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# Difficult Financial and Budget Communications

## How to Engage, Communicate and Get More Out of Your Nonprofit Organization Board Members

December 12, 2023 (9:10 to 10:00 am)

Speaker: A. Michael Gellman, CPA, CGMA, Principal  
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# Learning Objectives

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## We will Discuss Four Specific Aspects of Board Member Service Lifecycle

1. Enhancing the First Year of Board Service for New Board Members
2. Finding Pathways for Continuing Service for Board Leadership
3. Any Board Member Can Be a Board Champion

# READY

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Name Most Important, Critical, “Game-Changing”

Resources for a Nonprofit Organization

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

This List Could Be Long

But If You Had to Choose “ONE”

1

1.

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*(Not Fair – But Interesting)*

# This List Could Be Long

## But If You Had to Choose “ONE”

### **1. Board members**

*(Our Answer – Impact on Sustainability)*

## Helping Board Members to Fly

Nonprofit Organizations need to be more Active

Helping their Board members

Learn how to be more Effective during their Board service term



Help Board members to Find and Align  
Their Passion and Capacity to serve  
While meeting the  
Needs and Expectations of the organization



If not



Can turn into a mistake, bad experience, waste of time

All leading to a hit on the reputation of the organization and the Board member



## Take Advantage of the “20 – 80 Rule”



(20% of the Board members do 80% of the Work)

Flipping Just One Board Member

to the Positive

Will Have Major Benefits!!!

Part I

**Enhancing the First Year of  
Board Service  
for  
New Board Members**

# Enhancing First Year Board Service for New Board Members

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First year of Board service sets the stage for

- Engagement
- Impact
- Visibility
- Quality of Experience
- Advancement

# Enhancing First Year Board Service for New Board Members

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- Help new Board members to
  - Set basic goals
  - Develop realistic expectations

For success during the critical early stage of their Board tenure

## 1<sup>st</sup> Year – Four Stages

- 1. Fast-Starting New Board Members**
- 2. Preparing New Board Members for First Board Meeting**
- 3. Optimizing First Year of Board Service**
- 4. First Year of Board Service Complete – What's Next?**

# Enhancing First Year Board Service for New Board Members

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## 1<sup>st</sup> Year of Board Service

### 1. Fast-Starting New Board Members

- Do not wait for the first Board meeting or the new Board member orientation meeting to start their learning process
  - Mission and history
  - Provide access to important documents

# Enhancing First Year Board Service for New Board Members

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## 1<sup>st</sup> Year of Board Service

### **1. Fast-Starting New Board Members**

- Introduce select/key senior management and staff
- Connect with a retiring Board member



# Attendee – Question #1

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After new Board members receive their notice of appointments or being elected, dose your organization reach out to new Board members before the first Board meeting to help them accumulate and acquire background information?

Yes [ ]

No [ ]

If “Yes” list some of the tactics used, if “No” describe any barriers that may be present

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

Respond with Your Answers and Share Verbally If You Like

# Enhancing First Year Board Service for New Board Members

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## 1<sup>st</sup> Year of Board Service

### **2. Preparing New Board Members for First Board Meeting**

- ➔ **Provide previous Board meeting packet of Materials**

# Enhancing First Year Board Service for New Board Members

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## 1<sup>st</sup> Year of Board Service

### **2. Preparing New Board Members for First Board Meeting**

- **Provide background information on returning Board members – especially Officers**

## 1<sup>st</sup> Year of Board Service

### **2. Preparing New Board Members for First Board Meeting**

- **Suggest areas of agenda where they might best fit to actively participate**
- **Actual Board meeting time can fly-by quickly – help them to find their space so they do not feel left out**

# Enhancing First Year Board Service for New Board Members

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## 1<sup>st</sup> Year of Board Service

### **3. Optimizing First Year of Board Service**

- ▶ Help new Board members to:
  - ▶ Develop a “personal” 1<sup>st</sup> year Board service plan
  - ▶ Understand priorities and challenges of organization

## 1<sup>st</sup> Year of Board Service

### **3. Optimizing First Year of Board Service**

- ▶ Help new Board members to:
  - ▶ Select one governance activity for active engagement
  - ▶ Commit to being visible and present during the first year



# Enhancing First Year Board Service for New Board Members

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## 1<sup>st</sup> Year of Board Service

### Planning Tip:



- ▶ During your first year of Board service, help new Board members to establish a connection with a veteran Board member with complementary interests
  - ▶ Work alongside this Board member and learn from their experiences and knowledge
  - ▶ Opportunity to take over and continue tasks
  - ▶ Inherit efforts that have traction and benefit from the goodwill already established, simultaneously helping ensure these projects carry on and are left in good hands



## 1<sup>st</sup> Year of Board Service



### 4. First Year of Board Service Complete – What's Next?

- Review Past Year Efforts
- Setting goals as a returning “veteran” Board member
  - First – Realistic Assessment
  - Second – Refocusing Engagement

## First – Realistic Assessment

- **Assessment questions to help them consider:**
  - 1. Was the committee choice the best fit?**
  - 2. Is there a need to adjust interactions at Board meetings?**

# Enhancing First Year Board Service for New Board Members

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## First – Realistic Assessment

- **Assessment questions to help them consider:**
  - 3. Was Board member's mission focus too narrow or wide?**
  - 4. Was Board member's visibility at organization events sufficient or excessive?**

## Second – Refocusing Engagement

### 1. Consider changing committee assignments

- ▶ Committee assignments can require more time than Board meetings
- ▶ Requesting a change in committee assignment should not be perceived as negative
- ▶ The organization will benefit from the request and Board member satisfaction will increase

## Second – Refocusing Engagement

### 2. Help them to be more strategic with their attendance at organization events and activities

- ▶ In year one goal was to experience and observe events
  - ▶ For year two, help shift focus to attending events and activities that will provide the most active assistance and visible representation such as by giving speeches, awarding scholarships, or being on a panel
    - ▶ This type of engagement will help the organization and raise the Board member's profile

# Enhancing First Year Board Service for New Board Members

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## Second – Refocusing Engagement

### ➤ Point of Emphasis

- Find special project(s) that caught their attention in year one
  - This could be best opportunity to shine by committing to an effort that will have a long-lasting impact on the organization



# Enhancing First Year Board Service for New Board Members

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## Second – Refocusing Engagement

- For year two
  - Help shift the focus to attending events and activities that will provide the most active assistance and visible representation such as by giving speeches, awarding scholarships, or being on a panel

This type of engagement will help the organization and raise the Board member's profile



## Attendee – Question #2

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Do you think it is a good idea to “check-up” on individual new Board members at the end of their first year of Board service and assess their satisfaction levels and get their thoughts and ideas for the coming year?

Yes [ ]

No [ ]

If “Yes” list some of the tactics used, if “No” describe any barriers that may be present

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

Respond with Your  
Answers and Share  
Verbally If You Like

# Enhancing First Year Board Service for New Board Members

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## 1<sup>st</sup> Year of Board Service

### Planning Tip



Best way to shed image of “new” Board member is to be active in recruiting potential new Board members

### Help New Board Members to:

- Reach out to their network of professional associates, friends, and family
- Offer invitations to special events, committee meetings, and volunteer opportunities
- Accompany guests and make introductions to staff, volunteers, and Board members

Part II

# Finding Pathways

## Continuing

## Board Leadership Service

# Finding Pathways Continuing Board Leadership Service

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To have an effective Board member

Must help them to consider how their passion  
and capacity to serve

Align with the needs and expectations of the  
nonprofit organization

# Finding Pathways Continuing Board Leadership Service

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Choosing a leadership path that is best aligned to the organization as well as the individual is essential to complete Board service without regrets or second guesses

## Three Parts

1. Learning to Lead as an Experienced Board Member
2. Choosing to Serve as an Officer
3. Choosing to Serve an Additional Term as Board Member

# Finding Pathways Continuing Board Leadership Service

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## 1. Learning to Lead as an Experienced Board Member

There will be no better time during Board service terms to help Board members to:

- **Raise bar on efforts:**
  - **Take on new and expanded leadership roles**
  - **Inspire change and innovation**
  - **Increased participation at Board meetings**
  - **Thoughtful engagement with mission of the organization**



# Finding Pathways Continuing Board Leadership Service

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## 1. Learning to Lead as an Experienced Board Member

Help navigate the transition from “rookie” to “veteran” Board member, view this process as a choice between two pathways:

### Quiet Wisdom vs. Active Leadership

Quiet wisdom pathway focuses on individual-based engagement

Active leadership pathway concentrates on more visible group involvement



# Finding Pathways Continuing Board Leadership Service

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## 1. Learning to Lead as an Experienced Board Member

**Quiet wisdom pathway** works best for Board members who are **time-constrained**

- **Active engagement at Board meetings** will be the main approach for driving change, sharing ideas, and making inquiries
- **Continue to give back between Board meetings** by following up on brief targeted assignments to facilitate a network connection, follow up with a donor, review a contract or other agreement, proofread a marketing promotion, to name a few opportunities for individual-based engagement

# Finding Pathways Continuing Board Leadership Service

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## 1. Learning to Lead as an Experienced Board Member

### Active leadership pathway



Option for Board members who can dedicate more volunteer service time than the average Board member

# Finding Pathways Continuing Board Leadership Service

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## 1. Learning to Lead as an Experienced Board Member

### Active leadership pathway

Active leaders must still commit to honoring the same responsibilities as quiet wisdom Board members also committing to additional time to

- Chair a committee
- Lead a task force
- Travel on a mission
- Represent the organization at coalition meetings
- Assist staff at events
- To name a few examples of time-heavy commitments

# Finding Pathways Continuing Board Leadership Service

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## 1. Learning to Lead as an Experienced Board Member

No two Board members are exactly alike

Each will have different

- Skills
- Capacities
- Level of “affection” for the organization

# Finding Pathways Continuing Board Leadership Service

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## 1. Learning to Lead as an Experienced Board Member

Typical Board Member Capacity Situations that Will Arise:

- ▶ One Board member might have amazing skills but also time constraints due to an over-committed professional work schedule
- ▶ Another Board member, who is retired, might have the time but not the passion for a particular cause or effort
- ▶ A third Board member might have the time and passion to commit to the organization but lack the skills and experience to be effective

## 2. Choosing to Serve as an Officer

**Best time to consider this option is often just after completing first year of Board service relinquishing unofficial title of “new Board member”**

**Insights gained from your first-year experiences provide a unique view to explore whether a more active leadership role would be a good fit**



# Finding Pathways Continuing Board Leadership Service

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## 2. Choosing to Serve as an Officer

Serving as an officer requires a higher level of

- Skills
- Time Commitment
- Determination

Then a Non-officer Board member position



# Finding Pathways Continuing Board Leadership Service

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## 2. Choosing to Serve as an Officer

Officer role is not for everyone

This is why  
Regular Board members often outnumber  
Officer Board members by 3 to 1 or a higher ratio

➤ Example:

➤ *19-member Board of Directors might include 4 officers and 15 non-officer Board members*

# Finding Pathways Continuing Board Leadership Service

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## 2. Choosing to Serve as an Officer

- a. Use short self-assessment exercise for key important attributes of an officer and help Board members to go through these questions
- b. Determining that officer service is not a good match is just as important as deciding that officer service is the right choice

# Finding Pathways Continuing Board Leadership Service

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## 2. Choosing to Serve as an Officer

Key Officer Attributes:

### a. Capacity

Does the Board member have the time and financial resources?

Example:

A Board chair might have to travel more frequently, attend extra meetings, cover travel costs, set an example as a higher-level donor, or other similar circumstances that regular Board members do not have to shoulder

# Finding Pathways Continuing Board Leadership Service

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## 2. Choosing to Serve as an Officer

Key Officer Attributes:

### b. Fortitude

Does the member have the

Example:

Courage to fight through the tough times, make difficult decisions, manage conflicting personalities of people involved in the governance?

# Finding Pathways Continuing Board Leadership Service

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## 2. Choosing to Serve as an Officer

Key Officer Attributes:

### c. Skills

Does the Board member have the

Example:

Skills to fulfill high-level leadership roles, give inspirational speeches, manage conflict and negotiation, and possibly be the face and voice of the organization?

# Finding Pathways Continuing Board Leadership Service

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## 2. Choosing to Serve as an Officer

Key Officer Attributes:

### d. Passion

Does the Board member have

Example:

A burning desire to support the organization's mission in both good and tough times?



# Finding Pathways Continuing Board Leadership Service

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## 2. Choosing to Serve as an Officer

**If not a strong “yes”**

To all of these attributes

Better to encourage quiet wisdom role

Serving the organization as a regular Board member by attending meetings, participating at events, and working on select projects that match to the individual Board member



## Attendee – Question #3

Do you agree with the statement that to serve as an effective Officer for a Nonprofit Organization, special abilities and talents are needed?

Yes [ ]

No [ ]

If “Yes”, which special attribute(s) do you believe is most important?

- A. Capacity
- B. Fortitude
- C. Skills
- D. Passion
- E. Other \_\_\_\_\_
- F. All of the above

Respond with Your  
Answers and Share  
Verbally If You Like

**Send chat comment highlighting your thoughts and ideas for success**

## 3. Choosing to Serve Additional Term as Board Member

Frame decision-making process based on a thoughtful reflection on

First Board term as well as expectations for the future

# Finding Pathways Continuing Board Leadership Service

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## 3. Choosing to Serve Additional Term as Board Member

To help Board members make the right choice – encourage

**Looking back – Reflections**

**Looking Forward – Expectations**

# Finding Pathways Continuing Board Leadership Service

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## 3. Choosing to Serve Additional Term as Board Member

### a. Looking Back – Reflections

Explore first term experiences through consideration of four factors:

- Enjoyment
- Empowerment
- Impact
- Benefits

# Finding Pathways Continuing Board Leadership Service

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## 3. Choosing to Serve Additional Term as Board Member

### a. Looking Back – Reflections

Feelings of enjoyment are good indicator of

Empowered to share ideas, encouraged to participate,  
and voice was heard (impact)

Otherwise, discouraged and disillusioned feelings  
will surface

# Finding Pathways Continuing Board Leadership Service

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## 3. Choosing to Serve Additional Term as Board Member

### a. Looking Back – Reflections

Complete reflections by considering benefits to the Board member

➤ Tangible benefits

➤ Intangible benefits

# Finding Pathways Continuing Board Leadership Service

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## 3. Choosing to Serve Additional Term as Board Member

### a. Looking Back – Reflections

➤ Tangible benefits can be in the form of:

- Resume building
- Learning new skills
- Traveling to meetings
- Attending special events
- Many others



# Finding Pathways Continuing Board Leadership Service

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## 3. Choosing to Serve Additional Term as Board Member

### a. Looking Back – Reflections

➤ Intangible benefits often include

- Expanding their network
- Making new friends
- Meeting dignitaries
- Seeing the lives changed by the organization's work
- Many others

# Finding Pathways Continuing Board Leadership Service

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## 3. Choosing to Serve Additional Term as Board Member

### b. Looking Forward – Expectations

Consider Board member's capacity to be

"All In"

and

Committed to Serving another Term

# Finding Pathways Continuing Board Leadership Service

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## 3. Choosing to Serve Additional Term as Board Member

### Planning Tip



Start process of deciding to serve another Board term at least six months prior to the end of current Board term, if not earlier

Search for new Board members is time-consuming and intensive

Earlier Board and nominations committee know intentions, better positioned they will be to recruit future volunteer leadership and timely fill open Board positions

# Finding Pathways Continuing Board Leadership Service

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## 3. Choosing to Serve Additional Term as Board Member

**Take time to help Board members make an informed decision and to craft appropriate messages**

# Finding Pathways Continuing Board Leadership Service

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## 3. Choosing to Serve Additional Term as Board Member

Explaining why a Board member wants to or should continue to serve, or why they feel the time is right to exit

**Must be done with**

- Care
- Empathy
- Diplomacy

**Taking into account the organization's best interests as well as the Board member's**

Part III

# Any Board Member

Can Be a

**Board Champion**

# Any Board Member Can Be a Board Champion

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Concept of a “Board champion” for a nonprofit organization is frequently misunderstood

Board champions do not necessarily have to be officers

They can be any responsible Board member who is willing and able to actively engage in helping the organization



# Any Board Member Can Be a Board Champion

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Board champions do not necessarily have to be “super-active” Board members

Even a few meaningful contributions will “move the needle” by helping the organization to resolve problems, overcome challenges, access resources, gain consensus

# Any Board Member Can Be a Board Champion

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**Many people believe only Board officers can  
make a difference**

**Board officers can and often are Board  
champions by the nature of fulfilling their  
larger roles**

# Any Board Member Can Be a Board Champion

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A highly motivated regular Board member, through a single idea or action, can equally advance the organization's mission and successfully participate in solving a problem

Sometimes seemingly small acts of cleverness can have as much or more impact as a Board officer working hard quietly behind the scenes

# Any Board Member Can Be a Board Champion

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## EXAMPLES OF SIMPLE ACTS THAT HAD BIG IMPACT



## **Any Board Member Can Be a Board Champion**

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**Board champions will not just appear. They need to be cultivated**

**Once a Board member has discovered their purpose serving**

**They will be motivated and inspired to find meaningful ways to contribute**

# Conclusion

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Collectively we need to nurture and grow our Board members trust and confidence

Like a good crop if we water them and take care of them and pay attention to their needs and aspirations

**We will realize a bountiful harvest!!!**





## Resources



<https://www.se4nonprofits.com/new-board-member-planning-and-preparation-series>

<https://www.se4nonprofits.com/pathways-to-effective-board-leadership-series>

<https://www.se4nonprofits.com/blog/wt-149-any-board-member-can-be-a-board-champion>

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