



The Work of Boards and Committees

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Today, anyone who has ever served on a nonprofit board recognizes that a member's duties are far more than providing simple oversight. Indeed, one of the board's primary duties is oversight, but successful nonprofit boards are comprised of leaders whose responsibilities include providing strategic direction and support for the mission, building community support, and most importantly, serving as fiduciary agents for the organization. Board members effectively become the ambassadors who are ultimately responsible for the overall wellbeing of the organization.

There are a number of key characteristics common to highly effective nonprofit boards that go beyond the basic responsibilities—whether an academy, hospital, retirement center or organization with another mission. Highly effective boards are:

- Mission focused
- Clear about roles and responsibilities
- Small enough to deliberate effectively
- Fully engaged
- Communication savvy
- Unwavering, and they think, plan and operate strategically
- Mutually respectful for what fellow members bring to the table
- Visionary and plan for the future
- Systematic, strategic and intentional when cultivating and refreshing leadership on the board
- Adamant about providing board and staff development
- Committed to evaluating board and top leadership (CEO, principal, president, etc.) performance annually
- Legally and fiscally accountable
- Data driven and use this information (positive and negative) to continually drive improvement

- Committed to developing sustainable human and financial resources
- 100% sacrificial givers
- Supportive of fundraising

It has been thoroughly documented and discussed why Adventist boards differ from other nonprofit boards. A substantial portion of SDA board members are ex-officio—and not selected according to the traditional nomination processes used by many nonprofits. A member may serve on a number of related SDA boards.

When a member serves on multiple Adventist boards, it may be difficult to decipher which one should receive priority. When it is clear which board has priority, a member may be reluctant to share funding information about his or her primary organization with another. Often, attendance is an issue because of the frequency of meetings or the inaccessible geographic location of the member. Most importantly, many SDA boards do not have an infrastructure in place to provide sustainable sources of funding particularly at the conference, mission, academy or other SDA organizational levels.¹

In an article entitled, *The Habits of Highly Effective Boards*, the author Beth Gazley suggests that “a high-functioning board may not have all the answers, but it’s willing to invest in learning them.”²

The Board of Trustees

Nonprofit boards are usually comprised of unpaid volunteers who believe in the mission of an organization and who wish to support it by giving time, talent and treasures. When serving, board members agree to govern the affairs of the organization, executing board related duties in a manner that ensures the public’s trust and that aligns with Adventist’s beliefs. A substantial part of this responsibility also includes ensuring the organization has sufficient resources to carry out its mission. How they choose to fulfill this responsibility can either make or break a nonprofit organization.

Adventists boards—because of the church’s complex infrastructure—frequently find it challenging to see themselves or operate as a fundraising entity. This reluctance may be due to a lack of understanding of the board member’s role, unfamiliarity with the fundraising processes, fear of the unknown, or in some cases, never being asked. Some may feel fundraising is tantamount to begging. Perceptions that a prospective donor will say no may subliminally prevent a board member from taking an active role in fundraising. These issues must be dispelled since board involvement is central to successful nonprofit fundraising.

While not every member of the board will assume a leading position in fundraising, each board member has a responsibility to personally contribute to support the mission of the organization. Frequently, prospective funders ask, “What percentage of your board personally gives to your organization?” If the response is anything less than 100%, this can automatically disqualify an organization from any further grant consideration. How an individual board member elects to

¹ Lilya Wagner, CFRE, “*Fundraising At Its Best—Principals and Practices*”, Philanthropic Services for Institutions, Silver Spring, MD, pp. 26 - 31 ² Beth Gazley, “The Habits of Highly Effective Boards”, *Association Now*, January/February 2014

participate in the fundraising process is a decision based on each member's predilection. However, every member should give sacrificially to achieve one-hundred percent board giving each year.

Board giving can be a powerful testimony for any organization seeking internal and external funds from its members and from others who may not have been predisposed to contribute. Support for the fundraising initiatives of the institution will be substantially bolstered when the leadership leads by contributing financially to the institution. 100% board member giving should be *the first step* in fulfilling a board member's responsibility. Board members also should be encouraged to participate and support all of the organization's fundraising initiatives. In her book, *Nonprofit Boards: Roles, Responsibilities and Performance*, Diane J. Duca lists eight examples of how a board member may contribute to an organization's fundraising efforts.³ They included:

1. Supplying lists of prospects
2. Arranging appointments with prospects
3. Using their influence to help open doors for the development staff
4. Making follow-up phone calls
5. Hosting social gatherings for donors or prospects
6. Adding personal notes to letters of appeal
7. Presenting awards to donors
8. Making presentations to prospects

There are numerous other ways board members may contribute to the success of the development program. The key is being aware of the overall fundraising program—and identify one or more initiatives to which a personal commitment of time, treasure and talent can be made.

Director of Development

The majority of Seventh-day Adventist academies, churches and other organizations do not have a dedicated individual who is solely responsible for day-to-day fundraising for the organization. (The exceptions generally, are healthcare institutions, colleges and universities.) Hiring a full-time employee to exclusively conduct fundraising is a major commitment that many nonprofit organizations feel they are unable to make. However, this creates a conundrum! There is a desperate need for external philanthropic funding but there is no one given that responsibility with sufficient time to accomplish optimum results.

Conversely, when expenditures are allocated, many organizations are in crisis mode financially and frequently expect an immediate return on their investment when a professional fundraiser is hired. Nonprofit leaders need to rethink and revise this expectation. Philanthropy is built on relationships; relationships are based on trust and trust is developed over time. Successful fundraising demands the hiring of a skilled professional who can work strategically to position the organization with prospective donors and to build and benefit from relationships developed with its various stakeholders over time.

³ Diane J. Duca, *Nonprofit Boards Roles Responsibilities and Performance*, John Wiley & Sons, Inc., 1996. p. 84



While the principal, CEO or president of a nonprofit organization is expected to spend a portion of his or her time fundraising, the director of development is the one who traditionally oversees and manages the development and fundraising processes on a day-to-day basis. Planning, oversight, implementation and routinely reporting to the chief executive and board are among his or her direct responsibilities. Depending on the level of experience, the director of development also will be responsible for working with senior staff and key volunteers to cultivate, strategize and solicit prospective donors. In general, the scope of responsibilities for the director of development will vary and be determined by the organization's financial position, board involvement and other criteria specific to the particular nonprofit organization.⁴

Each nonprofit CEO and board must evaluate and decide whether full or part-time funding will be required to employ a development professional. At a minimum, it is essential the board understand that significant external philanthropic support is rarely generated exclusively from volunteer efforts. Raising major philanthropic support usually requires the guidance of professional expertise.

The Foundation Committee

A standing ad hoc or sub-committee of the board is established when the board wishes to parcel out specific functions either to gain more efficiency, to address a specific topic or issue, or to accomplish a task because a smaller group can be more focused and can accomplish tasks with greater efficiency. Volunteers can be invited to serve on Foundation/Fundraising Committees and should be selected based on their interest, desire and ability to support the overall fundraising goals of the organization. Individuals invited to serve on this subcommittee should include Board Trustees, the principal, alumni and prominent leaders in the business and civic community.

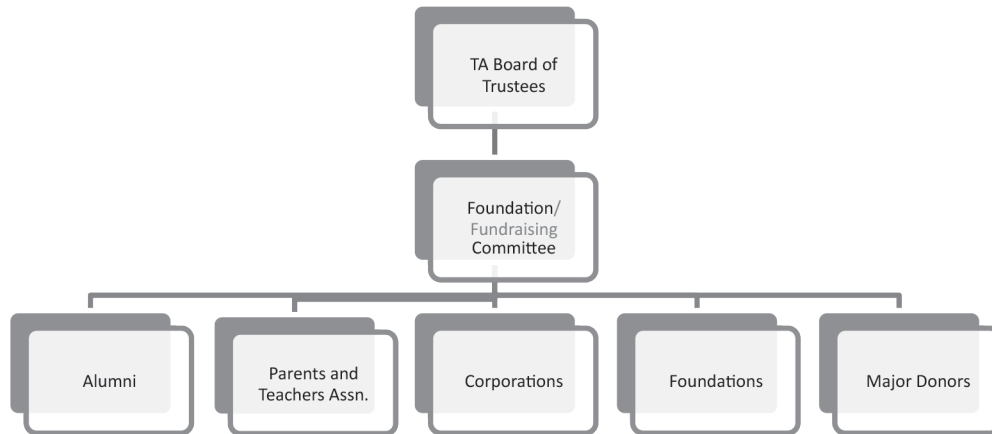
Each invitee should be provided a job description outlining the Foundation/Fundraising Committee member's responsibilities. The committee's responsibilities should include designing and implementing a comprehensive fundraising program that will generate sustainable philanthropic support for the current year and for years to come. Philanthropic Service for Institutions can provide the training that allows the committee to define the fundraising possibilities for the organization.

The Foundation/Fundraising Committee's initial deliberations should be designed to increase understanding of the principles and practices of fundraising and to gain a full understanding of how nonprofit organizations raise philanthropic funds. Members should learn that fundraising is process driven. Subsequently, identification of the internal and external stakeholders who have, or should have, a vested interest in the mission of the organization can create the infrastructure to enlist their support.

Stakeholders should be grouped into categories and qualified based on their current or future ability to support the organization. A schematic diagram of a potential infrastructure created by the Foundation/Fundraising Committee to accomplish the goals is provided below.

⁴ Poseris, Tony. "What's a Good Director of Development Worth?" Fund-raise.com

Foundation/Fundraising Committee Model



Members of the Foundation/Fundraising Committee should convene monthly to evaluate progress to date—and to develop action steps that will ensure the fundraising goals are met.

Summary

In 2013, donors in the United States contributed more than \$335 billion dollars to charitable organizations—31% to religious organizations and 16% to educational institutions.⁵ Strategizing to do the following steps can help maximize the effectiveness of the board and/or Foundation/Fundraising Committee.

- The board understands it has a fiduciary responsibility to ensure funds are available to support the mission of the organization. It takes money to raise money. The board must budget to support the fundraising program.
- The board commits to giving sacrificially and achieves 100% participation.
- The board should establish a standing fundraising subcommittee to plan and lead the fundraising efforts.
- The board is aware of the job descriptions for the fundraising committee and its subcommittee members.
- The board identifies and recommends individuals with exceptional leadership skills to serve on the standing fundraising committee subcommittee.
- The board recognizes and understands that fundraising is process driven and members learn the process.

⁵ Lilly Family School of Philanthropy, Giving USA Highlights 2014, Indiana University, Indianapolis, IN.



- The board identifies and assists with the cultivation and solicitation of potential donor prospects.
- The board helps with donor prospect research by screening individual and corporate prospects.
- The board approves a comprehensive fundraising strategic plan.
- The board owns the development plan.
- The board member assists with implementing the plan, when asked.
- The board receives and reviews periodic fundraising updates.
- The board helps with stewardship by thanking specific donors.

Acknowledge successes and build for the future