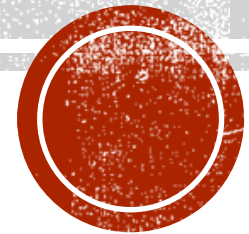


GOVERNANCE AND BOARD RELATIONS

For Teaching with Small Boats Conference

Betsy Davis, Executive Director, The Center for Wooden Boats



Resource: Board Source, IRS 990, Charting Impact – Guidestar,
Independent Sector: Principles for Good Governance and Ethical
Practice: Guide for Charities and Foundations

1. DETERMINE MISSION AND PURPOSE

- Mission Statement
- Vision
- Values (the “how”)
- TIPS
 - Ask “why” 5 times
 - Reinforce when making internal decisions
 - Reinforce when communicating outward – stories of impact
- Handout: Strategic Plan from The Center for Wooden Boats



2. SELECT THE CHIEF EXECUTIVE

- Define a job description
- Define factors impacting decision and their relative weights
- Selection committee
- Tip:
 - Consider having final candidates give presentation to broad constituencies of organization



3. SUPPORT AND EVALUATE THE CHIEF EXECUTIVE

- Clarify reporting structure for ED (often Board President)
- Best practice: annual review of CEO/ED(board committee)
- Tip: online survey tool can make it easy



4. ENSURE EFFECTIVE PLANNING

- Who are you planning to serve?
- How will their lives be improved?
- How will you know whether that happened?
- What are the main things you need to do to get there?

- Tip: “Charting Impact”



Charting impact

1. What is your organization aiming to accomplish?
2. What are your strategies for making this happen?
3. What are your organization's capabilities for doing this?
4. How will your organization know if you are making progress?
5. What have and haven't you accomplished so far?

5. MONITOR AND STRENGTHEN PROGRAMS AND SERVICES

- Is the organization delivering on mission?
- Tip: “Dashboards”






PROGRAMS

PROGRAMS	YTD Actual	YTD Target	Var
Youth Programs # of slots filled	283	295	🟡 -4%
Field Trips # of students served	2944	2164	✅ 36%
SailNOW # of slots filled	229	216	✅ 6%
Hours of one-on-one lessons	343	365	🟡 -6%
Total hours of livery use	3259	3385	🟡 -4%

mail.com; ejhulsizer@earthlink.net; jim.compton@comcast.net; kcompton@nbbj.com; lotool@prego.com; robertsuzannez@aol.com; mwplimpton@mac.com; Betsy Davis; Dick Wagner

 [Log for September, 2013.pdf \(16 KB\)](#)

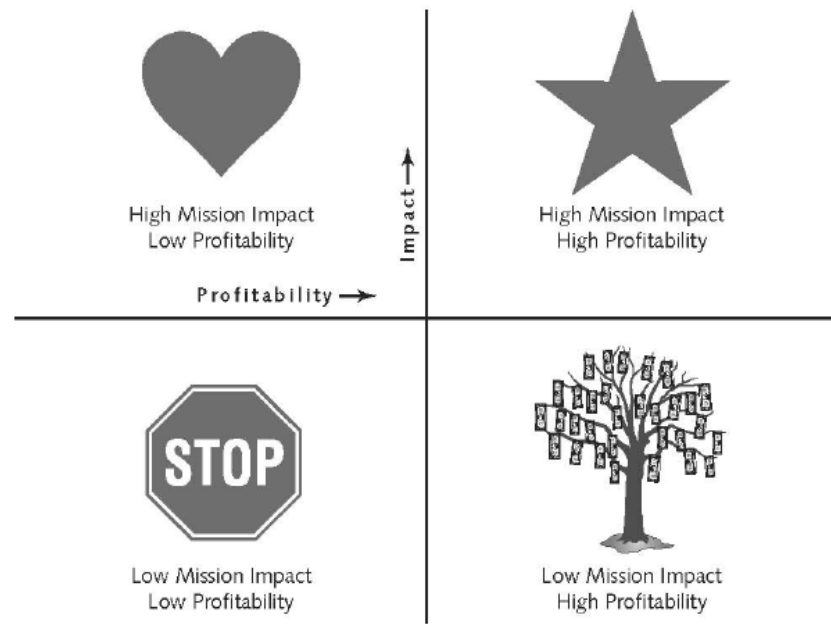
 Mission Dashboard September for October 2013 Meeting.pdf (423 KB)

, meeting begins at 7pm.

6. ENSURE ADEQUATE FINANCIAL RESOURCES

- Contributed Income (doesn't have to be own rolodex)
- Earned Income
- Nonprofit Sustainability

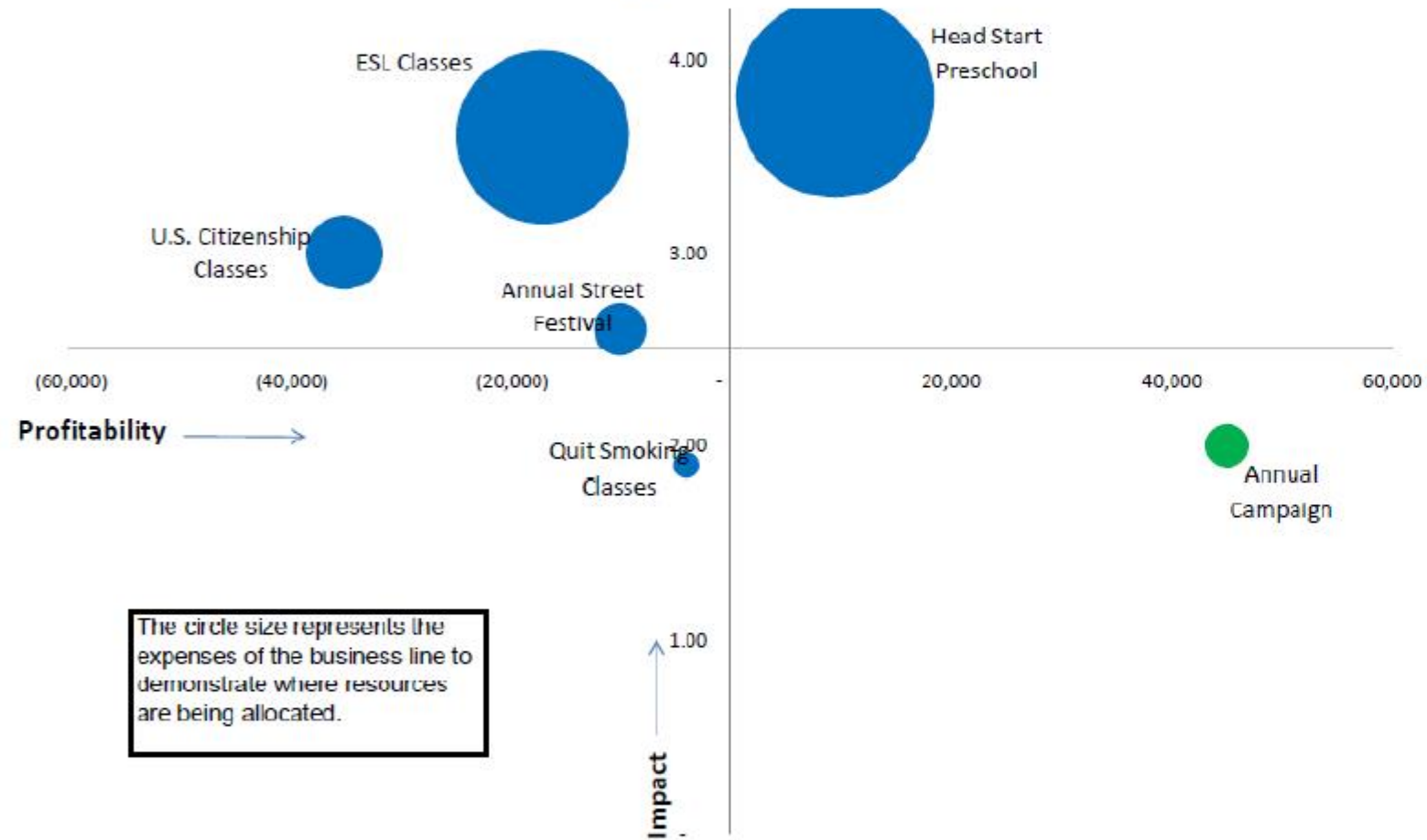




From *Nonprofit Sustainability: Making Strategic Decisions for Financial Viability* by Jeanne Bell, Jan Masaoka, and Steve Zimmerman. Published by Jossey-Bass in 2010.



Sample Matrix Map



7. PROTECT ASSETS AND PROVIDE FINANCIAL OVERSIGHT

- Monthly Reports for Board
 - Profit and Loss (compare against budget and prior year; both for the month and year-to-date)
 - Balance Sheet
 - Cash flow projection
- For larger organizations
 - The above: to the Finance Committee
 - For the board: a financial dashboard



8. BUILD A COMPETENT BOARD

- Assess skills needed and skills on hand to determine who to recruit
- Use of Executive Committee
- Use of Committees
- Use of Consent Agenda to optimize meeting time for meaty discussions
- Annual board retreat



9. ENSURE LEGAL AND ETHICAL INTEGRITY

- Conflict of Interest
- Ensure policies in place
- See Independent Sector



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Highlight Existing Fields

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

2012

Open to Public Inspection

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

The organization may have to use a copy of this return to satisfy state reporting requirements.

Part I		OMB No. 1545-0047	
2012		Open to Public Inspection	
Return of Organization Exempt From Income Tax			
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)			
The organization may have to use a copy of this return to satisfy state reporting requirements.			
Part I			
1. Name of the organization		D Employer identification number	
2. Business As		E Telephone number	
3. Street (or P.O. box if mail is not delivered to street address)		Room/suite	
4. City or town or post office, state, and ZIP code		G Gross receipts \$	
5. Name and address of principal officer:		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input type="checkbox"/> No	
6. 501(c)(3) <input type="checkbox"/> 501(c)() (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No	
7. Organization <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other <input type="checkbox"/>		If "No," attach a list. (see instructions)	
8. L Year of formation:		H(c) Group exemption number ▶	
9. M State of legal domicile:			

Describe the organization's mission or most significant activities:

☐ if the organization discontinued its operations or disposed of more than 25% of its net assets.

10. a. Total number of members of the governing body (Part VI, line 1a)	3	
b. Total number of independent voting members of the governing body (Part VI, line 1b)	4	
11. Total number of individuals employed in calendar year 2012 (Part V, line 2a)	5	
12. Total number of volunteers (estimate if necessary)	6	
13. Total business revenue from Part VIII, column (C), line 12	7a	
14. Total business taxable income from Form 990-T, line 34	7b	
	Prior Year	Current Year
15. Total grants and contributions received (Part VIII, line 1h)		
16. Total business revenue (Part VIII, line 2g)		
17. Total business expenses (Part VIII, column (A), lines 3, 4, and 7d)		
18. Total business expenses (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		
19. Total of lines 8 through 11 (must equal Part VIII, column (A), line 12)		
20. Total of amounts paid (Part IX, column (A), lines 1-3)		
21. Total of amounts paid for members (Part IX, column (A), line 4)		



Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI ☐

Section A. Governing Body and Management

	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year. If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.		
1b Enter the number of voting members included in line 1a, above, who are independent		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?	3	
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	
5 Did the organization become aware during the year of a significant diversion of the organization's assets?	5	
6 Did the organization have members or stockholders?	6	
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b	
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body?	8a	
b Each committee with authority to act on behalf of the governing body?	8b	
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9	

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
10a Did the organization have local chapters, branches, or affiliates?	10a	
b If "Yes," did the organization have written policies and procedures governing the activities of such chapters,		

4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5		
6	Did the organization have members or stockholders?	6		
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a		
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b		
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:			
a	The governing body?	8a		
b	Each committee with authority to act on behalf of the governing body?	8b		
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? <i>If "Yes," provide the names and addresses in Schedule O.</i>	9		

Section B. Policies *(This Section B requests information about policies not required by the Internal Revenue Code.)*

		Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a	
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b	
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a	Did the organization have a written conflict of interest policy? <i>If "No," go to line 13</i>	12a	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? <i>If "Yes," describe in Schedule O how this was done</i>	12c	
13	Did the organization have a written whistleblower policy?	13	
14	Did the organization have a written document retention and destruction policy?	14	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a	The organization's CEO, Executive Director, or top management official	15a	
b	Other officers or key employees of the organization	15b	
	<i>If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).</i>		
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	





INDEPENDENT SECTOR

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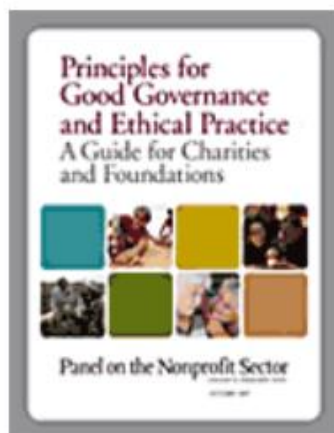
GOVERNANCE
RESOURCES

EVENTS &
WEBINARS

SECTOR
IMPACT

RESOURCE CENTER FOR GOOD GOVERNANCE AND ETHICAL PRACTICE IRS FORM 990

Principles for Good Governance and Ethical Practice



The Panel on the Nonprofit Sector released [Principles for Good Governance and Ethical Practice: Guide for Charities and Foundations](#) in October 2007, based on comprehensive analysis of over 50 systems of self-regulation and best practices, two public comment periods, and the involvement of charities and foundations nationwide.

The guide's 33 practices are designed to support board members and staff leaders of every charitable organization as they work to improve their own operations. The [Reference Edition](#) includes legal background for each Principle, studies on self-regulation systems, and a glossary of terms. An [Executive Summary](#) is available for those who want a brief overview of the Principles.

The Panel encourages charity and foundation leaders to examine the Principles carefully and determine how best they should be applied to their own operations.

AND
IONS

or Wooden Boats

1. Legal Compliance and Public Disclosure,
2. Effective Governance,
3. Strong Financial Oversight,
- and
4. Responsible Fundraising.

http://www.independentsector.org/uploads/Accountability_Documents/Principles_Executive_Summary.pdf



10. ENHANCE THE ORGANIZATION'S PUBLIC STANDING

- Serve as ambassadors
- Telling stories of impact
- Building connections for partnerships
- Opening the door for fundraising conversations
- Thanking people who support



