

Ten Documents No Board Should Be Without

The information that volunteers need to be well prepared.

BY GERARD F. HURLEY, CAE

Serving as chief elected officer is rewarding when your board operates in harmony and achieves its objectives. Too often, however, directors are uninformed or ill suited for the challenges they face. To help them become focused and productive, make sure they have the following information on hand. Some of it may be a standard part of your board manual; the other materials can be issued as they come available.



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1. Strategic plans and operating budgets illuminate the association's vision and mission for the long and short term. These documents should outline measurable goals, work in harmony with one another, and point toward rational, achievable outcomes.

2. Bylaws direct the way your members want their association to operate, the authority they extend to the leadership, and the responsibilities they assign.

3. Board policies reflect the directors' accumulated wisdom, their values, and how they wish to approach a range of issues. Being familiar with policies helps avoid plowing old ground.

4. Committee guidelines define each advisory group's charge; to whom or to which group the committee reports; its budget and intended composition (if any); and the tenure of its members.

5. Board minutes focus on action the group has taken and preempt ill-informed and distracting questions on intent and objectives.

6. Authority annotations clarify who among the directors, chief elected officer, and chief staff executive is expected to do what. Ideally, spell out the expectations (such as in a matrix) to be approved by the board.

7. Volunteer leader descriptions and any contract summaries help directors keep prerogatives in perspective.

8. Organizational charts clarify authority and reporting relationships.

9. Member surveys or analyses shed light on constituents' wants, needs, and expectations.

10. Program and project analyses summarize objectives, assumptions, budgets, benchmarks, number of members to be served, dates, and the like.

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Examine the profile of each member type. Keep an open mind to the possibility of new member categories to ensure relevance and competitiveness in the marketplace.

- **Never forget that members, constituents, and customers are not "just like" board members.** Of course you should bring to bear your front-line connection to and understanding of the profession, industry, or cause your association represents. But get a view of the association from the outside in, not just the inside out.

- **Keep an eye on the competition of today and tomorrow.** "Learn the future needs of your members' end-user audience (customers, business, etc.)."—*Charles Pizzo, principal of P.R. PR, New Orleans*

PREPARING TO TAKE CHARGE

- **Brush up on the association's positions on issues relevant to its mission.** Know key messages so you're comfortable delivering them. And be aware of the hot spots every organization has in its past so you're prepared if they surface.

- **Be sure to get the most from meetings.** Also brush

up on your facilitation skills so you can help the board engage both in effective dialogue and decision making (two distinct processes) at its meetings.

- **Give feedback in the most appropriate way.** "Praise publicly and provide constructive criticism privately."—*Tom Ruddell, founder of Capstar Presentations, L.L.C., Dothan, Alabama*

- **Become the association's biggest fan.** Be prepared to champion your association and your profession, industry, or cause as only you can. Have an assortment of personal-value stories ready to use with a variety of audiences, including the media.

THE FUN FACTOR

Don't forget to enjoy your term in office. Take your collective work seriously, but not yourself. Making the leadership experience enjoyable attracts future leaders and sets the stage for creativity and innovation. As Heron advises, "Leave a sweet taste in their mouths."

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Board Manual Basics

Whether simple or sophisticated, a handbook keeps your board informed and on target.

BY TERI SAYLOR, CAE

Having been deeply active in your association, you no doubt know a great deal about its operations, its history, its politics, its policies, and its programs. But your new board members generally are not like you. They probably haven't been involved as long and don't know as much about the association. That's why they look to you for education and leadership. One of your first major tasks as



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chief elected officer will be to give them an in-depth orientation, complete with a manual of information.

"Why," you might ask, "should I go to the trouble to build a board manual?" Here are three good reasons:

1. **Your board members will have common information.** Cliched though the phrase may be, getting everyone to sing out of the same hymnbook is important. Having the same materials in the same format will make each director better informed and more effective. ▶

2. They'll have a security blanket. When a member of your association calls with questions, having helpful information at hand will make your directors look like experts—something they'll find comforting and the member will appreciate.

3. They'll be well organized. Directors' jobs are part time, temporary, and voluntary. A manual with all of their association information in one place will facilitate their performance of association duties.

Once you agree with the rationale behind a board manual, it's time to come up with the contents. Here are the items, from basic to fancy, that are helpful to include.

THE BARE-BONES MANUAL

It's easiest to start small—and a simple manual is certainly better than none. (Besides, being too ambitious could make creating one so daunting that you'll procrastinate.) The following basic materials will serve your board well.

- **Mission statement.** This is useful for steering your directors through the murky waters during their early months in office.
- **Bylaws.** In times of confusion about handling a particular issue, often the answer is in the bylaws.
- **Board policies.** These will help directors operate smoothly without relying on oral history or association folklore.
- **Annual budget and most recent audit.** When a member demands, "show me the money," with these items, directors can.
- **Board members' names, addresses, phone numbers, and e-mail addresses.**
- **Staff names and titles.** Also list contract professionals, such as lobbyists, lawyers, and accountants.
- **Calendar of events.**
- **Committee structure.**

THE FLESHED-OUT MANUAL

If you've already developed a skeletal board manual, create a meatier incarnation that includes the following.

- **Strategic plan.** Also include any periodic updates.
- **List of member services.** Having a sketch of just how much your organization does for its members helps directors justify dues.
- **Staff job descriptions and office policies.**
- **Roster of committee members.**

- **Short description of board actions over the past 15 or 20 years.** In addition to eliminating questions about how programs got started, this list will keep directors from re-inventing services already in place.

THE FAT AND HAPPY MANUAL

This information isn't necessarily essential, but it can be helpful and even fun.

- **Timeline of the growth, development, and changes** in your association's structure and programming.
- **Generic job descriptions for your officers, directors, and committee chairs.** Outline their responsibilities and include tips for running meetings, recruiting volunteers, and so forth.
- **Facts about liability insurance.** Go on the offense and explain that the board is protected against liability.
- **In-depth financials.** Dissect your financial statement and provide detailed explanations about those numbers and columns.
- **Laws affecting your association's industry.**
- **Frequently asked questions (FAQs).** All new board members have basic questions they secretly fear would make them appear dumb. Answers to "What is a 501(c)(6) organization?" or "Why do we need an audit?" will increase their comfort level.
- **Narratives describing what minutes are and why you need bylaws.**
- **Personal information** about your fellow board members.

A FINAL NOTE ABOUT COMPUTERIZING

If you're looking for ways to go high tech during your year as president, putting your board manual on a Web site, CD, or diskette is an option your directors are likely to enjoy. Just remember two things: To be useful, an electronic manual needs to be searchable; which requires programming expertise. And even if you do go high tech, a hard copy in a three-ring binder will continue to be invaluable. Not only is it a central place to store board and other association materials, it's also a notebook your directors can take to meetings, their homes, and their offices as a badge of honor and symbol of service to their association.

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as they arise rather than wait until you're in a crisis.

- Use the chief staff executive as a sounding board when leadership challenges arise.
- Consider the chief staff executive as a resource throughout your term of office.
- Take advantage of ASAE's wide array of training and information resources, such as the Symposium for Chief Elected Officers and Chief Executive Officers. [For dates and regional locations for this program, contact ASAE's Member Service Center: (202) 371-0940; service@asaenet.org.]
- Again, keep in mind the relationship between the chief elected officer, chief staff executive, board, and staff. You provide leadership to the board in developing the association's strategic direction, goals, and policies. The chief staff executive hires and supervises

members of the staff as they develop and implement strategies to achieve the association's goals.

Six months into their term, many chief elected officers admit that the position is far more complex than they realized when they took on the mantle of leadership. As meaningful as the experience is, there are associated risks. So start out by preparing yourself as well as possible. Then, throughout your term, work as a partner with your chief staff executive. Doing so will make your time as a leader both personally and professionally rewarding.

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Advice for Those New at Chairing a Board

Former leaders share advice for novices on overall effectiveness.

BY ELIZABETH ALLAN, CAE

You're stepping into your organization's highest volunteer position. You've probably seen it all and done it all in your association—in fact, if you didn't have a history of effective volunteering, you wouldn't have risen to the top spot. To help you be equally skillful in your new role as chief elected officer, here is a starter list of relevant advice, most of which comes from volunteer leaders of my own association.



ELIZABETH ALLAN, CAE

ENCOURAGING GOOD BOARD-STAFF RELATIONS

- **Realize that you and the chief staff executive are on the same side.** "Trust your executive director. He or she wants you to succeed."—*Don Bruun, director of communications, General Dynamics Information Systems, Bloomington, Minnesota*
- **Forge an understanding with the chief staff**

executive about your respective responsibilities. "As chief elected officer, you will manage the board and volunteer-oriented matters, and he or she, as chief of operations, will handle all staff matters."—*Mike Heron, national vice president of public affairs, American Cancer Society, Atlanta*

- **Appreciate the difference between strategy and tactics.** "Understand that your role is to help the board develop a strategic vision and direction for the association. Leave the tactics in the capable hands of the association professionals at headquarters. And give staff the benefit of the doubt. They are skilled professionals and deserve to be treated as such."—*John Finney, senior consultant, Watson Wyatt Worldwide, Southfield, Michigan*

- **Gain insight into why others do what they do.** "Understand the personality and work style of your chief staff executive and be prepared to share your personality and preferred work style. Approach each other as partners and colleagues, not as subordinates or superiors. Use Myers-Briggs [the

popular personality inventory] to identify where you are alike and different in how you approach issues and interact with people.”—*Finney*

- **Get to know the rest of the staff, too.** “Spend some time at headquarters meeting with staff and learning how the association works. This is not to micro-manage but to prevent micromanaging.”—*Brenda Siler, director of public relations, American Speech-Language-Hearing Association, Rockville, Maryland*

- **Don't forget that cooperation cuts both ways.** “Keep in mind the motto, ‘Seek to understand and then to be understood.’”—*Finney*

TAKING CARE OF BUSINESS

- **Get thoroughly acquainted with finances.** Make a

Categories of 501(c) Tax-Exempt Organizations

You will likely hear references to your association's tax-exempt status. The IRS Code created the 501(c) designations, which include:

- **501(c)(3)**—religious, charitable, scientific, public safety, and educational organizations;
- **501(c)(4)**—civic leagues or organizations established for the promotion of public welfare;
- **501(c)(5)**—labor, agricultural, or horticultural organizations; and
- **501(c)(6)**—business leagues, chambers of commerce, and boards of trade that are not organized for profit.

Note: A nonprofit association is required to maintain its nonprofit status by continuing to fulfill its nonprofit mission. If the association provides services and benefits that the IRS does not consider related to the association's nonprofit mission, the association will be required to pay unrelated business income tax, commonly known as UBIT. In extreme cases, an association's nonprofit status may be jeopardized. Consult with your chief staff executive regarding the association's IRS reporting procedures and whether the association's auditor sees a potential problem regarding the association's nonprofit status.

“detailed review of the association's business plan and goals along with financial status and future financial scenarios. If you have been a member of the existing board, then this may not be an in-depth session. But if you are being brought back on the board (as in my case), this will be a critical learning piece.”—*Siler*

- **Learn the relevant Internal Revenue Service rules.** Know your association's tax-exempt designation and requirements to maintain the designation. The most common designations for associations are 501(c)(3) for religious, charitable, scientific, public safety, and educational organizations; and 501(c)(6) for business league, trade, and professional organizations. (See sidebar, “Categories of 501(c) Tax-Exempt Organizations,” for additional information.)

- **Keep your eye on the most pressing issues.** “Know the priorities on which the organization will focus for the year. Elected and staff leaders must be in alignment on this.”—*Dave Seifert, manager of strategic communication development, Hallmark Cards, Kansas City, Missouri*

- **Recognize that strategic planning is not an event.** It's an ongoing process.

KNOWING YOURSELF AND YOUR ASSOCIATION

- **Appreciate what you bring to the table**—your strengths and limitations as well as what you need to be successful. Every volunteer leader naturally relies on what makes them effective in their day jobs. Because leading an association is not the same as excelling in your profession or industry, you may require new perspectives and skills.

- **Understand your association's culture.** “Find out how things get done. Find out how members like to interact with leaders and each other. Understand how the association got to where it is today. Respect its history and use past experiences to build for the future. Finally, understand the process for making effective and lasting change within your association.”—*Finney*

- **Know the obligations and expectations of the association you lead and its affiliates and subsidiaries.** Also be on the lookout for potential new partners. Refer them to the appropriate volunteer or staff member for further review.

- **Learn big-picture facts about membership.** Know the categories of members allowed in your bylaws.