



Nurses on Boards
Coalition

10K Nurses by 2020

**Get on Board: Basics of Impacting
Health Through Service
Session I**



Our Goal is Simple...But Not Easy

The goal of the NOBC is to improve the health of communities and the nation through the service of nurses on boards and other bodies.



Board Service Training

- **Personal Responsibility and Core Competencies**
- **Types of Boards**
- **Boards Roles**



How Do I Find the Right Spot for Me?

- Start with an open mind
- Understand YOUR mission
- Perform an assessment
- Prepare your bio(one page)
- Contact the Organization
- Register with the NOBC
- Never underestimate your value!

Board Service Readiness Quiz

- What are you passionate about?
- What are you curious about in the community?
- What are you interested in developing as a leader?
- Is it difficult for you to ask others for financial support?
- Would you feel comfortable speaking up about healthcare in a group of people with limited healthcare experience?

Core Competencies

- **Mission Driven**
- Financial Knowledge
- Communication
- Cultural Awareness/Competence
- Leadership

Core Competencies

- **Mission Driven**

The ability to be committed to advancing the organization's mission; and integrating the mission as a framework for decisions about the organization's direction.

Core Competencies

- Mission Driven
- **Financial Knowledge**
- Communication
- Cultural Awareness/Competence
- Leadership

Core Competencies

- **Financial Knowledge**

The ability to review and interpret the financial condition of an organization by review of 4 financial statements: (1) Statement of Financial Position [Balance Sheet]; (2) Operating Statement [Income Statement]; (3) Statement of Changes in Assets [Statement of Changes in Equity]; (4) Statement of Changes in Cash Flow. In addition, knowledge of audits and tax requirements is integral.

Core Competencies

- Mission Driven
- Financial Knowledge
- **Communication**
- Cultural Awareness/Competence
- Leadership

Core Competencies

- **Communication**

Each board member must be able to communicate effectively, professionally, calmly, confidently and collegially, both internally and externally. Facts need to be sound, opinions scarce. Demonstrating effective listening and comfort with both inquiry and challenge are key to effective communication.

Core Competencies

- Mission Driven
- Financial Knowledge
- Communication
- **Cultural Awareness/Competence**
- Leadership

Core Competencies

- **Cultural Awareness/Competence**

The ability to conceptualize, communicate and lead a transformative process that acknowledges the importance of culture, including differences, diverse values, beliefs and behaviors. The ability to tailor or adapt services to meet age, gender, social, cultural and linguistic needs; thereby increasing access to quality care for all who need care, in an effort to maximize market share. Actions may be within three components of cultural competency: organizational cultural competence, systemic cultural competence and clinical cultural competence.

Core Competencies

- Mission Driven
- Financial Knowledge
- Communication
- Cultural Awareness/Competence
- **Leadership**

Core Competencies

- **Leadership**

Possessing the skills, knowledge, and attitude to lead individuals and teams in various situations and environments. Experience is built upon with education, opportunity and exposure to leadership roles both formal and informal. The act of guiding others and supporting outcomes through influence. The capacity to successfully direct activities of other persons and to undertake the responsibility for achieving certain objectives through these efforts using three acquired/developed basic skills: 1) performing the technical activities (technical skill), 2) understanding and motivating individuals and groups (human skill), and 3) coordinating and integrating all the activities and interests of the organization toward a common objective (conceptual skill).



Source: Board Core Competencies, Nurses on Boards Coalition Board Preparation Work Group.

What Types of Boards are We Talking About?

Boards who have strategic influence to improve the health of communities and the nation. This includes any corporate, governmental, non-profit, advisory or governance boards or appointments that have fiduciary and/or strategic responsibilities.

Types of Boards

- Private and Public Corporate Boards
- Advisory
- Appointments
- Non-Profit

Types of Boards

Private and Public Corporate Boards

All corporate industry boards of various structures and sizes ranging from startup companies, entrepreneurs and corporate enterprises in all industries including insurance, finance, manufacturing, agricultural, food and beverage, technology, medical devices, pharmaceutical, transportation, and other product and service industries count towards the goal.

Types of Boards

Advisory

All types of organizations may offer advisory board roles to provide strategic advice, ranging from start-up companies, small businesses and non-profit organizations.

Types of Boards

Commissions and Appointments

Numerous and varied, they may be appointed by the President, governor, mayor, or legislature to serve on advisory boards, commissions, task forces, or positions.

Types of Boards

Non-Profit

This category includes all types of non-profit organizations regardless of size serving the needs of communities, states, our nation and global missions. All hospital or health system boards, including private, public and non-profit health provider organizations are included.

Non-Profit Boards

Non-Profit Board Responsibilities

Determine mission and purpose

It is the board's responsibility to create and review a statement of mission and purpose that articulates the organization's goals, means, and primary constituents served.

Select the chief executive

Boards must reach consensus on the chief executive's responsibilities and undertake a careful search to find the most qualified individual for the position.

Non-Profit Board Responsibilities

Support and evaluate the chief executive

The board should ensure that the chief executive has the moral and professional support he or she needs to further the goals of the organization.

Ensure effective planning

Boards must actively participate in an overall planning process and assist in implementing and monitoring the plan's goals.

Non-Profit Board Responsibilities

Monitor and strengthen programs and services

The board's responsibility is to determine which programs are consistent with the organization's mission and monitor their effectiveness.

Ensure adequate financial resources

One of the board's foremost responsibilities is to secure adequate resources for the organization to fulfill its mission.

Non-Profit Board Responsibilities

Protect assets and provide proper financial oversight

The board must assist in developing the annual budget and ensuring that proper financial controls are in place.

Build a competent board

All boards have a responsibility to articulate prerequisites for candidates, orient new members, and periodically and comprehensively evaluate their own performance.

Non-Profit Board Responsibilities

Ensure legal and ethical integrity

The board is ultimately responsible for adherence to legal standards and ethical norms.

Enhance the organization's public standing

The board should clearly articulate the organization's mission, accomplishments, and goals to the public and garner support from the community through advocacy.

Non-Profit Board

- **Board of governors**
- **Board of directors**
- **Board of trustees**

Non-Profit Board

How are the Board Members Elected?

- **Current Board Members**
- **Members**
- **Chapters**
- **Affiliates**
- **Other Groups**

Executive Committees

Act on behalf of the board between board meetings and has the authority to make decisions and carry them out. Frequently tasked with managing the business.

Group Activity

Roles and Responsibilities of Board Members



What are the responsibilities of an individual Board Member?

What are the responsibilities of an individual Board Member?

1. Attend all board and committee meetings and functions, and special events.
2. Be informed about the organization's mission, services, policies, and programs.
3. Review agenda and supporting materials prior to meetings.
4. Serve on committees or task forces and offer to take on special assignments.
5. Make a personal financial contribution to the organization.
6. Inform others about the organization. Advocate for the organization.
7. Suggest possible nominees to the board who can make significant contributions to the work of the board and the organization.
8. Keep up-to-date on developments in the organization's field.
9. Follow conflict-of-interest and confidentiality policies.
10. Refrain from making special requests of the staff.
11. Assist the board in carrying out its fiduciary responsibilities, such as reviewing the organization's financial statements.

What are the Board Chair's responsibilities?

What are the Board Chair's responsibilities?

1. Oversee board and executive committee meetings.
2. Work in partnership with the chief executive to make sure board resolutions are carried out.
3. Call special meetings if necessary.
4. Appoint all committee chairs and, with the chief executive, recommend who will serve on committees.
5. Assist chief executive in preparing board meeting agendas.
6. Assist chief executive in conducting new board member orientation.
7. Oversee searches for a new chief executive.
8. Coordinate chief executive's annual performance evaluation.
9. Work with the governance committee to recruit new board members.
10. Act as an alternate spokesperson for the organization.
11. Periodically consult with board members on their roles and help them assess their performance.

What are the Board Vice Chair's responsibilities?

What are the Board Vice Chair's responsibilities?

1. Attend all board meetings.
2. Serve on the executive committee if one exists.
3. Carry out special assignments as requested by the board chair.
4. Understand the responsibilities of the board chair and be able to perform these duties in the chair's absence.
5. Participate as a vital part of the board leadership.



What are the Board Secretary's responsibilities?

What are the Board Secretary's responsibilities?

1. Attend all board meetings.
2. Serve on the executive committee if one exists.
3. Ensure the safety and accuracy of all board records.
4. Take board meeting minutes or review minutes if that task is assigned to a staff member.
5. Assume responsibilities of the chair in the absence of the board chair, chair-elect, and vice chair.
6. Provide notice of meetings of the board and/or of a committee when such notice is required.

What are the Board Treasurer's responsibilities?

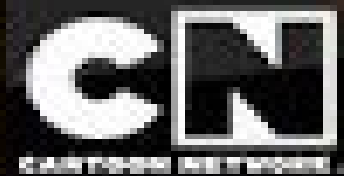
What are the Board Treasurer's responsibilities?

1. Attend all board meetings.
2. Maintain knowledge of the organization and personal commitment to its goals and objectives.
3. Understand financial accounting for nonprofit organizations.
4. Serve as the chair of the finance committee.
5. Manage, with the finance committee, the board's review of and action related to the board's financial responsibilities.
6. Work with the chief executive and the chief financial officer to ensure that appropriate financial reports are made available to the board on a timely basis.
7. Present the annual budget to the board for approval.
8. Review the annual audit and answer board members' questions about the audit (if there is no audit committee).

Questions?

Break

[https://www.youtube.com/watch?v= FN0kEiu3dY&t](https://www.youtube.com/watch?v=FN0kEiu3dY&t)



What should you know
before joining an
organization's board?

What should you know before joining an organization's board?

- Organization mission and vision
- Relationship between programs and mission
- Strategic plan
- Financial condition of the organization
- Whom the board serves (clientele)
- Satisfaction of clientele with services
- Board structure, staff organization
- Liability coverage
- Roles and responsibilities of board as whole and as individual members (including time required, any financial commitment, role in fundraising, conflict of interest, board development opportunities)

Questions to Ask Yourself

- Am I committed to the mission of the organization?
- Can I contribute the time necessary to be an effective board member?
- Am I comfortable with the approach and tone of the organization's fundraising efforts?
- Can I contribute financial support consistent with expectations?
- Can I place the organization's purposes and interests above my own professional interests when making decisions as a board member?

Board Responsibilities

- The Duty of Oversight
- The Duty of Care
- The Duty of Obedience
- The Duty of Loyalty

Duty of Oversight

- For-profit versus not-for-profit
 - Difference in mission, staffing, public support
 - For-profit
 - Mission to generate income
 - Shares profit (including employees, founders, shareholders)
- Liability coverage (organization and board)

Duty of Oversight

- **For-profit versus not-for-profit**
 - Not-for profit
 - Mission focus on benefiting society; goal is not for profit
 - Public ownership where no person owns shares
 - If dissolves, remaining funds, ect. must go to another not-for-profit
 - Income put back into the organization/services
 - Income is usually mission related, including grants, donations, membership fees
 - 501 (c)(3) status...tax exempt status as well as accepting tax-exempt donations
 - Control lies with board of directors or trustees; usually volunteer members; compensation usually limited to expenses incurred such as travel

Duty of Oversight

Liability Coverage—Is it necessary?

About 1 in 100 nonprofits each year will file a claim under D&O insurance

Average cost of a settlement in a D&O claim (meaning it didn't go to court): \$28,000

Average legal costs of defending a claim: \$35,000

(<http://www.blueavocado.org>)

Lawsuits are brought in response to actions and decisions made by nonprofit management, including but not exclusively the Board of Directors or Trustees. Common areas of dispute revolve around hiring and firing decisions, employee supervision, the application of nonprofit assets and interpretation of nonprofit charters. In short, almost any day-to-day decision or action by anyone in a nonprofit organization can trigger a lawsuit that could not only hurt the organization financially, but also threaten the personal assets of those nonprofit trustees and executives.

(<https://www.insurancejournal.com/magazines/features/2001/09/17/18503.htm>)

Duty of Oversight

Directors and officers liability Insurance (often called "**D&O**") is liability insurance payable to the directors and officers of a company, or to the organization(s) itself, as indemnification (reimbursement) for losses or advancement of defense costs in the event an insured suffers such a loss as a result of a legal action brought for alleged wrongful acts in their capacity as directors and officers. Such coverage can extend to defense costs arising out of criminal and regulatory investigations/trials as well; in fact, often civil and criminal actions are brought against directors/officers simultaneously. Intentional illegal acts, however, are typically not covered under D&O policies (Wikipedia)

Duty of Care

- The duty of care describes the level of competence that is expected of a board member.
- Commonly expressed as the duty of “care that an ordinarily prudent person would exercise in a like position and under similar circumstances.”
- A board member owes the duty to exercise reasonable care when he or she is making decisions as a steward of the organization.

Duty of Care

- Prepare for meetings
- Stay informed on issues
- Participate in discussions
- Speak up to reach resolution of business
- Participate in effective strategic planning
- Monitor and strengthen program services
- Protect assets and adequate financial support
- Advocacy







Homework