

Is Your Board a Fundraising Board?

Your Board's Role in the Capital Campaign

It is virtually impossible for a major fundraising drive to succeed without the leadership and support of the institution's Board.

The states confer upon certain applying organizations the status of "not-for-profit" because they serve a higher purpose than the straightforward capitalist incentive that drives our day-to-day economy and culture. Therefore, they pay no taxes. These organizations bring good to the public, often to its neediest members, improving the society in which we live – and no one derives personal financial profit from their good works. Further, these organizations are assigned to the attention of unpaid governing Boards, serving in a civic capacity, as they are protecting the interests of the general public. The duties of these Boards are relatively straightforward, if profound and challenging:

1. Determine the organization's mission and purpose
2. Select the chief executive
3. Provide proper financial oversight
4. Ensure adequate resources
5. Ensure legal and ethical integrity and maintain accountability
6. Ensure effective organizational planning
7. Recruit and orient new Board members and assess Board performance
8. Enhance the organization's public standing
9. Determine, monitor, and strengthen the organization's programs
10. Support the chief executive and assess performance*

* Richard T. Ingram, The Ten Basic Responsibilities of Nonprofit Boards (BoardSource 2003)

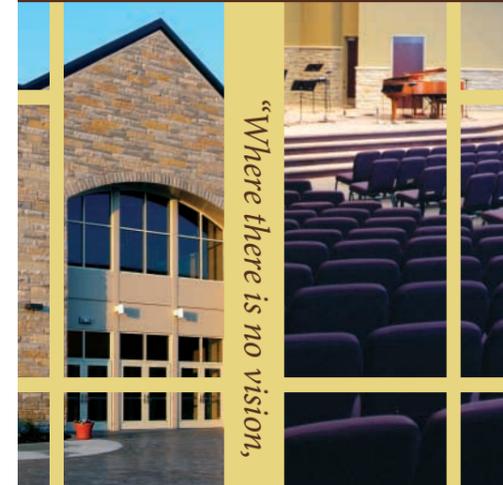
Aside from their responsibilities for self-perpetuation, and the selection and oversight of administrative leadership, the two fundamental responsibilities of a not-for-profit governing Board are to assure that their institution makes continued progress in the furtherance of its mission, and to guarantee the availability of the financial resources necessary to do so. Both of these latter charges come into sharp focus in relation to capital campaigns.

It is virtually impossible for a major fundraising drive to succeed without the leadership and support of the institution's Board. Beyond the obvious fact that these individuals are carefully selected for the strengths they can bring to the institution, it is they who are the most knowledgeable about it, and who approve the most important decisions pertaining to its ongoing welfare. All other constituents look to them for assurance that the institution is on the right course, and offer their own effort, financial support and emotional commitment in the faith that the Board is performing its duties at the highest levels of civic responsibility.

Indeed, to serve as an elected member of the governing Board is to act as the shareholder representative of the public, for the state invests in this group the authority to assure that the institution remains worthy of the not-for-profit status conferred upon it on behalf of the rest of the citizens of the state. Therefore, when it comes to capital campaigns, the public expects the Board to make judicious decisions about how much money must be raised and how it will be used.

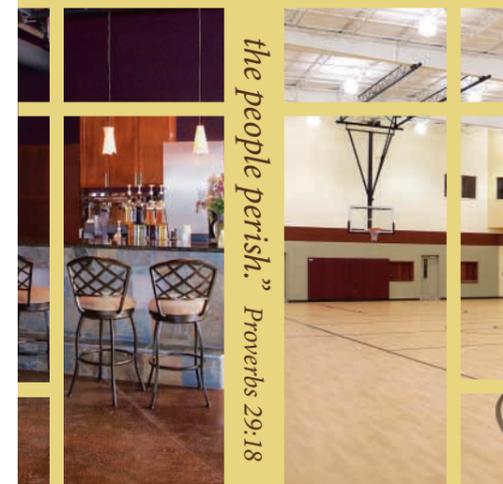
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How can a Board be certain of this? If the Board retains control of the institutional strategic planning process, and participates fully and appropriately in that process, then its members can be confident that the institutional priorities have been carefully and thoughtfully developed. Moreover, they will understand the cost of these priorities, and the plan for funding them, utilizing a combination of accumulated assets, operating income, debt service, and philanthropy – in the form of a capital campaign.

If the Board is fully engaged in the institutional planning process, reserving for itself the ultimate authority for approval and adoption, then it is indeed *the Board's own plan for the future welfare of its institution*. Clearly, the Board will be committed to its successful execution.

How can the public be certain of this? In addition to participating in the development of the institutional plan, and adopting it as their road map for the coming years, the members of the governing Board demonstrate

their own unanimous support and ownership by stepping forward before anyone else is even asked, pledging at 100 percent participation. Normally, the Board's financial commitments represent a minimum of 20 percent of the campaign goal, and sometimes much more.

Thus, it must be understood by everyone on your Board that when he agrees to serve on the governing Board of *any* not-for-profit organization – of any scale or purpose – he's making some promises. First of all, he is promising to carry out the essential responsibilities of governance, but he also is committing to add his own financial support. If the people who recruit new Board members to your institution fail to discuss this with candidates when they recruit them, they are doing both the new Board member and your organization a disservice. Good Board members have the obligation to give what they can afford in support of the annual fund, but also to participate in any capital campaigns the Board commits to undertake.

To no one's surprise, a group of individuals that has already taken the important steps of planning and pledging in the leadership of their institution usually plays a major role in securing the balance of the funds needed for the campaign to be successful. And yet, so often one hears the plaintive response, "... but ours is not a fundraising Board!"

Is it necessary that everyone on the Board be wealthy in order to have a successful fundraising Board? No, because there is an appropriate role for everyone in the full spectrum of the development program. A broad base of smaller donors is needed as well as a smaller group of larger donors. There are special events needed in order to attract new prospects to the institution. There are cultivation and recognition programs to be managed, as well as stewardship of existing donors. Gifts at almost any level will increase on the basis of personal attention from Board members. But is it a boon to have at least some Board members who are wealthy? Absolutely yes, because aside from their own generous gifts, they have access to other potential donors at the upper levels, and are in a position to solicit their support.

In summary, a "fundraising Board" is a Board that understands how important it is to have an active and successful development program, and they work to make that happen. So, is *your* Board a "fundraising Board?"

At the end of the day, there is no substitute for an informed, engaged and committed governing Board. If you have accomplished this, under the definition above, then you can feel a lot more confident about the success of your forthcoming capital campaign. ☀

For more information on Fundraising and Campaign Development Services, please contact Brian Page at 800.807.0100 x3092 or brian.page@cbservices.org

Clyde Watkins is the Chairman of Ter Molen Watkins & Brandt, LLC, a leader in campaign development and fundraising.

What it means to be a "fundraising Board":

1. The Board holds fundraising as a high priority for the institution, and positions it toward the top of its agendas, recruitment priorities, personal giving, and personal voluntary effort.
2. The Board organizes itself to achieve fundraising success by means of its structure, budget priorities, programs, and communications.
3. The Board recruits members who have a demonstrated interest in and experience with fundraising, as well as a demonstrated commitment to perform this responsibility on behalf of the institution.
4. The Board works to create an environment to support and encourage wealthy and generous individuals to become engaged and to remain involved.
5. The Board is willing to make the difficult trade-off decisions to invest in fundraising programs and personnel to achieve the desired results.

Good Board members have the obligation to give what they can afford in support of the annual fund, but also to participate in any capital campaigns the Board commits to undertake.

Fundraising and Campaign Development Solutions for Your Organization

Christian Brothers Services, along with Ter Molen Watkins & Brandt, LLC, can help your organization develop a successful fundraising program or capital campaign. Senior-level development consultants will put their hands-on fundraising experience and proven track records to work for your organization in the following areas:

- Proposal writing
- Fundraising-related event consulting
- Major gift consulting
- Capital campaign consulting
- Annual giving consulting
- Other services as requested

A Capital Campaign Self-Help Guide is also available to members of Christian Brothers Services. The Guide offers a comprehensive look at the implementation of a successful capital campaign and includes a manual detailing capital campaign planning from vision to execution, as well as support materials that range from CDs to a resource tool kit.



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