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The first three items in this issue follow up on last spring's discussion of **how to have better-functioning boards,** as presented in the article, "The Elephant in the Board Room: Round One."

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LETTER FROM THE CO-DIRECTOR

PRISCILLA HUNG

You may be wondering, "When did Grassroots Fundraising get a Co-Director?" One of the things Kim Klein did before she stepped down as Publisher of the *Journal* last month was bring me on. Stephanie Roth, the *Journal*'s Editor-in-Chief, joins me as Co-Director of all of Grassroots Fundraising's programs. I'll be helping lead the *Journal* through this transition and helping manage new projects we are taking on.

Kim and Stephanie were my beginning into fundraising. Although I had never considered a career in fundraising, they inspired me to pursue it. Like many of you, I have learned much from them, and I admire them for their support of young people of color in the fundraising world. Kim was my age when she started the *Journal* and I am honored to be continuing her work.

A little about myself: I am a graduate of the Grassroots Institute for Fundraising Training (GIFT) internship program and its Training for Trainers program. GIFT's main focus is on increasing the number of people of color in fundraising. I've been a development director, board member, and volunteer. I'm excited by the challenge before me: to implement ways to serve the social justice grassroots fundraising community while also managing a healthy, sustainable organization. We at the *Journal* will keep doing what we've always done — creating and distributing accessible materials that teach people how to raise money — and we plan on making our work even more relevant to nonprofits in today's environment and economy.

I just looked at the new 2005 philanthropy statistics from *Giving USA*. Some of the numbers are the same — most money donated still comes from individuals with household incomes below $100,000. What's different is a new concern among donors about overcompensation of nonprofit employees (fueled by media reports about a handful of charities) and the fact that donors are more likely to increase their gifts in response to excellent stewardship rather than because they are asked more times. These issues of nonprofit management and stewardship all go back to the board and the oft-repeated tenet that a well-functioning board of directors means a healthier organization, which means better fundraising.

To help you get this terrific board, we have a series of related articles in this issue. We continue the conversation begun with "The Elephant in the Board Room: Round One" in our March/April issue with readers' responses to that article and "Round Two" by Kim Klein. Kim's piece focuses on the skills needed to staff a board. It complements an article in this issue by Stephanie Roth, who reflects on these topics from the perspective of board members whose needs and vantage point can sometimes be overlooked by staff. I review the new practical book, *Great Boards for Small Groups* by Andy Robinson, and we round out the issue with an editorial by Kim on the partnership between Warren Buffett and the Bill & Melinda Gates Foundation.

You'll hear more from me in the future. And I look forward to hearing from you!

more views *of the* ELEPHANT

BY STEPHANIE ROTH

In the March/April (2006) issue of the *Journal,* the article, "The Elephant in the Board Room: Round One," looked at the functioning of boards of small nonprofit organization (budgets of less than $2 million). We identified the problem that by law, nonprofits must be governed by a board of directors, but that most boards do not function well, to the frustration of both board members and staff. We explored some current thinking about the management and governance responsibilities of boards, suggested some new ways that boards might function more effectively, and invited reader response. The reflections in this article from *Journal* editor Stephanie Roth are followed by letters on the topic from some readers and a follow-up article by Kim Klein, "The Elephant in the Board Room: Round Two." You can download "Round One" here: www.grassrootsfundraising.org/magazine/feature25_2.pdf.

In the spirit of continuing the discussion about nonprofit boards that began with the article "The Elephant in the Board Room" in the March/April issue of the *Journal*, I offer the following thoughts from the perspective of a board member. Based on my board experiences with various organizations over the past 20+ years, I reflect primarily on the issue of the board's role in fundraising, one of those ongoing challenges for most organizations I know. This is an issue that is usually about more than what appears on the surface.

REFRAMING THE FUNDRAISING ROLE OF THE BOARD

In my day job as a fundraising consultant, I have spent many years trying to convince both board and staff people that fundraising is an essential part of a board member's responsibilities. Over time, however, I've become increasingly uneasy as an organization's emphasis on fundraising leads board members to feel sidelined when it comes to the political and program issues that brought them to want to serve the organization in the first place.

Not being invited to give input and raise questions about how major decisions are made can leave board members less motivated to carry out their fundraising tasks.

I've been on boards where the executive director has made clear that fundraising is really the only thing the staff wants board members to work on, and that a board role in program, governance, and strategic thinking and planning is considered neither essential nor even particularly desired. This is an unfortunate development that will ultimately not produce a more willing team of board fundraisers. In fact, it has just the opposite effect: Board members are far less likely to be enthusiastic about raising money if they are not involved in the organization's purposes in a meaningful way.

I once served on the board of an organization in which the staff developed all of the budgeting and fundraising plans and expected the board would quietly nod approval (and appreciation for the staff's hard work) and then cheerfully proceed to bring in as much money as possible from our networks of friends and other contacts.

I quickly discovered that my questions about the budget and my disagreements with some of the priorities that had been set around fundraising were treated with surprise and some resentment by the executive director. Asking questions was interpreted as challenging the wisdom and experience of the staff, who felt that we had hired them to carry out these kinds of tasks. In "The Elephant in the Board Room," the authors identified the ability to deal with (and even to expect and encourage) debate and disagreement to be key to a healthy board. Too often, however, board members raising questions feel the staff see them as disloyal and wasting time.

Whatever one thinks about the role of the board in developing financial and fundraising plans, not being invited to give input and raise questions about how major decisions are made can leave board members less motivated to carry out their fundraising tasks. This winds up being a vicious cycle: board members don't raise the money they could have because they have questions and concerns that were not addressed; the staff perceive the questions and concerns to be meddling and annoying — even more so when the board members aren't producing any money!

Like most people, I join boards to contribute my time, expertise and enthusiasm to causes I care deeply about. Part of what motivates me to give my time to the very serious responsibility of serving on a board of directors is the opportunity to be engaged in the political analysis that informs the work of the organization and the discussions about strategies and tactics in our efforts to make change. The connection with like-minded people also committed to making a difference through the work of an organization is part of what inspires me to take the sometimes scary step of asking for support for this work from my friends, family and acquaintances. My belief in — and connection to — the vitally important work of an organization makes me far more likely to want to ask people for money to support the group's work.

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FUNDRAISING AND THE "REAL" WORK

A related problem is one familiar to nonprofits: the tendency of most organizations to consider fundraising as an unfortunate but necessary burden that brings in the resources needed for the staff to carry out the "real" work. When the board's responsibility to do fundraising is approached in this way, it's no wonder that board members are often less than thrilled to participate.

But if the organization views fundraising as a part of the work that organizes new constituencies to learn about and care about the cause, that is a mechanism through which people are educated about an issue, and that can create community awareness and visibility for a group, there might be a more enthusiastic response to fundraising activities from board members. When board members ask their friends, family, colleagues and neighbors to become a member, make a contribution, attend a special event, or purchase a raffle ticket, they are recruiting potential new allies and supporters to the cause rather than just seeking financial gifts.

A recent meeting I had with a donor (as a board member) reinforced this idea. Although the purpose of the meeting was to ask him to consider increasing his gift, most of our time together was spent discussing whether we could better mobilize people to take action on the group's issues by getting more media coverage or by one-on-one recruitment. This was a perfect example of how a fundraising meeting gave me new ideas (and questions) for the kinds of strategies and approaches the group is taking in our work. Every conversation with a donor has the potential for gathering information, informing decisions, and influencing public opinion on issues.

THE CHANGING ROLE OF THE BOARD

A friend complained to me recently that the actual work of being on a board was totally different from what she had expected. Most of the time, it seemed, the board of the organization she served was focused on personnel matters, by-law revisions, recruitment of new board members, and fundraising. Her enthusiasm about the organization had waned as input or involvement on a programmatic level was discouraged by the executive director and limited to staff reports given at board meetings.

A board I currently serve on seems to be going the same way. When first formed, the number of members wanting to serve on the board outnumbered board slots. The election process was a lively one, with candidates taking seriously their need to convince the membership of their qualifications to serve. People saw being on the board as a way to be engaged in setting political direction for the organization and being closely connected to important work. In the most recent election, however, there were not enough candidates to fill all of the board positions. It seems that what started as a board that was highly engaged in political discussion and strategizing is now more often than not bogged down in administrative details, financial challenges, and personnel issues — with less enthusiasm for board service as a result.

QUESTIONS

These dilemmas raise two questions. The first is, how does a board maintain its engagement in the more vital, programmatic areas of an organization's work even as its responsibilities grow to encompass such things as personnel issues, insurance policies, and cash flow challenges?

In "The Elephant in the Board Room," the authors suggest that a process-oriented approach to board structure might have more positive results:

> Many boards work for some period of time — the chair is good, the executive director works well with the board, the committees click. Every structure works for a while, and then doesn't seem to work any longer. Some new structure is needed to kick-start the board into better functioning. What we need is to analyze, document and develop the process by which an organization would choose one structure over another at any given time, and the process by which they would move on to a new structure when the old one no longer works. In this new approach, all structures would be temporary and permeable, more like tents than buildings.

So rather than search for the one perfect structural solution, we might find some more creative ways to deal with these changes and still keep the political vision, membership engagement and strategic thinking at the heart of the leadership we provide as a board.

The second question relates to the changing nature of the staff. The increased professionalization of nonprofit staff has led to greater authority, reflected in such titles as CEO and president that were unheard of in all but very large nonprofits 20 years ago. It has also led to a truncated role for board members, who are relied on less to bring needed expertise and strategic thinking. For organizations with active members (particularly those involved in community organizing and building a strong base of members to generate enough power to make political change), how can organizations overcome a divide created by this increased professionalization of staff in which members are less central to defining the goals and direction of the organization?

This last question deserves more discussion and debate among the different constituents in nonprofit organizations and will be the topic of future articles.

SOME SUGGESTIONS

The solutions to the challenges I've described here are not simple, overnight ones. They require changes on the parts of both board and staff. For now, I propose the following suggestions to executive directors and other staff who work closely with board members.

• Recognize that while board members are busy people whose follow-through is not always what one would like, their willingness to do the less exciting work will be greater if they are more engaged in the heart of the work of the organization.

• Encourage debate and discussion on the part of board members and other constituents of your organization. Don't assume that questions are judgments or criticisms of the staff's hard work. By taking the time to consider questions and examine different points of view, creative ideas to what may have seemed like intractable problems can emerge.

• Continue to work toward the integration of fundraising and program work. (For more on this topic, see my article, "Creating a Culture of Fundraising in Your Organization," in the *Journal,* Vol. 20 #3, May/June 2001).

• Address the growing divide between staff and board that has resulted from increased professionalization of the sector. While the paid staff may in fact be the best informed about an issue or program, think about ways that having a process for including the views, perspectives and differences of others (board, volunteers, donors and the community being served) can actually expand the impact of your work.

Ultimately, the ability of this sector to achieve our goals will partly depend on our ability to avoid relegating each group — board, staff, member, volunteer, donor — into compartments that limit their contribution, input and authority. We will build on the excitement, passion and willingness to jump in and do the work required — even the less thrilling and more tedious work — because we're sharing that burden even as we each have a voice in the organization. GFJ

STEPHANIE ROTH IS EDITOR-IN-CHIEF OF THE *GRASSRTOOTS FUNDRAISING JOURNAL.*

READERS RESPOND:

letters about "The Elephant in the Board Room"

The focus on your article is on boards, but no board can function well when the executive director doesn't want or allow it to happen. I have been on several boards and have done my best to be a good board member. I give generously, I participate in fundraising, I ask questions. The executive director is happy with the first two and angry or defensive with the questions. I believe the problem is in staff structure and hope you might focus some of your considerable intellect on that. As I live in a very small town and am known in that town, I would ask you to withhold my name if you print this letter.

— NAME WITHHELD

I don't care what you do to make board meetings more entertaining or put in place models to play to people's strengths, nothing will change in most organizations because the people don't want change — neither the staff nor the board. Your assumption that if people could see something to change to, they would do it, is false. Believe me, I have tried over and over as both an executive director and a board member. You have heard the saying, "Power corrupts," but I believe "Organizations corrupt." I am now on my own and do what I can by myself.

— FELIX GONZALES, DALLAS, TX

I have recently been hired as the director of the East River Apprenticeshop. We are a not-for-profit that uses boat building and seamanship to affect the lives of New York City youth. "The Elephant in The Boardroom, Round One" speaks directly to my situation.

We were started through the efforts of a man named Lance Lee and folk musician Pete Seeger. There was great momentum at the beginning of the project, but due to the director leaving, fundraising in NYC post-9/11, and the board sickness your article spoke of, the organization was reduced to life support through the efforts of two dedicated men. Our first order of business now is a planning session to redefine the organization, make some new decisions on how we want to proceed, and decide what we want the new board to look like. Needless to say, I was excited to find your organization and article.

Your ideas make complete sense to me and I intend to have my two faithful board members read this article. Perhaps we can start a dialogue as I begin to put your theories into practice.

Thank you for meeting a need on my end. I hope we can contribute to your work.

— CHRIS OCKLER, DIRECTOR, THE EAST RIVER APPRENTICESHOP

What would the world look like if we had, as Kim Klein, Manami Kano, and Amanda Ballard suggest in "The Elephant in the Board Room: Round One" (March/April 2006), boards continually creating themselves so that they are operating from their "individual and collective strengths, which are constantly evolving" and finding out "what works for them" and "anticipating how they will need to change models as their circumstances change"?

May I suggest that the world would look exactly as it does today. Far from ushering in a "brave new world," Klein, Kano, and Ballard's prescription of "chaordic" and "organic" forms of governance just reinforces what we already have. Basing your approach to governance on the ever-changing skills and preferences of today's board members and what they feel works for them and their responses to the ever-changing circumstances in which their organizations exist is precisely what traditional boards do today and precisely what is wrong with boards today.

Here's another vision: How about board members recognizing that the job of governing should not be defined by what's comfortable, engaging, and satisfying for them? How about board members recognizing that the job of governing should not be defined by their personal skills and preferences at all? How about board members seeing that leadership should not be defined as responding to "ever-changing circumstances"?

How about board members recognizing that to do the job of governing well they need to, as John Carver has suggested, transcend themselves to a level where they can act as true servant-leaders of those legal and moral owners who hold their organization's mission most dear? How about taking a closer look at John Carver's immense body of work as a basis for the new kind of boards we really need — principled leaders empowering people to change the world.

— CAROLINE OLIVER, MEMBER, INTERNATIONAL POLICY GOVERNANCE ASSOCIATION AND PRESIDENT, CAROLINE OLIVER COMMUNICATIONS, ONTARIO, CANADA

THE ELEPHANT IN THE BOARD ROOM: ROUND TWO

KIM KLEIN

The previous pages in this issue have carried responses to the article in the March/April issue of the *Journal* called "The Elephant in the Board Room: Round One." In this article, I respond to readers who pointed out that in addition to focusing on board functioning, as that article did in looking at the problems of nonprofit boards, there has to be equal focus on the staff. We have written very little in the *Journal* about the skills needed to staff a board and in particular the relationship of the executive director to the board. A quick search on the Internet pulled up a lot of information, but as with information about boards, what's there is mostly geared to large organizations.

At the *Journal* we are concerned mainly with smaller organizations — those that have fewer than three staff people (and often only one) and where the line between staff and board is permeable — that is, many of the tasks that in a larger organization might be done by staff are, by necessity, taken on by board members. In the absence of a full literature search on this topic, I want to use my experience to shed some light on the roles of staff and board.

WHAT ARE THEY SAYING ABOUT EACH OTHER?

For the past several years I have occasionally done workshops in which representatives from many organizations come together for two or three days, then return a few months later for the same period of time. In those settings, one can go much deeper into planning, organizational development, role playing and processing than in one-day workshops, which must be focused more on information sharing. Organizations are encouraged to send three people to these trainings, including at least one board member.

During one afternoon of the training, the participants divide up according to their roles — board members and volunteers in one corner of the room, executive directors in another, and development directors (and other staff) in another. Each group focuses on a common question; at the end, each group reports their answers to the whole.

This is the question: *What do you most want the people in other roles to keep in mind about your role in the organization?* In other words, if you are a board member, what do you most wish the executive director would think about when asking you to do something or responding to something you have asked?

Separating people into their roles allows them to be more candid than they may have felt in the full group, and they are able to validate and support one another's experience. The exercise has been rated highly by everyone every time.

Interestingly, the answers are not predictable. Here is a synthesis of the most common comments from five experiences with this exercise.

Typical Board Member Responses

"I will do what I say I will do. Just give me time to do it."

"I am very committed to this organization and want to know as much as I can about it. But I can't always remember or even understand everything you send me to read or that I learn in a meeting, so I need to have things repeated, often several times."

"When I bring friends to events or ask them to give money, I really want them to have a good experience. I want them to be thanked promptly and put on the newsletter list, and I don't want to be embarrassed later. I don't think you always take into account how much I am loaning my credibility to the organization when I ask friends and colleagues to support it."

Typical Executive Director Responses

"I am pulled in a million directions at once and I can't always make you a priority."

"I send materials for you to read ahead of meetings because I get tired of saying the same thing over and over, and when you ask me to repeat things I feel like you haven't been paying attention." "It is more helpful if you ask me what you can do to help the organization rather than offering advice (even good solid advice)."

Typical Development Staff Responses

"It is hard to do my work when the executive director does not actively support me at board meetings or does not let me contact board members without having to ask for permission."

"I am often asked to do things that are tangentially related to my job but that keep my from doing my work (such as creating cash flow projections or writing and sending out press releases or board minutes). Then people are upset when money isn't flowing in the way they imagine it should."

"I often lie awake at night worrying about our money situation, and I don't want to do that anymore."

Notice that the board members did not say anything like, "Between my job and my family, I don't have very much time to put into this organization."

WHAT WAS NOT SAID

Now, let's look at what was not said. Notice that the board members did not say anything like, "Between my job and my family, I don't have very much time to put into this organization." The executive directors did not say anything like, "You should just trust me and stop asking questions." And the development directors did not say anything like, "I could do everything more easily myself if I weren't answerable to the executive director or the board."

Of course, some board members do complain that they don't have the time to do all their board tasks, and some executive directors do complain that board members don't trust them, and many development people do wish they had an entirely different board or no board at all. That kind of profound organizational dysfunction is beyond the scope of this article.

What this exercise has shown over and over is that there is some serious miscommunication across roles in organizations and a concomitant misreading of motives and desires.

That insight raises a new question: If we take basically reasonable people in three different roles, how can we get them to work together and understand each other?

Because this is a fundraising magazine, I will focus here on fundraising, but I hope you can apply some of what is said here to other aspects of your organization.

SIX TIPS FOR STAFF

Based on the information that came out of the exercise described here, I offer six tips aimed primarily at executive directors or sole staff people to improve communications among executive directors, development directors, and board members around fundraising. I suggest you put these tips into practice this fall and see how your fall fundraising improves.

1. Be very specific in what you want board and volunteers to do. Board time is different from staff time. A board member volunteers to do something at a board meeting on a Wednesday night. In his or her mind, the task will get done in the next two weeks. If you need it done by Thursday afternoon, then you need to say that. What I see happening repeatedly is that the staff person waits a week and when the task isn't completed, begins to get concerned. Perhaps you send an e-mail reminder, but lacking confidence that the task will be accomplished, you do it yourself. How does the board member feel? Undermined. He or she intended to do what they said — they just didn't intend to do it on your (unspecified) timeline.

Create a culture in your organization — among your staff, board, and volunteers — that no task description is complete without a clear deadline. The chair of the board can learn to ask, "When does that need to be done?" The minute taker can learn to say, "What day shall I note this is due?" It doesn't (and shouldn't) always come from you, the staff person.

This tip is not just about deadlines — it is also about the content of the task. "Check out how Max feels about our last action and let me know" is not helpful if what you want to know is, "Is Max so mad at us for the last action that he won't give anymore, and if so, what can I do to repair that relationship?"

2. Remember that, while you may live and breathe this work every day, your board members generally do not. You were hired because you have experience and possibly even a degree in the issue the organization addresses and some or a lot of skill running a nonprofit. The board members come with some expertise of various kinds, but for many of them, neither the issue nor running a nonprofit is their main work. As with a foreign language, they will forget words and phrases between meetings. If a significant number of board members have trouble remembering or understanding issues, it is a sign that those issues are not being explained properly. The board is a great focus group for messaging.

A great way to get board members involved is to ask them to teach each other something.

A great way to get board members involved is to ask them to teach each other something. For example, let's say you are doing a six-week major donor campaign this fall (and let's also say that if you are not doing some kind of major donor campaign this fall, you need to rethink your fall fundraising plans). Ask someone from the board to explain the gift range chart to the rest of the board, and ask someone else to go through the packet of materials being prepared for major donors, and ask a third person to talk to the board about how to identify prospects. Prep them ahead of time and watch them work. There is nothing like teaching something to learn it.

3. Don't talk anyone into doing anything. It doesn't matter that Becky would be the best leader for the fall fundraiser. She is swamped with her new job, doesn't want to do it, and needs to be given another task. You know you could talk her into it, but what you don't take into account is that she won't do a good job, and then you and she will both feel bad. People should accept invitations to do certain kinds of work with enthusiasm, possibly mixed with nervousness.

If you cannot find anyone on your board to do a task, you need to go back to the drawing board and either break the task down further into smaller and more manageable tasks or plan something else. In some cases, you may need to ask for help outside of the board (see box below).

4. Do an audit of your development infrastructure. Do thank you notes go out within 48 hours of receipt of the gift? Are they personalized? Do you create new thank you note language every two months so that a donor never gets the same thank you note twice?

Does your database work well? Is it kept up to date? Do at least three people know how to use it?

Is your website kept very current, and do stories on your site tie in with your paper newsletter? Do your newsletters go out on time? Would you reasonably expect that your donors could easily know what your organization is up to in any given quarter?

Survey your board with an e-mail asking: What is good about the development function? What needs to be improved? Do they have any complaints — small or large? Do they have any requests — small or large?

How can you build rest into their schedules of board work so that you create a board culture in which the reward for doing your work is time off rather than more work?

Suppose you discover or finally acknowledge that your newsletter never goes out on time, or that your fall appeal became your spring appeal because you got so far behind in the fall? This is not some shortcoming of yours — this is an organizational problem when everyone (and there aren't enough of everyone) has too much to do. What does the board and the rest of the staff want to do about this? What are the priorities?

New Help for an Old Task

I work with an organization that has held a successful "Old Movie" Festival for five years. They rent a theater, sell tickets, and show classic movies. It is simple and easy, and they net about $10,000 over three nights. This year, no one on the board wanted to chair this event. Some of them have gone to the show every year and no longer enjoy it, two others don't like old movies, and the remaining two board members will be out of town. The executive director heeds my advice not to talk someone into managing this event and instead notes in his next e-newsletter that the movie night needs a chair and committee. From out of blue virtual space comes just the help needed! Now the movie night is being run by people who are not on the board but who love the organization and this event. The executive director realizes that not only does he have an event committee, but on that committee are some possible board members. What if no one had wanted to do the event? Then it wouldn't have happened! The organization would have had to raise $10,000 some other way. Far better than talking a board member into doing it, only to have her do a terrible job and have everyone wind up frustrated.

Set out an order in which you will take care of any problems you have. Be willing to dip into savings if you have them or to borrow money if you don't. Poor equipment, inadequate databases or a poorly managed or nonexistent web presence cost far more to put up with than to fix.

5. Meet with your development director if you have one and review the board's capabilities. For each board member, ask: What are their strengths? What fundraising tasks make sense for them to do? Are there any board members whom the board chair should encourage either to step up or to step off the board?

Who are the most reliable people on your board and what should they be asked to do this fall? How can you build rest into their schedules of board work so that you create a board culture in which the reward for doing your work is time off rather than more work?

Are there other people who are not on the board whom you or the development director should be inviting to help with fundraising? How can you spread the fundraising tasks out? What do you need to do to create a culture in your organization in which having a lot of people working on fundraising is as important as getting the fundraising tasks done? (In fact, that is how enough fundraising will happen.)

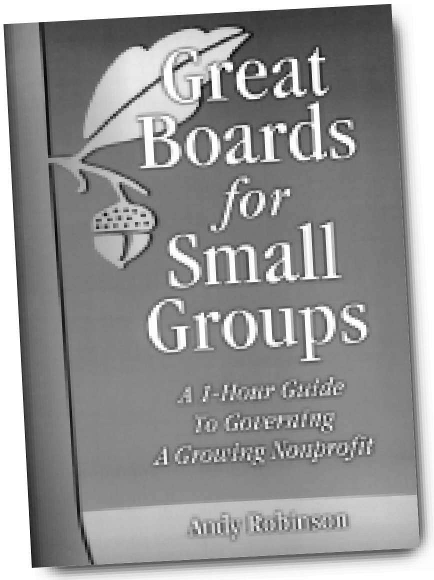
6. Meet with the development director for ten to fifteen minutes every day, in addition to any regular meetings you may have. Use these daily check-ins to help your development director stay on task, and find out during these brief meetings what may have taken her off task. Development is a job of huge responsibility and little authority, and people can easily burn out if they don't have a lot of support. However "a lot of support" does not have to mean a lot of time — instead, frequent check-ins to trouble shoot, encourage, and keep current on progress are better than long meetings once a week.

MOVING TOWARD MISSION

As you can see, there are a number of changes executive directors can implement fairly easily that will help build the morale of the team and address the concerns that tend to surface from team members in each of their roles.

The example you set — focused attention, specific requests, spending the money required to solve problems that money can solve — will come back to you in the form of work done, people offering to help out rather than offering advice, and ultimately a feeling of everyone pulling in the same direction — the direction of mission. GFJ

KIM KLEIN IS THE CO-FOUNDER OF THE *GRASSROOTS FUNDRAISING JOURNAL* AND THE AUTHOR OF NUMEROUS BOOKS, INCLUDING THE CLASSIC, *FUNDRAISING FOR SOCIAL CHANGE,* FIFTH EDITION FORTHCOMING IN OCTOBER 2006.



BOOK REVIEW

Great Boards for Small Groups: A 1-Hour Guide to Governing a Growing Nonprofit

By Andy Robinson
Emerson & Church, 2006, 110 pages, $24.95

REVIEWED BY PRISCILLA HUNG

Andy Robinson is a well-known consultant and author as well as board member and volunteer, with 20 years' experience working for and with nonprofits. He has a reputation for taking issues that are challenging for many people and organizations and presenting them in a way that is accessible and easy to follow. He upholds this reputation in his latest offering. *Great Boards* gets back to basics with a clear and concise guide of straightforward answers to many common questions about creating a functioning board of directors, ranging from how to deal with inactive board members to whether using Robert's Rules of Order is the best way to make decisions. There are also five chapters devoted to board giving and fundraising.

As laid out in the title, this book is meant for small nonprofit organizations. It's especially relevant for groups that are experiencing growing pains, whether from hiring more staff or expanding programs, so that governance requires more time, work, expertise, and commitment than before, when the group was perhaps all-volunteer or there was just one annual event the fundraising work focused on. Having said that, I would also note that the book has useful tips for organizations that have been around for a while that may be experiencing board stagnation or have chronic issues that have not been sufficiently addressed.

Great Boards is written for board members. It focuses on those who are new to board governance, but it can also be a helpful read for those who are looking for some practical tips on specific issues, such as board recruitment. It could be a great gift to your board members or included in their orientation materials. It is especially useful for the board chair or members of an executive committee. For organizations where the executive director plays a large role in building and running the board, this book is also valuable for the staff.

Great Boards is divided into 29 very brief chapters, some less than two pages long. The ordering of the chapters is a bit confusing, but the table of contents at the beginning can help you find what you're most interested in. I read the whole book, cover-to-cover, in less than one hour, true to its title. Unless you're brand new to boards, however, I don't recommend reading it straight through. It's one of those books that you keep on your shelf and pull out when you need quick information on a board issue that has recently come up.

Given the signature structure of publisher Emerson & Church that is dedicated to brevity and efficiency, depth is obviously lacking. For example, there is a chapter addressing how much time board members should give. The author devotes about 200 words to it, basically suggesting that you put this question on a meeting agenda and discuss it together. This lack of depth is why the material here might be stated too simply for someone with a lot of board experience, but could be great for someone who is just getting started.

As a former board member and a former staff person who had a lot of interaction with the board, I found a few of the chapters particularly useful, including the eight characteristics of a successful board; the sample board job description in the Appendix, based on the idea of reciprocal board-staff agreements; the idea of a board development committee that doesn't just focus on recruitment; five options for board orientation processes; and creating meeting agendas based on decisions that need to be made, along with a sample agenda in the Appendix. Particularly useful for fundraising are a list of easy ways board members can participate in fundraising and the idea of personalized fundraising agreements. If any of these things sound like something your group could use (and, to be honest, most groups could), this book is right for you. GFJ

PRISCILLA HUNG, A FORMER BOARD MEMBER OF THE GRASSROOTS INSTITUTE FOR FUNDRAISING TRAINING, IS THE NEW CO-DIRECTOR OF GRASSROOTS FUNDRAISING. REACH HER AT PRISCILLA@GRASSROOTSFUNDRAISING.ORG.

A few thoughts on

THE GATES-BUFFETT MERGER

BY KIM KLEIN

The recent announcement that Warren Buffett (the world's second-richest man) is giving away the bulk of his wealth — about $37 billion — to a variety of foundations, with the vast majority — $31 billion — going to the Bill and Melinda Gates Foundation (Bill Gates being the world's richest man), captured the attention of just about everyone. There has been much commentary about the significance of this gift, and I encourage people to read a variety of viewpoints and engage in some serious conversation about it.

This gift will make the Gates Foundation the world's largest private philanthropy. Their annual payout will double — to $3 billion. That will be three times as much as the Ford Foundation gives away each year. To get a sense of how much money that is, consider some comparisons:

• $3 billion is more than the gross domestic product of 40 countries, including Laos, Belize, Barbados, and Fiji.

• $3 billion is equivalent to 10 percent of all foundation giving in 2005 (foundation giving is only 10 percent of all private-sector giving).

• $3 billion pays for about ten days of the U.S. war against Iraq and Afghanistan.

WHO ARE THESE PEOPLE?

Many people have focused on the kinds of persons Mr. Buffett and Bill and Melinda Gates are. We know much more about Warren Buffett's philanthropy, as he is 75 and has given away money most of his adult life. I would also conjecture that this decision was not easily arrived at, not just because of moving the money outside his family, but because of Buffett's very progressive views on taxes. Buffett has consistently spoken out against the repeal of the estate tax, and he was removed from the Schwarzenegger campaign when he told Governor Schwarzenegger that property tax in California was far too low. He has spoken of raising capital gains tax, saying that he finds it absurd that he pays less tax when he sells a share of appreciated stock than a social worker pays on the same amount of money she or he earns working with a drug addict. (Capital gains tax is the tax paid on the gain from the sale of an asset — if I buy shares of stock for $100 and sell them for $150, I pay tax on the $50 gain.) Like his late wife, Buffett is a long-time and generous contributor to pro-choice organizations and domestic violence programs. In fact, as our Senior Editor Nancy Adess discovered, if you Google "Buffett Gates billion" you will find this link early on, stated exactly this way: "Religion: The Warren Buffett donation of billions to Bill Gates means killing womb babies agencies will get more money to kill womb babies."

The Gates are newer to philanthropy. Bill Gates just turned 50. His father, Bill Gates, Sr. is also an outspoken advocate for the estate tax and for progressive tax policies. The younger Gates has not been quoted on this issue. His predatory and monopolistic business practices at Microsoft have been widely criticized, but the Gates Foundation has put millions of dollars into education and health care, and the foundation's grants are credited with saving thousands of lives. Melinda Gates is the director of the foundation and very hands-on in her approach. She is described by people who know her as a genuinely compassionate person as well as a bright and creative grantmaker.

The fact that the Gates Foundation — bolstered by the Buffett billions — will give grants to projects that all of us would likely agree are worthy and important is good. We can only count our lucky stars that the money given away by these people is not in the hands of right-wing conservatives.

The scale of their giving, which makes them a sort of "private government"— although unelected and unaccountable to a constituency — is, to say the least, questionable in a democracy.

All the largest foundations influence public policy, and the Gates Foundation has already had an impact on education, which some educators find problematic. Ironically, many nonprofit organizations that criticize corporate influence on public policy remain silent about the clear evidence of the influence of foundations, including Ford, Rockefeller, the Open Society Institute (Soros), and others, including Gates.

THE BIGGER QUESTION

All of these issues — where philanthropic giving goes, how it may influence public policy, and how it is or is not held accountable by the larger society it affects — are interesting and worthy of discussion. However, at the end of the day, it doesn't really matter who Gates and Buffett are or what they support.

The most important question is this: What kind of a system allows anyone — with good, bad, or indifferent agendas — to accumulate that kind of wealth?

Our tax system has failed us when so much money ends up in private hands. This merger is simply a larger step than usual in the privatization of *essential* services (education and health care foremost among them) that began with the Reagan administration in the 1980s and is still running full tilt and for the most part unchallenged by the nonprofit sector.

WHAT KIND OF A SYSTEM ALLOWS ANYONE *— with good, bad, or indifferent agendas —* TO ACCUMULATE THAT KIND OF WEALTH?

WHAT WE SHOULD DO

We need a nationwide debate on these issues and we need to see debate and discussion as the first step in "doing something" about it. People do not have well-formed (or well-informed) opinions about taxes. Those who believe there should be "less government" tend to think that, with lower taxes, people will give away more money, balancing the lack of government funding with private donations. People with this outlook often feel that government is inefficient. Although Republicans are most often associated with these views, there are no hard and fast party lines here. People who believe that taxes should pay for social services — as many Democrats do — are also often critical of government waste and bureaucracy. Those who believe that the government should pay for as little as possible nevertheless often support a strong military, which uses the lion's share of tax dollars. When issues of public policy such as gun control, reproductive rights, charter schools, prisons, or environmental protection are discussed, the political lines will cross and re-cross a number of times.

The nonprofit sector is as divided as the nation is on these issues, and nonprofits working on public policy and tax issues have debated each other, as well as provided the research and information for the debates carried on by politicians and commentators.

Taxpayers often see the issue in practical, if narrow, terms: they would usually prefer to have lower taxes and therefore support federal tax cuts. However, they will also vote for bond measures that, in effect, are taxes levied to improve the schools, or expand parks and wilderness areas, or establish bike paths — showing that they understand the role of taxes in their local communities but may not see the benefit of a large federal government. Since the people who pay the most taxes relative to income are the middle class, and since our tax structure is regressive (in which those who earn less pay proportionately more of their income in taxes), it is hard to make the case that people should pay more in taxes without also calling for an overhaul of the tax system to make it more equitable.

Without public awareness of tax policy, federal, state, and local governments cut funding during economic downturns with little public outcry, even though the consequences in service to the public can be severe. Instead, the public rallies to raise extra funds to help support public schools, public libraries, public pools, public hospitals, public parks, and the like — rather than demand that these public services be funded with money taxed from the public. Foundation funding will not last, and money raised from individuals cannot be enough to fully replace lost government funding. The country has examples of superb "public" schools funded mostly by foundations (Gates being primary here) and parent fundraising, while the rest of the public school system itself rots away.

Many of us object to paying taxes because we don't agree with how most of our federal dollars are spent. I, like many, am absolutely opposed to our bloody and pointless wars in Iraq and Afghanistan. Our military capacity is greater than the next nine most-militarized nations put together, so the defense budget could be massively slashed without loss of might and power. Yet I pay my taxes because taxes are the primary mechanism for keeping a democracy functioning, redistributing wealth, and exercising some social responsibility.

One simple way to "do something about taxes," then, is to include in our board meetings, committee meetings, speeches we give about our work, coalition gatherings, and conferences — in fact, everywhere we gather — a discussion about the role of government. Let's start raising these questions: "What are taxes for? What is fair taxation?" Doing so, we add to those working on tax policy at the state and national level a buzz of conversation from the grassroots.

For information on taxes and tax policy that is easy to understand, visit the websites of United for a Fair Economy (faireconomy.org) and NETWORK: A Catholic Social Justice Lobby (networklobby.org). For suggestions about structuring a conversation about taxes, visit the Building Movement Project (buildingmovement.org), where we have created some exercises designed to help people understand the complexity of tax policy and form their own opinions about the role of the public and private sectors.

KIM KLEIN IS THE CO-FOUNDER AND FORMER PUBLISHER OF THE *GRASSROOTS FUNDRAISING JOURNAL.*

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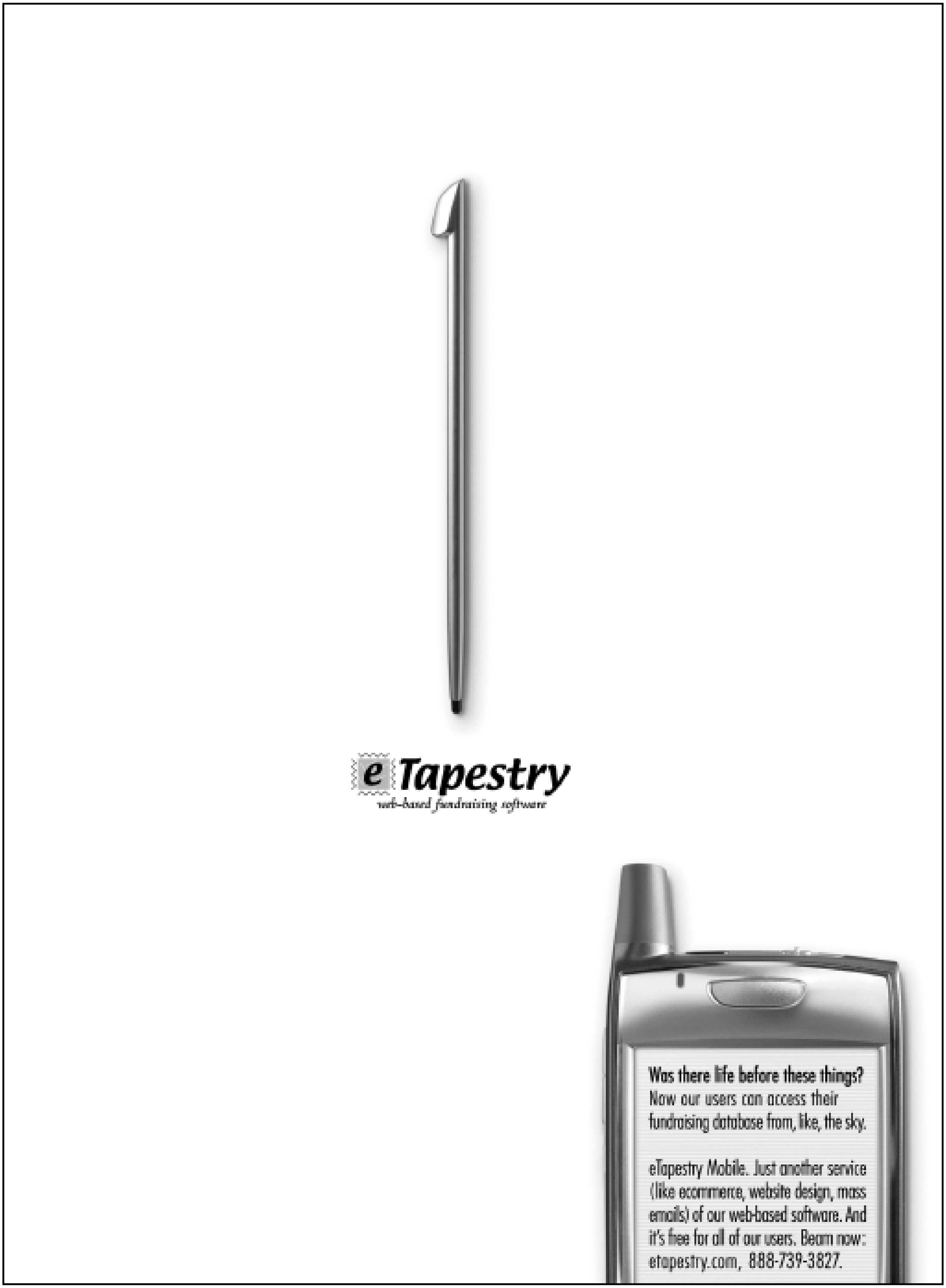
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