

NONPROFIT UPDATE ● ● ●



Bringing Your Board Into Development An SVA/Settlers Bank Nonprofit Business Briefing

SVA and Settlers Bank recently hosted a luncheon in which keynote speaker Nancy Seidl Nelson (SPI Consulting, LLC) shared her insights on creating an organization's development plan and how to build a board of directors that actively assists with the development function.

Responsibilities of staff typically include preparation and implementation of the nonprofit's objectives with the organization's board of directors engaged in high level oversight and direction. Thus, fostering a partnership between the board of directors and an organization's staff is crucial to executing the nonprofit's development plan. This plan provides a comprehensive outline of organization goals, strategies and tasks. The development plan also identifies the development priorities of the organization and defines the organization's needs. Common items addressed in the development plan include:

- How is the budget developed?
- What support is needed from private sources for annual operations?
- What programmatic needs can be identified?

The development plan should also create a compelling case to solicit donor support. The organization should tell its story demonstrating how donations are used and showcase the good the organization is able to do with those funds. The board of directors should be involved in the creation of this story to allow the organization's messaging to be fluid between the board members and staff.

There are three key factors to building a development board. The first aspect is creating and communicating expectations to potential board members. Job descriptions, term limits and organization needs should be communicated to candidates before they commit to a board position. Performance expectations should also be discussed as a means to hold the board accountable. Each board member has his or her own set of skills and experiences and each should be given a role that plays to these strengths.

The second component is board recruitment. The organization should assess what it wants and needs from its board of directors. Additional considerations to make when recruiting the board of directors include:

- Members' circle of influence – Can this individual provide access to funding?
- Skill sets – What is currently missing from the organization's board?
- Diversity (age, ethnicity, income, experience) – Should the board be representative of the group the organization is serving?

Management and accountability is the third component of building a development board. It is essential to provide a board orientation in which the organization's expectations shared in the recruitment phase are reiterated. Another tool to ensure accountability is executing an annual agreement for board members. Such an agreement may list individual expectations, including meeting participation goals, committee representation or funding commitments. Organization staff should schedule periodic check-ins with board members to keep them on track and committed, but also to see how they may be able to help facilitate meeting these expectations.

Organizations of all sizes can adapt and utilize these insights to implement a development plan and build their own development board.