart of the social change process. The best practices for involving and residents and sustaining high levels of resident participation in communities of color are:²⁷

- *Residents must be informed about community issues/needs in order to play meaningful roles in the social change process.* When residents have good information about their community, they are more likely to make better decisions and achieve positive results.²⁸
- *Residents must be trained to deepen their knowledge of community building principles and practices.* Effective community participation is facilitated through leadership development programs that build the capacities of participants and prepare them to play active roles in their community.²⁹

²⁶ National Community Building Network, *About NCBN*, Websource: <http://ncbn.org> (About NCBN)

²⁷ Frank J. Omowale Satterwhite, *Thoughts on Community Engagement*, National Community Development Institute, 2004”, p. 2, Websource: <http://www.ncdinet.org/pres.htm>

²⁸ Ibid.

²⁹ Center for Community Research and Service, University of Delaware, *Community Development and Family Support: Forging a Practical Nexus to Strengthen Families and Communities*, 2003, p. 19, Websource: http://www.aecf.org/publications/data/delaware_report_final.pdf

- *Residents must play a central leadership role in all phases of the community-building process.* Experts in the social science field overwhelmingly endorse the practice of getting community input when planning and executing programs to address health disparity issues.³⁰
- *Residents must define their own goals, develop their own plans and make their own informed choices about the future direction of their community.* Meaningful change is more likely to occur when residents have a shared vision, theory of change, plan of action and a dynamic community-building spirit.³¹
- *Residents must participate in the community-building process in their own culturally authentic ways.* The community-building process should be culturally-based – that is, rooted in the cultural dynamics of communities and reflective of their cultural norms and social practices.³²
- *Residents must be organized to advocate for policy change with service providers, public agencies and other key stakeholder groups.* To bring about sustainable change, individuals and organizations must be able to affect the policymaking process to ensure outcomes that are beneficial to families and neighborhoods.”³³
- *Residents must have the means to document and share their own story within the neighborhood, around their city and across the region.* Data tracking and documentation is a fundamental requirement because of the need to define baseline conditions, set performance targets, assess progress over time, and communicate program impacts to multiple audiences.

³⁰ Op. Cit., New School University for the Robert Wood Johnson Foundation, p. 52

³¹ Op.Cit., Satterwhite, *The Case for Culturally-Based Capacity-Building*, p. 1

³² Op.Cit., Satterwhite, *The Case for Culturally-Based Capacity-Building*, pp. 6-7

³³ Op. Cit., Center for Community Research and Service, page 19

BEST PRACTICES FOR PUBLIC/PRIVATE INSTITUTIONS

“There is a consensus in the literature that engaging and supporting the empowerment of the community for . . . decision-making and action is a critical element in health promotion, health protection, and disease prevention. The impact of programs that target individual behavior change is often transient and diluted unless efforts are also undertaken to bring about systematic change at multiple levels of society.”³⁴

In this section, we present three best practice strategies for interventions at the public/private institutional level: (1) Public Engagement, (2) Mobilizing and Leveraging Community Resources and (3) Public Policy Advocacy.

Public Engagement

The International Association for Public Participation (IAPP) defines “constructive citizen participation” as a systematic process that provides an opportunity for citizens, planners, managers, and elected representatives to share their experience, knowledge, and goals, and combine their energy to create a plan that is technically sound, economically attractive, generally understood and accepted by most of those affected by it, and is thus politically viable. Cultural strengths are identified and valued as the process seeks to meld community “wisdom” with scientific and institutional expertise. Community members are valued as equal partners.”³⁵

In 1997, the Centers for Disease Control and Prevention/Agency for Toxic Substances and Disease Registry (CDC/ASTDR) Committee on Community Engagement published a set of core principles to guide communities in designing, implementing and evaluating community engagement efforts. These core principles are:³⁶

Before starting a community engagement effort . . .

1. Be clear about the purposes or goals of the engagement effort, and the populations and/or communities you want to engage.
2. Become knowledgeable about the community -- its economic conditions, political structures, norms and values, demographic trends, history, and experience with engagement efforts.

³⁴ Op. Cit., Centers for Disease Control and Prevention, *Part 1, General Conclusions About the Power and Usefulness of Community Engagement, 1997* citing Braithwaite RL et.al., *Ethnographic Approach to Community Organization and Health Empowerment*, *Health Education Quarterly*, 1994; 21(3):407-416, Websource: <http://www.cdc.gov/phppo/pce/part1.htm>

³⁵ Minnesota Department of Public Health, *Strategies for Public Health, A Compendium of Ideas, Experience and Research from Minnesota's Public Health Professionals, Volume 2, Introduction: Community Engagement*, p. 15, Websource: <http://www.health.state.mn.us/strategies/intro.pdf>

³⁶ Op. Cit., Centers for Disease Control and Prevention, *Part 3 - Applying Principles To The Community Engagement Process, Principles of Community Engagement*, Websource: <http://www.cdc.gov/phppo/pce/part3.htm>

For effective engagement to occur, it is necessary to . . .

3. Go into the community, establish relationships, build trust, work with the formal and informal leadership, and seek commitment from community organizations and leaders to create processes for mobilizing the community.
4. Remember and accept that community self-determination is the responsibility and right of all people who comprise a community. No external entity should assume it can bestow on a community the power to act in its own self-interest.

For engagement to succeed, it is necessary to . . .

5. Partner with the community to create change and improve health.
6. Recognize and respect community diversity. The various cultures of a community and other factors of diversity must be paramount in designing and implementing community engagement approaches.
7. Identify and mobilize community assets, and develop capacities and resources for community health decisions and action to be sustainable.
8. Release control of actions or interventions to the community and be flexible enough to meet the changing needs of the community.
9. Make a long-term commitment to the community.

Mobilizing and Leveraging Community Resources

Planning for an entire community or geographic region requires a holistic and integrated approach because there is such an intrinsic interrelationship between various aspects of community life – for example, economic development is linked to housing, housing to family well-being, family well-being to school outcomes, school outcomes to public safety, and public safety to economic development.

To address social disparities at a community or regional level requires the mobilization and management of a broad array of health resources with multiple groups working together to provide a holistic continuum of care. Some of the basic strategies for leveraging community resources to eliminate social disparities are forming a broad-based network, documenting baseline conditions, linking resources, providing integrated services...and working to change institutional and professional practices.³⁷

Policy Advocacy

In any society, governmental entities at all levels enact laws, make policies, and allocate resources. Public policy can be generally defined as a system of laws, regulatory measures, courses of action, and funding priorities concerning a given topic instituted by a governmental entity or its representatives to guide or control institutional, community

³⁷ Op. Cit., New School University for the Robert Wood Johnson Foundation, pp. 49-56

or individual behavior.³⁸ Public policy advocacy is the effort to influence public policy through various forms of persuasive communication.³⁹

Participating in the public policy process can mean engaging in a wide range of activities including legislative lobbying, administrative or regulatory advocacy, judicial advocacy, public interest research, public education efforts, community organizing, voter and candidate education, accessing and disseminating public information, and facilitating partnerships and building coalitions between non-profits and governmental agencies.⁴⁰ On the following page is a simple paradigm of best practices for public policy advocacy developed at John Hopkins University Bloomberg School of Public Health.

³⁸ Dean G. Kilpatrick, Ph.D., National Violence Against Women Prevention Research Center, Medical University of South Carolina *Definition*, Websource: <http://www.nvaw.org/policy/definition.shtml>

³⁹ Information and Knowledge for Optimal Health Project (the INFO Project), Johns Hopkins University Bloomberg School of Public Health, Center for Communication Programs, “A” *Frame for Advocacy: Definition of Public Policy Advocacy*, Websource: <http://www.infoforhealth.org/pr/advocacy/index.shtml>

⁴⁰ Charity Lobbying in the Public Interest, *Community Foundations: Lobbying and Public Policy Participation*, Websource: http://www.clpi.org/community_foundations.pdf

“A” FRAME FOR ADVOCACY JOHN HOPKINS UNIVERSITY BLOOMBERG SCHOOL OF PUBLIC HEALTH⁴¹		
TASKS	DESCRIPTION	ACTION GUIDE
Analysis: Getting the Facts	Analysis is the first step to effective advocacy, just as it is the first step to any effective action. Activities or advocacy efforts designed to have an impact on public policy start with accurate information and in-depth understanding of the problem, the people involved, the policies, the implementation or non-implementation of those policies, the organizations, and the channels of access to influential people and decision-makers. The stronger the foundation of knowledge on these elements, the more persuasive the advocacy can be.	<u>Key Questions</u> <ul style="list-style-type: none"> • What are the problems? • What are the existing policies that cause or relate to these problems and how are they implemented? • What type of policy change is needed (legislation, proclamation, regulation, institutional practice, etc.)? • What are the fiscal implications of the proposed change? • Who are the key stakeholders?? • How are changes in policies made at different levels? • Who and what influences the key decision-makers? • What is the communication structure for policy-making?
A Strategy: Developing a Plan	Every advocacy effort needs a strategy. The strategy phase builds upon the analysis phase to direct, plan, and focus on specific goals and to position the advocacy effort with clear paths to achieve those goals and objectives.	<u>Key Activities</u> <ul style="list-style-type: none"> • Establish a working group to develop a strategy, objectives and activities • Identify your primary/secondary audiences (pro, undecided, and your competition) • Position your issue to offer key decision-makers a compelling benefit and to achieve a broad consensus • Minimize the opposition when possible • Identify resources, build coalitions and mobilize support • Prepare an implementation plan and budget • Develop a multi-faceted communication plan • Develop mid/long-term evaluation indicators to monitor process and impact • Give the proposed policy change an appealing name, easily understood and designed to mobilize support
A Mobilization: Building Support	Coalition-building strengthens advocacy. Events, activities, messages, and materials must be designed with your objectives, audiences, partnerships, and resources clearly in mind. They should have maximum positive	<u>Key Activities</u> <ul style="list-style-type: none"> • Develop action plan describing the intended audience, affected group, objectives, key activities/timelines, coalition member roles and evaluation indicators • Network to enlarge coalitions and to keep them together

⁴¹ Op. Cit., Information and Knowledge for Optimal Health Project

	<p>impact on the policy-makers and maximum participation by all coalition members, while minimizing responses from the opposition.</p>	<ul style="list-style-type: none"> • Organize training and practice in advocacy • Identify, verify, and present key facts to support your position and to show the importance of taking action • Link your position to the interests of policy makers • Present facts in a brief, dramatic, and memorable fashion • Specify desired actions clearly and stress the urgency of the recommended action. • Organize media coverage to publicize events, present new data, and credit key players • Rally visible grassroots support
<p>Action: Doing tasks and communicating your message</p>	<p>Keeping all partners together and persisting in making the case are both essential in carrying out advocacy. Repeating the message and using the credible materials developed over and over helps to keep attention and concern on the issue.</p>	<p><u>Key Activities</u></p> <ul style="list-style-type: none"> • Monitor and respond rapidly to and opposition moves • Carry out planned activities on schedule • Keep all coalition members informed of activities/results • Don't fear controversy and turn it to your advantage • Avoid any illegal or unethical activities • Hold policy-makers accountable for commitments • Keep a record of successes and failures • Monitor public opinion and publicize positive changes • Acknowledge the role of policy-makers and partners
<p>A(n) Evaluation: Assessing results</p>	<p>Advocacy efforts must be evaluated as carefully as any other communication campaign. Since advocacy often provides partial results, an advocacy team needs to measure regularly and objectively what has been accomplished and what more remains to be done. Process evaluation may be more important and more difficult than impact evaluation.</p>	<ul style="list-style-type: none"> • Establish and measure intermediate and process indicators • Evaluate specific events and activities • Document changes based on initial objectives • Compare final results with indicators to measure change • Identify key factors contributing to policy changes • Document unintended changes • Share results. Publicize successes in a clear and understandable manner to stakeholders.

NONPROFIT BOARD TOOLKIT



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LEADERSHIP INCORPORATED
SEPTEMBER, 2021

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INTRODUCTION TO THE NONPROFIT BOARD TOOLKIT

In this George Floyd era, there is growing public awareness that racism is deeply embedded in the social fabric of U.S. society. Whether one calls it “white supremacy” or uses more popular terms like “institutional racism” and “structural racism,” the patterns of economic, political, social and cultural domination and racial injustice are pervasive. This is true in the fields of education, public health, criminal justice, housing, food justice, social service, finance, technology, transportation, communication and other sectors as well.

Nonprofit organizations serving communities of color and other justice-seeking communities can play a pivotal role in addressing this fundamental issue. However, this requires that the governing board and executive leaders of an organization have the vision, capacity and resolve to stand up for racial justice. In practical terms, for example, this means...

- Listening and learning to foster deeper understanding of white power and privilege;
- Elevating the voice and supporting the empowerment of communities;
- Moving beyond service delivery to policy advocacy and institutional change;
- Developing equity-centered internal operations.

To build a thriving and sustainable organization in the current social and political context, it is necessary to have an informed, motivated, engaged and productive Board of Directors. More often than not, so goes the board...so goes the organization.

Many nonprofit organizations face a variety of *internal* board challenges such as the following:

- ❖ *Board Diversity*: Lack of member diversity and/or inability to resolve key diversity issues;
- ❖ *Board Relations*: Interpersonal conflict linked to race, class, gender and/or other factors;
- ❖ *Board Participation*: Too few active board members;
- ❖ *Board Roles and Responsibilities*: Lack of clarity about a board’s roles and responsibilities;
- ❖ *Board Leadership*: No shared vision or action plan to stabilize and sustain an organization;
- ❖ *Board Meetings*: Boring meetings or meetings that too often get off track;
- ❖ *Board Assets*: Failure to use board members’ expertise and professional networks to benefit an organization.

To develop a viable board, one must address these types of problems in a thoughtful, proactive way. The *Nonprofit Board Toolkit* defines standard practices in the field and has practical tools for effectively dealing with these types of common issues faced by nonprofit boards.

SECTION 1: WHY RACE MATTERS

Four Types of Racism

Systemic Racism in the USA

Lessons from the Field

WHY RACE MATTERS

FOUR TYPES OF RACISM

Communities of color in the USA face daunting challenges as a result of the systemic racism that permeates our society. There are four types of racism typically identified in the literature:¹

- ❖ **Personal:** Private beliefs, prejudices, and ideas that individuals have about the superiority of whites and the inferiority of people of color. Among people of color, it manifests as internalized oppression. Among whites, it manifests as internalized racial superiority.
- ❖ **Interpersonal:** The expression of racism between individuals. It occurs when individuals interact and their private beliefs affect their interactions.
- ❖ **Institutional:** Discriminatory treatment, unfair policies and practices, inequitable opportunities and impacts within organizations and institutions, based on race, that routinely produce racially inequitable outcomes for people of color and advantages for white people. Individuals...take on the power of the institution when they reinforce racial inequities.
- ❖ **Structural:** A system in which public policies, institutional practices, cultural representations, and other norms work in various, often reinforcing ways to perpetuate racial group inequality...It involves the cumulative and compounding effects of an array of societal factors including the history, culture, ideology, and interactions of institutions and policies that systematically privilege white people and disadvantage people of color.

These basic forms of racism are embedded in the religious, political, social and educational institutions of our society.

SYSTEMIC RACISM IN THE USA

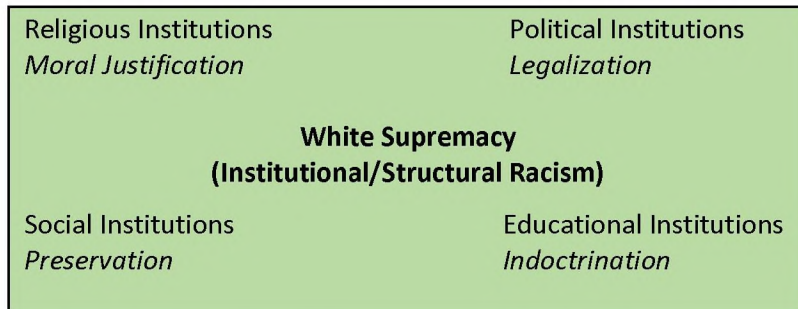
Whether one defines systemic racism as “white supremacy” or uses more popular terms like “institutional racism” or “structural racism”, the patterns of political and social domination are the same. Below is a diagram that shows how “white supremacy” is justified, codified, propagated and preserved by the social institutions of this society.

¹ Kerrien Suarez These basic forms of racism are embedded in our religious, political, social and educational institutions. (Executive Director, Equity in the Center), “The Role of Senior Leaders in Building a Race Equity Culture”, adapted from Interaction Institute for Social Change, posted by The Bridgespan Group, July 23, 2018

Weblink: https://www.bridgespan.org/insights/library/organizational-effectiveness/senior-leaders-role-in-building-race-equity?gclid=Cj0KCOjw_dWGBhDAARIsAMcYujxFK5LHRdabAlzvnTsUnzyuqu7mGjveo-hVWqbYUnDnf294iNTW_UwaAnx5EALw_wcB

The religious institutions “sanitize” white supremacy and provide a moral justification for this doctrine. For example, it was God’s will that Europeans colonize Africa to “convert the heathens” and that the United States fulfill its “Manifest Destiny” by expanding from the Atlantic to the Pacific, despite the toll in human genocide caused by these colonial quests.

The political institutions “legalize” white supremacy and codify it into law – for example, the slave laws enacted prior to the Civil War, the Black Codes passed after reconstruction and the Jim Crow laws that remained in effect until the mid-1960s. Even today, there are many federal, state and local laws that protect white privilege at the expense of people of color.



The educational institutions “proselytize” white supremacy by indoctrinating people (under the guise of socialization) from the cradle to the grave about white power and privilege. In schools all over the country, children are taught a distorted history of how Columbus “discovered” America, that “settlers” were “pioneers” and that “confederates” were heroes, while the epic story of Native Americans along the Trail of Tears is hardly found in the curriculum.

The social institutions “preserve” white supremacy through bureaucratic structures and practices that reinforce and maintain the status quo where white privilege is prized, promoted and protected – e.g., the marginalization and scapegoating of new immigrants not from Europe and the racial profiling that puts Blacks and Latinos at daily risk of being stopped, frisked and jailed.

Thus, white supremacy and structural racism are embedded in every social institution in our society. This is true in the fields of education, public health, criminal justice, housing, social service, food justice, finance, technology, transportation, communication and other sectors as well.

Since George Floyd’s murder, much attention has been given to addressing race-related, structural inequities that have historically impacted communities of color. This field of work is normally defined by use of the following terms: (1) *diversity, equity and inclusion (DEI)*; (2) *race, equity, diversity and inclusion (REDI)*; (3) *anti-racism (AR)*; and/or (4) *systems change (SC)*.

DEI focuses on reducing social and economic disparities in communities of color while building their internal capacity for self-development and their external capacity to influence local, regional, state and national affairs.

REDI is similar to DEI, but begins with acknowledgement that race matters and that race has to be confronted in a proactive and transparent way by people, organizations and communities.

Anti-racism focuses on dismantling, reimagining and reinventing the political, economic, social and cultural institutions in our society, all of which are rooted in a historical legacy of white supremacy.

Systems change focuses on redefining institutional policies and practices so that people of color and other marginalized groups have equal access and opportunities to participate, prosper and thrive.

A common goal of all of these areas is transformation of the social conditions, social structures, social relationships and social practices that perpetuate injustice and inequity in the USA.

<p style="text-align: center;">LESSONS FROM THE FIELD FACILITATING CONVERSATIONS ABOUT RACE</p>

When we say “facilitating conversations about race”, we are not just talking about a one-on-one meeting or small group discussion, but rather we are referring more broadly to a program or initiative requiring race talk within an organization or when engaging with a community. We define this type of facilitation as *“co-designing and guiding an interactive process in an inclusive, intentional way to enable a diverse group to engage in positive and productive race talk with active participation and shared ownership of the results”*.

This section of the toolkit provides an overview of strategies for facilitating conversations about race taken from different sources in the literature. These strategies are grouped under two main headings: (1) Facilitator’s Role and (2) Facilitation Methods.

FACILITATOR’S ROLE

When facilitating discussions about race within organizations or with communities, a facilitator’s primary roles are to:

1. *Framing the Race Talk*

Provide information on the historical context, share data on the causes and effects of racial injustice, and present a cogent rationale why racial justice work is essential.

- Discuss the history of white supremacy and structural racism in the USA.
- Describe the pervasive power and privilege of “whiteness”.
- Discuss the root causes and effects of racial injustice.
- State why race equity is a social imperative.

2. *Facilitating Organizational Change*

Guide and support a participatory interactive process to engage a diverse staff team in defining and implementing an organizational change process.

- Develop a shared definition of “racial equity”.
- Define “core values” or “guiding principles” for racial equity work.
- Develop safer spaces for difficult conversations about race.
- Create a racial equity framework for organizational change with goals, strategies and metrics.
- Develop planning, evaluation and decision-making tools to work with an equity lens.
- Identify capacity-building issues and develop a learning agenda.
- Build a pipeline of local leadership to sustain racial equity work over time.
- Acknowledge the role that leaders play in perpetuating racial injustice.

3. **Supporting Community Transformation**

Co-design and implement a community-led process to inform, engage, partner with and enable the empowerment of communities.

- Build relationships among diverse identity groups.
- Change deficit thinking about communities – i.e., view impacted communities as “problem-solvers”, not “problems to be solved”.
- Listen to the lived experiences of community members.
- Develop a shared vision and action plan for community change.
- Lift the voice and support the empowerment of communities.
- Partner with communities with respect for their social and cultural norms.

FACILITATION METHODS

The literature highlights the following strategies for facilitating race-related discussions in diverse organizational and community settings:

- *Define the facilitation approach*
 - Encourage big picture thinking and taking bold, new action.
 - Shift the focus from serving people to changing social conditions.
 - Authentically engage the community, including those most impacted.
 - Manage power relationships based on race, resources and roles.
 - Promote continuous learning to deepen understanding about race
 - Stay focused on the common goal.
- *Use effective facilitation methods in meetings*
 - Set group norms.
 - Acknowledge the different experiences and perspectives of group members.
 - Encourage people to actively listen and actively share their own truth.
 - Encourage critical self-reflection by all participants.
 - Validate and facilitate discussion of feelings.
 - Acknowledge that people will experience discomfort.
 - Let the participants know that non-closure happens in discussions about race.
 - Control the process, not the content, of the race talk.
 - Debrief the race talk process in real time with participants and peers.
- *Check out the self that you bring to the work*
 - Know your racial/cultural identity.
 - Acknowledge your racial and cultural biases.
 - Do adequate preparation.
 - Model inclusive behavior.
 - Do not demand compliance.
 - Check your privilege.
 - Be a lifelong learner

The above “lessons from the field” were taken from the following literature sources:

Facilitating Conversations about Race

1. Adapted from “*A Conversation Starter Toolkit*” produced by The Martin Luther King, Jr. Center for Nonviolent Social Change” and posted by Beloved Community Talks.
Weblink: https://belovedcommunitytalks.org/wp-content/uploads/2017/08/TKC_Beloved-Community-Talks_Tool-Kit_v2.pdf
2. “*Race Matters: How to Talk Effectively about Race*” written by Kenneth Hardy (Professor, Drexel University) and posted by Social Work Career.
Weblink: <https://www.socialwork.career/2015/09/race-matters-how-to-talk-effectively-about-race.html>
3. “*Facilitating Difficult Race Discussions: Five Ineffective Strategies and Five Successful Strategies*” written by Derald Wing Sue and posted by the University of Colorado.
Weblink: https://www.colorado.edu/center/teaching-learning/sites/default/files/attached-files/facilitating_difficult_race_discussions.pdf
4. Adapted from “*Courageous Conversation About Race Protocol*” written by Glenn E. Singleton and posted by Institute for Educational Leadership.
Weblink: <https://iel.org/sites/default/files/G10-courageous-conversation-protocol-overview.pdf>
5. “*Ten Strategies for Holding Difficult Conversations about Diversity*” posted by CoachDiversity Institute.
Weblink: <https://coachdiversity.com/blog/ten-strategies-for-holding-difficult-conversations-about-diversity/>
6. “*9 tips teachers can use when talking about racism*” written by L. Anderson, K. Gatwiri, L. Riley and M. Townsend-Cross and posted by The Conversation.
Weblink: <https://theconversation.com/9-tips-teachers-can-use-when-talking-about-racism-140837>

Facilitating Conversations about Race and Organizational Change

7. “*The Role of Senior Leaders in Building a Race Equity Culture*” written by Kerrien Suarez (Executive Director, Equity in the Center) and posted by The Bridgespan Group.
Weblink: https://www.bridgespan.org/insights/library/organizational-effectiveness/senior-leaders-role-in-building-race-equity?gclid=Cj0KCQjw_dWGBhDAARIsAMcYuJxFK5LHRdabAlzynTsUnzyuqu 7mGjveo-hVWqbYUnDnf294iNTW_UwaAnx5EALw_wcB
8. Adapted from “*Facilitating a Difficult Discussion*” posted by University Health Services, Faculty/Staff Employee Assistance, UC Berkeley.
Weblink: https://uhs.berkeley.edu/sites/default/files/facilitating_a_difficult_discussion.pdf
9. “*Facilitators’ Guide for Departmental Discussions about Race*” posted by UMSL Office of Diversity, Equity and Inclusion.
Weblink: <https://blogs.umsl.edu/diversity/files/2020/06/Facilitator-Guide-for-Departmental-Discussions-about-Race-UMSL-1-1.pdf>
10. Adapted from “*Accountability Principles*” written by Puget Sound Cohort and Race Forward and posted by Puget Sound Cohorts.
Weblink: https://facingrace.raceforward.org/sites/default/files/RaceForward_PugetSoundCohort_FINAL.pdf

<p style="text-align: center;">LESSONS FROM THE FIELD USEFUL TOOLS FOR NONPROFIT BOARDS</p>

TOOL #1: GUIDING PRINCIPLES

Guiding principles are group norms which state how organizational team members will work with each other in serving the community. Below are examples of guiding principles that may be useful when facilitating conversations about race within organizations and/or with communities.

- **Diversity:** Acknowledge and value the different backgrounds, experiences and perspectives of organizational team members. Recognize that every community is different and has different politics, demographics, social conditions and challenges.
- **Relationship-Building:** Work together in a way that is respectful, efficient, productive and joyful.
- **Common Ground:** Develop a racial equity framework to define, guide, manage, measure and advance the race work in an organization or community.
- **Open-Mindedness:** Create a safe, confidential space for all voices to be heard, listen to understand, assume good intent and be non-judgmental with each other.
- **Big Picture Focus:** Focus on the big picture and be solution-oriented when doing race work.
- **Anti-Racism:** Work together in an inclusive way that is not dominated by white cultural norms, but rather is reflective of the diverse cultures within an organization. Question assumptions, call out unconscious biases, promote healing, and check white privilege.
- **Conflict Resolution:** Make a commitment to work together to resolve the interpersonal conflicts that inevitably arise in challenging conversations about race.
- **Learning:** Develop a shared learning agenda to deepen understanding of DEI/REDI/AR among organizational team members.

TOOL #2: WORKING WITH AN EQUITY LENS

To work with an equity lens, an organization should address the following questions when designing, developing or implementing a program initiative.

Program Initiative Design

1. What systemic problem/issue does the organization want to address?
2. What are the historical causes of the systemic problem/issue?
3. What are recent trends or key events in this area of work?
4. What is the baseline racial and demographic data for the target community?
5. Does the program/collaboration address the root cause(s) of the problem/issue?
6. What racial, gender or economic groups will be most affected by the program initiative?
7. How will the target groups be involved in developing, implementing and assessing the program initiative?
8. What are the desired outcomes of the program initiative?
9. What are the main strategies for reducing racial, economic, gender and other disparities?
10. Are there leadership development or capacity-building opportunities for target groups?
11. What are key benchmarks (both process and impact) for the program initiative?
12. Will equity data be tracked and used to inform, revise and strengthen programming across racial groups?
13. If the program initiative is successful, how will social and economic conditions improve for the target individuals, families and communities?

Organizational/Partner Capacity

1. Does the sponsoring organization have the racial diversity, leadership, social relationships and internal capacity to implement the program initiative?
2. Who are the potential partner organizations, what are their potential roles and how are they connected to the impacted groups?
3. Do partner organizations have a shared vision and action plan for the program initiative?
4. Do partner organizations have the racial diversity, leadership, social relationships and internal capacity to collaboratively implement the program initiative?

Community/Field Impact

1. What is the potential for the program initiative to organize, engage, connect and empower diverse people, organizations and communities?
2. If the program initiative succeeds, will it change institutional policies and practices and how governmental agencies, funders and other key stakeholders interact with low-income, communities of color and other impacted groups?
3. What is the potential for building relationships across race, class, gender and sectoral boundaries in the target communities?
4. How can the program initiative serve as a model to inform systems change work in other communities?
5. How will relevant lessons learned from the program initiative be shared with the field?

SECTION 2: NONPROFIT GOVERNANCE

Board Roles and Responsibilities

Board Membership

Board Operations

Risk and Liability

BOARD ROLES AND RESPONSIBILITIES

The Board of Directors of a nonprofit organization has three main responsibilities:

- ❖ **Legal responsibilities:** Ensuring that an organization complies with all legal requirements and fulfills its ethical obligations to the community.
- ❖ **Management responsibilities:** Ensuring that an organization operates in a highly efficient manner and employs administrative, fiscal and program practices that adhere to generally accepted standards in the field.
- ❖ **Leadership responsibilities:** Ensuring that an organization has a coherent vision, fulfills its mission, utilizes sound management practices and is sustainable.

Below is a description of these board responsibilities which must be executed with the highest ethical standards.

LEGAL RESPONSIBILITIES

A nonprofit board is responsible for ensuring that an organization complies with all legal requirements and fulfills its ethical and fiduciary obligations to the community. The three legal responsibilities of a nonprofit board are: (1) *duty of care*; (2) *duty of loyalty*; and (3) *duty of obedience*. These basic legal responsibilities are described below:

- ✓ **Duty of Care:** To act with the same care as a “reasonably prudent person” would exercise under similar circumstances, in good faith, and in a manner reasonably believed to be in the best interest of the organization.
- ✓ **Duty of Loyalty:** To act in good faith in the best interests of the organization, not engaging in any activities which would injure or take advantage of the organization. The duty of loyalty imposes procedural safeguards and standards of substantive fairness in situations where there is a conflict of interest; when there is a board director on both sides of a transaction; or when a director and the organization are in competition on one side of a transaction.
- ✓ **Duty of Obedience:** To act to ensure the organization operates in keeping with the laws and rules governing its formation and in accordance with its own bylaws and mission. The duty of obedience also requires following federal and state statutes and contractual agreements such as laws prohibiting discrimination.

MANAGEMENT RESPONSIBILITIES

A nonprofit board is responsible for ensuring that an organization has proficient internal operations and employs administrative, fiscal and program practices that adhere to recognized standards in the field. The main management responsibilities of a nonprofit board are:

Policy Making

- Adopting rules, principles or guidelines to provide a framework for executive decision-making and keep all organizational functions within a set of established boundaries.

Identity Statement

- Developing an *Identity Statement* (i.e., defining mission, vision, values, niche and strategic priorities).

Planning

- Defining the future direction, developing an organization plan and setting time-specific benchmarks to guide an organization toward achieving its goals.

Resource Development

- Generating resources and building partnerships to increase an organization's funding, visibility, influence and breadth of community support.

Fiscal Management

- Providing financial oversight to ensure fiscal solvency (e.g., approving an annual budget, reviewing financial reports, monitoring fiscal management practices and conducting an annual audit).

Programming

- Reviewing and assessing program initiatives to determine their community impact.

Personnel

- Adopting personnel policies; hiring, supporting and terminating the Executive Director; and ensuring adherence to non-discrimination, equal employment opportunity and harassment policies.

Public Relations

- Being an ambassador and representing an organization in the community.

Evaluation

- Assessing administrative, fiscal and program operations and upgrading internal systems as needed.

LEADERSHIP RESPONSIBILITIES

A nonprofit board is responsible for ensuring that an organization has a coherent vision, fulfills its strategic role and is sustainable. The primary leadership responsibilities of a nonprofit board are:

- **Listening to Community Voices**
Listening to and engaging the community in dialogue about an organization's vision, mission programs and strategic role in the community.
- **Sustainability**
Executing a long-term strategy to financially sustain an organization and take its work to scale at the local, regional and/or national level.
- **Leadership Transition**
Developing a leadership transition strategy or succession plan to ensure the smooth and thoughtful turnover of board and staff leaders, as needed.
- **Learning**
Engaging in a formal learning process to deepen knowledge of the organization -- its programs and services; its field of work, its target communities and the social context in which it works.

BOARD MEMBERSHIP

You are in a board meeting, look around the room and feel that something is missing...either not enough people on the board, or too many inactive board members, or too few board members with the right skills and connections needed by the organization, and so on and so on and so on.....

To resolve these problems, one must have effective strategies to strengthen the board's membership – i.e., who serves on the board, what they do and how to keep them involved. The main topics that need to be addressed are:

- **Board Recruitment:** Identifying and appointing the right mix of people to serve on the board.
- **Board Orientation:** Sharing information with new board members about the organization – i.e., its history, mission, programs, operations and governance procedures.
- **Board Engagement:** Involving board members in ways that benefit both the organization and satisfy their own personal interests for serving on the board.
- **Board Training:** Educating board members to enhance their knowledge and improve the overall effectiveness of the board.
- **Board Retention:** Maintaining a core group of board members who are engaged and committed to serving on the board.

In the following section, information is provided on standard practices in the nonprofit field for addressing board membership issues. In addition, there are practical tools that can be used by a board to strengthen its approach to recruiting, engaging and retaining board members.

STANDARD PRACTICES FOR NONPROFIT BOARDS

There are a number of effective strategies that nonprofit organizations can use to recruit, orient, train, engage and retrain reliable board members. Below is a summary of standard practices for strengthening the membership of nonprofit boards:

Board Recruitment

- Form a board membership committee or assign this task to another group.
- Conduct an assessment to identify the assets/qualities of current board members and determine what desired assets are missing from the board. (*See Tool #3: Board Member Recruitment Grid*).
- Based on the board assessment, develop a recruitment strategy to identify potential board members with the assets or qualities needed on the board. (*See Tool #4: Diversifying Your Board*)
- Develop a list of potential board members and rank them in order of priority. (*See Tool #5: Board Member Qualities*).
- Implement a targeted strategy to recruit key individuals to serve on the board. (*See Tool #6: Sample Questions for Prospective Board Members*).
- Review applicants and appoint new board members.

Board Orientation

- Develop an onboarding strategy and conduct an orientation program for new board members. (*See Tool #7: Board Orientation and Tool #8: Board Manual*)

Board Engagement

- Define the strategic priorities and current needs of the organization.
- Assign new board members to serve on committees or work groups based on their interests and expertise.
- Periodically ask board members about their experience serving on the board and use feedback to improve board practices.

Board Training

- Conduct periodic board trainings to enhance board member's knowledge and abilities in order to improve the overall effectiveness of the board.

Board Retention

- Engage the board in regular discussions of the organization's mission and strategic role in the community. Keep the discussion of administrative and fiscal matters to a minimum. (*See Tool #8: How to Retain Board Members*)
- Acknowledge the board for its leadership and service and recognize individual board members for their contributions to the organization.

USEFUL TOOLS FOR NONPROFIT BOARDS

TOOL #3: BOARD MEMBER RECRUITMENT GRID

	Currently on the Board	Needed on the Board	Proposed Action
Gender/Gender Identity			
Female			
Male			
Bisexual			
Lesbian/Gay			
Transgender			
Other			
Age			
Under 18 years			
19-25			
26-35			
36-55			
56+			
Race/Ethnicity			
Arabic			
African American			
Asian-American			
Caucasian			
Latin (a/o/x)			
Native American			
Other			
Sector			
Community			
Government			
Education			
Business/Finance			
Social Services			
Philanthropy			
Expertise			
Fundraising			
Program Management			
Finance			
Human Resources			
Legal			
Public Relations/Marketing			
Geography			
Local/Regional			
State/National			

TOOL #4: DIVERSIFYING YOUR BOARD

The following principles can be used as a starting point for organizations seeking to diversify the board of directors:

1. A "mission reason": A board of directors should have members from the communities being served to ensure that the perspectives of people utilizing services inform program planning, delivery and operations.

Example: It's hard to imagine an organization effectively serving people with disabilities if there are no board members with disabilities or to imagine a Chinese Community Center with no board members who are Chinese.

2. A "business reason": A board of directors should have members with connections to diverse communities to build business relationships with those communities to expand the market for delivery of its services.

Example: "Because our organization seeks to expand its revenue base by serving a racially diverse spectrum of families, we want our board to be racially and ethnically diverse to ensure that our marketing strategies and service delivery methods are effective."

3. A "social responsibility reason": A board of directors must be socially-conscious and work to combat racism and bring about social change in communities.

Example - "As our organization works to fulfill its mission, we will also work to improve the communities we serve through our employment practices, training programs, policy work and investment strategies."

As indicated in Section 1, discussions about diversity are difficult to conduct because people have different points of view about race, ethnicity, gender, sexual orientation and other identity issues. However, such discussions, though they may be difficult, must be an important part of the way a board develops its vision, values, strategic priorities, action plan and measures of success.

TOOL #5: BOARD MEMBER QUALITIES

Following is a list of desirable qualities to look for in potential nonprofit board members:

Philosophy

- A belief in an organization's philosophy, mission and core values.
- A belief in the power of community.

Rationale

- An interest in or experience working on family stabilization, community improvement/empowerment and/or racial justice issues.
- An interest in or experience working with racially diverse communities served by an organization.

Role

- A willingness to share expertise and serve as a knowledge resource for an organization.
- A willingness to broker relationships or leverage resources (time, treasure or talent) for an organization.
- A willingness to be an ambassador who promotes an organization in the broader community.

Engagement

- A willingness to be an active board member and work collaboratively with an engaged board of directors.
- A willingness to potentially assume a leadership role on the board.

TOOL #6: SAMPLE QUESTIONS FOR PROSPECTIVE BOARD MEMBERS

Following is a sample list of questions that can be asked of prospective board members:

1. What is your personal philosophy about working on racial justice issues to improve and empower racially diverse communities?
2. What are the main reasons you want to join the board of directors?
3. What is your experience working with a nonprofit board of directors? What were the main lessons from that experience?
4. What role would you like to play on the board?
5. In what ways have you exercised leadership in your own professional field or community?
6. Are you able to broker relationships/leverage resources (time, treasure and/or talent) in the broader community for the organization?
7. What are the main gifts/assets (knowledge, skills, connections, etc.) that you can contribute to the organization?
8. What are the three things you would like to accomplish by the end of your term on the board?
9. Do you have the time and commitment to be an active member of the board?
10. Are you willing to serve on a board committee?

TOOL #7: BOARD ORIENTATION

Optimally, the orientation of new board members should be a multi-faceted process, not just a one-time event. The main steps in an all-inclusive orientation process are:

Month 1

- **Welcoming**
Send a welcoming memo and make personal calls to welcome new board members.
- **Organizational Profile**
Hold an orientation meeting to share information about: (1) an organization's history, mission, programs and clientele, (2) board roles and responsibilities and (3) board/staff relations.

Month 2

- **Relationship Building**
Hold an orientation meeting where (1) all board members share information about their backgrounds, why they serve on the board and what they value about the organization and (2) a detailed overview of the governance process is provided for new board members.

Month 3

- **Programs and Services**
Hold an orientation meeting to share information about current programs, introduce the staff, have clients share personal stories about their experiences with the organization and review volunteer opportunities for board members.

Month 4

- **Assessment**
Do one-on-one interviews after three months of service to get feedback on how to improve the board orientation experience.

TOOL #8: BOARD MANUAL

All board members should be given an up-to-date manual with the following documents:

- **Legal Documents:** Copies of the Articles of Incorporation and Bylaws.
- **Identity Statement:** A copy of the Identity Statement (vision, mission, values and strategic priorities).
- **Programs:** A description of all major programs – clientele, services and impact.
- **Budget & Finance:** – A copy of the annual budget, recent financial reports and the most recent annual audit.
- **Board Roles and Responsibilities:** A description of the board’s roles and responsibilities.
- **Board Member Job Description:** A job description for board members with performances.
- **Code of Ethics:** A set of principles and practices for board members.
- **Board Membership:** A list of board members with short bios and contact information.
- **Board Committees:** A list of board committees and their membership.
- **Board Meetings:** A list of upcoming board meetings.
- **Board Minutes:** A copy of the minutes for recent Board meetings.
- **Organizational Reports:** A copy of the annual report and other reports submitted to state/federal agencies.
- **Volunteerism:** A list of ways that board members can serve as volunteers.
- **Board Liability Insurance:** A description of the insurance coverage for board members.
- **Board Contract:** A document to be signed by board members affirming their commitment and willingness to adhere to board policies and operating procedures.

FOLLOW THE 80/20 RULE

**80% OF BOARD MEETINGS SHOULD BE DEVOTED TO DISCUSSION
OF MISSION, STRATEGIC ROLE & COMMUNITY IMPACT**

**20% OF BOARD MEETINGS SHOULD FOCUS ON ADMINISTRATIVE
AND FISCAL OVERSIGHT ISSUES**

BOARD OPERATIONS

Your organization is at an important crossroad. Although it has a proud history of accomplishment, things are not quite like they should be...meetings are not well attended, committees are not functioning, there is a lack of communication and board leaders are not handling these issues.

To resolve these problems, the board must change how that it operates. The main things that need to be addressed are:

- **Board Self-Assessment:** Conducting self-assessments to determine how well the board is fulfilling its roles and responsibilities as the governing body.
- **Board Teambuilding:** Developing strong working relationships among board members and building a cohesive board team.
- **Board Leadership:** Choosing board leaders with the experience and know-how to effectively guide the organization toward reaching its major goals.
- **Board Committees:** Forming committees that have a clear charge, meet regularly and fulfill their responsibilities.
- **Board Meetings:** Holding board meetings that are well-planned, engaging and productive.
- **Board Decision Making:** Establishing clear guidelines and protocols for organizational decision making by the board and staff.
- **Board/Staff Communication:** Establishing clear guidelines and protocols for board/staff communications.

In the following section, information is provided on standard practices in the nonprofit field with regard to board operations. In addition, there are practical tools that can be used by a board to improve its internal operations.

STANDARD PRACTICES FOR NONPROFIT BOARDS

There are a number of effective methods that nonprofit boards can use to improve how they function. Below is a summary of standard practices for improving the operations of nonprofit board:

Board Self-Assessment

- Do an annual self-assessment (more frequently if necessary) to review how the overall board is functioning and how individual board members are faring in their roles. *(See Tool #10: Board Self-Assessment Form)*

Board Teambuilding

- Be intentional about building relationships among board members and a cohesive board team. *(See Tool #11: Developing a Cohesive Board Team)*

Board Leadership

- State what is expected from organizational leaders and develop a fair and transparent process for choosing *and* rotating board officers. *(See Tool #12: Board Officers)*

Board Committees

- Define the role, work scope, membership and deliverables for each committee (or work group) and hold committees accountable for fulfilling that charge; form a finite number of board committees (or work groups) depending on the size of the board and issues to be addressed. *(See Tool #13: Board Committees)*

Board Meetings

- Devote most of the board agenda to discussion of mission impact and strategic role rather than administrative or fiscal issues (remember the 80/20 Rule). *(See Tool #14: Board Meetings)*

Board Decision-Making

- Clearly define the decision-making domains and authority of the board and executive staff. *(See Tool #15: Board Decision-Making)*

USEFUL TOOLS FOR NONPROFIT BOARDS

TOOL #10: BOARD SELF-ASSESSMENT FORM

This evaluation form is to be used by board members to assess two things: (1) how the overall board is functioning and (2) their own role as a board member. The evaluation form has two parts: the first part focuses on the whole board and the second part on the individual board member. Please give your candid feedback. *All responses are confidential.*

PART 1: BOARD ASSESSMENT

Please rate the effectiveness of the board in the following areas. The rating scale is: (1) Not Acceptable; (2) Needs Improvement; (3) Satisfactory; (4) Above Average; and (5) Excellent.

ASSESSMENT CATEGORIES	RATING				
	1	2	3	4	5
Board Roles and Responsibilities					
Board members know the legal, management and fiduciary responsibilities of a nonprofit board.					
The board plays a key role in providing leadership and setting policy for the organization.					
The board approves the budget and monitors the financial state of the organization.					
The board committee structure allows for full participation by board members.					
The knowledge/experience/connections of board members are used to advance the organizational mission.					
Board members are strong ambassadors for the organization.					
Organizational Mission/Impact					
Board members have a shared vision and strong commitment to the organization.					
The board periodically examines local, regional and national trends, makes forecasts and sets goals and priorities based on identified community needs.					
The board devotes adequate time to discussing mission-related, community change issues (beyond its normal oversight activities).					
Board/Staff Relations					
The board and staff have a good partnership and positive working relationship.					
The board normally deals with organizational planning and policy issues and does not micro-manage the staff.					
The board conducts an annual evaluation of the Executive Director.					
Board Development					
Board members are recruited for their belief in the organization's mission and for their knowledge, influence, connections and/or access to resources.					
New board members receive an orientation and a board manual with basic documents about the organization.					
Board members are given adequate training/support to handle their responsibilities.					
Board Meetings					
A quorum of the board is usually present for board meetings.					
Board meetings usually start and end on time, stick to the agenda and are productive.					

PART 2: SELF-ASSESSMENT

ASSESSMENT CATEGORY	RATING		
	Yes	No	Unsure
When asked by friends, colleagues or donors, I can clearly...			
• State the organizational mission.			
• Describe two or more programs.			
• Name a few of the top funding sources.			
As a board member, I do...			
• Understand my role and responsibilities.			
• Know about the organization's programs.			
• Read informational materials prior to all meetings.			
• Normally make a positive contribution at each meeting.			
• Feel pride about my role as a board member.			
I would feel comfortable...			
• Serving on a fundraising committee.			
• Using my skills/connections to help raise funds for the organization.			

1. My most important role as a board member is: _____

2. The three main resources that I bring to this organization are:
 a. _____
 b. _____
 c. _____

3. As a board member, I need the following training or support to help build a thriving organization:
 a. _____
 b. _____

4. I think that the board needs to change in the following ways to improve its effectiveness:
 a. _____
 b. _____
 c. _____

TOOL #11: DEVELOPING A COHESIVE BOARD

Following are sample guidelines that nonprofit boards can use to strengthen the working relationships among board members:

The Board of Directors should:

1. Always put the community first and stay focused on the vision of building thriving and healthy communities.
2. Encourage big picture thinking and strategic actions to promote racial justice.
3. Be mindful of power relationships based on race, resources and roles.
4. Develop group norms and operating procedures that are posted at each meeting.
5. Make sure all voices are heard and treated with respect.
6. Assign someone to monitor the board's interactive process during meetings and call attention to behavior that deviates from the expected norm. (process observer)
7. Provide training for board members to meet legal requirements and on topics of mutual interest.
8. Engage in continuous learning to deepen understanding about race.

Individual board members should:

1. Start from a place of goodwill, assume good intentions and give people the benefit of the doubt.
2. Communicate in a respectful, non-accusatory tone at all times, even when they disagree.
3. Consider how their words or actions might be interpreted by others and take responsibility for what they say and do.
4. Be willing to do a one-on-one follow-up if needed to resolve problems with other board members.
5. Step up when behaviors occur that are disruptive to the group; i.e., don't be a bystander or step up after a meeting is over.

TOOL #12: BOARD OFFICERS

The typical officers of a nonprofit board are; (1) the Chair/President, (2) Vice Chair/Vice President, (3) Secretary and (4) Treasurer. A board may have other officers if desired (e.g., a Parliamentarian). Board officers are also members of the Executive Committee, which is responsible for handling business matters between regular board meetings. The primary duties of each officer are:

Chair/President

- Presides over board meetings and Executive Committee meetings.
- Works with and provides general guidance to the Executive Director.
- Appoints committee chairs/members and monitors committee activities.
- Acts as spokesperson for the board.
- Signs legal documents on behalf of the organization with board approval.

Vice Chair/Vice President

- Works directly with the Chair to carry out the basic duties of that position.
- Assumes the role of the Chair when that person is absent or incapacitated.
- Serves on the Executive Committee.
- Fulfills other related tasks assigned by the President or the board.

Secretary

- Serves as the official custodian of all corporate records.
- Takes and distributes minutes of board meetings and Executive Committee meetings. (Note: Actual taking of minutes is often done by staff members.)
- Signs legal contracts on behalf of the organization with board approval.
- Serves on the Executive Committee.
- Fulfills other related tasks assigned by the board.

Treasurer

- Advises the executive staff on development of an annual budget to be recommended to the board.
- Ensures that regular financial reports are provided to the board.
- Chairs the Finance Committee, if one is established.
- Convenes the Audit Committee, which oversees selection of an auditing firm and monitors completion of the annual audit.
- Serves on the Executive Committee.
- Fulfills other related tasks assigned by the board.

TOOL #13: BOARD COMMITTEES

Following is a list of standing committees typically formed by nonprofit Boards. In smaller nonprofits, it's wise to form fewer committees that have multiple roles.

Types of Boards Committees

Executive Committee

- Develops policy recommendations for consideration by the board.
- Addresses business issues between board meetings.
- Provides guidance and support to the Executive Director.
- Monitors administrative operations and the overall health of an organization.

Finance Committee

- Guides preparation and adoption of the annual budget.
- Reviews and submits monthly financial reports to the board.
- Monitors the financial status of an organization.
- Oversees annual audit performed by a Certified Public Accountant.

Fundraising Committee

- Guides and supports the development of a long-range resource development strategy.
- Sets fundraising goals and develops an annual fundraising plan.
- Plans and coordinates fundraising activities.

Personnel Committee

- Reviews and approves personnel policies.
- Coordinates processes for hiring and evaluating the Executive Director.
- Reviews and acts on personnel matters brought to the board.
- Ensures compliance with legal workplace requirements.

Program Committee

- Conducts needs/asset assessments to identify emerging community needs.
- Reviews and monitors the implementation of programs.
- Evaluates programs to assess overall community impact.

Public Relations Committee

- Advises on development of a marketing strategy for an organization.

Board Development Committee

- Identifies and coordinates board development activities (recruitment, training, operations and board relations).
- Conducts an annual assessment of board operations.

Number of Board Committees

Below is a chart that nonprofit boards can use to decide what committees to form and for what purposes.

# of Board Members	# of Committees	Suggested Committee Structure	Committee Functions (See Tool #12, P.31)
7 or less	2	Administrative Committee	<ul style="list-style-type: none"> • Executive Committee • Finance Committee • Fundraising Committee • Personnel Committee • Board Development Committee
		Program Committee	<ul style="list-style-type: none"> • Program Committee • Public Relations Committee
9 to 15	3-4	Executive Committee	<ul style="list-style-type: none"> • Executive Committee • Personnel Committee • Board Development Committee
		Finance Committee	<ul style="list-style-type: none"> • Finance Committee
		Program Committee	<ul style="list-style-type: none"> • Program Committee
		Fundraising/Public Relations Committee	<ul style="list-style-type: none"> • Fundraising Committee • Public Relations Committee
17 or more	5-7	• Executive/Board Development Committees	<ul style="list-style-type: none"> • Executive Committee • Board Development Committee
		• Finance Committee	<ul style="list-style-type: none"> • Finance Committee
		• Fundraising/Public Relations Committee	<ul style="list-style-type: none"> • Fundraising Committee • Public Relations Committee
		• Personnel Committee	<ul style="list-style-type: none"> • Personnel Committee
		• Program Committee	<ul style="list-style-type: none"> • Program Committee

TOOL #14: BOARD MEETINGS

It is very important to hold board meetings that are well-planned, engaging and productive. This requires that organizational leaders be diligent about completing key tasks before, during and after board meetings. Following is a list of suggested meeting management tasks to conduct effective board meetings:

Before a Meeting

- The Chair and Executive Director should develop a draft agenda with input from other board members.
 - The agenda for board meetings should have a standard format and focus on strategic issues, not operational ones (i.e., the 80/20 rule).
 - Opening: Call to order; agenda review; meeting norms; and minutes. (5%)
 - Strategic Issues/Initiatives: Rationale, status, approach and impact. (80%)
 - Board/Staff Reports: Updates and proposed policy action (10%)
 - Closing: Review, assessment and adjournment. (5%)
 - For each topic, state the action desired, time allocated and main presenter(s).
- An information packet should be distributed to all board members with an agenda and background materials at least 5-7 days prior to a board meeting.
 - Board members who are responsible for leading the discussion of agenda topics should prepare informational materials to include in the board packet.
 - Board members should review information packets before each meeting.

During a Meeting

- The Chair should start meetings on time, stick to the agenda and end meetings on time.
 - Meetings should be called to order within 5 minutes of the posted start time.
 - The board should complete each agenda topic within the allocated time, but can extend discussion of a topic with the consent of the board.
 - When an agenda topic gets off track, the Chair can table discussion and place the issue in a “parking lot/bike rack” for future consideration.
 - Meetings should be adjourned at the posted end time, but can be extended with the consent of the board.
- After each agenda topic is completed, the Chair should review what was decided and restate who is responsible for carrying out the decision.
- In the closing session, the Chair should (1) re-cap the main decisions; (2) solicit agenda items for the next meeting; and (3) conduct a brief assessment of the current meeting.

After a Meeting

- The Board Secretary or executive staff should prepare and distribute minutes within 5-7 days after a board meeting.
- The Board Secretary or executive staff should send a list of assigned tasks to designated individuals/committees as a follow-up reminder.

TOOL #15: BOARD DECISION-MAKING

Organizational decision-making is about the distribution of power and authority in an organization. To minimize internal dissention over power issues, it is imperative that nonprofit organizations clearly define the decision-making domains and authority of both the board and executive staff. Below is a sample decision-making grid that is based on the principle that the board sets policy and that the staff executes policies set by the board.

TOPIC	WHO DECIDES	INPUT BEFORE DECISION	TOLD AFTER DECISION	OVERSIGHT RESPONSIBILITY
GOVERNANCE				
Approve by-laws	Board	Executive staff & other stakeholders	All stakeholder Groups	Board
Appoint board members	Board	Executive staff & other stakeholders	All stakeholder groups	Board
Form board committees	Board	Executive staff & other stakeholders	All stakeholder groups	Board
FINANCE				
Develop annual budget	Executive Director	Executive staff & Finance Committee	All stakeholder groups	Executive Director
Approve annual budget	Board	Executive staff & Finance Committee	All stakeholder groups	Board
PROGRAMS				
Approve mission statement	Board	Executive staff & other stakeholders	All stakeholder groups	Board
Develop Strategic Plan	Executive Director	All stakeholder groups	All stakeholder groups	Executive Director
Approve Strategic Plan	Board	Executive staff & other stakeholders	All stakeholder groups	Board
Develop, implement & evaluate programs	Executive Director	Executive staff & other stakeholders	All stakeholder groups	Executive Director
PERSONNEL				
Approve personnel policies	Board	Executive staff & Personnel Committee	All stakeholder groups	Board
Hire, supervise & evaluate Exec. Director	Board	Personnel Committee & other stakeholders (as determined)	All stakeholder groups	Board
Hire, Supervise & Evaluate Other Staff	Executive Director	Executive staff & other stakeholders	All Groups	Executive Director
Conduct staff training	Executive Director	All staff	All Groups	Executive Director
PUBLIC RELATIONS				
Develop a marketing plan	Executive Director & PR Committee	Executive staff & other stakeholders	All stakeholder groups	Executive Director

RISK AND LIABILITY

Serving on a nonprofit board can be a very worthwhile experience. You give your time and talent to an organization and, in turn, are rewarded by knowing that the organization is providing services which benefit people and communities.

However, you need to know that there is some risk when serving on a nonprofit board. The board (and, in some instances, individual board members) can be held liable for organizational activities that are illegal, negligent and/or harmful to others. You can minimize such risk and reduce liability by doing a few simple things:

- Be diligent about fulfilling your responsibilities as an individual board member
 - Attend meetings regularly
 - Do your homework – i.e., become familiar with all topics being considered by the board
 - Use your best judgment when making decisions
 - Disclose all potential conflicts of interest to the full board in accordance with board policy?
- Support the full board in carrying out its legal, management and leadership responsibilities
 - Ensure that the board knows its roles and responsibilities
 - Ensure that there is an ongoing board development program
 - Ensure that a written, permanent record is kept of all board and committee meetings
 - Ensure that financial and program reports are given to the board on a regular basis
 - Ensure that the board forms an Audit Committee and utilizes a Certified Public Accountant to conduct an annual audit
 - Ensure that the organization engages competent legal counsel, when necessary
 - Ensure that the organization is properly insured
 - Ensure that the board adopts the following policies
 - A Conflict of Interest Policy
 - A Whistleblower Policy
 - A Records Retention Policy

USEFUL TOOLS FOR NONPROFIT BOARDS

TOOL #16: CONFLICT OF INTEREST POLICY

Below is a sample Conflict of Interest Policy for a nonprofit organization provided by the Internal Revenue Service.

NAME OF NONPROFIT CONFLICT OF INTEREST POLICY

ARTICLE 1. PURPOSE

The purpose of the conflict of interest policy is to protect the interests of [Name of Nonprofit] ("**Acronym**") when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of Name or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

ARTICLE 2. DEFINITIONS

1. Interested Person

Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

2. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which [Acronym] has a transaction or arrangement,
- b. A compensation arrangement with [Acronym] or with any entity or individual with which [Acronym] has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which [Acronym] is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

ARTICLE 3: PROCEDURES

1. Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

2. Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest

- a. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the issue involving the possible conflict of interest.
- b. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the governing board or committee shall determine whether [Acronym] can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d. The governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in [Acronym]'s best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

4. Violations of the Conflict of Interest Policy

- a. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflict of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

ARTICLE 4: RECORDS OF PROCEEDINGS

The minutes of the governing board and all committees with board delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

ARTICLE 5. COMPENSATION

The following procedures will be followed when dealing with compensation issues:

- a. A voting member of the governing board who receives compensation, directly or indirectly, from [Acronym] for services is precluded from voting on matters pertaining to that member's compensation.
- b. A voting member of any committee whose jurisdiction involves compensation matters and who receives compensation, directly or indirectly, from [Acronym] for services is precluded from voting on matters pertaining to that member's compensation.
- c. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from [Acronym], either individually or collectively, is prohibited from providing information to any committee regarding compensation.

ARTICLE 6. PERIODIC STATEMENTS

Each director and officer shall periodically sign a statement that affirms such person:

- a. Has received a copy of the conflict of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands that [Acronym] is a charitable organization and to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

**NAME OF NONPROFIT
CONFLICT OF INTEREST POLICY CERTIFICATION**

The undersigned hereby acknowledges that the undersigned:

- (a) Has received a copy of the conflict of interest policy,
- (b) Has read and understands the conflict of interest policy,
- (c) Has agreed to comply with the conflict of interest policy, and
- (d) Understands that for [Name of Nonprofit] to maintain its federal tax exemption as a charitable organization, it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

Please check one of the following boxes:

- I have no conflicts or potential conflicts to disclose.
- I have the following conflicts or potential conflicts to disclose (please describe):

Dated: _____

Print Name: _____

Title: _____

TOOL #17: WHISTLEBLOWER POLICY

Below is a sample Whistleblower Policy for a nonprofit organization:²

Board Resolution: The Board of Directors approves the inclusion of the following statement in the Employee Handbook on Date of Approval. The Chief Executive Officer is directed to ensure that it is given to and acknowledged by all employees. In addition, the Chief Executive Officer will ensure that whistleblower protection notification is posted in the workplace(s) as required by state law.

Policy: If any employee reasonably believes that some policy, practice, or activity of (Name of Organization) is in violation of the law or organizational policy, a written complaint may be filed by that employee with the Chief Executive Officer, Board Chair or designated compliance officer as appropriate.

It is the intent of (Name of Organization) to adhere to all laws and regulations that apply to the organization and the purpose of this Policy is to support the organization's goal of legal compliance. The support of all employees is necessary to achieving compliance with various laws and regulations. An employee is protected from retaliation only if the employee brings the alleged unlawful activity, policy, or practice to the attention of the Chief Executive Officer and provides (Name of Organization) with reasonable opportunity to investigate and correct alleged unlawful activity. The protection described below is only available to employees that comply with this requirement.

(Name of Organization) will not retaliate against an employee who, in good faith, has made a protest or raised a complaint against some practice of (Name of Organization), or of another individual or entity with whom (Name of Organization) has a business relationship, because of a reasonable belief that the practice is in violation of law or a clear mandate of public policy.

(Name of Organization) will not retaliate against an employee who discloses or threatens to disclose to a supervisor of a public body any activity, policy, or practice of (Name of Organization) that the employee reasonably believes is in violation of a law, or a rule, or regulation mandated pursuant to law or is in violation of a clear mandate or public policy concerning health, safety, welfare, or protection of the environment.

My signature below indicates my receipt and understanding of this Policy. I also verify that I have been provided with an opportunity to ask questions about this Policy.

Employee Signature and Date

² This whistleblower policy was developed by CompassPoint (Thomas Silk, Esquire, 2009).

TOOL #18: CORPORATE DRAWER POLICY

Nonprofit Boards are responsible for ensuring the organization maintains (in secured electronic or hard copy form) legible copies of the following corporate records:

- A. Certificate of Incorporation from the Secretary of State
- B. Articles of Incorporation, with all amendments
- C. Current Bylaws
- D. 501(c) (3) determination letter from the IRS
- E. Application to IRS (Form 1023) for tax-exempt status
- F. Annual reports to the Secretary of State, Franchise Tax Board and Registry of Charitable Trusts
- G. Names, addresses and terms of office of all officers and directors
- H. For a membership organization, list of our current members and their addresses
- I. Insurance policies
- J. Contracts and leases
- K. Minutes of all meetings of the members, board, and committees of the board
- L. Appropriate IRS Form 990 for the 3 most recent tax years
- M. List of donors.

TOOL #19: RECORDS RETENTION POLICY³

A nonprofit organization should have a records retention policy with explicit guidelines for storage of the following types of corporate documents

Type of Document	Minimum Requirements	Place Stored
Accounts payables ledgers and schedules	10 years	
Accounts receivables ledgers and schedules	10 years	
Audit reports	Permanent	
Bank reconciliations	10 years	
Bank statements	10 years	
Capitol stock and bond records: ledgers, transfer payment, stubs showing issues, record of interest coupon, options, etc.	Permanent	
Cash books	10 years	
Checks (important payment, purchases, special contracts, etc. file with paper pertaining to underlying contracts)	Permanent	
Checks (cancelled, with the exception above)	10 years	
Contracts and leases (expired)	10 years	
Contracts and leases still in effect	Permanent	
Correspondences (general)	4 years	
Correspondences (legal and important matters)	Permanent	
Depreciation Schedules	10 years	
Donation records of endowment funds and of significant restricted funds	Permanent	
Donation records (other)*	10 years	
Duplicate deposit slips	10 years	
Employee personnel records (after termination)	7 years	
Employment Applications	3 years	
Expense analyses and expense distribution schedules (includes allowances and reimbursement of employees, officers, etc. for travel and other expenses)	10 years	
Financial Statements (end of year)	Permanent	
General ledgers and end-of-year statements	Permanent	
Insurance policies (expired)	Permanent	
Insurance records, current accident reports, claims, policies, etc.	Permanent	
Internal reports, miscellaneous	3 years	
Inventories of products, material, supplies	10 years	
Invoices to customers	10 years	

³ Ibid.

Type of Document	Minimum Requirements	Place Stored
Invoices from vendors	10 years	
Journals	10 years	
Minute Books of Board of Directors, Bylaws and Articles of Incorporation	Permanent	
Payroll records and summaries, including payments to pensioners	10 years	
Purchase orders	3 years	
Sales Records	10 years	
Scrap and salvage records	10 years	
Subsidiary ledgers	10 years	
Tax returns and worksheets, revenue agents report and other documents relating to determination of tax liability	Permanent	
Time sheets and cards	10 years	
Voucher register and schedules	10 years	
Volunteer Records	3 years	

***Notes:**

1. Donation records include a written agreement between the donor and the charity with regard to any contribution, email communication or notes of or recordings of an oral discussion between the charity and the donor where the representative of the charity made representations to the donor with regard to the contribution on which the donor may have relied in making the gift.
2. All permitted document destruction should be stopped if the organization is being investigated by a governmental law enforcement agency and routine destruction shall not be resumed without the written approval of legal counsel or the Chief Executive Officer.
3. This language, which is not typically included in document management policies from accounting firms, may provide important additional guidance and protection for nonprofit organizations.

TOOL #20: TYPES OF INSURANCE POLICIES FOR NONPROFITS⁴

Given the shoestring budget on which many nonprofits operate, a single large and unexpected expense could lead to financial ruin. So, getting the right insurance to guard against the biggest (or worst) risks is a wise move for nonprofits (and other businesses). Here's a rundown of the types of insurance that may be best for your nonprofit.

General Liability Insurance

A general liability policy insures your nonprofit organization against classic slip-and-fall scenarios. (It's sometimes also called a "commercial general liability" or "CGL" policy.) Your nonprofit will be covered for damages that it's ordered to pay to someone (such as a visitor, customer, supplier, or associate) who is injured on the organization's property. These kinds of policies don't apply to the nonprofit's employees, who are covered separately by workers' compensation insurance.

Property Insurance

Whether you own or rent the space your nonprofit occupies, consider what your organization might lose in the event of a fire, earthquake, vandalism, storm, or similar event. Then, buy property insurance that covers those risks, making sure it covers not only the building (if your organization owns it) but any:

- fixtures (such as lighting systems or carpeting)
- equipment and machinery
- office furniture
- computers and accessories (monitors, CD-ROM drives, modems and printers) and
- inventory and supplies.

Most basic policies will cover these items -- but at what dollar amount? Make sure the policy covers the cost to replace the property, instead of paying its market value as a used good immediately before the damage.

Ask your agent or broker to carefully explain your deductible (how much your organization will be out of pocket before the insurance kicks in) and what types of losses or property damage will not be covered under the policy. For example, flood insurance is usually sold separately. And your organization may have to pay extra to have theft coverage included.

Auto Insurance

If your staff or volunteers use any vehicles (including their own) for your nonprofit's activities, auto liability insurance is a must. In fact, your state may require you to purchase a minimum amount of coverage. The insurance will pay for injuries a driver causes to other people or property while carrying out your organization's business. Your state's law may also require

⁴ Websource: Peri Pakroo, NOLO, <http://www.nolo.com/legal-encyclopedia/insurance-types-for-nonprofits-32393.html> (Note: This entire article was taken verbatim from the above website.)

additional auto insurance, including personal injury protection (PIP) and uninsured/underinsured motorist (UM/UIM) coverage.

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Product Liability Insurance

If your nonprofit sells products to the public -- for example, you raise funds by selling baked goods, or your artist-clients create and sell sculptures out of recycled products -- consider buying product liability insurance. It will protect your organization from lawsuits by customers claiming they were hurt by an unsafe or defective product you provided. For example, if a customer breaks a tooth on a walnut shell baked into your cookie or slices a hand on a sharp-edged sculpture, this insurance will cover the legal defense and a sizable portion of the damages.

Directors and Officers Insurance

Your nonprofit's board of directors and officers (many of whom are volunteers) could be personally named in a lawsuit against your nonprofit alleging fraud or financial mismanagement. For example, if a board member invests the nonprofit's assets unwisely and loses everything, a creditor might sue the nonprofit as well as its directors and officers. In such a case, you'd want directors and officers (D&O) insurance to cover the cost of defending the directors and officers and pay any resulting money damages.

As with any insurance coverage, it's important to understand what kind of claims are and aren't covered by a D&O policy. Typical exclusions include damages arising from criminal or fraudulent behavior and claims brought by one director against another. But make sure your policy doesn't exclude employment-related claims, which are the most common ones filed against directors and officers.

Professional Liability Insurance

Similar to D&O coverage, professional liability coverage (also sometimes called "errors and omissions" or "malpractice" insurance) protects against liabilities resulting from mismanagement of the organization, as well as workplace-related claims such as discrimination or sexual harassment. It covers not only directors and officers but also staff, volunteers, and the nonprofit organization itself.