

# BOARD ORIENTATION WORKBOOK



ROLES, RELATIONSHIPS & ROADMAP

# 2021 BOARD WORKBOOK

## Introduction

An association or chamber needs a dedicated group of leaders working together to advance a cause or mission. Nonprofit organizations have served the USA for more than 150 years. With 1.5 million nonprofit, exempt organizations, the common traits are the purpose of advancing a mission and volunteer leadership team. Good governance requires a vision, strategy and team efforts.

## Contents

Board Orientation.....	3
Governance - Management Balance .....	4
Board Self-Evaluation .....	5
Relationships.....	6
Behaviors.....	7
Leadership.....	8
Meetings.....	9
Virtual Meetings.....	10
Agenda Development.....	11
Risk Awareness .....	12
Committees .....	13
Myths .....	14
Roadmap .....	15
Strategic Plan .....	16
Finances .....	17
Membership Value .....	18



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Bob Harris, CAE, provides free governance tips and templates at [www.nonprofitcenter.com](http://www.nonprofitcenter.com). He helps organizations around the globe to achieve results, specializing in board development, strategic planning and operational excellence. The purpose of the *Board Orientation Workbook* is to instill confidence in the officers, directors, and committees. Understanding distinct roles, and nonprofit terminology is a great start.

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# GOVERNANCE

## GOVERNANCE MANAGEMENT MODEL

A clear-cut description of governance and management:

The board is the governing body responsible for (1) strategy, (2) policy, and (3) oversight.

**Strategy** - Setting the strategic direction and vision. Advancing the organization's multi-year strategic plan.

**Policy** - Creating policies (internal) and positions (external) to benefit members and advance the mission.

**Oversight** - Overseeing resource allocation, including adoption of the annual budget, and evaluating performance of programs, products, and services.

## POLICY

Many organizations adopt a Governance-Management Policy:

The association has adopted a model of management and governance to ensure the volunteer leadership and executive director work best together.

■ The board of directors will focus on governance in accordance with the laws and governing documents. The officers and board members will direct efforts to advance the mission and strategic goals, serve and grow the membership, protect and build resources, and set a visionary direction.

■ The executive director, as

authorized in the bylaws and through agreement or contract, is responsible for the administration and management of the organization, including staffing, physical office, protection of assets and other responsibilities associated with a corporate CEO.

■ While the board shall govern, the executive director shall manage, they work together to best position and serve the organization and its membership.

■ With exception of the executive director, volunteer leaders will not direct the staff, comment on performance, or expand their duties.

# CLEAR CUT GOVERNANCE

The Board is the governing body responsible for  
(1) Strategy, (2) Policy, and (3) Oversight

## STRATEGY



Setting the strategic direction and vision. Advancing the organization's multiyear strategic plan

## POLICY



Creating policies (internal) and positions (external) to benefit members and advance the mission

## OVERSIGHT



Overseeing resource allocation, including adoption of the annual budget, and evaluating performance of programs, products, and services



The Executive Director is responsible for management of the organization, including staffing, physical office, protection of assets and other responsibilities associated with a corporate CEO.

# GOVERNANCE

## FIDUCIARY DUTIES

Volunteers serve as fiduciaries on behalf of the members. Three principles guide their actions.

- Duty of Care
- Duty of Loyalty
- Duty of Obedience

## PARLIAMENTARY PROCEDURE

Meeting decorum is used to maintain order and advance the work on the meeting agenda.

Increase understanding of Rules of Order or Parliamentary Procedures. Find a brief guide for the board table or provide the 16-page guide, *A-B-Cs of Parliamentary Procedure*.

## EVALUATION

For continuous improvement in governance processes, conduct an annual board evaluation.

# BOARD EVALUATION

Board evaluation is an approach to improving *governance* --- with the intent to maintain a high performing board. The chief elected officer (not staff) leads the process. Input will be treated with confidence.

Indicate your understanding of and offer recommendations for these governance aspects.	Very Comfortable	Somewhat Comfortable	Somewhat Uncomfortable	Very Uncomfortable	Not Sure N/A
<b>Mission and Strategic Direction</b>					
1. Board efforts advance the mission, vision, values and goals.	<input type="checkbox"/>				
2. The strategic plan portrays an image of the organization in 3, 5 or 10 years.	<input type="checkbox"/>				
3. Meetings and agendas are organized to achieve the mission and goals (and avoid operating matters.)	<input type="checkbox"/>				
Comments:					
<b>Governing Documents</b>					
4. Board understands and upholds all governing documents.	<input type="checkbox"/>				
5. Policies are adopted and followed to guide current and future leaders.	<input type="checkbox"/>				
Comments:					
<b>Leadership, Succession and Transparency<sup>1</sup></b>					
6. Board selection process is transparent and ensures leadership succession.	<input type="checkbox"/>				
7. Board orientation and self-assessment is sufficient.	<input type="checkbox"/>				
8. New ideas and people are respected.	<input type="checkbox"/>				
Comments:					
<b>Budgeting, Finances and Infrastructure</b>					
9. Board adopts annual budget and is engaged in monitoring finances.	<input type="checkbox"/>				
10. Reserves/savings and investment strategies are appropriate.	<input type="checkbox"/>				
11. Financial reports are clear, accurate and timely.	<input type="checkbox"/>				
12. Annual audit and auditor's recommendations are reviewed.	<input type="checkbox"/>				





# BEHAVIORS

## LEADER DEVELOPMENT

There are many paths to leadership. Seek volunteers who want to make an impact. Senator John McCain said, "Nothing in life is more liberating than to fight for a cause larger than yourself, something that encompasses you but is not defined by your existence alone."

Future leaders will ascend through committee work, others will be developed as young and emerging

professionals. Offer a leadership academy to build the pipeline. Maintain the engagement of past leaders.

## NOMINATIONS

The number one lie by a nominating committee is, "You won't have to do anything when you get on the board."

Be honest about what is expected.

How many meetings are required, will leaders have added duties such as capitol visits, fund raising and committee service?

Be sure nominees agree with the organization's purpose statement, are willing to advance a strategic plan, and have the desired behaviors.

Saying thank you and recognizing the accomplishment of others goes a long way towards team work.

# ALTIMETER OF GOVERNANCE



50,000'  
Board  
of Directors

25,000'  
Committees

10,000'  
Management



# VIRTUAL MEETINGS

## ELECTRONIC MEETINGS

Organizations are adjusting to virtual meetings. If this is efficient and effective the trend may continue or be a hybrid of alternating in-person and remote. Make adaptations for virtual meetings

- Limit the agenda items to most important issues to address.

- Forego reports, distributing those before the meeting.

- Ask everybody to turn on their cameras.

- Limit distractions such as backgrounds and noises.

- Attention spans are usually under an hour before other priorities arise.

- Continue to document meetings with thorough minutes.

## NOTES

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# AGENDA

## Board Meeting Agenda

### Welcome, Conflicts of Interest, Antitrust<sup>1</sup>

#### Approval of Minutes

#### Acceptance of Financial Report

Consent Agenda<sup>2</sup>

#### Strategic Plan Goals

- A. Education and Training
- B. Advocacy and Government Relations
- C. Public Awareness and Marketing
- D. Organization Sustainability

Mega Issue!

Unfinished Business

New Business

What's Next?

Adjournment

### MISSION STATEMENT

"... to advance and protect the profession and consumers through education, advocacy and public awareness..."

<sup>1</sup>Chief elected officer reminds group about antitrust avoidance (FTC concern), asks if anybody has a conflict with today's agenda (IRS concern), and maintaining confidentiality.

<sup>2</sup>Reports are distributed in advance for Directors' review or available on the Board's portal.

### THE STRATEGIC AGENDA

Design of the agenda is a shared responsibility of the chief elected officer and executive director. Many agendas are a result of, "We've always done it that way."

Create an agenda that works for your organization:

**Mission** – Include the mission at the top or bottom.

**Reminders** – Add footnote reminders about disclosing conflicts, avoiding antitrust violations and maintain confidentiality.

**Consent Agenda** – Rely on the consent agenda process to reduce the reports and updates.

**Mega Issue** – Board members like a challenge. Select a topic they can offer solutions.

**New Business** – New business should be submitted before the meeting, not at the end of the meeting as volunteers are ready to leave.

**What's Next?** – Recap what volunteers can expect after the meeting such as reports and deadlines.

# RISK AWARENESS

## RISK MANAGEMENT

Leaders have a responsibility to be aware, mitigate and avoid risks.

Organizations must: (1) comply with local, state, and federal laws, (2) follow governing documents, and (3) avoid activities that create risk, for example serving alcohol inappropriately or financial diversions.

Protective measures include establishment of policies, smart practices, and the counsel of attorney, accountant, and insurance agent.

## INSURANCE

Insurance coverages to mitigate risk include but are not limited to:

- ✓ General and Property Liability
- ✓ Directors and Officers Liability (D & O)
- ✓ Errors and Omission (E & O)
- ✓ Surety or Dishonesty Bond
- ✓ Publishers Insurance
- ✓ Cyber Crime Insurance
- ✓ Meeting Cancellation

## POTENTIAL LIABILITY

Risks may include antitrust violations (i.e. price fixing, bid rigging), discrimination, personnel practices, speaking for or posting to social media without authority, public record requests, embezzlement, copyright infringement, whistle blower notice, cyber-crime, libel or defamation, legally required filings, etc.

## PROTECTING THE BOARD

There are provisions that protect the board of directors.

- **D & O Insurance** – Pays for legal defense of the board. Generally, a minimum policy of \$1 million.
- **Indemnification** – Identified in the bylaws, allowing directors to reimburse a board member who has associated legal expenses.
- **Volunteer Immunity** – A state

and federal provision providing immunity for leaders working within the governing documents.

■ **Corporate Veil** – Protecting directors from piercing the organizations corporate veil.

■ **Orientation** – An annual discussion of roles and responsibilities.

■ Be sure to rely on legal and accounting council.

### Meeting Sign-In Sheet (Board and Committees)

Meeting Date \_\_\_\_\_ Location \_\_\_\_\_

#### ATTENDEE SIGNATURES

NAME	SIGNATURE
_____	_____
_____	_____
_____	_____
_____	_____

#### ANTITRUST AVOIDANCE

Meeting attendees are reminded that state and federal laws prohibit the exchange of information among competitors regarding matters pertaining to price, refusals to deal, market division, tying relationships and other topics which might infringe upon antitrust regulations, and that no such exchange or discussion will be tolerated during this meeting. These guidelines apply not only to the formal meeting sessions, but to informal discussions during breaks, meals or social gatherings.

#### CONFLICTS OF INTEREST

There is a fiduciary duty to disclose any conflict or potential conflict of interest at the meeting. Should a conflict arise, please inform the chief elected officer.

#### CONFIDENTIALITY

Meeting discussions and handouts are for the purpose of discussion and deliberation. Please respect confidentiality after the meeting and recognize that the chief elected officer is the spokesperson for the board unless otherwise specifically indicated.

#### MISSION STATEMENT

"... to advance and protect the profession and consumers through education, advocacy and public awareness..."





# ROADMAP

## STRATEGIC PLAN

The board and committees rely on a roadmap, especially realizing the succession of leaders each year.

Priorities should not change with each newly elected officer.

The plan is a multi-year strategy for advancing the mission, goals and to best serve members.

A plan can serve many purposes:



1. Roadmap for the board.
2. Guide for committees.
3. Empowerment of staff.
4. Communicate value to members

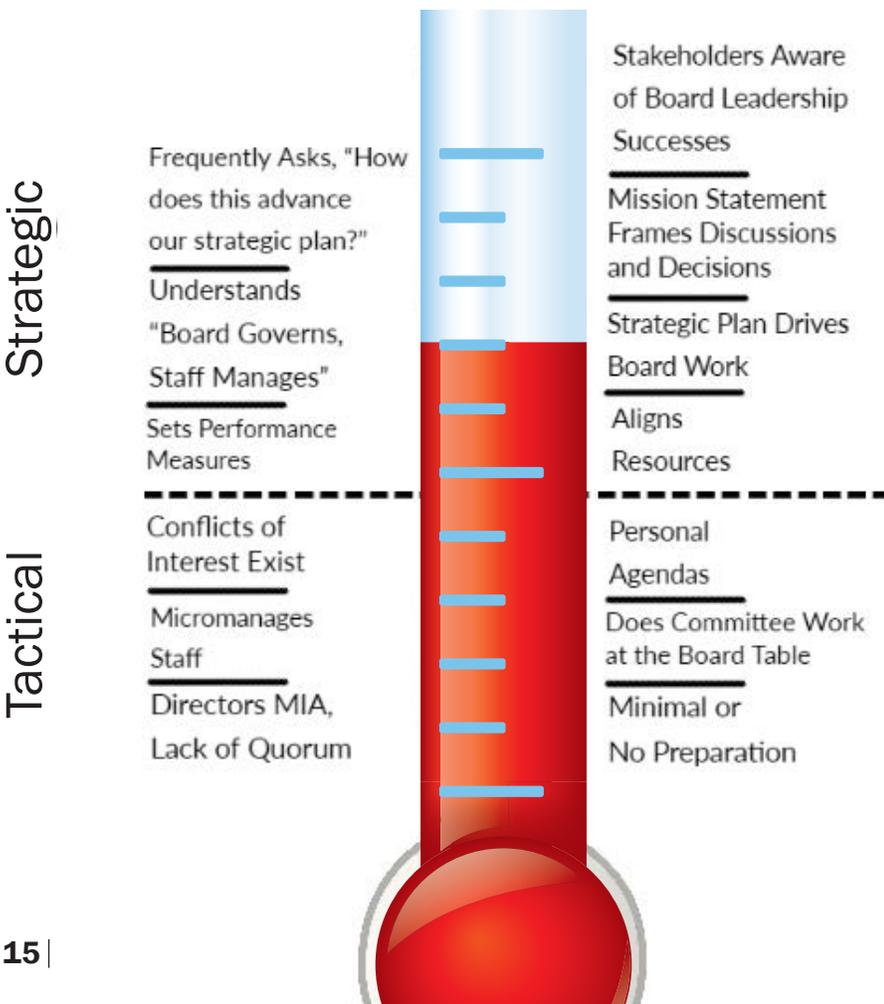
and prospects.

A problem occurs when leaders create a plan only to leave it on a shelf to collect dust. It should always be on the board table.

Directors should regularly ask, "How does this discussion (or motion) advance our strategic plan?" Good leaders are strategic. They recognize when conversations have delved "Into the Weeds."

They leave tactical decisions and implementation to committees and staff.

## Strategic Quotient



## TRENDS

Most plans span three years.

They are updated annually with a progress report and continuous monitoring.

Plans that used to "predict" the future for 10 or 20 years are archaic. Brief is better. It is neither a board wish list or staff to-do list. The plan belongs to the board, not the staff. Appoint a plan-champion or goal-champions to monitor and report on progress.

# STRATEGIC PLAN

## SAMPLE PLAN

Most plans include five elements:

- Mission Statement
- Vision Statement (optional)
- Goals (pillars or core competencies)

■ Strategies and Priorities

■ Performance Expectations

This sample is described as the placemat-format, always on the board table for easy reference.

## NOTES

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## Vision 2025 Strategic Plan

2021-2025



### MISSION

“Serving as the Premier Advocate and Resource for Real Estate”

### VISION

“To be the Association of Choice for Real Estate Professionals”

#### Strategic Goal #1

##### INFLUENCE ADVOCACY

The Voice and Advocate for Real Estate, Building and Strengthening Government Relations to Protect Private Property Rights

##### Strategies

1. **Lobbying and Education**  
Monitoring and influencing local and state government regulation.
2. **RPAC**  
Strengthen fund raising for RPAC through increased awareness and education.
3. **Grassroots**  
Train and Involve members in local government relations' grassroots efforts, NAR, and FR activities, i.e. Capitol Hill visits.
4. **Fair Housing**  
Promote involvement with fair housing and economic initiatives.
5. **Collaboration**  
Coalesce with public and private organizations having mutual interests.

#### Strategic Goal #2

##### PROFESSIONAL EXCELLENCE

A Continued Commitment to Elevating Realtor® Professionalism

##### Strategies

1. **Professional Standards**  
Maintain efficient processes to support ethics, grievance, and professional standards.
2. **Elevate Professionalism**  
Support advanced certification and designations, exploring a NEFAR certification program that exceeds the C2EX baseline standards.
3. **Real Estate Transactions**  
Support the integrity of the real estate transaction and all persons involved.
4. **Knowledge Center**  
Maximize use of the NEFAR Knowledge Center resources to deliver quality education in virtual and in-person platforms.

#### Strategic Goal #3

##### MEMBER EXPERIENCE

Enhancing the Member Experience Through Opportunities, Benefits, and Services that Support Member Growth, Professionalism, and Success

##### Strategies

1. **Value**  
Deliver value to members through a combination of virtual and experiential opportunities, ensuring that members are aware of NEFAR's return on investment.
2. **Engagement**  
Provide creative events and signature opportunities for members to benefit from networking and learning.
3. **Responsive**  
Position NEFAR's team and resources to stand ready for responding to environmental circumstances that may impact real estate in our communities.
4. **Growth**  
Maintain the pace of membership growth and retention to expand association influence and to achieve the mission, vision, and goals.

#### Strategic Goal #4

##### COMMUNITY INVOLVEMENT

Promote Realtor® Involvement and Contributions to Our Communities

##### Strategies

1. **Realtor® Brand**  
Promote the importance and impact of the REALTOR® brand to increase public awareness. Leverage NAR and FR campaigns and resources.
2. **Charitable Initiatives**  
Increase public awareness of the charitable and humanitarian efforts led by REALTORS® and NEFAR. Quantify the time and resource contributions to highlight members' efforts.
3. **Diversity and Inclusiveness**  
Expand knowledge of diversity, inclusion, and equity within the communities.
4. **Good Neighbor Award**  
Recognize outstanding humanitarian efforts by Realtors® who make extraordinary commitments to improving the quality of life in their communities.

#### Strategic Goal #5

##### ASSOCIATION LEADERSHIP

Develop and Sustain the Leadership and Resources to be an Influence in Our Industry and Communities

##### Strategies

1. **Resources Stewardship**  
Protect all assets of NEFAR, including financial, real property, intellectual, and professional staff.
2. **Leadership Sustainability**  
Develop engaged, exceptionally competent leadership to advance and serve Realtors®.
3. **Strategic Growth**  
Analyze and develop a plan for association growth and appropriate rebranding.
4. **Professional Staffing**  
Maintain and support staffing levels to provide quality service and successfully advance Vision 2025.



# MEMBERSHIP VALUE

## MEMBERSHIP VALUE

Members expect Return on Investment (ROI) compared to dues paid. They seek information and activities that are not available elsewhere. From lobbying to intelligence reports, networking and training, value must be communicated continuously.

## VALUE PROPOSITION

It is critical to inform members and prospects of the benefits and successes in the organization. They should exceed the cost of dues. Appoint a task force to calculate the value of benefits and relationships. Though it may be difficult identify every activity and service, it is important to communicate the value to a member.

## GOLDEN HANDCUFF

A benefit or service accessible to members-only, exclusively offered by the organization, is a golden handcuff. Identify the most valued benefits. Protect them with copyright and registration safeguards.

## PURPOSEFUL ABANDONMENT

The process of reviewing every

benefit, service, and activity to determine what should be eliminated or revamped. Over time, activities are added but seldom dropped, causing a drain on resources.

## SURVEYS

Surveying and focus groups are methods to determine member satisfaction and needs.

## ENGAGEMENT

To retain members and tap into

their talents, participation is important. A new member is more likely to drop out if they are not involved. Set a metric for the percentage of the membership that should be actively involved.

## DIVERSITY

An organization wants to promote diversity, equity and inclusion. Inventory programs and people to affirm inclusion is a guiding principle.

## FNGLA's R-O-I Calculator

Annual FNGLA benefits	Value
Ben's Bullets: Weekly Industry Updates	\$100
Electronic Communications: Greenline, Legislative Updates, Industry News	\$250
Industry Alerts	\$150
Access to FNGLA's PROS Resource Library (Policy, Regulation, Operation Standards)	\$100
<b>Immediate Annual FNGLA Benefits Value</b>	<b>\$ 600.00</b>

Additional FNGLA Member Discounts	Number Savings	Value
The Landscape Show Booth Discount Number of 10X10 booths	<input type="text" value="0"/> ▼ \$370	
TPIE Show Booth Discount Number of 10X10 booths	<input type="text" value="0"/> ▼ \$370	
Show Directory Advertising Discount Per Placement	<input type="text" value="0"/> ▼ \$250	
Florida Flower Trials Discount Per Person	<input type="text" value="0"/> ▼ \$25	
Education on the Go Discount Per Person	<input type="text" value="0"/> ▼ \$50	
FNGLA Certifications Testing Fees Discount From \$65-\$200 Per Student	<input type="text" value="0"/> ▼ \$65	



Strategic Planning  
Board Orientation  
Problem Solving  
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