

# 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.

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# GOVERNANCE

Governing practices and principles can seem awkward to new volunteers. While each person brings their passion and expertise, the duties of governance are a unique skillset. Governance is influenced by organizational culture and precedents, state and federal laws, and governing documents.

## Mission

(Purpose for existence)

## Articles of Incorporation

(Relationship to State Government)

## Bylaws

(Relationship to members)

## Policies

(Interpretation of the governing documents)

## Strategic Plan

(Roadmap for the organization)

## Annual Budget

(Financial position)

Volunteers need information and access to the governing documents. Make the information available in a leadership manual, accessible on-line, or on a memory stick. Volunteers must “read to lead,” including bylaws, policies, and budget. A director’s job is to understand the

organization, not to make wholesale changes in the existing framework and program of work.

### ORIENTATION

Yearly orientation or a “refresh and blend” session of about two-hours will improve comfort and confidence with governance responsibilities.

All board members should attend. Familiarize them with the organization, including finances, programs, staff, authority, lines of communication, subsidiary organizations, strategic plan, and the governing documents. Have directors sign a commitment form to protect themselves and the organization.

### NOTES

Series of horizontal lines for taking notes.



#### DIRECTOR COMMITMENT FORM

- 1. Read and uphold the governing documents.
2. Work to advance the mission: serve the members
3. Respect confidentiality of discussions and documents\*.
4. Disclose conflicts of interest.
5. Avoid antitrust violations.
6. Support decisions of the board.
Signature
Date

# 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. The three legal principles:

- 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"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. The strategic plan portrays an image of the organization in 3, 5 or 10 years.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Meetings and agendas are organized to achieve the mission and goals (and avoid operating matters.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Comments:					
<b>Governing Documents</b>					
4. Board understands and upholds all governing documents.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Policies are adopted and followed to guide current and future leaders.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<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"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Board orientation and self-assessment is sufficient.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. New ideas and people are respected.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Comments:					
<b>Budgeting, Finances and Infrastructure</b>					
9. Board adopts annual budget and is engaged in monitoring finances.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Reserves/savings and investment strategies are appropriate.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Financial reports are clear, accurate and timely.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Annual audit and auditor's recommendations are reviewed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

# RELATIONSHIPS

## TEAMWORK

It takes a team to achieve results. Little is accomplished without trust and respect within the organization. There should be no personal agendas. Potential and real conflicts of interest should be disclosed annually, as well as at board and committee meetings. Relationships are built between the board and others:

- Professional Staff
- Committees
- Membership
- External Audiences

If problems arise with trust and respect, address the issues quickly.

**BOARD GOVERNS**

**STAFF MANAGE**

## PROFESSIONAL STAFF

Volunteer leaders are responsible for governance. They do not have responsibility for management. (In organizations with no staff volunteers may need to wear multiple hats.) The executive director (chief staff person) is responsible for staffing decisions. Directors establish a professional, collegial role with staff — they are not their bosses.

## COMMITTEES

The committees, project teams and task forces get their assignments from the board and strategic plan. Respect the work of committees. Boards

should not do committee work at the board meeting.

## MEMBERSHIP

Members are investors in the organization. They expect the leadership to be accountable for advancing mission. The diversity of the membership should be reflected in the organization. Make efforts to be inclusive for all members and to promote equity.

## EXTERNAL AUDIENCES

There will be times to communicate with external audiences such as government, news media, allied organizations, and social media. There are carefully crafted messages that must follow lines of communication. Volunteers are not authorized to speak on behalf of the organization unless explicitly directed by the chief elected officer, chief executive officer, or existing policy.

## VALUES

Through time every organization develops guiding principles. These values help with decision making. The principles most frequently professed in a nonprofit include:

- Accountability
- Transparency
- Diversity
- Integrity
- Innovation
- Sustainability

## NOTES

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<sup>3</sup>At the start of meetings, the chair might ask, "Does anybody

# BEHAVIORS

## PERFORMANCE

Bad behaviors harm the leadership experience. A high performing team has common characteristics.

**Strategic** – Avoid delving into minutia; understands governance.

**Accountable** – Follow through on commitments and promises.

**Respected** – Has the esteem of the community.

**Respectful** – Demonstrates respect towards all persons; expresses gratitude and shared credit with others.

**Team Player** – Understands collaboration.

**Innovative** – Uses ingenuity and resources to solve problems.

**Confidentiality** – Discussions and documents are to be treated with discretion.

**Performance Based** – Sets metrics and expects results.

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

## DISCOURAGED BEHAVIORS

Listen closely at board meetings and patterns will emerge. There will be the person who starts every statement with, “I hate to be the devil’s advocate.”



Others will continually interrupt, disrespecting the meeting agenda and chair.

**Ill-Prepared** – Meetings require preparation and reading. Recognize these people as they start sentences with, “I just have a question.”

**Missing in Action** – It takes a quorum to conduct business. Volunteers should attend all duly called meetings.

**Doubter** – We could never do that. Remember Margaret Mead said, “Never doubt that a small group of thoughtful, committed, citizens can change the world. Indeed, it is the only thing that ever has.”

**Personal Agenda** – Beware the leader who has a personal agenda instead of respecting the organization’s mission. Manipulator – Ill intentioned, working for personal gain.

**Fraternizer** – Does not respect personal boundaries.

## NOTES

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# 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**

# MEETINGS

## MEETINGS

Business is conducted at board and committee meetings.

Directors have authority from “gavel to gavel.” They are expected to be prepared and speak up when the meeting is convened.

After a meeting they don't have authority to speak for the chief elected officer or the board, unless so requested. Everyone has a responsibility to support the decisions of the board, without second guessing or disagreeing after the meeting.

## QUORUM

The minimum number of directors required to conduct business is defined in the bylaws.

## FREQUENCY

Meeting frequency should be based on what needs to be achieved. Groups meet less frequently by giving authority to their executive committee to address urgencies. Save time by meeting only as needed not for social purposes.

## AGENDA

An agenda identifies what must be addressed. It is developed in partnership between the board chair and executive director. Avoid “show and tell” with a litany of officer, committee and staff reports and updates. Include the mission statement on every agenda. Reduce

the reports to focus on the goals in the strategic plan (Agenda sample on page 11).

## CONSENT AGENDA

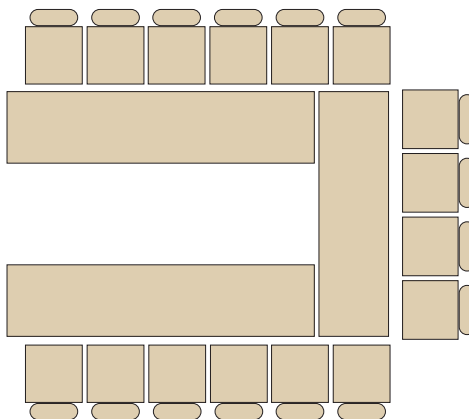
The concept of a consent agenda reduces time spent on reading and listening to reports. Reports are prepared and circulated in advance. Discipline is necessary to prepare reports, to read them before the meeting, and to avoid regurgitating them at the meeting.

## MINUTES

The work of leaders is documented in meeting minutes. They are not a newsletter for members. Brief is better. Be sure the best person takes minutes, considering accuracy and brevity. Recordings are discouraged and should be destroyed upon approval of the minutes.

## ROOM SET-UP

Room set-up should allow for effective discussion and presentation



## NOTES

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# 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 counsel.

### 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..."

# COMMITTEES

## WORK GROUPS

Committees supplement the work of the board and staff.

Future leaders are identified.

Members are engaged when they serve on committees.

Committees can be an asset or liability. An asset when they produce programs, offer solutions, and advance elements of the strategic plan.

Committees are a liability if they make little progress and cannot get a quorum. Members who volunteer and feel their time is wasted are likely to disengage.

## TRENDS

Standing committees are identified in the bylaws and require a year-long commitment. Task forces disband when their assignment is completed. Busy volunteer may shun serving on a standing committee. They prefer

shorter assignments. Be innovative with your committee structure by using:

- ✓ Task Forces
- ✓ Quick Action Teams
- ✓ Strike Forces
- ✓ Project Teams
- ✓ Micro-Tasks
- ✓ Strategic Discussion Groups
- ✓ Special Interest Groups.

## AUTHORITY

Committees get their charges and authority from the board and bylaws.

They do not have authority to speak for the organization, expend funds or sign contracts unless explicitly delegated.

The strategic plan is the primary driver of committee efforts. They are aligned with the goals and priorities in the plan. Board members must remember they don't do committee work at the board table.

## NOTES

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## How an Idea flows from the Strategic Plan to Committee to Implementation



# MYTHS AND OUTMODED PRACTICES

## MYTHS

New directors may have heard myths about governance. Be aware and know how to reply to these falsehoods.

- We are non-profit so we cannot take political positions. (This depends on the IRS designation.)
- There are restrictions on how much a nonprofit can maintain in savings and make in profit.
- All our records must be released upon request under the provisions of Government-in-the-Sunshine, Open-Record Laws, and the Freedom of Information Act (FOIA.)
- Everybody is entitled to attend meetings of the board of directors.
- We can go into executive session to discuss anything we want, without keeping minutes of our actions.

## OUTMODED PRACTICES

Increased scrutiny on nonprofit organizations has changed practices and structure of governance.

Questionable practices might include:

- Allowing past presidents to have a lifetime vote.
- Rump sessions before board meetings to create a voting bloc.
- Holding meetings because its “nice to get together.”
- A House of Delegates to oversee and tell the board what to do.
- Adding positions to the board to represent “diversity” when diversity, equity and inclusion should be integrated into every aspect of the organization and not solely a board seat.

## EXECUTIVE SESSION

When the board goes into executive session, guests and staff are excused from the room. It used to be a common practice but it carries some liability.

Executive session should be used sparingly to reduce liability and not increase mistrust. Be certain the reason for the closed-door meeting is explicit and conversation stays on that topic. Keep a record of actions and respect transparency.

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# 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

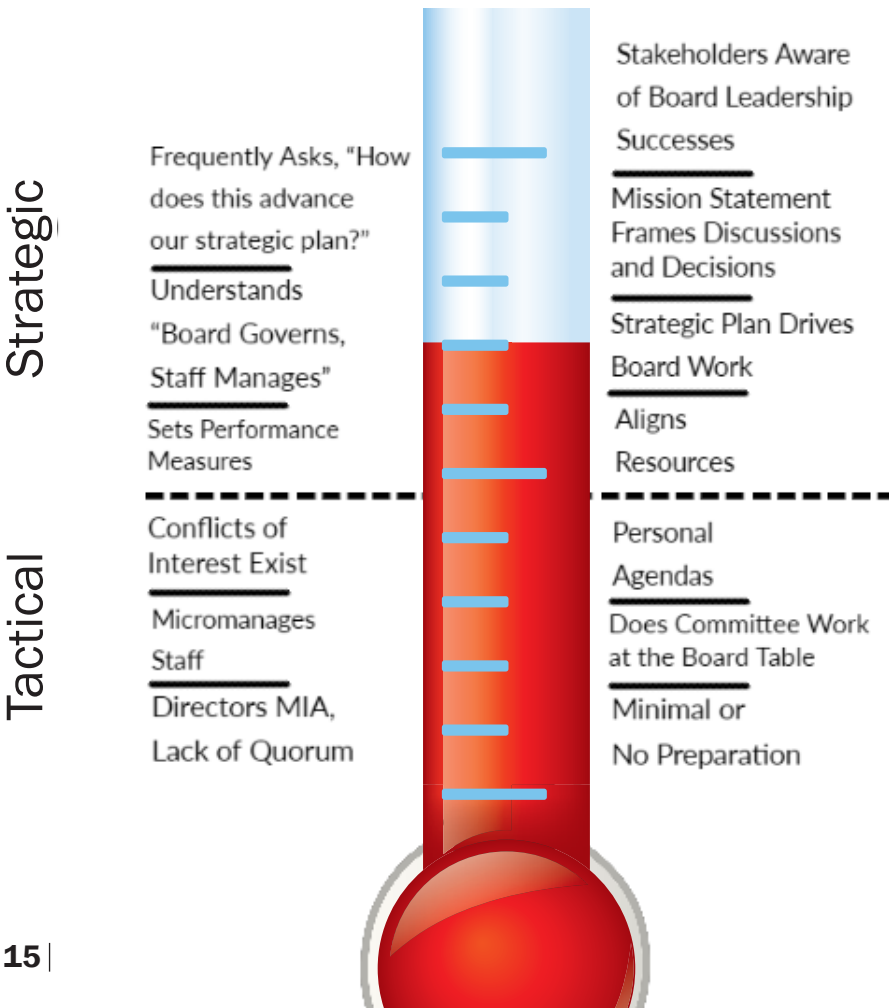
and prospects.

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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NORTHEAST FLORIDA  
ASSOCIATION OF REALTORS

## 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.

# FINANCES

## FINANCIAL ACUMEN

Directors are responsible for protecting and making best use of assets. Consider the annual income and the reported assets for an understanding of the resources. Determine if there are any liabilities, i.e. mortgage, loans, diversions, legal cases. All directors should be familiar with the financial situation.

## BUDGET

The budget identifies anticipated income and expenses for the year. The minutes will reflect that the board has approved the annual budget to serve as a roadmap for fund raising and expenses. Consider the balance of dues to non-dues income.

## FINANCIAL STATEMENT

The report of income and expenses (compared against budget), cash flow and assets. It is presented and reviewed for “acceptance” at every board meeting.

## IRS FORM 990

The IRS requires annual reporting by exempt organizations. It is expected that the governing body reviews (not approve) the form

before submission. The form is a public record.

## AUDIT

An audit is prepared by an outside independent professional conducting an audit, review, or compilation of finances. Directors should be familiar with the policy and the resulting audit, review or compilation.

## SAFEGUARDS

Volunteer leaders should be assured safeguards are in place to protect finances and assets. Check the policies and practices.

## RATIOS

Ratios are a way to compare important data. Directors should be aware and monitor the ratio of budget to savings, as well as ratio of dues to non-dues

### REVENUE SOURCES

**Member Dues**

**50/50**

**Non-Dues**

- Advertising
- Sponsorship
- Endorsements / Royalties
- Trade Show / Expo
- Interest
- Product Sales
- Education, Meetings
- Gifts, Grants
- Other

## NOTES

# 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	



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